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NINTH GEF REPLENISHMENT: DRAFT GEF-9 STRATEGIC POSITIONING AND PROGRAMMING DIRECTIONS

PREPARED BY THE GEF SECRETARIAT

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ACRONYMS

ABS: Access and Benefit Sharing

ABAS: Antigua and Barbuda Agenda for Small Island Developing States

ACG: Arab Coordination Group

ACTO: Amazon Cooperation Treaty Organization

ADB: Asian Development Bank

AfDB: African Development Bank Group

AI: Artificial Intelligence

ARPA: Amazon Region Protected Areas Program

ASEAN: Association of Southeast Asian Nations

ASGM: Artisanal and Small-scale Gold Mining

BBNJ: Convention on the Law of the Sea on the Conservation and Sustainable Use of Marine Biological Diversity of Areas Beyond National Jurisdiction Agreement

BFP: Biodiversity Finance Plan

BIOFIN: Biodiversity Finance Initiative

BRS: Basel, Rotterdam and Stockholm Conventions

BTR: Biennial Transparency Report

C40: Cities Climate Leadership Group

CARICOM: Caribbean Community

CBA: Community-Based Approaches

CBAM: Carbon Border Adjustment Mechanism

CBD: Convention on Biological Diversity

CBIT: Capacity-Building Initiative for Transparency

CBO: Community-Based Organization

CCAD: Central American Commission for Environment and Development

CCFLA: Cities Climate Finance Leadership Alliance

CEPF: Critical Ecosystems Partnership Fund

CGIAR: Consultative Group on International Agricultural Research

CI: Conservation International

CIFOR-ICRAF: Center for International Forestry Research and World Agroforestry

CITES: Convention on International Trade in Endangered Species of Wild Fauna and Flora

CMA: Conference of the Parties serving as the meeting of the Parties to the Paris Agreement

CMS: Convention on Migratory Species

COMIFAC: Central African Forests Commission

COP: Conference of the Parties

COP-MOP: Conference of the Parties serving as the Meeting of the Parties

CPB: Cartagena Protocol on Biosafety

CSO: Civil Society Organization

CSRD: Corporate Sustainability Reporting Directive

CTF: Conservation Trust Fund

DLDD: Desertification, Land Degradation and Drought

DSI: Digital sequencing information

D-SLM: Drought-Smart Land Management

EA: Enabling Activities

EBSA: Ecologically or Biologically Significant Marine Area

ECCAS: Economic Community of Central African States

ECW: Expanded Constituency Workshop

EEZ: Exclusive Economic Zones

EPR: Extended Producer Responsibility

ETF: Enhanced Transparency Framework under the Paris Agreement

EUDR: European Union Deforestation Regulation

FA: Focal Area

FAO: Food and Agriculture Organization of the United Nations

FCDO: Foreign, Commonwealth and Development Office

FCV: Fragile, Conflict-affected, and Vulnerable

GBFF: Global Biodiversity Framework Fund

GCoM: Global Covenant of Mayors

GDRP: Global Drought Resilience Partnership

GEB: Global Environmental Benefits

GFFN: Global Food and Farming Network

GHG: Greenhouse Gas

GMP: Global Monitoring Programme

GPAP: Global Plastic Action Partnership

GPSC: Global Platform for Sustainable Cities

GRID: Greening Transportation Infrastructure Development

HHP: Highly Hazardous Pesticides

HWC: Human-Wildlife Conflict

IAS: Invasive Alien Species

ICCWC: International Consortium on Combating Wildlife Crime

ICI: Inclusive Conservation Initiative

ICLEI: Local Governments for Sustainability

IDRA: International Drought Resilience Alliance

IEO: Independent Evaluation Office of the Global Environment Facility

IKI: International Climate Initiative

ILO: International Labour Organization

IMF: International Monetary Fund

INC: Intergovernmental Negotiating Committee

INDC: Intended Nationally Determined Contributions

IOC-UNESCO: Intergovernmental Oceanographic Commission

IoT: Internet of Things

IP: Integrated Program

IPBES: Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services

IPCC: Intergovernmental Panel on Climate Change

IPLC: Indigenous Peoples and Local Communities

IRF: International Rangers Federation

IUCN: International Union for Conservation of Nature

IUU: Illegal, Unreported, and Unregulated

IW: International Waters

IW: LEARN: International Waters Learning Exchange and Resource Network

KBA: Key Biodiversity Area

KMGBF: Kunming-Montreal Global Biodiversity Framework

KM&L: Knowledge Management and Learning

KPI: Key Performance Indicators

LDC: Least Developed Countries

LDCF: Least Developed Countries Fund

LDN: Land Degradation Neutrality

LMMA: Locally Managed Marine Areas

MCF: Multilateral Climate Funds

MDBs: Multilateral Development Banks

M&E: Monitoring and Evaluation

MEA: Multilateral Environmental Agreements

MIA: Minamata Initial Assessments

MOPAN: Multilateral Organisation Performance Assessment Network

MRV: Measurement, Reporting, and Verification

MSME: Micro, Small and Medium Enterprises

MTF: Multi Trust-Fund

NAP: National Adaptation Plan

NAPA: National Adaptation Plans of Action

NBF: National Biosafety Frameworks

NbS: Nature-based Solutions

NBSAP: National Biodiversity Strategy and Action Plan

NC: National Communications

NCQG: New Collective Quantified Goal of the UNFCCC COP-29

NDC: Nationally Determined Contributions

NDP: National Drought Plans

NGI: Non-Grant Instrument

NGO: Non-Governmental Organizations

NIP: National Implementation Plans

ODA: Official Development Assistance

OECM: Other Effective Area-Based Conservation Measures

OECD: Organisation for Economic Co-operation and Development

OECS: Organisation of Eastern Caribbean States

OFP: Operational Focal Point

OPOC: Office of the Pacific Ocean Commissioner

ORRAA: Ocean Risk and Resilience Action Alliance

PCB: polychlorinated biphenyls

PES: Payments for Ecosystem Services

PFAS: per- and polyfluoroalkyl substances

PFP: Project Financing for Permanence

POP: Persistent Organic Pollutants

PPP: Public-Private Partnerships

Ramsar: Ramsar Convention on Wetlands of International Importance Especially as Waterfowl Habitat

R&D: Research and Development

REDD+: Reducing Emissions from Deforestation and forest Degradation

REDPARQUES: Network of Latin American Technical Cooperation in National Parks, Other Protected Areas, and Wildlife

REFADD: African Women's Network for Sustainable Development

REJEFAC: Youth Network for Central African Forests

REPALEAC: Network of Indigenous Peoples and Local Communities for the sustainable management of forest ecosystems in Central Africa

RSF: Resilience and Sustainability Facilities of the International Monetary Fund

RSPO: Roundtable for Sustainable Palm Oil

SADC: Southern African Development Community

SBTN: Science Based Targets for Nature

SCCF: Special Climate Change Fund

SDG: Sustainable Development Goals

SDSN: Sustainable Development Solutions Network

SGP: Small Grants Program

SIDS: Small Island Developing States

SLM: Sustainable Land Management

SME: Small and Medium Enterprises

SPC: The Pacific Community

SPREP: Secretariat of the Pacific Regional Environment Programme

STAP: Science and Technical Advisory Panel of the Global Environment Facility

STAR: System for Transparent Allocation of Resources

TAG: Technical Advisory Group

TDA-SAP: Transboundary Diagnostic Analysis-Strategic Action Programme

TNFD: Taskforce on Nature-related Financial Disclosures

TNC: The Nature Conservancy

UNCBD: United Nations Convention on Biological Diversity

UNCCD: United Nations Convention to Combat Desertification

UNEA: United Nations Environment Assembly

UNESCO: United Nations Educational, Scientific and Cultural Organization

UNFCCC: United Nations Framework Convention on Climate Change

UNDP: United Nations Development Programme

UNEP: United Nations Environmental Programme

UNFF: United Nations Forum on Forests

WBCSD: World Business Council for Sustainable Development

WCS: Wildlife Conservation Society

WEF: World Economic Forum

WHO: World Health Organization

WMO: World Meteorological Organization

WOAH: World Organisation for Animal Health

WRI: World Resources Institute

WWF: World Wildlife Fund

ZSL: Zoological Society of London

EXECUTIVE SUMMARY

The GEF-9 Programming Directions presents a strategic response to the accelerating global environmental crises of climate change, biodiversity loss, and pollution. The GEF-9 Programming Directions document outlines comprehensive strategies, activities, and actions proposed for the Global Environment Facility's ninth replenishment cycle (2026–2030). Anchored in the vision of a *Healthy Planet, Healthy People*, GEF-9 aims to catalyze systemic change through integrated, comprehensive, and scalable programming aligned with multilateral environmental agreements (MEAs), and other key international frameworks.

Strategic Vision

The GEF-9 Theory of Change centers on a continuing goal of generating lasting GEBs that are critical to sustaining a Healthy Planet for Healthy People. In GEF-9 we will pursue this goal through four pathways to nature-positive development:

1. **Adequate and Effective Funding**: Scaling up financial flows through the GEF Trust Fund and its expanded Family of Funds to meet the needs of developing countries and close the nature financing gap, including with blended finance.
2. **Value of Nature in Development**: Embedding environmental priorities in national development strategies, aligning development finance and mobilizing domestic resources through the country engagement strategy, policy coherence efforts, and a whole of government approach.
3. **Value of Nature in the Economy**: Mobilizing private capital and aligning public investment with MEAs, utilizing blended finance, natural capital accounting, and nature-positive value chains.
4. **Whole of Society Engagement**: Empowering civil society, Indigenous Peoples and local communities, youth, and women as environmental leaders and partners in program design and implementation.

These strategies respond to escalating environmental risks and align with calls for a step-change increase in financing for the global environment, expressed in recent MEA meetings. GEF-9 will place an important emphasis on mainstreaming blended finance and private sector engagement across all programming. GEF-9 also deepens support for aligning domestic resource mobilization with environmental goals, positioning the Country Engagement Strategy (CES) as a key platform for the promotion of national steering committees and cross-sectoral programming. These pathways reflect a deliberate shift toward greater integration, country ownership, and long-term impact. Building on the risk appetite and the introduction of the Innovation Window in GEF-8, GEF-9 aims to further institutionalize innovation as a core programming principle, linking it to financial mechanisms, policy experimentation, and adaptive learning.

Programming Architecture

GEF-9 Trust Fund investments will be programmed through three complementary means:

- **Integrated Programs (IPs)**: System-wide interventions in food, forest, urban, health and economic systems and supply chains to address the root causes of environmental degradation.
- **Focal Areas (FAs)** Core investments in Biodiversity, Climate Change, Land Degradation, International Waters, and Chemicals and Waste to deliver global environmental benefits.

- **Strategic Initiatives**: Cross-cutting support mechanisms including blended finance, country engagement, the Small Grants Program (SGP), and the innovation window.

GEF-9 will strengthen integration across these programming areas for gains in efficiency and impact. A further defining feature of GEF-9, consistent with the aim of optimizing investment across the GEF family of funds, will be further advances in Multi Trust-Fund (MTF) programming, as described in the following section. Strategic cross-cutting efforts will be an underpinning of GEF-9, notably:

- **GEF Family of Funds:** GEF-9 will operationalize the Family of Funds approach to enhance flexibility, access, and thematic alignment among the GEF Trust Fund, the GBFF, LDCF, and SCCF. We will build on GEF's experience in Multi-trust Fund programming by aligning and streamlining operational procedures and systems (e.g., GEF Portal). The Country Engagement Strategy will support countries to access and optimally use all GEF funds.
- **Blended Finance & Private Sector Engagement**: Building on past success (1:17 co-financing ratio in GEF-6 to GEF-8), GEF-9 will scale up use of the Non-Grant Instrument (NGI) to derisk investment, mobilize private sector financing, and leverage development financing to upscale nature-positive actions.
- **Policy Coherence and Whole of Government Alignment**: Policy coherence efforts address recipient country policy and institutional frameworks, engaging all ministries and sectors in a whole of government approach. Policy coherence efforts will particularly emphasize alignment of a country's policies with the MEAs and mobilizing aligned development finance investment to achieve environment and development aims.
- **Whole of Society Approach**: The GEF has long recognized the critical role that CSOs, IPLCs, women, youth, and other non-state actors play in advancing global environmental goals. Dedicated programs like the Small Grants Program and Inclusive Conservation Initiative are expanded to support bottom-up leadership and empowerment of communities and non-government partners on the front lines of conservation.
- **Innovation and Risk Management**: Through the Innovation Window and a robust risk appetite, GEF-9 will promote experimentation, knowledge-sharing, and the scaling of technological, institutional, and financial innovations. AI, geospatial platforms, and real-time feedback systems will be further investigated and deployed.
- **Knowledge Management and Learning**: The GEF will enhance its role as a knowledge broker and incubator for environmental solutions across its partnership network. Efforts will include data-driven decision-making, learning platforms, and south-south exchange. Communications and implementation of the GEF visibility policy will further support advances in knowledge and learning.

Integrated Programs

Integrated Programs (IPs) are a flagship platform for systems transformation in GEF-9. Eight IPs are proposed for GEF-9 targeting the root causes of environmental degradation by reconfiguring economic, production, and consumption systems. Building on lessons from GEF-7 and GEF-8, the IPs in GEF-9 will address priority biomes and sectors such as Critical Forest Biomes, Global Wildlife, Food Systems, Drylands and Drought Management, Sustainable Cities, Blue and Green Islands, Plastics, and Pollution-free Supply Chains. The IPs are structured around transformational

"levers" such as policy coherence, financial innovation, governance, and knowledge sharing. IPs support long-term, systemic change by aligning national policy, stakeholder engagement, and adaptive learning. GEF-9 IPs will refine metrics and results frameworks to better capture systemic shifts, innovation uptake, and behavioral change.

Focal Areas

Focal Areas remain a foundation in GEF-9 programming, as they provide countries with dedicated support to meet their obligations under the MEAs that the GEF serves and to advance shared interests in marine and freshwater. In GEF-9, the five focal areas - Biodiversity, Climate Change, Land Degradation, International Waters, and Chemicals and Waste - have been strategically updated to reflect the latest global commitments and to promote stronger cross- focal area integration and leveraged GEBs. Biodiversity programming focuses on implementing the Kunming-Montreal Global Biodiversity Framework through area-based conservation, ecosystem connectivity, and financial realignment. Climate Change efforts prioritize efficiency, transparency systems, and blended finance to accelerate mitigation and protection against climate impacts. Land Degradation programming advances drylands and drought management aligned with land degradation neutrality goals. International Waters strategies enhance transboundary cooperation and governance innovation across freshwater and marine systems, responding to new legal frameworks such as the BBNJ. The Chemicals and Waste focal area expands to address global plastics pollution and hazardous substances in supply chains, promoting circular economy solutions and compliance with evolving international conventions.

Strategic Initiatives

Strategic Initiatives in GEF-9 will play a vital role in scaling the impact of focal area and IP investments by strengthening the recipient country's ownership and policy coherence, unlocking additional financing, strengthening civil society, and promoting innovation. The Country Engagement Strategy enhances country ownership by fostering whole of government coordination through national steering committees and country platforms, aligning GEF investments with national priorities, and enabling more strategic, cross-sectoral programming. Blended finance continues to be a cornerstone of GEF's strategy, leveraging non-grant instruments to attract private sector investment in high-impact, high-risk areas. The GEF-9 blended finance program builds on a strong record of accomplishment in co-financing and expands collaboration with multilateral development banks to catalyze larger-scale investment flows. The Small Grants Program remains a key channel for key environmental action, providing direct access to funding and capacity building for civil society organizations, Indigenous Peoples and local communities, as well as creating mechanisms to strengthen the engagement of women and youth. The Innovation Window will continue to serve as a dynamic platform to scale transformative solutions in policy, finance, and technology – helping the GEF Partnership push the frontier of environmental innovation and impact.

STRATEGIC POSITIONING OF THE GEF IN A DYNAMIC WORLD

Context and background for the GEF-9 Replenishment

1. 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. The GEF's core mission is to help ensure the protection and conservation of ecosystems and resources, upon which all life depends. GEF's premise is that the environment is an essential pre-condition for human development and that it is committed to work that is both planet- and people- positive.

2. Since its inception, the GEF has provided more than $26 billion in grants and mobilized an additional $149 billion in co-financing for more than 5,700 projects in 170 countries. Through its Small Grants Program (SGP), the GEF has provided support to more than 29,000 civil society and community initiatives in 136 countries.

3. The GEF operates in 4-year funding cycles. The GEF-8 replenishment cycle has introduced many programmatic improvements intended to deliver impactful and integrated programs and projects that directly address the drivers of environmental degradation and lay the foundation for transformative change. The GEF-8 funding cycle also witnessed the initiation of a comprehensive set of Integrated Programs (IPs), multi-focal area and multi-trust fund projects, and other innovative programs and initiatives by the GEF, including blended finance and policy coherence. These programs and initiatives have continued to internalize the elements of large integrated and impactful programs across more sectors and to address more drivers of environmental change. With the growing evidence of interconnectedness of global environmental and development challenges, integration is gaining momentum as a key principle for driving transformative change and greater policy coherence. Learning from these past investments will ensure our most effective and efficient use of GEF resources to deliver lasting global environmental outcomes.

4. The GEF-8 period has coincided with major developments in the multilateral environmental landscape. The Agreement under the United Nations Convention on the Law of the Sea on the conservation and sustainable use of marine biological diversity of areas beyond national jurisdiction (BBNJ) was adopted by consensus in June 2023.[1] The agreement identifies the GEF as part of its Financial Mechanism, which also includes a special fund and a voluntary trust fund. The process to develop an internationally legally binding instrument on plastic pollution has been ongoing and is expected to conclude by August 2025. The GEF was identified as one of the possible options for the financial mechanism. The GEF-9 funding cycle will therefore feature an expanded scope of themes and priorities to be supported.

5. The multilateral financial landscape has also evolved significantly in the GEF-8 period across the MEAs served by the GEF. For instance, the Conference of the Parties to the Convention on Biological Diversity (CBD COP) requested the GEF to establish the Global Biodiversity Framework Fund (GBFF) to support the implementation of the Kunming-Montreal Global Biodiversity Framework (KMGBF), to be financed by all sources. The CBD COP recently reached an agreement on digital sequencing information (DSI), including the establishment of the global fund for DSI for benefit sharing, to be hosted by the Multi-Partnership Trust Fund of the United

[1] A/CONF.232/2023/4, *Agreement under the United Nations Convention on the Law of the Sea on the conservation and sustainable use of marine biological diversity of areas beyond national jurisdiction*

Nations (UN). In the climate change arena, the UNFCCC COP decided to establish a new Loss and Damage Fund, hosted by the World Bank for an initial four-year period, also designating the fund as another operating entity of the financial mechanism, along with the GEF and the Green Climate Fund. This evolution in funding opportunities, sources of support, and associated governance changes signal major developments in the financing landscape that are important factors in the GEF-9 replenishment.

6. The need to increase financing towards global environmental goals and targets, and options for doing so, are now commonly discussed, and explicitly reflected, in existing and new international environmental negotiations.[2] Target 19[3] of the KMGBF[4] aims to mobilize $200 billion per year for biodiversity from all sources by, *inter alia*, increasing biodiversity-related international finance from developed countries to developing countries to at least $20 billion per year by 2025 and at least $30 billion per year by 2030. Similarly, the UNFCCC COP-29's New Collective Quantified Goal on climate finance[5] agreed to triple finance from developed to developing countries – increasing from the previous annual goal of $100 billion to at least $300 billion per year by 2035. The target for climate financing in developing countries from all public and private sources is identified as at least $1.3 trillion per year by 2035.

7. Within these international financing targets, the Global Environment Facility is explicitly identified as one of the avenues through which such funds could be mobilized. The CBD's recent COP-16 decision on resource mobilization[6] identifies a broad range of instruments, mechanisms and institutions through which such funds could be raised and channeled, including the Global Environment Facility and the GEF's Global Biodiversity Framework Fund. The New Collective Quantified Goal of the UNFCCC COP-29 (NCQG) identifies that, in the context of its climate financing goals, a significant increase of public resources should be provided through the operating entities of the Financial Mechanism, the Adaptation Fund, the Least Developed Countries Fund (LDCF) and the Special Climate Change Fund (SCCF) and aims to at least triple the annual outflows from those Funds from 2022 levels by 2030.[7]

8. In parallel, there have been several recent and ongoing assessments of the GEF's effectiveness and impact that inform the GEF-9 Programming Directions. The Seventh Comprehensive Evaluation of the GEF (OPS-7)[8] by the GEF Independent Evaluation Office (IEO) in 2021 and its series of component evaluations offered a series of recommendations that the GEF Secretariat has been implementing during the GEF-8 period[9], and on which this programming strategy continues to build. Similarly, the emerging findings from the ongoing OPS-8 study[10] and

[2] Monitoring, transparency, verification and compliance of the financial commitments is an ongoing topic of international discussion, including in the CoPs.
[3] https://www.cbd.int/gbf/targets/19
[4] https://www.cbd.int/doc/decisions/cop-15/cop-15-dec-04-en.pdf
[5] https://unfccc.int/sites/default/files/resource/cma2024_L22_adv.pdf
[6] https://www.cbd.int/doc/decisions/cop-16/cop-16-dec-34-en.pdf
[7] https://unfccc.int/sites/default/files/resource/cma2024_L22_adv.pdf
[8] Global Environment Facility Independent Evaluation Office (GEF IEO), Seventh Comprehensive Evaluation of the GEF: Working Toward a Greener Global Recovery, Washington, DC: GEF IEO, 2021.
[9] GEF/C.61/10, Management Response to Final Report of OPS7: Working Toward a Greener Global Recovery, November 30, 2021
[10] GEF/R.9/02: Preliminary Findings of the Eighth Overall Performance Study of the GEF

its 34 component evaluations continue to be a critical, ongoing input as the programming strategy develops. The forthcoming Multilateral Organisation Performance Network (MOPAN) [11] assessment of the GEF [12] gives a comprehensive overview of the GEF's organizational effectiveness. The recent G20 Report on Vertical Climate and Environmental Funds[13] directed several recommendations to the GEF. Guidance to the GEF also regularly comes from the Conventions, and a specific review of the GEF's effectiveness was conducted by the CBD Secretariat and presented to the CBD COP-16 in October 2024.[14]

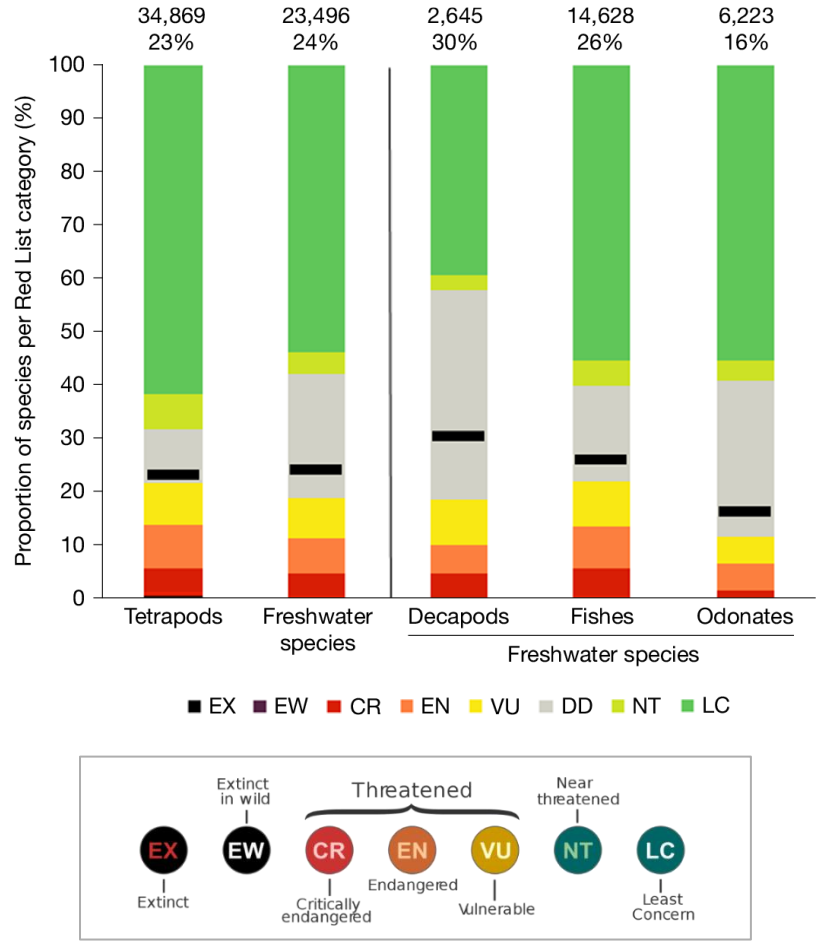
Growing magnitude of drivers and threats

9. Against this backdrop, recent global assessments highlight the urgency of the global environmental crises of nature, climate, and pollution. Alarmingly, all recent studies on the state of biodiversity, ecosystems, and the oceans, point to trends of rapid decline, approaching tipping points in the Earth system,[15]. For instance, the latest study from IUCN on species extinctions shows that almost 25% of all freshwater species are at a high risk of extinction (Figure 1).

10. Worrying trends are emerging with faster than expected increases in the frequency of attributable weather extremes, increasing arctic warming,[16] and repeated indications that icecap melting is accelerating irreversibly on human time[17,18,19,20]. 2024 is the first calendar year where the yearly average surface temperature exceeded the 1.5°C threshold above the pre-industrial level. The monthly global average temperature exceeded 1.5°C above pre-industrial levels for 11 months of the year. In fact, all months since July 2023, except for July 2024, have exceeded the 1.5°C level. Each of the past 10 years (2015–2024) was one of the 10 warmest years on record.

[11] MOPAN is the Multilateral Organisation Performance Network comprising 20 donor countries responsible for assessing the performance of major multilateral organizations
[12] MOPAN Assessment Report of the GEF, forthcoming in May 2025
[13] Accelerating Sustainable Finance for Emerging Markets and Developing Economies: Independent High-Level Expert Group Review of the Vertical Climate and Environmental Funds October 2024 https://g20sfwg.org/wp-content/uploads/2024/10/G20-IHLEG-VCEF-Review.pdf
[14] CBD/COP/16/7, *Report on the sixth review of the effectiveness of the financial mechanism*, Conference of the Parties to the Convention on Biological Diversity, Sixteenth meeting, Cali, Colombia, 21 October–1 November 2024
[15] Future Earth. Our Future on Earth (2020). www.futureearth.org/publications/our-future-on-earth
[16] J.E. Overland, E. Dunlea, J.E. Box, R. Corell, M. Forsius, V. Kattsov, et al. The urgency of Arctic change. Polar Science (2019), 10.1016/j.polar.2018.11.008
[17] Briner, J.P., Cuzzone, J.K., Badgeley, J.A. et al. Rate of mass loss from the Greenland Ice Sheet will exceed Holocene values this century. Nature 586, 70–74 (2020). https://doi.org/10.1038/s41586-020-2742-6
[18] Garbe, J., Albrecht, T., Levermann, A. et al. The hysteresis of the Antarctic Ice Sheet. Nature 585, 538–544 (2020). https://doi.org/10.1038/s41586-020-2727-5
[19] The IMBIE Team., Shepherd, A., Ivins, E. et al. Mass balance of the Greenland Ice Sheet from 1992 to 2018. Nature 579, 233–239 (2020). https://doi.org/10.1038/s41586-019-1855-2
[20] Shepherd, A. et al. Trends in Antarctic Ice Sheet Elevation and Mass. 16 May 2019. Geophysical Research Letters, Volume46, Issue14. https://doi.org/10.1029/2019GL082182

Figure 1: Patterns of extinction risk in tetrapods (combined) and freshwater species (decapod crustaceans, fishes and odonates; combined and individually)[21]



11. The consequences of Earth system decline for humanity is increasingly evident as well. Some 20% of the Earth's vegetated surface shows persistent losses in productivity, mainly because of poor land and water use and management practices[22, 23] The oceans are under increasing threat, with acidification, loss of coral reefs, overfishing and pollution, requiring more substantial efforts than have been deployed to date. Transboundary freshwater systems sustaining ecosystems and economic sectors are being depleted rapidly, threatening livelihoods and triggering conflicts across the planet. Harmful chemicals - persistent organic pollutants (POPs), ozone depleting substances, mercury and highly hazardous pesticides (HHPs) - remain a significant threat to human health, ecosystems and biodiversity.

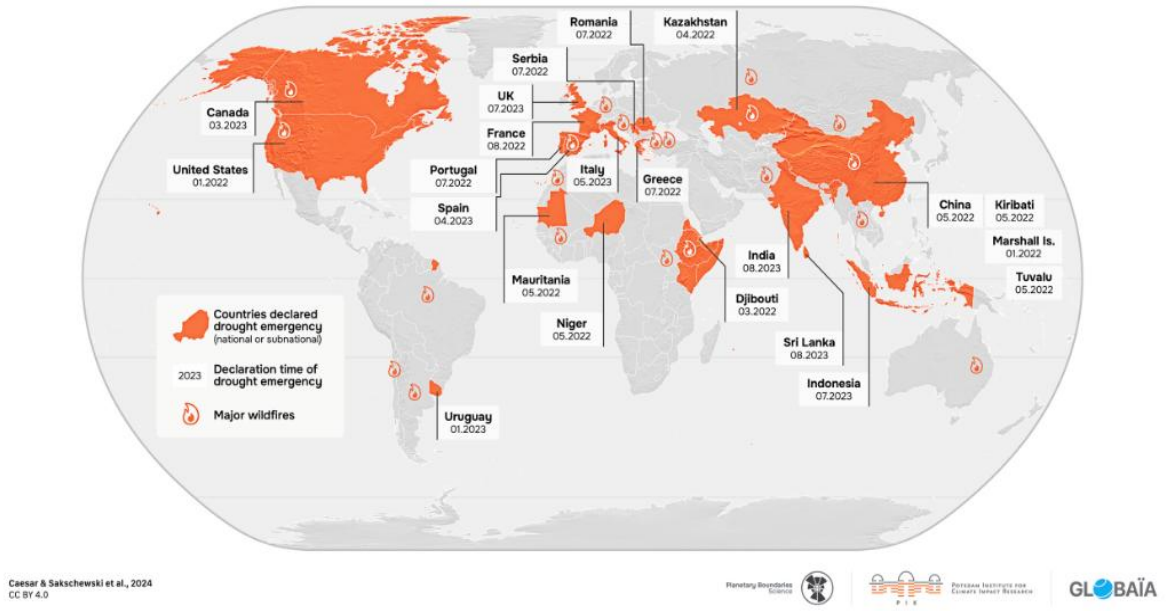
[21] Sayer, C.A., Fernando, E., Jimenez, R.R. *et al.* One-quarter of freshwater fauna threatened with extinction. *Nature* 638, 138–145 (2025). https://doi.org/10.1038/s41586-024-08375-z

[22] Shukla et al., (editors). Climate Change and Land: An IPCC special report on climate change, desertification, land degradation, sustainable land management, food security, and greenhouse gas fluxes in terrestrial ecosystems. IPCC (2019)

[23] United Nations Convention to Combat Desertification. 2017. The Global Land Outlook, first edition. Bonn, Germany

12. These trends in the Earth system are rapidly eroding the foundation of development, and dimming prospects for avoiding catastrophic planetary change, as measured across the environmental dimensions and planetary boundaries addressed by the GEF's global environmental mandate. Tackling these planetary challenges will require fundamental change in the key economic and political systems by which society functions. In the near term, this economic transition will require increased financing to meet the needs of developing countries and more ambitious efforts to narrow the environmental financing gap.

Figure 2: Countries that Declared Drought Emergencies in 2022-2023



13. Our serious global environmental challenges have equally important and serious impacts on people in a multitude of ways, as we rely fundamentally on the state of the Earth for human well-being. One example of this critical link between the health of the planet and the health of people is access to and availability of water (Figure 2). During 2022-2023, widespread drought conditions affected most of the world, with megadroughts in North America, Europe, Asia, and Africa. Water scarcity has direct impacts on food security, health, energy production, industry and economy. Extended drought and related hardships also trigger the migration of millions annually.

14. GEF strategies and investments address these ecosystem-related human impacts and are designed to generate important socio-economic co-benefits beyond the scope of environmental efforts.[24] Examples include improved security, health, and socioeconomic wellbeing, as described below:

Conflict prevention

15. The GEF supports efforts to mitigate fragility and risks linked to natural resource pressures that cause conflict. Between 2006-2020, the GEF has invested over $4.0 billion in countries affected by major armed conflict. To date, 45% of GEF investments have been in projects implemented in at least one conflict-affected country and 88.3% of the GEF's country-level

[24] GEF/R.9/02: Preliminary Findings of the Eighth Overall Performance Study of the GEF

projects were in fragile situations[25]. These have included peacebuilding efforts, rights-based approaches, and governance capacity-building.

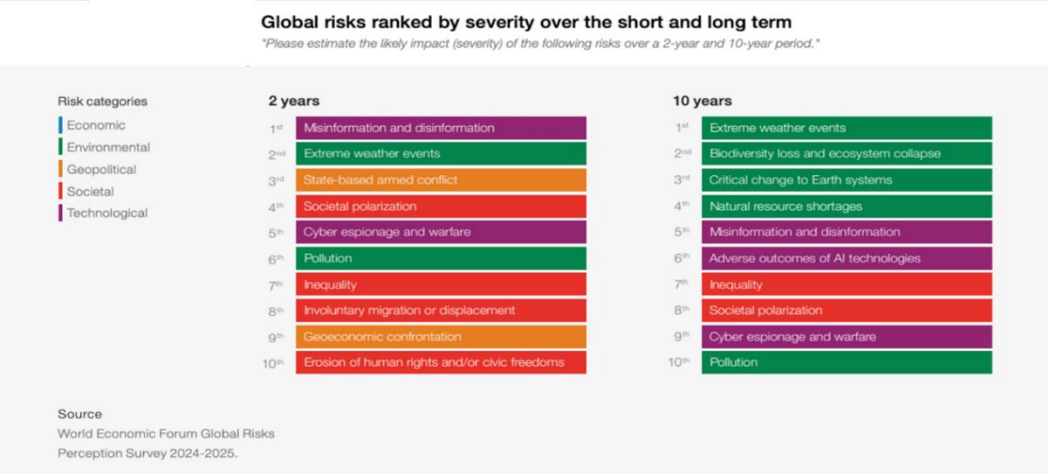
Global health security

16. The GEF is the largest funder of developing country efforts to improve the management and disposal of hazardous chemicals, having supported the sound management and disposal of 347,000 tons of highly toxic POPs. The GEF has also helped to mitigate the spread of zoonotic disease; for example, the Congo Forests IP supports a surveillance program detecting emergent viral disease threats from gorillas and chimpanzees in the Sangha Forest Reserve between the Republic of Congo, Central Africa Republic, and Cameroon.

Economic prosperity

17. The GEF has long supported Micro, Small and Medium Enterprises (MSMEs), which account for 90% of businesses and over 50% of employment worldwide26. MSMEs contribute significantly to GDP, especially in low-income economies where they represent 60-70% of GDP27. As the GEF has shifted into more integrated approaches, it has also increasingly engaged MSMEs as partners in scaling up the generation of global environmental benefits (GEBs) through a value-chain approach. The GEF also addresses the management of costly invasive species, for example in global ballast water management, which can result in devastating economic consequences. The Zebra mussel (Dreissena polymorpha) invasion in the U.S. Great Lakes region has cost local population over $5 billion.28 Their origin was determined to be the ballast discharge from a single cargo ship.[29]

Figure 3: World Economic Forum Global Risks 2024-2025



[25] STAP (2024). Environmental Security: Achieving Durable Outcomes in Fragile and Conflict-affected Situations. https://www.thegef.org/sites/default/files/documents/2024-01/EN_GEF.STAP_.C.66.Inf_.03_Environmental_Security_Achieving_Durable_Outcomes_Fragile_Conflict_affected_Situations.pdf

[26] World Bank (2023). Sustainable MSME Finance Reference Guide. Washington, D.C.: World Bank Group. https://documentsinternal.worldbank.org/search/34202000

[27] Teima et al. (2021). MSME Digital Finance: Resilience and Innovation During COVID-19. Washington, D.C.: World Bank Group. https://documentsinternal.worldbank.org/search/33660596

[28] Virginia Department of Wildlife Resources. https://dwr.virginia.gov/wildlife/zebra-mussels/

[29] United States Geological Survey. https://nas.er.usgs.gov/queries/FactSheet.aspx?speciesID=5

18. The significance of global environmental risks is annually recognized by the World Economic Forum. In its most recent yearly study on Global Risks to economic development and stability (Figure 3), the top 4 major risks identified in the long term are related to environmental areas of direct relevance to the GEF. This means that if the GEF is not successful in ensuring GEBs, the risks to economic development will be extremely high.

19. The importance and urgency of the GEF's mandate could not be more evident. Enabling developing countries to meet global goals of conserving natural ecosystems, mitigating the pollution and degradation of land, water and oceans, and preserving ecosystem services is essential for the success of the human endeavor on planet Earth. The benefits of achieving these ambitious global environmental goals are most immediate to developing countries themselves and, particularly, to vulnerable communities reliant on nature for their lives and livelihoods. The benefits of a healthy planet serve all humanity, however, and thus the aspirations of GEF-9 target lasting global environmental benefits and a shift to nature-positive development for all.[30]

GEF-9 Theory of Change

20. Within this global context and consistent with our mandate, the GEF-9 Theory of Change centers on a continuing goal of generating lasting GEBs that are critical to sustaining a Healthy Planet for Healthy People. In GEF-9 we will pursue this goal (Figure 4) through four pathways to nature-positive development, to which all GEF activities will contribute:

(1) Adequate and Effective Funding for the Global Environment

21. While the mandate of the GEF has expanded significantly over successive replenishment cycles in response to growing environmental challenges and recipient country needs, the funding available through the GEF to support developing countries to pursue their environmental goals has remained largely unchanged. At this critical inflection point of planetary change, funding for the preservation of the Earth's key natural systems is a human imperative. Without significant upscaling of funding for the global environment, ecosystems, species and planetary functions will progress to more fragile states, risking collapse. To prevent setbacks to the gains that countries and the development community have made in reducing poverty and improving livelihoods, it is critical that global environmental funding is increased to a level commensurate with global environmental challenges. The GEF is positioned to support a much larger scale of impact. The planet and all its resident species need it. Humanity needs nature to thrive. We must raise our ambition and accelerate action.

22. We must also ensure that funding is effectively deployed to achieve GEBs by translating science, different types of knowledge, including Indigenous Peoples' traditional ecological knowledge, and experiential learning into strategies and best practice and building the capacity of recipient country governments to make the best use of their GEF resources for lasting environmental outcomes. Focal area investments provide predictable, reliable support for nature conservation, pollution and climate change mitigation, and the management of land, water and marine natural resources. The GEF works to maximize the impact of its investments through

[30] Early findings from the impending MOPAN Assessment indicate that the GEF-8 vision was ambitious and strategic, and that key elements have been put in place to scale up this impact in GEF-9. MOPAN Assessment Report of the GEF, forthcoming in May 2025

country engagement efforts, its development of focal area, integrated program, and global program investment strategies, and its support for capable Implementing and Executing Agencies in program and project execution.

(2) Value of Nature Integrated in National Development

23. Investments in policy coherence are a key means of aligning private and public investments to the international convention agreements and of mobilizing domestic resources to address the nature financing gap more effectively. Through policy coherence, ODA investments into the GEF undergo a multiplier effect, where these funds are amplified into a narrowing of the gap through several key features of the GEF's work. Perhaps the most important piece of the finance equation is in the hands of GEF recipient countries. In GEF-9, support will include efforts to center the environment in a whole of government approach, internalizing the value of their natural capital in national and state budgets, building enabling policy environments for expanded domestic resource mobilization, making use of innovative finance mechanisms, and addressing financial drivers of environmental degradation.

24. Just as GEF-8 programming has yielded significant benefits from an integrated approach [31], the strategic integration of GEF investments at a country level will result in gains in efficiency, coherence in development policy and action, and lasting, nature-positive impact. The GEF's Country Engagement Strategy (CES)[32,33] serves as the vehicle for this approach, where the GEF intends to pilot and mainstream the establishment of National Steering Committees, together with the Operational Focal Point, to facilitate the anchoring of GEF programming in national development agendas, across the whole of a government.

(3) Value of Nature Internalized in the Economy

25. Notwithstanding the need for expanded ODA support, without the active participation of private capital, markets and agents, Multilateral Development Banks (MDBs), and a full alignment of public and private investments policies with the Multilateral Environmental Agreements (MEAs), the mission of the GEF will not be accomplished. The GEF must expand its strategies and efforts to unlock scaled-up private financing as public resources become more limited. GEF's experience with private sector engagement and non-grant instruments (NGI) can now serve as the springboard for expanded work in GEF-9 on blended finance and extend private sector engagement to the financial sector.[34]

26. Achieving the GEF goal of lasting GEBs maintaining a Healthy Planet for Healthy People calls for a shift towards greater economy and efficiency in how we manage natural capital, produce and consume food and goods, access and use energy, urbanize, and manage waste. These key systems - natural, food, economy, energy, urban, and health - fuel the well-being of humanity; but, because the value of nature is not fully recognized in these systems, they are the principal drivers of environmental decline. GEF's integrated programs (IPs) support countries to address major drivers of environmental degradation. IPs aim to influence transformative change in natural, food, urban, energy, and health systems by demonstrating and integrating the value of nature in production and consumption systems and advancing circular economy approaches in urban systems and value chains.

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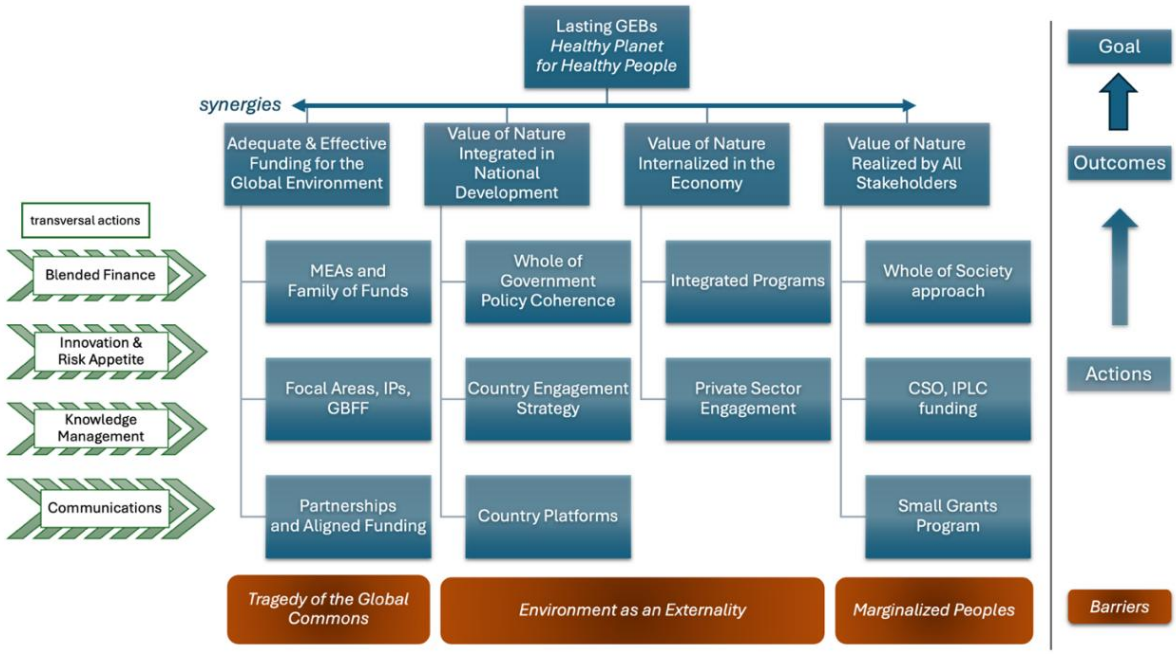
[31] GEF/C.62/03, *Summary of the Negotiations of the Eighth Replenishment of the GEF Trust Fund*, June 15, 2022
[32] Ibid.
[33] GEF/C.63/05, *Country Engagement Strategy Implementation Arrangements for GEF-8*, October 31, 2022
[34] GEF/R.9/02: Preliminary Findings of the Eighth Overall Performance Study of the GEF

(4) Value of Nature Realized by the Whole of Society

27. Engaging civil society, empowering women, youth, and Indigenous Peoples, and local communities as environmental leaders is essential to lasting conservation and development outcomes.[35] As all of humanity depends upon the services provided by nature – food, water, climate, shelter, materials, medicines – the whole of society must be included in decisions and actions to turn the tide of environmental degradation, and shift to more durable, regenerative and robust production systems and livelihoods. Moreover, support for civil society organizations (CSOs), Indigenous Peoples and local communities (IPLCs), women and youth as conservation leaders has time and again proven to be an effective and efficient means of achieving and sustaining GEBs.[36] A strong civil society plays an important role in influencing and setting national and global agendas, supporting domestic policy coherence and implementation of MEAs. They generate a sound complement to government and private sector actions while enhancing well-being and livelihoods at the community level and beyond.

28. The world will only meet its ambitions for the planet if it embraces innovation to solve our complex socio-ecological challenges. Achieving global environmental ambitions will require transformative action, deploying the latest science, technologies, and solutions, and taking strategic risks.[37] Recognizing this, the GEF Council has continued to encourage a strong appetite for innovation risk during GEF-8. Addressing the planet's complex challenges necessitates bold, forward-thinking approaches. The GEF-9 Programming Directions articulate a vision and strategies for an urgently needed step-change in ambition and action.

Figure 4: GEF-9 Theory of Change



[35] Ibid.
[36] Ibid.
[37] Ibid.

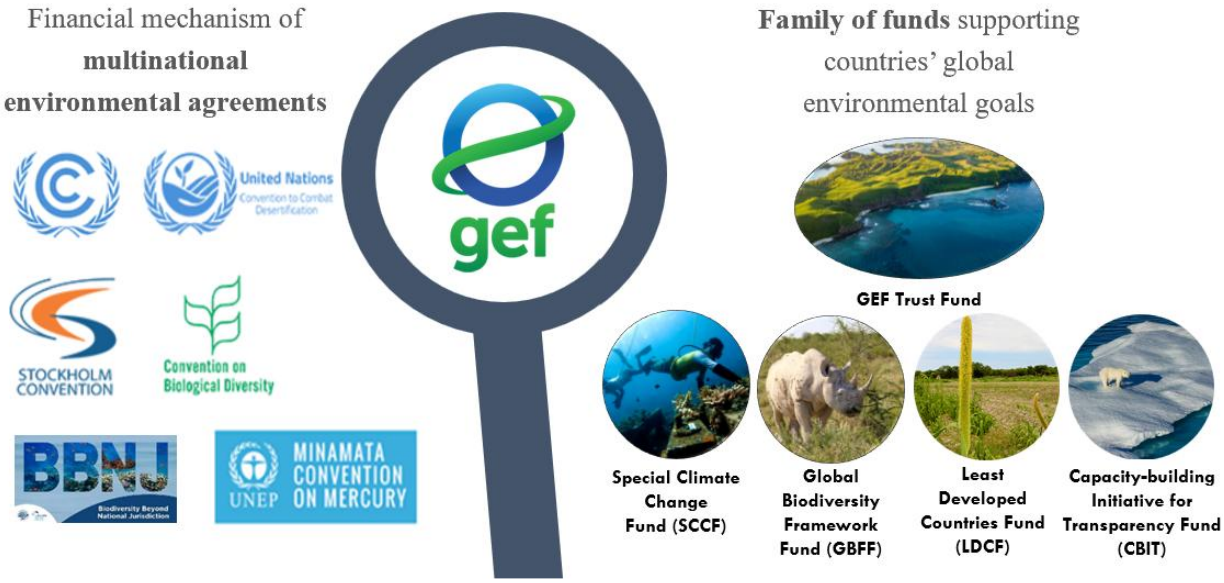
Framing the GEF-9 Strategy

Multilateral Environmental Agreements and the GEF Family of Funds

29. The Multilateral Environmental Agreements (MEAs) that the GEF serves have agreed to, timebound commitments and milestones to be reached by 2030. This corresponds to the end of the GEF-9 funding cycle. These commitments are expected to mobilize global, national, and community action and raise the level of ambition. They will also contribute towards the achievement of the 2030 Agenda for Sustainable Development and the Sustainable Development Goals (SDGs). GEF-9 is an opportunity to position the GEF as a leader, and a critical and impactful player in supporting and achieving these ambitious goals.[38] Accordingly, it is important that the new GEF-9 strategy be directionally aligned with these goals to deliver lasting global environmental outcomes.

30. The GEF has evolved significantly in the GEF-8 period to respond to new agreements and requests for different funding modalities, above and beyond the GEF-8 Programming Directions and policy recommendations. One major development is the articulation of the GEF "Family of Funds" approach, by which the GEF works to align its funds to address the full spectrum of recipient countries' environmental challenges, with important gains in efficiency, coherence, and synergy. The GEF supports six MEAs with six trust funds under the GEF umbrella (Figure 5). While the GEF has managed multiple funds since 2001, the establishment of the GBFF in 2023 and growth in programming in GEF-8, and of the Least Developed Countries Fund (LDCF) and the Special Climate Change Fund (SCCF) compelled a strategic pivot to the GEF Family of Funds approach, as a unique value and offering of the GEF.

Figure 5: GEF Family of Funds



31. Each new GEF fund is established in response to COP guidance and decisions, as the multilateral environmental and financial landscape and priorities of countries have evolved. The following are the key attributes of the GEF Family of Funds:

[38] MOPAN Assessment Report of the GEF, forthcoming in May 2025

- The policies, procedures and the governance structure of the GEF apply to all funds, with the possibility of amendments for specific funds, following COP guidance. With this provision, the GBFF has adopted a more streamlined project cycle, additional governance elements, and the ability to accept contributions from multiple sources: sovereign, private sector, sub-national, and others.
- The GEF funds share key building blocks, such as operational focal points (who endorse all national projects), the GEF Portal for project submissions and implementation, accountability to the COP(s), regular reporting among others. These shared features help simplify access by countries and to reduce administrative burden and operating costs.
- The GEF Trust Fund (GEF TF), LDCF, and/or SCCF, can support countries through multi-trust fund projects/programs. This modality enables countries to tap into different funding sources within the GEF as a single project/program, which can enhance efficiency and impact, and with simpler access.
- The GEF Trust Fund serves several MEAs and cross-cutting priorities, through coordinated programming across focal areas, integration in IPs, and efforts to align with LDCF and SCCF in multi-trust fund programming, particularly in Least Developed Countries (LDCs) and Small Island Developing States (SIDS). Funds that have specific, targeted priorities for a discrete MEA maintain their consistency to agreed targets, while identifying synergies across GEF funds.
- The Family of Funds approach enables learnings on good practices and innovation from one fund to be applied and adapted to other funds.

32. A key priority for the GEF as we embark on the replenishment is to present a comprehensive vision of the GEF Family of Funds for the GEF-9 period and beyond. Specifically, the following principles will be explored to examine how GEF support to countries can be most impactful through the Family of Funds approach:

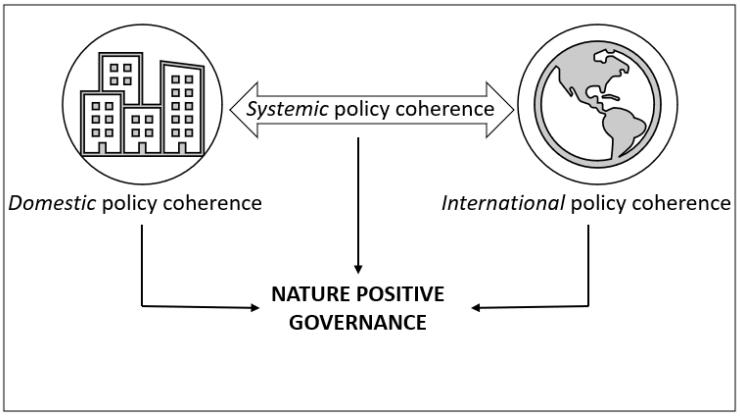
a) Position the GEF Trust Fund (GEF TF) to focus on delivering integrated programming across focal areas and funds complemented by core focal area programming and outcomes, while enhancing country planning/reporting support across Conventions. Finally, blended finance will also be promoted as a key tool for increased financial leveraging and private sector engagement.
b) Position the GBFF to leverage and upscale biodiversity-focused programming, innovation, non-sovereign, private sector and philanthropic funding.
    - Differentiate to strategically use both the GEF TF BD allocation and the GBFF, which is designed to enhance flexibility and leverage in biodiversity investments, including potential windows for private sector and philanthropy.
c) Position the LDCF as a strategic entry point for LDC support for the GEF.
    - Promote Multi-Trust Fund projects in LDCs for larger, more impactful programming
    - Designate the LDCF as an opportune platform for joint investments with climate funds, facilitated by project-based accreditation with the GCF and others.
d) Position the SCCF (window A) as an important entry point for SIDS programming.
    - Promote Multi-Trust Fund projects between GEF TF and SCCF for SIDS to enable larger and more impactful programming.

Whole of Government and Policy Coherence

33. The world's environmental goals and SDGs can only be realized if the Nature Funding Gap - the difference between current financing to the environment and what is needed to achieve 2030 goals - is recognized and addressed. Closing this gap requires a two-pronged approach: increasing financial flows from multiple sources, while simultaneously reducing financial needs for environmental efforts. Alongside increased global and domestic financial resource mobilization, enhancing policy coherence can simultaneously reduce the funds needed for environmental financing[39] and maximize the benefits of the financial resources being mobilized. Policy coherence can be defined as "the systematic promotion of mutually reinforcing policy actions across government departments and agencies, creating synergies towards achieving the agreed objectives".[40]

34. This concept is currently reflected in many current international negotiations, goals, and targets. The SDG Target 17.14 of the 2030 Agenda calls on countries to "enhance policy coherence for sustainable development".[41] The KMGBF[42] explicitly recognizes a whole of government and whole of society approach as critical factors in the achievement of its goals. Target 18 of the Framework focuses particularly on incentives and subsidies that impact biodiversity,[43] which is also a critical input into Target 19's goal of mobilizing at least $200 billion per year by 2030.[44] The recent CBD COP-16 decision on biodiversity and climate change lays the groundwork for a work program on "…options for enhanced policy coherence, including a potential joint work programme of the Rio conventions",[45] whilst the recent United Nations Convention to Combat Desertification (UNCCD) COP-16 guidance to the GEF commended the GEF's ongoing work on policy coherence and encouraged its continuation.[46]

Figure 6: Nature Positive Governance and Policy Coherence[47]



[39] MOPAN Assessment Report of the GEF, forthcoming in May 2025
[40] GEF/R.08/28, *GEF-8 Strategic Positioning Framework*, March 29, 2022
[41] OECD (2018), *Policy Coherence for Sustainable Development 2018: Towards Sustainable and Resilient Societies*, OECD Publishing, Paris
[42] CBD/COP/DEC/15/4, Kunming-Montreal Global Biodiversity Framework, 19 December 2022
[43] Ibid.
[44] Ibid.
[45] COP/DEC/16/22, Biodiversity and climate change, 1 November 2024
[46] ICCD/COP(16)/24/Add.1, Decision 9/COP.16, Collaboration with the Global Environment Facility, December 2024
[47] Ibid.

35. The concept of policy coherence is therefore being increasingly mainstreamed in global dialogues as a critical mechanism which, if left unattended, can hamper the world's ability to reach its crucial nature-positive targets. "Nature Positive" itself can be posited to be achieved through "Nature Positive Governance"[48] which can be defined as policy coherence at three levels of scale: domestic, international, and systemic (Figure 6).

36. "Domestic policy coherence" refers to policy coherence within a country's policy and institutional frameworks, also known as a "whole of government approach", which contributes to building synergies among national environment and development efforts and to increasing domestic resource mobilization. "International policy coherence" refers to policy coherence within and amongst the international environmental agreements and SDGs, the institutions that implement them, and the funding from multiple sources that serve their objectives. "Systemic policy coherence" refers to the policy coherence between a country's institutional and policy frameworks and the international environmental agreements to which it commits. Nature Positive Governance as the aggregate of these three levels of policy coherence therefore represents the ideal institutional setting that is needed for the world to move from nature-negative to nature-positive. This is the underlying, necessary condition for systems transformation towards a nature-positive world.

37. In recognition of the importance of this growing international agenda on policy coherence, the GEF Secretariat has been working on this throughout GEF-8,[49] also underscored by the work of the Independent Evaluation Office (IEO)[50,51] and the Science and Technical Advisory Panel (STAP).[52,53] In anticipation of the GEF-8 initiatives on policy coherence, the GEF funded a Medium-Sized Project at the end of GEF-7, entitled "Policy Coherence for Global Environmental Benefits"[54], currently under implementation. During the GEF-8 replenishment negotiations, the concept of policy coherence was integrated into the GEF-8 programming strategy as one of the four specific levers for systems change.[55,56] As GEF-8 programs and projects increasingly reflect policy coherence objectives at the design stage, these are routinely outlined in the Work Program Cover Notes[57]; as noted in the forthcoming MOPAN Report, the share of the number of projects that contributed to the policy coherence dimension is growing rapidly, from 11% in GEF-6 to 90% by June 2023[58]. In addition, a series of dedicated activities on policy coherence are currently being

[48] Rodríguez, Carlos Manuel, and Sonja Sabita Teelucksingh (forthcoming), "Nature Positive Governance", in *Becoming Nature Positive*, by Marco Lambertini (Ed.), Routledge, 2025.
[49] GEF/C.65/04, *Enhancing Policy Coherence through GEF Operations*, September 10, 2023
[50] GEF/E/C.61/inf.01, Global Environment Facility Independent Evaluation Office (GEF IEO), *Seventh Comprehensive Evaluation of the GEF: Working Toward a Greener Global Recovery*, Washington, DC: GEF IEO, November 9, 2021
[51] GEF/R.9/02: Preliminary Findings of the Eighth Overall Performance Study of the GEF
[52] GEF/STAP/C.62/Inf.04, *Framing Policy Coherence for the GEF*, June 9, 2022
[53] GEF/STAP/C.64/Inf.02, *Policy Coherence in the GEF*, June 13, 2023
[54] https://www.thegef.org/projects-operations/projects/10920
[55] GEF/R.08/28, *GEF-8 Strategic Positioning Framework*, March 29, 2022
[56] GEF/C.62/03, *Summary of the Negotiations of the Eighth Replenishment of the GEF Trust Fund*, June 15, 2022
[57] The latest Work Program Cover note to date is available here: GEF/C.68/04/Rev.02, *Work Program for the GEF Trust Fund*, December 13, 2024
[58] MOPAN Assessment Report of the GEF, forthcoming in May 2025

operationalized through the GEF-8 System for Transparent Allocation of Resources (STAR) Competitive Window and the GEF-8 Innovations Window.[59]

38. During GEF-9, these ongoing activities on policy coherence will be actively monitored throughout implementation at the project, program and portfolio level and throughout the project cycle. As noted in the forthcoming MOPAN Report, these policies, activities and processes necessitate close monitoring in order to assess the extent to which they enable the advancement of policy coherence.[60] This will be accompanied by the development of a series of guidance documents, knowledge products, and outreach materials that will serve to inform the policy coherence aspects of both ongoing and new programming, benefiting both the GEF Partnership and the international community. The GEF will also partner with relevant MEAs on policy coherence to provide expert guidance, share programming experiences, facilitate knowledge exchanges, and investigate the possibility of policy landscape assessments as a component of baseline activities.

39. In GEF-9 programming, policy coherence will be mainstreamed as an underlying theme. The GEF-9 Strategies of all five focal areas identify, to different degrees, policy coherence as one of the objectives, mechanisms or outputs of their programming. Objective 3 of the GEF-9 Biodiversity (BD) Focal Area Strategy will provide focused support to the related areas of financial flows realignment, domestic resource mobilization, and policy coherence. GEF-8 introduced domestic resource mobilization as an objective of the BD strategy and provided support to 91 countries to develop their first national biodiversity finance plans (BFP). Building on and expanding UNDP's Biodiversity Finance Initiative (BIOFIN), the GEF Umbrella Programme to Support Development of BFPs has been helping countries create the enabling conditions, including baseline diagnostics, capacity, and institutional arrangements, required to mobilize resources at scale. GEF-9 BD focal area strategy will further strengthen these efforts.

40. As in GEF-8, policy coherence is once again identified as a cross-cutting topic for the proposed suite of GEF-9 IPs. An active promotion of policy coherence is explicitly identified as one of the proposed enhancements for the GEF-9 IPs. As such, policy coherence is a key element of each of the 8 GEF-9 IPs and is further identified in several Focal Areas as a selection criterion for participating countries and project proposals.

41. During the GEF-8 replenishment negotiations, the GEF Secretariat investigated the possibility of bringing a policy coherence dimension into the STAR allocation system. For the GEF-9 STAR Model under development, the GEF Secretariat will reassess this opportunity by examining advancements in methodologies and datasets in the intervening period.

42. In efforts to enhance policy coherence, the GEF's most critical partners are its recipient countries. As such, the GEF-9 Country Engagement Strategy (CES) is the natural vehicle for the GEF's policy coherence, "whole of government", and indeed "whole of society" agenda. Just as GEF programming now has integration at its core, it is essential to promote the same dynamic at a country level through the facilitation of a more holistic approach to country programming. As

[59] GEF/C.62/03, *Summary of the Negotiations of the Eighth Replenishment of the GEF Trust Fund*, June 15, 2022
[60] Ibid.

the financial mechanism across multiple conventions, the GEF has a significant role to play in facilitating a holistic and inclusive development planning approach at the country level.[61]

43. The GEF-9 CES outreach activities through national and regional dialogues and workshops will bring together a cross-section of Ministries, Convention focal points, and stakeholders. The CES will be used to promote the establishment of National Steering Committees in key countries to facilitate knowledge and communication of GEF programming and across Ministries, with the aspiration of promoting a "whole of Government" approach. Through CES activities, the GEF Partnership will engage in additional outreach and capacity building activities with multiple Ministries and help to facilitate participation in existing Ministerial coalitions and gatherings. In addition, the CES will be expanded to incorporate outreach to sub-national governments and to expand engagement with legislative bodies of the governments. The CES will also facilitate and promote the use of Country Platforms, which has policy coherence at its core.

44. Given the GEF's distinct role as the common financial mechanism of several MEAs, and a resultant programming footprint in developing countries, it is well-placed to be the central player in the ongoing advancement of the policy coherence agenda.[62,63] While the focus of the GEF thus far has been largely on domestic policy coherence, this will be expanded in GEF-9 to encompass the three levels of scale of policy coherence that comprise Nature Positive Governance. With its focus on integrated approaches, the GEF has a competitive advantage in addressing international policy coherence, and as the financial mechanism for multiple conventions which are themselves recognizing the need for increased alignment, the GEF is uniquely positioned to impact systemic policy coherence. The GEF-9 agenda on policy coherence will continue to build on these principles and experiences, including on the early OPS-8 findings[64], the forthcoming OPS-8 evaluation on policy coherence and the MOPAN Assessment of the GEF[65]. It is well-recognized that the mobilization of resources from all sources is a key component of current international negotiations, and through its impact on the narrowing of the environmental financing gap, policy coherence has a significant role to play in this endeavor.

Whole of Society Approach

45. The GEF has long acknowledged the pivotal role that civil society organizations (CSOs), indigenous peoples and local communities (IPLCs), women, youth, and other stakeholders play in advancing global environmental goals.[66] With the launch of GEF-9, the opportunity to transform this recognition into a fully resourced, mainstreamed, and operational "Whole of Society (WoS) approach" has never been more relevant. Achieving a WoS approach, where diverse stakeholders are empowered to contribute to environmental sustainability, is synergistic with a whole of government approach.

46. When governments work across sectors and ministries, they can better integrate the perspectives and expertise of non-government actors, fostering more effective and inclusive

[61] MOPAN Assessment Report of the GEF, forthcoming in May 2025
[62] GEF/R.9/02: Preliminary Findings of the Eighth Overall Performance Study of the GEF
[63] Ibid.
[64] Ibid.
[65] Ibid.
[66] Ibid.

policies. The WoS approach can inform and enhance whole of government efforts by ensuring that policies are responsive to the needs and rights of diverse stakeholders. By combining these approaches, GEF-9 can leverage the strengths of both government and non-government stakeholders to drive transformative change and achieve greater impact in addressing global environmental challenges. This integrated approach can lead to more sustainable outcomes by promoting policy coherence, enhancing stakeholder engagement, and mobilizing a broader range of resources and expertise.

47. Engaging civil society, women, youth, and Indigenous Peoples, and local communities as environmental leaders is effective and efficient in delivering global environmental benefits.[67] Empowered civil society plays important roles influencing and setting national and global agendas, supporting domestic policy coherence and implementation of multilateral environmental agreements. They generate a sound complement to government and private sector actions while enhancing livelihoods and well-being at the community level and beyond.

48. The evolution of Multilateral Environmental Agreements (MEAs) has led to a significant shift towards a whole of society approach to enhance full and effective participation of multiple stakeholders in Convention's processes and promote respect for societal knowledge, innovations, and practices. This approach acknowledges that environmental conservation and sustainable development require the active participation of various groups, including indigenous peoples and local communities (IPLCs), women and youth. A notable example of this trend is the recent establishment at COP 16 of a permanent subsidiary body for IPLCs by the Convention on Biological Diversity[68], providing a platform for them to voice their demands and coordinate with state parties in defining criteria, actions, and programs related to biodiversity conservation.

49. Recent GEF IEO Evaluations,[69] early OPS-8 findings,[70] and the forthcoming MOPAN Evaluation of the GEF[71] all corroborate that bottom-up approaches guided by community priorities are linked to sustainability and that good project design focused on participatory planning and meaningful integration of communities in resource management was a key factor in sustainability. At the same time, barriers to civil society engagement and inclusion are varied and numerous, ranging from legal structures, financing to institutional and cultural dynamics.

50. The report commissioned by the G20 on Vertical Climate and Environmental Funds, recommended the GEF to develop mechanisms for enhanced engagement with and access for local communities, indigenous peoples, women and youth to resources, indicating specifically the importance of enhanced engagement with indigenous peoples and local communities in project origination.[72]

[67] GEF/R.9/02: Preliminary Findings of the Eighth Overall Performance Study of the GEF
[68] New Programme of work on Article 8(j) and other provisions of the Convention on Biological Diversity related to indigenous peoples and local communities to 2030. https://www.cbd.int/traditional/default.shtml
[69] GEF IEO (2024), Evaluation of Community-Based Approaches at the GEF, https://www.gefieo.org/sites/default/files/documents/evaluations/community-based-approaches-vol1.pdf
[70] Ibid.
[71] MOPAN Assessment Report of the GEF, forthcoming in May 2025
[72] Accelerating Sustainable Finance for Emerging Markets and Developing Economies: Independent High-Level Expert Group Review of the Vertical Climate and Environmental Funds October 2024 https://g20sfwg.org/wp-content/uploads/2024/10/G20-IHLEG-VCEF-Review.pdf

51. The GEF Partnership has long recognized the importance of the role of civil society, stakeholder engagement and advancing equality in its operations and programs. In this regard, GEF has in place policies on Environmental and Social Safeguards[73] that include language supportive of inclusion and community-based approaches, mandating important principles related to stakeholder consultations and engagement, incorporation of women's equality and youth, respecting the rights of Indigenous Peoples and Local communities (IPLCs) as well as avoiding and mitigating any potential negative impacts of GEF financed activities on vulnerable groups and individuals. Moreover, GEF has established dedicated programs such as the longstanding GEF SGP[74] as well as the more recent Inclusive Conservation Initiative (ICI)[75] and Fonseca Leadership Program (FLP)[76] that serve as key GEF programs for CSOs, IPLCs, women and youth groups to access GEF financing, as well as capacity strengthening and technical support to address global environmental issues through decentralized delivery mechanisms.

52. The GEF Small Grants Program has been GEF's flagship program for community-led environmental action since 1992, supporting over 29,000 projects in 136 countries. By empowering local civil society organizations, particularly Indigenous Peoples, women, and youth, SGP proves that grassroots initiatives can deliver global environmental benefits while improving livelihoods. SGP 2.0 builds on this legacy with key reforms to expand access, foster innovation, and deepen impact. It introduces new implementing partners (FAO and CI) and two CSO-focused initiatives: CSO Challenge Program and Microfinance Initiative. SGP 2.0 will continue to expand community-driven solutions for achieving global environmental benefits.

53. Engagement with and support to IPLCs is integral to all GEF-9 programming[77], ensuring that it is mainstreamed throughout. At the same time, noting the lack of support going to IPLCs compared to their role in the delivery of GEBs in previous GEF cycles, there will also be a dedicated funding window for IPLC organizations to receive GEF funding. The Indigenous Peoples and local communities Conservation Initiative (ICI) will be part of this window and is funded through the Biodiversity Focal Area set aside. The ICI model has been successful in generating GEBs. With $25 million, GEF-7 ICI is supporting the Indigenous-led conservation and biodiversity-friendly management of over 7.6 million hectares of lands, territories and waters which also result in the mitigation of over 20.8 million mtCO2e. Indigenous governance has also been an important feature of ICI at every step in the process, aligning with calls for more direct access to international finance.

54. The Fonseca Leadership Program (FLP) is a capacity-building initiative that empowers emerging young leaders from developing countries to effectively engage with global environmental issues. With $10 million in funding approved in GEF-8, it supports academic training and field research focused on biodiversity conservation. The program has supported over

[73] GEF Policy on Stakeholder Engagement Policy (SD/PL/01, 2017); GEF Policy on Gender Equality (SD/PL/02, 2017); and GEF Policy on Environmental and Social Safeguards (SD/PL/03, 2019)
[74] https://www.thegef.org/what-we-do/topics/gef-small-grants-program
[75] https://www.thegef.org/newsroom/publications/inclusive-conservation-initiative-phase-2-report-focus-inclusive-finance
[76] https://www.thegef.org/fonseca-leadership-program
[77] GEF/R.9/02: Preliminary Findings of the Eighth Overall Performance Study of the GEF

160 young conservation leaders in GEF recipient countries, with women representing 40% of participants. FLP enhances leadership skills and knowledge on global environmental governance, fosters a network of young professionals driving environmental action, and supports achievement of the GEF's objectives. This program exemplifies how education can play a transformative role in driving lasting conservation outcomes.

55. GEF-9 will prioritize the expansion of existing programs and in efforts to move towards the notional GEF goal of 10% of resources to CSOs, IPLCs, youth, and women by 2030, ensuring that their knowledge, leadership, and innovative solutions are effectively integrated into global environmental action. Designing projects to include IPLCs, women and youth as partners will creates powerful entry points for lasting results and collaboration with governments for implementation of policies on the ground, which can directly contribute to integration and policy coherence. To mainstream the Whole of Society approach, GEF-9 will follow a four-part strategy, described below.

a) Diversify GEF SGP implementing and executing partners with the ambition to at least double the investments of GEF-8, expand and innovate the Small Grants Program, *and* instruments, including a common learning platform and complementary approaches to enhance support to youth, women, and IPLCs.
b) Expand the Inclusive Conservation Initiative as a direct access mechanism for Indigenous Peoples organizations, focusing on strengthening IP-led organization and supporting the establishment of long-term financial mechanisms for management of indigenous lands and territories. The new program could include an incentive mechanism to attract voluntary allocations of STAR by interested governments.
c) Expand the Fonseca Leadership Program to include support for capacity building of youth in all Focal Areas of the GEF.
d) Mainstream WoS components in IPs and Focal Areas where CSOs and IPLCs are central for the achievement of their respective objectives, ensuring representation of these stakeholders in planning, execution, and evaluation of projects and programs.

56. The GEF can act as a convener and mobilizer of partnerships. Philanthropies and the private sector also play an important role in financing community-led solutions. While GEF-8 made progress in leveraging co-financing, more needs to be done to ensure that funds reach local actors directly. Strategies to enhance private sector and philanthropic engagement can include: i) encouraging sustainable businesses and investors to finance CSO/IPLC entrepreneurial initiatives through Impact Investment. ii) combining public and private funding to reduce investment risks for community-led projects using blended finance models; and iii) aligning Corporate Social Responsibility investments with GEF-9 programs and projects to support local communities.

Innovation and Risk

57. Innovation is essential for meeting global environmental ambitions, but its success depends on effectively managing risks.[78] While bold actions, cutting-edge technologies, novel financial models, and forward-thinking policies are crucial to addressing complex challenges, they must be paired with strategic risk management to ensure durability and scalability. The GEF is well-positioned to lead in this space by pioneering advanced scientific tools and methodologies while fostering an environment where calculated risks translate into lasting impact. Strengthening the GEF's approach to innovation and risk will not only enhance project effectiveness but also reinforce its role as a catalyst for transformative change.

58. During GEF-8, we have initiated key measures to promote innovation and strengthen risk management.[79] This positions the GEF today to better able to embrace innovation while managing risks effectively, building on two major advances during GEF-8 informed by evaluative evidence[80]. First, establishing the GEF-8 *Innovation Window* signaled the importance of identifying novel solutions for the environment. While already leading the piloting of new approaches, the GEF raised the bar by directly supporting innovative solutions to complex environmental challenges. It allocated $12.3 million for this purpose. In doing so, the GEF not only fulfils its original mandate as a financial mechanism under which Agencies "strive for innovative approaches," but also dedicates resources to pursue its goal of leading innovation in global environmental finance, cementing one of its key comparative advantages and value propositions among other funders.

59. The GEF Council elevated *Innovation* as one of three key risk dimensions in its risk appetite framework, setting its appetite level to High for programming and operations. A high-risk appetite allows for unconstrained purposeful innovation in projects and programs, provided risks are grounded in sound design and a well-conceived theory of change. To support this, the GEF defines innovation broadly, encompassing technological advances, policy and institutional reforms, and financial and business models. This holistic approach is essential for tackling complex global challenges through novel solutions that drive lasting impact.

60. Despite recent progress, the GEF must strengthen its approach to accelerate the transition from experimentation to full adoption of emerging innovations.[81] While the GEF has a strong track record of developing ideas into successful initiatives, solutions often remain siloed within specific Agencies or contexts, limiting their transfer across countries, Agencies, and focal areas. As a result, innovations can fall short of their full scaling potential. Additionally, early indications from risk appetite implementation highlight a need to better align actual risk-taking with the stated high appetite for innovation. This gap suggests that Agencies and countries have yet to fully embrace failure as a necessary part of learning—and that innovation is no longer optional, but essential.

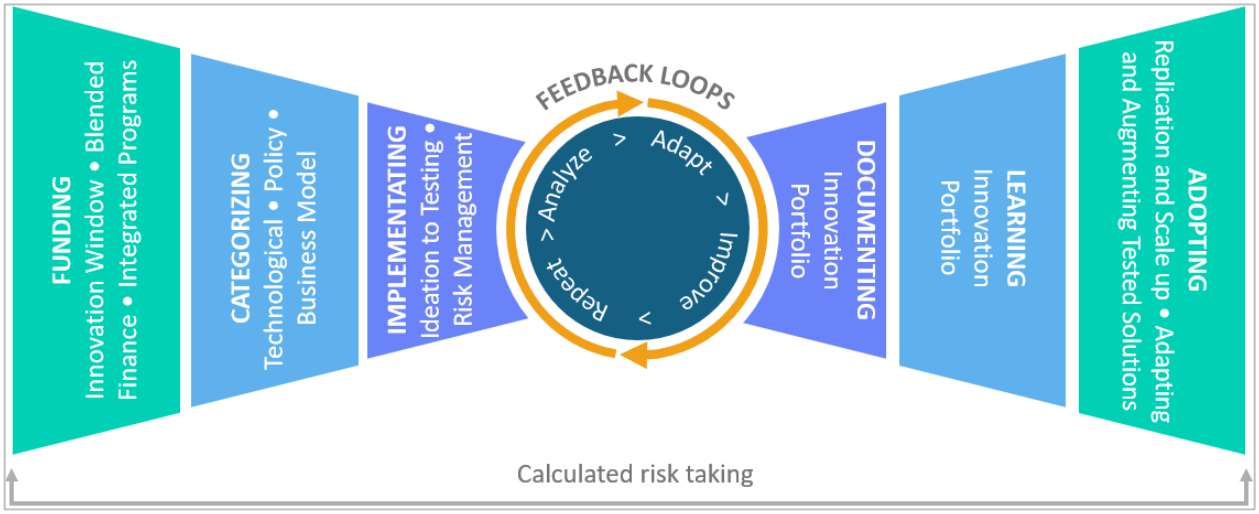
61. In GEF-9, two goals will guide actions to promote innovative solutions while balancing careful risk-taking and management. First, the GEF must establish a framework that encourages experimentation and idea-sharing, which is essential to developing and sustaining an innovation

[78] GEF/R.9/02: Preliminary Findings of the Eighth Overall Performance Study of the GEF
[79] Ibid.
[80] GEF IEO, GEF Support to Innovation, GEF/C.60/02; GEF IEO, Evaluation of the Role of Medium-Sized Projects in the GEF Partnership, GEF/E/C.59/03.
[81] Ibid.

and risk ecosystem. This ecosystem will align countries and Agencies with the GEF's innovation-seeking approach, fostering collaboration to drive creative solutions. Ensuring continuous learning by making information on innovative approaches accessible will support this process. Contributing to the KM&L Strategy implementation, the GEF will identify and curate an innovation portfolio to quickly capture and connect innovations, enabling Agencies to learn, replicate successes, and scale effective solutions. This open innovation model will provide the tools for faster problem-solving, reduced costs, and more flexible innovation processes. It will use artificial intelligence (AI) and satellite imagery, including the GEF Geospatial Platform (thegef.org/maps), to provide targeted knowledge for countries and Agencies in project design and implementation.

62. Second, the GEF must dedicate targeted resources to innovative solutions. The GEF-9 Programming Directions aim to drive innovation through three key elements: integrated programs, blended finance, and the Innovation Window. IPs combine multiple innovation aspects, from addressing environmental degradation to promoting technological, financial, and institutional advancements. Blended finance leverages both public and private capital to scale durable solutions, unlock new financing models, and drive transformative outcomes. Finally, the GEF-9 Innovation Window serves as an innovation lab, providing funding to test, pilot, and scale solutions that can catalyze effective change. Figure 7 describes the GEF-9 approach to innovation and risk.

Figure 7: Establishing an Innovation Ecosystem



63. By embedding innovation into the organization's strategies and approaching risk as an enabler, the GEF will become better able to grow a culture that thrives on continuous improvement and long-term impact. It will also adjust the GEF's programming approach in alignment with its risk appetite, which will be reviewed for GEF-9. Parallel streamlining and risk-based approaches to project management seek to catalyze further innovations[82]. Implementing these actions will drive more innovation by aligning the GEF's ambitions for system change with an appetite for calculated risk-taking. This should foster a space where the GEF and its partners learn from what works and what does not, ensuring that this learning becomes integral to driving impactful innovation that directly advances the GEF's mission and uplifts countries.

[82] GEF/R.9/02: Preliminary Findings of the Eighth Overall Performance Study of the GEF

Blended Finance and Private Sector Engagement

64. To rapidly scale up investment in the environment and address unfolding environmental crises and tipping points, MEAs are converging in their calls for action and the mobilization of financial resources from all sources, including the private sector. In addition to enhancing opportunities to leverage international concessional and private sector investments in recipient country development, the GEF's strategic use of blended financing and growth of private sector partnerships at national level may contribute importantly to goals of maximizing domestic resource mobilization for environmental goals.

65. Blended finance is an effective tool to help mobilize private investment, yet its potential is yet to be fully realized for environmental funding. A recent Organization for Economic Co-operation and Development (OECD) report cites blended finance effectiveness in mobilizing private sector investment, with total leverage reaching $70 billion in 2024, and notes that this remains a small portion of total global investment.[83]

66. Under the GEF-8 Blended Finance Global Program /Non-Grant Instrument (NGI), the GEF continued to expand the use of blended finance to deliver GEBs. The GEF's work in this arena evolved from the early GEF cycles, to target highly innovative projects in frontier areas such as biodiversity and de-risking investments to reach scale. This window has received increasing support from the GEF Council in each subsequent cycle, growing to $196 million in GEF-8, the highest allocation since GEF inception.

67. GEF projects in blended finance are characterized by achieving high co-financing ratios and strong private sector participation. From GEF-6 to GEF-8, cumulative GEF investment of $369.5 million mobilized $6.4 billion in total co-financing (a ratio of 1:17), with over half ($3.5 billion) from the private sector (1:12). More than 90% of the portfolio has been implemented by MDBs as these institutions have a distinctive ability to catalyze investment from both public and private sources through blended finance structures.

68. Despite this success, the potential to leverage more private sector finance through broader GEF strategic programming remains to be fully realized.[84] Building on the G20 report on Vertical Climate and Environmental Funds[85] recommendations and the forthcoming MOPAN Assessment of the GEF[86], the GEF can further drive private sector resource mobilization via blended finance to create a multiplier effect. Designing projects to include blended finance also creates a powerful entry point for lasting collaboration between the Ministries of Finance and Environment which can contribute to policy coherence.

69. The financial industry has a key role to play in aligning financial flows to support nature-positive, climate-neutral, and pollution-free economies. The GEF will support the standardization

[83] Latest figures on Blended Finance by OECD, confirm an upward trend of private sector mobilization and largely driven by MDBs. https://www.oecd.org/en/topics/leveraging-private-finance-for-development.html

[84] GEF/R.9/02: Preliminary Findings of the Eighth Overall Performance Study of the GEF

[85] Accelerating Sustainable Finance for Emerging Markets and Developing Economies: Independent High-Level Expert Group Review of the Vertical Climate and Environmental Funds October 2024 https://g20sfwg.org/wp-content/uploads/2024/10/G20-IHLEG-VCEF-Review.pdf

[86] MOPAN Assessment Report of the GEF, forthcoming in May 2025

of metrics and financial disclosures, reliable and harmonized data. These measures are essential to the re-alignment of financial flows towards nature-positive investment.

70. In GEF-9, we will raise ambitions for increased use of NGIs to mobilize private investment and enhance the role of MDBs in strategic blended finance initiatives across all funding modalities and the GEF Family of Funds.

Private Sector Engagement

71. The GEF places high priority on the need to effectively engage with the private sector if we are to succeed in our mission and deliver lasting GEBs at a faster rate, with a broader scale, and more efficiently than could be achieved without partnerships with the private sector. Actions under the GEF-9 programming directions support a vision in which the GEF acts as a catalyst and enables the private sector, at all scales, to tackle the key drivers of environmental degradation, to reverse damaging global trends and to maintain the provision of GEBs.

72. Engaging with the private sector for systemic transformation is best addressed through integrated approaches that deliver GEBs across a range of focal areas relevant to each geography, focal area and IP context. Accordingly, each IP and focal area incorporates its own set of private sector objectives, identifying the major platforms for engagement, key entry points and expected modalities of engagement that can optimize the contribution made by the private sector through integrated approaches in delivering durable GEBs beyond the GEF-9 cycle.

73. Disclosure requirements and reporting standards that address environmental risks have rapidly taken shape in recent years with reporting on nature specified in the European Union's Corporate Sustainability Reporting Directive (CSRD), which will eventually apply to an estimated 50,000 companies. Furthermore, the EU's Deforestation Regulation (EUDR) requires companies trading in cattle, cocoa, coffee, oil palm, rubber, soy and wood, as well as products derived from these commodities, to conduct extensive diligence on the value chain to ensure the goods do not result from recent deforestation, forest degradation or breaches of local environmental and social laws. Similarly in China, the Ministry of Finance finalized the Basic Guidelines for Corporate Sustainability Disclosure in December 2024, putting forward general requirements for sustainability information disclosure by Chinese enterprises.

74. The direction of travel for the private sector is clear: zero net loss of nature from 2020; net positive by 2030; full recovery by 2050. Today over 7,929 companies representing 39% of global market capitalization have committed to set environmental targets, and at CBD COP 16 in 2024, more than 1,500 companies with revenues of more than $ 7.5 trillion called on governments to adopt policies to reverse nature loss in this decade.

75. In line with the proposed programming directions for GEF-9 and GEF's Private Sector Engagement Strategy, and taking into account the early OPS-8 findings and the forthcoming Private Sector evaluation[87], the GEF will develop extensive and broad-based engagement across a whole of society approach with relevant stakeholder groups, including with the private sector and

[87] GEF/R.9/02: Preliminary Findings of the Eighth Overall Performance Study of the GEF

CSOs, to build, strengthen and catalyze diverse coalitions of actors that can meaningfully contribute towards transforming the key economic systems that threaten the global environment.

76. The Private Sector Engagement Strategy responds to the evolution of the GEF's Family of Funds approach with specific modalities of private sector engagement applied to the relevant context of each component fund with a focus on fostering innovative approaches to cofinance and collective business action across industry sectors and value chains.

Knowledge Management, Learning, and Communications

77. The GEF Council in October 2023 approved a new Knowledge Management and Learning (KM&L) strategy that will enable the GEF to pursue three main objectives:

- Embed cutting-edge knowledge into investments and generate public goods in line with GEF mandate and enhance the role of knowledge management in projects and programs.
- Increase knowledge flows through platforms through partnership and communities of practice; and
- Create and enable the environment for learning and capacity building for greater exchange of knowledge and collaboration across the partnership.

78. The KM&L strategy was anchored on findings from multiple needs assessments, inventories, and evaluations that help to inform the strategic directions. This includes the IEO KM&L Evaluation in 2020[88] that contributed to OPS-7 findings and recommendations on KM[89]. In addition to recommendation for the GEF partnership to develop a clear KM strategy, OPS7 also called for the GEF partnership to invest in a technical solution that strengthens the KM system. A key priority for the GEF Secretariat has been to establish a solid foundation for engaging the GEF partnership on overall implementation of the strategy.

79. Efforts to strengthen KM&L follow four proposed strategic directions, noted below. The Secretariat is also working on improvements to the project cycle and templates to enhance consistency for portfolio-level synthesis and learning.

a) *Alignment of KM&L with GEF-9 delivery*, with action areas on strengthening the knowledge base for achieving and sustaining GEBs, harnessing IP platforms for learning and capacity building, supporting project learning and adaptive management.
b) *Strengthening KM&L in programming*, with actions areas on enabling the GEF to reinforce ongoing efforts on mainstreaming KM&L across all GEF investments, from designing and implementation of projects and programs, to promoting south-south exchange for knowledge sharing and learning.
c) *Generation of global public goods*, which will ensure that the GEF partnership supports efforts to facilitate the gathering, curating, and sharing of lessons learned and best practices from GEF investments in key priority areas of work.
d) *Alignment of KM&L with communications and outreach*, to foster a more coordinated approach at the global, Agency, program, and project levels for improved communication

[88] See Evaluation of KM.
[89] See OPS-7 Executive Summary and Management Response.

of GEF impacts and results, in line with relevant communications and outreach plans, and the GEF Communications and Visibility Policy.

80. Across the partnership, the GEF Secretariat is drawing on previous work to create an inventory of existing KM&L platforms, including knowledge resources generated from GEF investments through projects and programs. For the IPs, principles to facilitate interoperability of knowledge platforms have been developed and shared with all lead agencies. At the same time, efforts are being made to strengthen learning and knowledge exchange, with initiatives such as microlearning videos for improved access to and effective use of GEF resources, updating online courses, and developing knowledge products on various topics from GEF investments.

81. The efforts underway in GEF-8 are paving the way for the GEF to harness the emerging innovative tools and practices for advancing KM&L across the partnership. In GEF-9, the GEF will focus on strengthening KM&L along two dimensions:

- *Data*: supporting efforts to harness data from external sources that will continuously inform programming and increase efficiency for "mining" data that is generated internally from GEF investments.
- *Synthesis and learning*, which includes facilitating the generation and socialization of knowledge from GEF projects and programs for adaptive management and informing decision-making internally for operational efficiency and effectiveness.

82. The GEF Secretariat will continue to strengthen its role as a knowledge broker and a think-tank, while facilitating engagement in KM&L by the broader GEF partnership.[90] This includes building on the findings of the forthcoming OPS-8 evaluation[91], and increasing engagement with agencies and STAP to promote a more systematic approach to knowledge capture and synthesis from GEF investments and establishing appropriate systems and processes for knowledge management and learning across the partnership.

83. Aligned with KM&L efforts, to further raise awareness of its role and reach, the GEF will invest more in its support for strategic communications at the country level. This includes working with communicators in the GEF's implementing and executing agencies, operational focal point teams, programs and projects to better communicate the GEF's effectiveness and results. The 64th GEF Council adopted a new policy on communication and visibility to raise awareness about the institution's leadership in financing environmental action and ensure strong, clear, and consistent communication strategies across the GEF partnership. GEF Communications will support delivery of the GEF-9 strategy across a range of existing and new initiatives, and via multiple entry points such as the Country Engagement Strategy, and Knowledge Management and Learning.

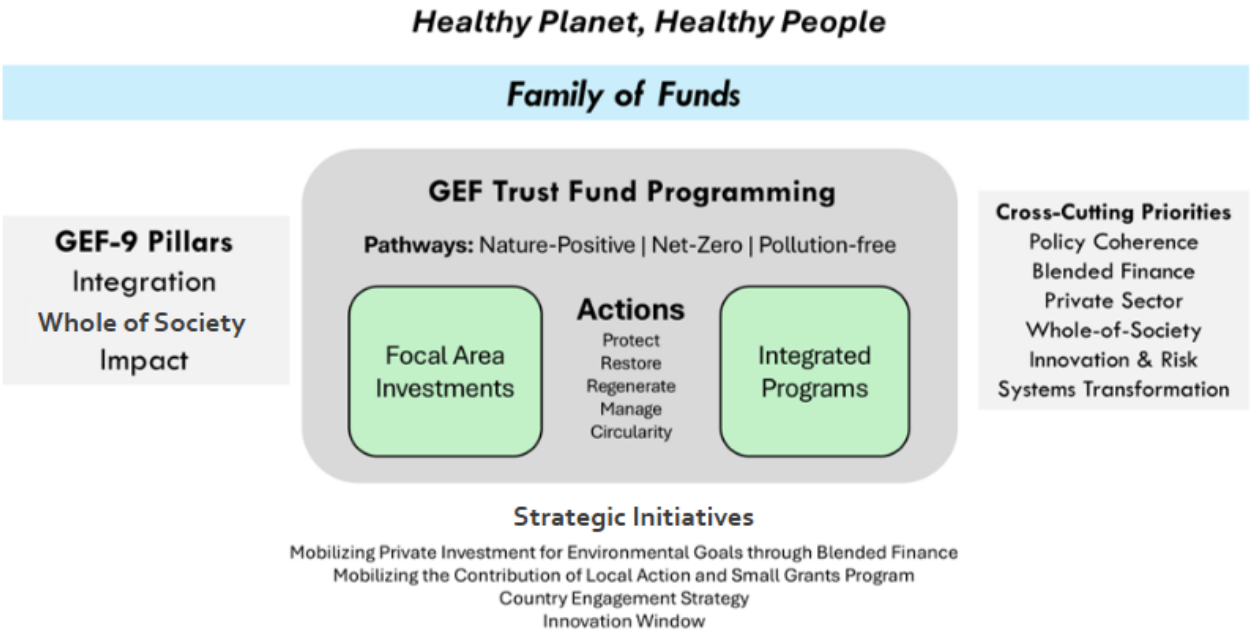
[90] GEF/R.9/02: Preliminary Findings of the Eighth Overall Performance Study of the GEF
[91] Ibid.

GEF-9 PROGRAMMING DIRECTIONS FRAMEWORK

GEF-9 Architecture

84. The GEF-9 programming architecture builds on on GEF-8 progress in integrating programming across the GEF Family of Funds. The *Healthy Planet, Healthy People* framework continues at the core of the overall GEF-9 architecture,[92] recognizing the fundamental interdependency of human well-being and a healthy environment. The programming architecture is comprised of overarching guidance in GEF pillars and cross-cutting efforts and linked programming sectors and vehicles, notably the focal areas, integrated programs, and strategic initiatives (Figure 8)

Figure 8: GEF-9 Architecture



85. GEF-9 Programming will follow the GEF "Family of Funds" approach, by which the GEF works to align funds to address the full spectrum of recipient countries' environmental challenges, with important gains in efficiency, coherence, and synergy. The GEF has established experience and learning in Multi Trust-Fund (MTF) projects, which have increased in GEF-8, particularly in LDCs and SIDS, where the issues of nature conservation, mitigation of environmental degradation, and national development are closely connected. Experience in the MTF and gains in streamlining the processes and standards for GEF investment across the funds will enable increased strategic planning and programming across all the GEF Family of Funds – GEF TF, GBFF, LDCF, SCCF, and more, if further funds are structured.

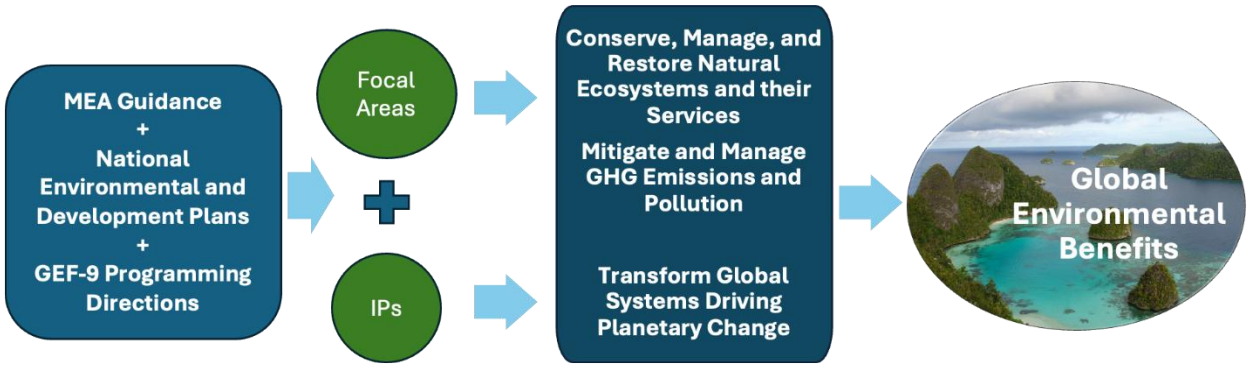
[92] See GEF's Strategic Positioning Framework document GEF/R.8/28

86. Consistent with GEF-8, programming will focus on shared aims or "pillars" among focal areas, sectors, and funds within the GEF. Integration aims to harness synergies and resolve tradeoffs among investments and actions, generating gains in efficiency and economy of scale, and of amplified impact. A whole of society approach will be a key feature of GEF-9, anchoring on the principle that all people are dependent upon and are stewards of nature, thus all should participate in decisions and in benefits provided by nature for lives and livelihoods. The role of CSOs and IPLCs will be particularly central in GEF-9 programming.[93] These two pillars will inform GEF-9 focal area, IP and strategic initiatives, such that through their orientation towards enhanced integration and inclusion, all GEF investments may maximize the GEF's impact in achieving and sustaining GEBs.

87. Cross-cutting Priorities, described in the Framing of GEF-9 above (See I.B.) will orient GEF-9 programming towards meeting these aims and will strengthen coherence and leveraged financing, innovation and learning, and mobilizing all parts of society – public, private, civil society, IPLC - while leaving no communities behind.

88. GEF-9 programming will be channeled through the GEF Focal Areas STAR allocations, which provide predictable, dependable funding for recipient country actions to meet their global MEA commitments, and provide the core investments in nature conservation, mitigation of environmental decline, and the revitalization of natural ecosystems and their services. The resources in turn will allow countries to invest in Integrated Programs and/or Focal Area investments that result in the best and most impactful portfolio for that country and for the GEF to deliver on the ambitious global enviornmental benefits in GEF-9. Integrated Programs complement Focal Area investments by addressing major human sysetms that are the drivers of environmental decline, embedding nature's values and natural assets in production and consumption systems, economies, and urban sytems development.

Figure 9: Programming of the GEF Trust Fund via Focal Areas and Integrated Programs



[93] GEF/R.9/02: Preliminary Findings of the Eighth Overall Performance Study of the GEF

89. Focal Area and IP investments follow the guidance of relevant MEAs and align with recipient country national development plans. Together, they provide a comprehensive response to meeting the conservation and systems transformation outcomes necessary for the transition to nature-positive development and a Healthy Planet for Healthy People. Focal Areas and IPs are in turn complemented by Strategic initiatives offering resources, technical support and partnership opportunities across the GEF portfolio, including for the use of Blended Finance instruments, effective Country Engagement and empowerment, dedicated support to CSOs and IPLCs, and fueling Innovation to advance and scale technological solutions to environmental challenges (Figure 9).

INTEGRATED PROGRAMS

90. Achieving the long-term vision of a *Healthy Planet Healthy People* calls for a shift toward sustainability in how we manage our natural capital, produce and process our food, access and use energy to power our lives, develop infrastructure and live in our cities, and manage the use of hazardous chemicals in our supply chains. These systems—*natural, food, energy, urban,* and *health*—are critical for the well-being of humanity, but also contribute to biodiversity loss, greenhouse gas emissions, degradation of land and conjunctive water resources, and chemicals pollution and waste. Consequently, the GEF is committed to supporting transformational change in key systems by tackling drivers of global environmental degradation.[94]

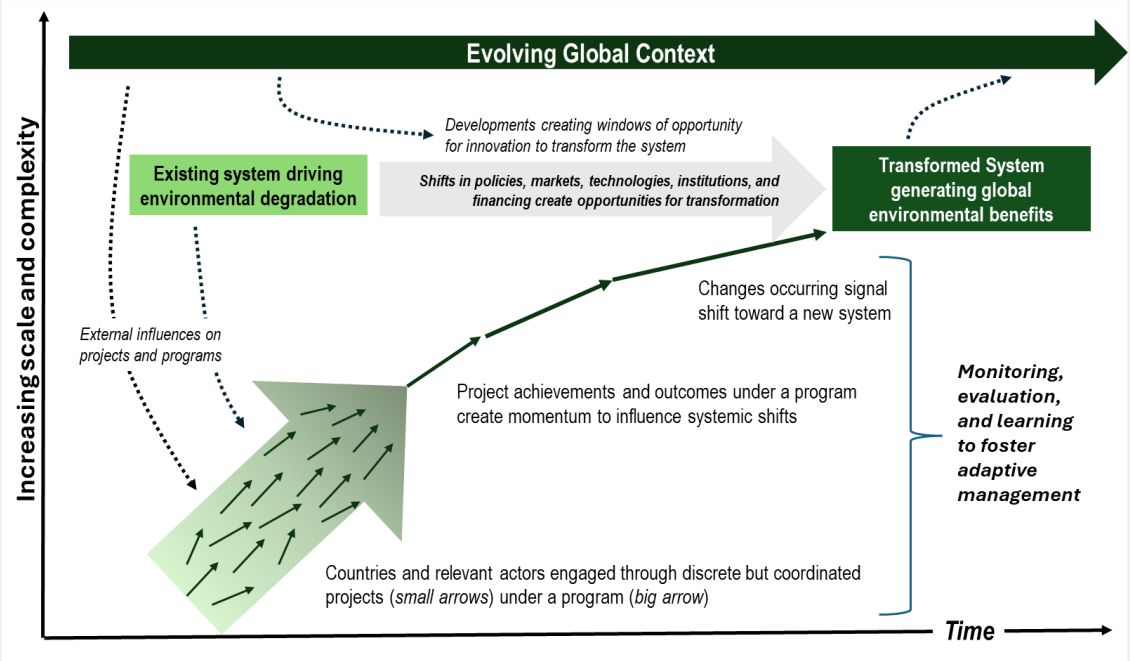
91. Transformational change is essential to ensuring long-term and durable outcomes for people and the planet. In this regard and in the context of GEF programming, transformation is considered as the *process of shifting key economic systems from current regimes that drive degradation to alternative ones that support the wellbeing of humanity while safeguarding the planet.*

92. Figure 10 illustrates how integrated programming engages countries to tackle drivers in a coordinated fashion that considers their current specific contexts while aligning actions toward achieving transformative change in a targeted system. Although countries have different starting points, their collective interest and commitment to invest in integrated solutions will increase prospects for addressing barriers and harnessing opportunities to advance systems transformation globally. By having a critical mass of countries embrace innovations in policies, markets, institutions, technologies, and financing at national level, the integrated approach programs will play a critical role in shifting systems toward regimes that are nature-positive, low carbon, and pollution-free. Because the programs are framed in the context of evolving global discourse, including through the MEAs that the GEF serves, countries are well placed to leverage GEF resources for achieving such shifts.

[94] MOPAN Assessment Report of the GEF, forthcoming in May 2025

Figure 10: Framing GEF IP approach to Systems Transformation

Adapted from Daniel Kehrer et al. 2020[95]



93. Experience with integrated programming to-date shows strong demand from countries for the GEF to offer knowledge and learning platforms where they can come together around common challenges. In addition to coordination and governance of the program, these platforms provide a variety of services to countries, from increasing access to innovative practices, to creating opportunities for peer-to-peer learning, and technology transfer, to name a few. These platforms also bring together expertise from within the network of participating countries and agencies, as well as from the wider community of practice in technical areas relevant to the program.

94. In GEF-9, we will continue strengthening integrated programming, with the aim of supporting countries to transform systems that threaten the stability of the Earth system. A key priority will be to create a programming framework that builds on achievements and lessons from the GEF-6 pilot programs (see Box 1), and progress with the GEF-7 Impact Programs and GEF-8 Integrated Programs, so that achievements and experiences gained can be continuously harnessed toward influencing shifts in the target systems.[96] This will require building new and existing collaborative efforts with diverse actors to safeguard critically important biomes, promote efficient food systems, advance sustainable cities, increase energy security, enhance access to clean and healthy water resources, and promote sustainable production and consumption.

[95] Daniel Kehrer et al. (2021). Transforming our Work: Getting ready for transformation projects. https://www.giz.de/fachexpertise/downloads/Transfomation%20Guidance_GIZ_02%202020.pdf

[96] As identified by the forthcoming MOPAN Report, the GEF has "*…demonstrated continuity and expansion of the themes covered by its integrated programmes since their introduction in GEF-6*." MOPAN Assessment Report of the GEF, forthcoming in May 2025

Box 1: Achievements from the GEF-6 Integrated Approach Pilot (IAP)

The "integrated approach" was formally launched as a programming option during GEF-6 with three pilot programs that were structured around major emerging drivers of global environmental challenges: two were global programs on urbanization (Sustainable Cities) and commodity-driven deforestation (Good Growth Partnership or "GGP"), and the third on sustainability and resilience for food security in the drylands of Sub-Saharan Africa (Resilient Food Systems or "RFS"). The IAP programs were launched in 2014 and implemented through 2022, contributing lessons that informed the design of programs GEF-7 and GEF-8.

The GGP program was an early experiment by the GEF to influence systemic shift in deforestation-driven commodity supply chains by integrating sustainability principles in demand, production, and financial transactions. The program was focused specifically on supply chains for beef, oil palm and soy in Indonesia, Brazil, Liberia, Paraguay. It engaged government ministries and agencies, civil society organizations, and private sector entities across the supply chains, including buyers nationally and globally. The GGP program approach created momentum for sustainability in supply chains through establishment of commodity platforms or forums, national and sub-national planning and policy reforms in the four countries, strengthen the capacity of local farmers, producers and community members, companies, and financial institutions. The GGP program, however, faced institutional and governance complexities that made it difficult to demonstrate an overall shift toward deforestation-free supply chains for the three commodities. Valuable lessons informed the GEF-7 Impact Program on Food Systems, Land Use and Restoration, as well as the GEF-8 Food Systems Integrated Program, which are more targeted to addressing country-specific needs.

The RFS program was designed to tackle drivers of environmental degradation in smallholder agriculture across dryland countries in sub-Saharan Africa. Through a coordinate approach that fostered knowledge sharing and adaptive management, the RFS program successfully built institutional capacity for advancing integrated solutions, introduced a range of technical, conceptual, and organizational innovations to support delivery of the solutions, and influenced the regional political agenda on food security. By addressing soil health, promoting diverse and sustainable practices, integrating markets and economies, strengthening governance and policy, and ensuring social equity and inclusion, the program contributed to creating frameworks for resilient and sustainable food systems that benefit both the environment and local communities. In addition to the generation of global environmental benefits, the multi-scale approach of linking subnational to national and regional attracted diverse institutional interests, boosted visibility for the integrated approach, and created momentum for environmental sustainability in smallholder agricultural transformation across the continent.

Although launched as a pilot, the Sustainable Cities Program has continued to evolve as a global partnership initiative for advancing urban sustainability globally. The IAP program was critical in responding to the growing need for GEF support to sub-nationals, which helped to demonstrate the value-add of investing in multiple global environmental benefits while transforming cities for a sustainable and resilient future. The program contributed valuable lessons for promoting integrated solutions to multiple environmental challenges, promoting circularity in the urban space, and fostering innovative governance models for supporting urban transformation. As a result of GEF support, cities embraced the use of integrated land use planning approaches to foster transit-oriented development and low carbon development, application of digital geospatial tools for participatory and evidence-based planning, and the mainstreaming of nature-positive and pollution-free practices. The lessons and experiences gained have helped to influence and shape subsequent programming in GEF-7 and GEF-8 and laid the foundation for transformative change in urban systems.

Designing and Planning for Systems Transformation

95. The GEF recognizes that system transformation is a process that must unfold over time in response to the development priorities of countries and the needs of their societies.[97] Furthermore, there are barriers, opportunities and solutions that must be considered in developing a robust and compelling strategy to advance transformative change in systems. The IPs are specifically designed to tackle major drivers and include an explicit focus on levers for influencing transformative change in systems.

96. This program-level engagement is key to fostering collective action toward systems transformation. During the GEF-8 cycle, a series of "levers" were proposed as critical for creating desired transformations in systems through the IPs, as described below.

- *Governance and Policies*: This lever is considered critical for supporting the "whole of government" approach in countries to help foster coherence and cross-sectoral integration and includes for example the formulation of policies and mainstreaming of environmental priorities nationally.
- *Financial leverage*: GEF recipient countries have consistently demonstrated considerable capacity to mobilize financing for investment in initiatives that generate global environmental benefits. Through a focus on this lever, countries can embrace innovative practices such as natural capital accounting, and financing tools such as Conservation Trust Funds (CTFs), Payment for Ecosystem Services (PES), and blended finance that result in increased national funding.
- *Innovation*: As previously noted by STAP, incremental progress is inadequate to deliver transformational change.[98] By targeting innovation as a lever for systems transformation, the GEF will explicitly push for new opportunities and options that deliver much needed shifts. In addition to policy and finance, innovation covers technology options that are potential game-changers, institutional approaches to support transformative change, and business models that require multi-stakeholder collaboration, including between public and private sectors.
- *Multi-Stakeholder Dialogues:* The GEF recognizes that lasting transformational change will require consideration of new stakeholders, new partnerships, and multi-stakeholder platforms[99] to build coalitions for change.[100] As defined by STAP, *multi-stakeholder dialogues refer to the processes and platforms that can be built to bring together different groups of stakeholders into an arena with a shared goal and distinct responsibilities*. The GEF has increased experience during the past cycles in fostering multi-stakeholder

[97] GEF/R.9/02: Preliminary Findings of the Eighth Overall Performance Study of the GEF
[98] Toth, F., 2018. Innovation and the GEF: Scientific and Technical Advisory Panel to the Global Environment Facility. Washington, DC. https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.STAP_.C.55.Inf_.03_STAP_Innovation.pdf
[99] The MOPAN assessment found evidence of the emergence of multi-stakeholder platforms in GEF IPs, helping to scale sustainable practices and improve transparency. MOPAN Assessment Report of the GEF, forthcoming in May 2025.
[100] Ratner, B.D. and Stafford Smith, M. 2020. Multi-stakeholder dialogue for transformational change. Scientific and Technical Advisory Panel to the Global Environment Facility. Washington, DC. https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.STAP_.C.58.Inf_.02_Multi_Stakeholder_Dialogue_For_Transformational_Change_0.pdf

dialogues. Multi-stakeholder dialogues bring diverse stakeholders (governments, private sector, civil society) across different scales relative to the program context.

97. GEF-8 programming directions prioritized these levers across all investments to support achievement of outcomes (through 2030) and GEBs. Although in varying degrees, the focus on these levers in the IPs will enable countries to pursue a more holistic approach in leveraging GEF resources to tackle drivers of environmental degradation and promote shifts in the targeted systems. The levers were intended to help drive actions by countries that will ultimately shift the systems toward durability and robustness. The levers are not considered in isolation but rather taken together as a package that is defined by and applicable to each IP, and relative to the specific system(s) targeted for influencing transformative change.

98. Looking ahead to GEF-9, these levers will be further refined and expanded to include others based on emerging potential for advancing transformational change. For example, capacity strengthening, communication and information dissemination, and behavior change have been highlighted as important enabling conditions for triggering positive tipping in systems.[101] In one of its recent advisory documents, the STAP noted the importance of capacity building as a lever for influencing systems transformation.[102]

Fostering Adaptive Management and Learning

99. The IPs are collectively focused on supporting countries to address major drivers of environmental degradation and influence transformative changes in the five systems targeted by the GEF: *natural, food, urban, energy,* and *health*. Each program is therefore expected to reflect the context and specific features of relevant systems targeted, including cross-cutting aspects that GEF requires, such as whole of society approach and private sector engagement.

100. During the Technical Advisory Group (TAG) meetings for GEF-9, experts noted that because systems are dynamic, a framework for monitoring that recognizes the interconnectedness of challenges was necessary. Such a framework will enable countries to identify leverage points for high-impact interventions and use tools such as systems mapping and feedback loops for visualizing transformation pathways. The TAG also noted that transformational change must be relative to the systems being targeted by the GEF, which will help clarify the direction of change needed and how the desired change characterized. Moreover, while incremental change is important, change that is transformational happens when shifts are interconnected and sustained.

101. Against this backdrop, the GEF-9 cycle will focus on strengthening adaptive management and learning for advancing systems transformation through IPs. This will involve:

a) establishing the characteristics of the transformed systems – An understanding of the "desired state" for each of the five systems will enable program priorities to be better aligned during the design phase.

[101] Lenton TM, Benson S, Smith T, et al. 2022. Operationalizing positive tipping points towards global sustainability. Global Sustainability, 5:e1. doi:10.1017/sus.2021.30

[102] http://stapgef.org/sites/default/files/2022-11/STAP_Achieving%20Transformation_web.pdf

b) identifying pathways for transformation – Each of the IPs will advance integrated solutions that can influence shifts in multiple systems. Developing a robust theory of change with clear pathways and assumptions is key to achieving this need. For example, tackling drivers that influence shifts in food systems toward sustainability will also contribute to safeguarding natural capital, supporting energy transition for fossil fuel to renewables, and reducing the risk of hazardous chemicals that affect environmental and human health.
c) designing IPs to engage countries and relevant actors in driving the transformation – The programs must create space for countries to continuously interact and share knowledge on tools and practices that can be potentially scaled for impactful outcomes.

102. creating frameworks for monitoring progress toward transformational outcomes – The framework for monitoring must be anchored on the contextual realities of each country, which will help identify and establish the best possible "signals" for monitoring change.

103. In addressing these priorities, the GEF Secretariat will:

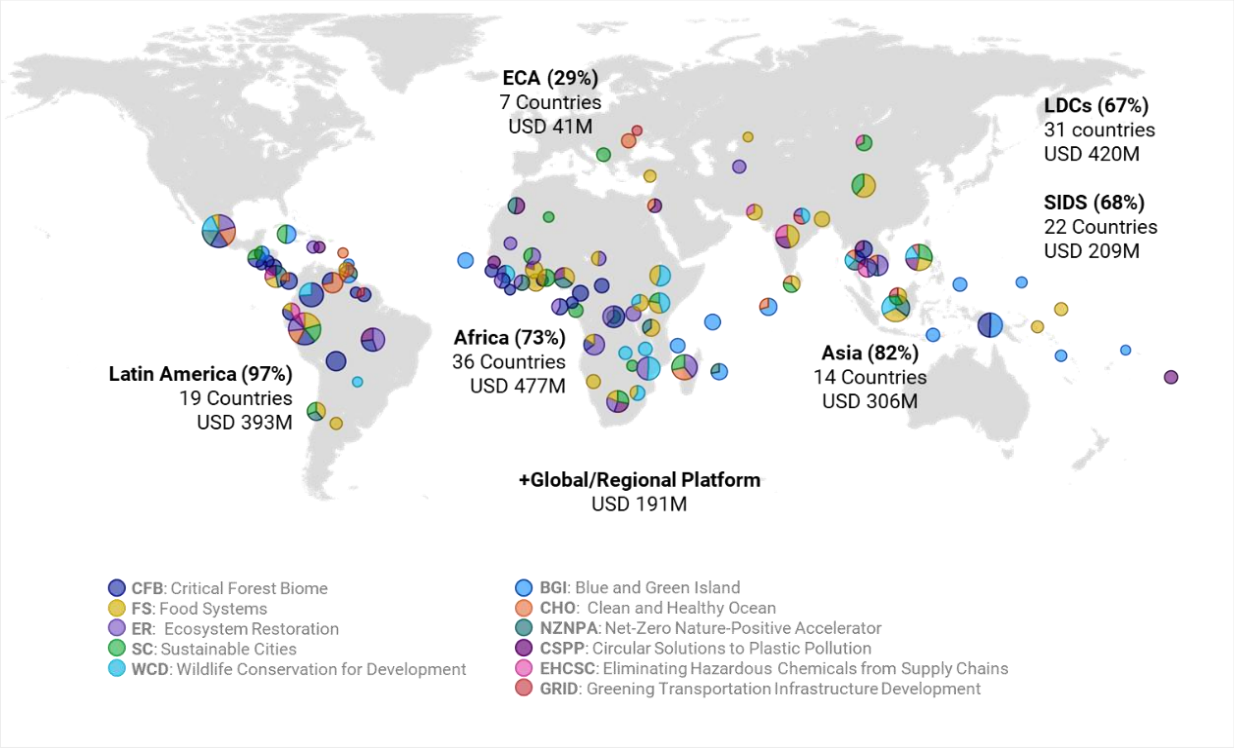
- Strengthen the integrated programming framework to deepen cross-cutting aspects such as the need for policy coherence, governance mechanisms, and blended financing models to support systemic, long-term change. This will also address the need to promote cross-sectoral alignment and foster synergies between biodiversity, climate, and development agendas.
- Foster adaptive management and learning in the programs, to acknowledge the fact that systems transformation is an evolving process that requires continuous assessment, feedback loops, and real-time adaptation. This calls for monitoring, evaluation, and learning systems that go beyond static indicators to capture behavioral and systemic changes.
- Promote the scaling of stakeholder collaboration - Successful systems transformation requires deep engagement with governments, CSOs, academia, private sector actors, and Indigenous Peoples and Local Communities. This is consistent with the GEF commitment to whole of society approach for a more inclusive programming and ensuring that interventions are contextually relevant, locally driven, and scalable.
- Strengthen regional and thematic platforms for learning – This will facilitate cross-learning and create space for countries to exchange and share knowledge on best practices, lessons learned, and innovative approaches. It will also help replicate successful models and tailor strategies to diverse geographical and sectoral contexts.

Transitioning the Integrated Program from GEF-8 to GEF-9

104. The integrated programs offer major opportunities for the GEF to invest in tackling a wide range of drivers, and as a result were expanded in scope and coverage during GEF-8 to maximize potential for impact at scale. The eleven (IPs) engaged a total of 98 recipient countries from all GEF regions, with a total of $1.66 billion in GEF financing fully programmed and generating $11.3 billion in co-financing (Figure 11). While the extent of country participation was not uniform across the programs, interest expressed during the selection suggests that the range of drivers covered was relevant. The key challenge now is to focus on creating a framework to embed

learning and adaptive management in the programs during implementation while addressing critical gaps for advancing transformative change in the five systems.

Figure 11: Country participation in the GEF-8 IPs



Note: 98 countries with at least one IP project; 52 countries with multiple IPs. SIDS (68%) and LDCs (67%)

105. Through experiences and lessons gained from programming to-date, and from STAP guidance and evaluative learning through the GEF IEO[103], the IPs are defined by well-established characteristics to enhance consistency and coherence in design and implementation. These were further reinforced during the recent TAG meetings moderated by the GEF Secretariat and STAP, with a group of over 350 global scientific and technical experts. The TAG meetings considered a range of global environmental issues and evolving context for the GEF. In addition to substantive issues for a *Healthy Planet Healthy People*, the TAG meetings generated important ideas for consideration in advancing integrated programming in GEF-9. They include:

a) *Challenges to address* – While the GEF has demonstrated the importance of integrated programming as an added dimension for fulfilling its mandate, there is a need to increase efficiency and effectiveness. This calls for a focus on specific economic and policy drivers; having clear geographical targets for anchoring projects, delivering integrated solutions, and scaling actions by countries; alignment of the "family of Funds"; and demonstrating innovation and risk appetite.

b) *Approaches to embrace* – Considering the urgency and importance or GEF to influence the transformation of systems, the TAGs for integration highlighted the need to further

[103] GEF/R.9/02: Preliminary Findings of the Eighth Overall Performance Study of the GEF

emphasize systems thinking across all GEF programming to internalize strategies for monitoring and reporting transformational change[104]; focus on integrated country-level planning to foster the "whole of government" engagement; emphasize people-centered and whole of society framing to maximize fairness and increase focus on local beneficiaries; target supply chains; and continue advancing nature-positive pathways to systems change.

c) *Innovations to advance* - The TAGs also considered emerging opportunities for the GEF to advance innovations along multiple dimensions across its programming. Key in this regard are the emphasis on whole of society to maximize fairness, policy coherence to influence cross-sector engagement, blended finance to leverage private investments. In addition, GEF programming should consider catalyzing and scaling solutions, promote technologies to support applications for data, monitoring, communications, and promote adaptive management and learning.

106. Drawing on these outcomes of the TAG meetings, the GEF-9 programming will further reinforce the added-value of the integrated approach for impactful outcomes and advancing system transformation (Table 1). The proposed enhancements will also enable the GEF to transition the GEF-8 IPs to GEF-9 while promoting experiential learning for greater coherence and consistency in design and delivery of the programs. The GEF Secretariat will be in position to engage with agencies and STAP on many of the key concepts and innovations proposed, which will help to develop and socialize them as part of our collective effort to support countries in leveraging GEF resources.

Table 1: Characteristics of Integrated Programs and Proposed Enhancements for GEF-9

Established Characteristics	Proposed Enhancements for GEF-9
• Integration of actions across sectors, resources across GEF focal areas, across supply chains, and • Addressing drivers of environmental degradation at global or regional scales, and • Complementing country-level investments with transboundary action and impact at regional or global scales, and • Mobilizing diverse coalition of stakeholders from relevant sectors for system transformation, and • Promoting greater private sector engagement, and • Fostering knowledge sharing and learning.	• Explicit application of "systems thinking" to underpin design and implementation the programs, • Address multiple drivers in targeted geographies to maximize potential for synergies and avoid negative tradeoffs, • Foster nature-positive pathways in country-level planning, • Promote Blended Finance opportunities to leverage additional resources, • Promote policy coherence, and • Promote interoperability between platforms of IPs to harness synergies and foster adaptive management.

[104] The need to develop indicators for "system-level change" is also identified by the MOPAN Assessment Report of the GEF, forthcoming in May 2025

Proposed Integrated Programs for GEF-9

107. With the GEF-8 IPs now fully developed and moving to implementation phase, the GEF Secretariat and agencies have an invaluable opportunity to strengthen portfolio-level learning and knowledge sharing for adaptative management. The TAG meetings included nine (9) integration themes to review substantive aspects of the programs and identify priority options for consideration by the GEF. Based on outcomes of the TAGs, the IPs proposed for GEF-9 will address two critical needs: a) transitioning the GEF-8 IPs to harness existing frameworks while accommodating emerging priorities, and b) addressing critical gaps to further strengthen engagement by countries.

108. In assessing the GEF-8 IPs for transitioning to GEF-9, the GEF Secretariat has committed to maintaining some degree of continuity to take full advantage of the potential for advancing learning and knowledge sharing. Hence the GEF-8 IPs are considered for transitioning based on the following three criteria:

- *Evolve* – IPs that have a well-established foundation and track-record of outcomes will evolve further and create opportunities for advancing transformative change by expanding coverage of drivers targeted, increasing country engagement, and fostering innovation as recommended by the relevant TAGs. The continuity of programming across GEF replenishment phases will also enable the GEF Secretariat to strengthen learning and knowledge sharing as we advance the integrated programming modality to influence transformational change in systems.
- *Mainstream* – This includes IPs with substantive priorities relevant to and will help strengthen the overall effectiveness of those IPs that will evolve in GEF-9. In particular, the focus on planning and policy processes at country-level for nature-positive pathways is critical for promoting a whole of government approach to advance systems transformation. Similarly, revitalization as a tool and practice has a major role in supporting transformative change in natural and human systems.

d) *Consolidate* – This includes IPs that have potential for creating synergies and maximizing potential for impact when programmed in specific geographical contexts. This is particularly critical for biomes and ecosystems where negative tradeoffs and isolated investments are likely to undermine environmental outcomes. Consolidating priorities of these IPs into those that evolve will enable countries in those geographical contexts to target additional drivers and promote integrated solutions at scale.

109. These criteria for transitioning to GEF-9 are largely in response to how the GEF-8 IPs were prioritized by countries but also considered the urgency to raise ambition and scale-up actions toward influencing transformative change in systems. Table 2 shows how the IPs are tagged based on the criteria, including a brief description of rationale and opportunities for strengthening programming as highlighted from the relevant TAGs.

Table 2: Criteria and Rationale for Transitioning GEF-8 Integrated Programs

GEF-8 IP	Criteria	Rationale
Amazon, Congo, and Critical Forest Biomes (CFB IP)	Evolve	Builds on targeted geographies critical for safeguarding primary and intact tropical forests, including frameworks and commitments by countries to foster collective action for improving biome-level integrity. The IP will offer opportunities for countries to address multiple drivers, including infrastructure development, artisanal gold mining, and illegal exploitation. In addition to mainstreaming Net-Zero Nature-Positive Accelerator (NZNPA) IP (for country-level planning) and ER IP (for habitat ecosystem connectivity), this will also enable countries to also consolidate Greening Transportation Infrastructure Development (GRID) IP (for planning infrastructure development).
Global Wildlife for Development (GWD IP)	Evolve	Builds on existing foundation and global network now in place to tackle drivers of illegal exploitation and trade in wildlife. The IP will address the growing urgency for scaling actions across geographical scales, expand coverage of affected wildlife species, and advance a one health approach. The program will mainstream NZNPA IP priorities (for country level planning) and ER IP (for habitats and ecosystems) and consolidate lessons from GEF-8 GRID IP for more sustainable infrastructure planning and development to reduce threats to wildlife.
Blue and Green Islands (BGI IP)	Evolve	Builds on the well-established framework to address specific needs of SIDS for advancing integrated approach to tackle multiple drivers. The program will create opportunities for connecting land-based and ocean issues through a source-to-sea and sea-to-source approach, including emerging innovations to advance transformative change in systems. This will also consider the need to mainstream NZNPA IP (for country level planning) and ER IP (for habitat and ecosystem restoration) and consolidation of priorities under the CHO IP (for land-based pollution).
Food Systems (FS IP)	Evolve	Builds on a well-established foundation and experience with food and agricultural commodities that account for global level impacts of food systems. The program will deepen engagement across spatial (geographies) and vertical (actors, policies, and institutions) dimensions, expand coverage of value chains for crops, livestock, and aquaculture, promote innovations for transformation. In addition to mainstreaming NZNPA IP (for country-level planning) and ER IP (for habitat ecosystem connectivity), it will also consolidate CHO (for agricultural runoff).
Ecosystem Restoration (ER IP)	Mainstream	While the IP was well subscribed by countries, the need for investing in ecosystem restoration is deemed critical across all biomes (forests, drylands, coastal) and systems (natural, food, urban, and energy). As a nature-based solution, restoration plays a major role in production landscapes (for soil health and related ecosystem services), ecosystem connectivity through

		establishment of corridors, and improving habitats for wildlife. Building on experience with the GEF-8 programming, these practices will be mainstreamed in all IPs that will evolve and specifically in the Critical Forests, Drylands, Food Systems, Sustainable Cities, Blue Green Islands and Pollution.
Greening Transportation Infrastructure Development (GRID IP)	Consolidate	Although the IP was not adequately subscribed by countries, transportation infrastructure is still a leading cause of deforestation and habitat loss/degradation in the developing country regions. The potential for impact can be greatly enhanced by focusing on systemic, integrated, and multi-disciplinary solutions in targeted geographies (biomes and ecosystems) where synergies and tradeoffs can be managed. Hence the priorities of this IP will be consolidated into those that will evolve, and more specifically the CFB and Sustainable Cities IPs.
Net-Zero Nature-Positive Accelerator (NZNPA IP)	Mainstream	This IP was well subscribed by countries committed to planning and investing in nature-positive pathways. The focus on country level planning is crucial for anchoring integrated solutions across all relevant sectors that drive environmental degradation. The value-added of this IP is therefore considered invaluable for advancing the whole of government and whole of society approaches, which are key priorities for influencing transformational change in systems. Hence, it will be mainstreamed across all IPs in GEF-9. Further, this approach will be included in the CES to stimulate the creation of cross-sectoral steering committees for in-country GEF decision-making, as well as to promote countries to engage in Country Platforms that bring together funders with cross-sectoral government agencies to align national policies with public and private funding for nature and climate.
Sustainable Cities (SC IP)	Evolve	Builds on existing foundation and experience, including institutional frameworks to align with and support engagement by sub-national entities in implementation of country commitments under MEAs served by the GEF. The IP will expand coverage of drivers to include those operating in the urban-rural interface (linear infrastructure, land use), and address the resource sheds fueling cities (water, food, energy). In addition to mainstreaming priorities of the NZNPA and ER IPs, the program will consolidate those under the GRID (for infrastructure planning) and CHO IP (for waste and land-based pollution).
Clean and Healthy Oceans (CHO IP)	Consolidate	While the IP was well subscribed to by countries during programming, the explicit focus on hypoxia can be best addressed under a larger banner of eutrophication in coastal marine ecosystems. This will be further strengthened by consolidating in other IPs such as BGI (for land-based pollution), Sustainable Cities (for wastewater improvements) where participating countries focus on urban centers located near large marine ecosystems (LMEs), Food Systems (for agriculture

		runoff and aquaculture systems), and Circular Solutions to Plastics Pollution (for industrial waste).
Circular Solutions to Plastics Pollution (CSPP IP)	Evolve	Builds on existing foundation; Opportunity to expand to countries for relevant sectors, such as cities, food, fashion, construction, and tourism. The program evolution will prioritize One Health and lifecycle approaches and designing out pollution from products, processes, and systems by consolidating CHO IP priorities.
Eliminating Hazardous Chemicals-from Supply Chains (EHCSS IP)	Evolve	Builds on the foundation now established for key sectoral supply chains (construction and fashion), with potential for expanding coverage to other sectors such as agriculture and transportation to promote nature-positive pathways. Will mainstream priorities of the NZNPA and ER IPs and consolidate others from the CHO IP where appropriate to accommodate country-specific needs.

110. In addition to proposed recommendations that will be addressed in transitioning the GEF-IPs, the TAG discussions also reinforced the need for the GEF to have a dedicated focus on tackling drought, especially in drylands where the impacts are profoundly affect the lives and livelihoods of IPLCs. To address this specific need, a new IP is proposed to focus on dryland regions where drivers of environmental degradation are exacerbated by drought. Consistent with the approach proposed for transitioning the GEF-8 IPs, the new IP will also mainstream priorities of the NZNPA (for country level planning) and ER IP (for ecosystem restoration).

111. Based on the proposed approach for transitioning GEF-8 IPs and additional consideration for a new IP, the GEF Secretariat is proposing the following as IPs for GEF-9:

a) Amazon, Congo, and Critical Forest Biomes
b) Global Wildlife for Development
c) Blue and Green Islands
d) Food Systems
e) Drylands and Drought Management
f) Sustainable Cities
g) Circular Solutions to Plastics Pollution
h) Pollution-free Supply Chains

Amazon, Congo, and Critical Forest Biomes IP[105]

112. Tropical and subtropical forests cover just 14% of the earth's land surface but support at least half of all species and offer key ecosystem services. Tropical primary forests offer essential environmental services like freshwater supply and erosion control and exhibit higher resistance. They house more species and store more carbon per hectare than most other ecosystems in the world. Tropical primary forests are also vital for IPLCs which livelihoods, medicine, and cultural identity depend on. This makes these ecosystems in their primary form crucial to meeting global climate and conservation goals. Conserving primary and intact tropical forests is the most efficient nature-based solution for addressing both biodiversity and climate crisis. As a result of human activities, 33% of the biome has already been deforested and 22% degraded globally[106]. According to Global Forest Watch, from 2002 to 2023, there was a total of 76.3 million ha of humid primary forest lost globally whose value is irreplaceable. During this period, total area of humid primary forest decreased globally by 7.4% and there was a total of 138 million ha tree cover lost from forest fires (nearly one-third of this area was burned in just the last four years)[107]. In addition to ecosystem services loss, increasing human pressure and land use changes in tropical primary forests heighten the risk of more frequent zoonotic spillover events.

113. Due to various local and global factors, threats to forests are increasing and now impacting even remote areas of high integrity forests. Essentially, no tropical primary forests can be considered as safe anymore unless actions are taken to tackle drivers and protect what remains[108]. Since multiple factors reinforce each other, they should be addressed simultaneously, including those with less direct impact but causing large-scale indirect effects, such as facilitating forest encroachments, expansion of agricultural commodities, and gold mining. [109,110]

114. To consider all the drivers impacting tropical primary forests, the GEF approach must consider actions at two levels: a focus on national level planning to foster whole of government and whole of society approach for nature-positive pathways, building on experience with the GEF-8 Net Zero Nature Positive Accelerator IP; and at landscape level to ensure integration of appropriate land uses for forest conservation, building on experience with the GEF-8 ER IP. Where the integrity of primary forests is threatened by degradation at landscape scale investing in ecosystem restoration activities can contribute to improving or ensuring the integrity of the primary forests. Furthermore, and with unsustainable infrastructure development as a major cause of deforestation and forest fragmentation in the tropics, the approaches and lessons of the GEF-8 GRID IP, including policy reform, upstream integrated planning and derisking finance for sustainable infrastructure will be consolidated into this IP. Where the integrity of primary forests

[105] It is proposed to change the vocable "critical forests" by "globally important forests" as the word "critical" was not well received in some regions and "globally important forests" better reflects the GEF focus.
[106] https://news.mongabay.com/2020/09/less-than-half-of-worlds-humid-tropical-forests-have-high-ecological-integrity-study/
[107] WRI. 2024. Indicators of Forest Extent – Primary Forest Loss.
[108] Based on the GEF-9 Technical Advisory Group meeting on Globally Significant Forest Biomes, February 19, 2025.
[109] Engert, Jayden E., et al. "Ghost roads and the destruction of Asia-Pacific tropical forests." *Nature* 629.8011 (2024): 370-375.
[110] Engert, Jayden E., et al. "Explosive growth of secondary roads is linked to widespread tropical deforestation." Current Biology (2025).

is threatened by degradation at landscape scale investing in ecosystem revitalization activities can contribute to improving or ensuring the integrity of the primary forests.

115. Beyond regional and landscapes approaches, there is need to include global stakeholders in the strategy such as foreign investors, financing institutions, businesses, civil society, and consumers who can influence these dynamics in one or the other ways. [111,112] Increasing human pressure and land use changes in tropical primary forests heighten the risk of more frequent zoonotic spillover events.[113] Figure 12 summarizes key causes of forest loss and severe degradation for each important forest biomes that the IP will prioritize.

Figure 11: Analysis of drivers for deforestation fronts

	Cattle Ranching	Large-scale Agriculture	Smallholder Farming	Logging	Mining Operations	Transport	Urban expansion	Fire
	Agriculture			Extractive		Infrastructure expansion		Other
Amazon	↗	→	↗	→	→	↗		↗
Meso-America	↗	↗	↗	↘			↗	→
Congo Basin		↗	↗	→	↗	↗	↗	
Guinean Forest		↘	↗	→	↗	↗		
Southeast Asia		↗	↗	→	→	↗	↗	→

subset of WWF report Deforestation fronts: Drivers and responses in a changing world[114]

Relative influence

- Red: Primary cause of forest loss and/or severe degradation
- Orange: Important secondary cause of forest loss and/or severe degradation
- Yellow: Less important cause of forest loss and/or severe degradation

Trends:
↗: Increase
→: Stable
↘: Increase

116. Current economic models do not recognize the real value of primary forests and the ecosystem services they provide. Lack of recognition and financial resources to pay for the opportunity cost of their conservation further cause their continuous loss and degradation. Low economic valuation of nature and perverse incentives persist and continue creating the conditions of clearing forests for more profitable uses. According to the Forest Declaration Assessment, 100 times more resources are invested in activities that are potentially harmful to forests than in

[111] Sylvester et al., 2024. Analysis of food systems drivers of deforestation highlights foreign direct investments and urbanization as threats to tropical forests. Sci Rep 14, 15179 (2024).
[112] Witness, Global. "Deforestation Dividends: How global banks profit from rainforest destruction and human rights abuses." *Global Witness. October* 22 (2021): 2021.
[113] Borma, L. S., et al. "Beyond carbon: The contributions of South American tropical humid and subhumid forests to ecosystem services." *Reviews of Geophysics* 60.4 (2022): e2021RG000766.
[114] Pacheco, Pablo, et al. "Deforestation fronts: Drivers and responses in a changing world." WWF, Gland, Switzerland 125 (2021).

activities to conserve them ($2.2 billion per year)[115]. Policy coherence through adequate governance and policies must therefore be a key element of any strategy to conserve forests.

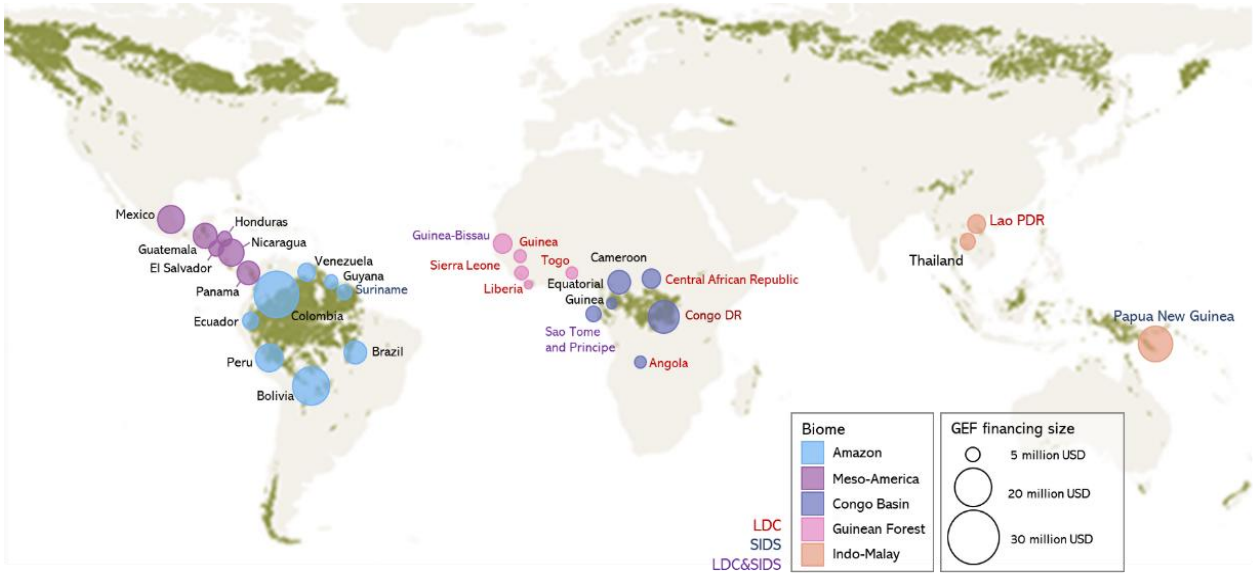
117. Since its inception, the GEF has allocated an increasing share of its resources to conserve forests as a cross-cutting theme in its biodiversity, climate change, and land degradation focal areas. In total, the GEF supported around 700 forest-related projects with $4.5 billion grants leveraging $25 billion in co-financing[116]. With such experience combined with its convening power, the GEF is well positioned to have significant impact at global scale.

Framing of the Integrated Program

118. Consistent with the GEF strategy on forests, the overarching goal of the IP is to maintain, preserve, and restore the integrity and functioning of tropical forest biomes. The IP will invest in the conservation and effective governance of globally important forest biomes, focusing on intact primary forests that sustain the health of the planet and flow of vital ecosystem services that underpin human well-being.

119. In GEF-8, GEF recipient countries responded well to the opportunity of an IP to conserve tropical primary forests, with 28 countries in five biomes - Amazon, Congo, Southeast Asia and the Pacific, Guinean forests, and Mesoamerica representing a GEF investment of $306 million associated to $1.5 billion in co-financing. Each region is covered with a Regional Coordination Project, offering a framework at the biome level (Figure 13).

Figure 12: Geography of the CFB IP with five regional biomes and participating countries



Basemap: Intact Forest Landscape 2020[117]

[115] Forest Declaration Assessment. 2023. Finance for Forests: Theme 3 Assessment
[116] https://www.thegef.org/newsroom/publications/gef-strategy-forests-preserving-forests-future-nature-and-people
[117] Potapov, Peter, et al. "The last frontiers of wilderness: Tracking loss of intact forest landscapes from 2000 to 2013." Science advances 3.1 (2017): e1600821.

120. Despite the commitment by countries, the conservation of tropical primary forests remains severely underfunded within a complex and fragmented global finance architecture[118]. Financial flows to protect these ecosystems are insufficient, often poorly coordinated, making it challenging to secure stable and long-term support. The GEF, thanks to its convening power, its catalytic role to attract cofinancing, and its integrated programmatic approach can provide its support.

121. Building on GEF-8 IP and the GEF long track-record of forest related projects, the proposed GEF-9 IP will increase the protection and governance of tropical primary forests in the five critical biomes—Amazon, Congo, Meso-America, Guinean Forests, and Southeast Asia and the Pacific- tackling the drivers of deforestation and forest degradation across multiple scales. In doing so, it will consider the evolving context such as the increased threats due to infrastructure development, mining and forest fires and create synergies with other relevant IPs to ensure coordination and maximize the impacts. While the IP will address global challenges and issues, it will consider the regional specificities and continue to adopt regional approaches promoting cooperation and synergies between countries sharing the same regional biome.

122. More than ever, GEF-9 will emphasize the importance of a people centered approach, which means the empowerment of IPLCs, including through enhanced partnerships and their inclusion in decision-making.[119] In this regard, the IP will promote forest conservation under different protection regimes including through protected areas, indigenous territories, and other effective area-based conservation measures (OECMs). It will also support landscape restoration where it contributes to maintaining or rehabilitating the integrity of ecosystems. To alleviate pressure on forests, sustainable use of natural resources along biodiversity friendly value chains will be promoted, ensuring economic and social inclusion.

123. To achieve transformation and impact at scale, particular attention will be given to investments strengthening governance and policies, finance mechanisms, multistakeholder cooperation including partnerships, innovation and knowledge management. Targeting these levers will ensure that GEF investments through the IP will contribute to influencing transformational change in natural and food systems. To ensure that these levers of transformation ultimately advance sustainability and scale, the IP will support system-wide, country-driven, people-centered development across people, organizations, institutions, and policies.

124. In each forest biome, at regional level, key-cross-cutting issues are prioritized and mainstreamed as part of the overall design and implementation to be reflected in all country projects. These include policy coherence, multistakeholder platforms, stakeholder engagement, IPLC and women's empowerment, private sector engagement, and knowledge management and learning. The IP will contribute to the creation of jobs related to nature for men, women, and youth, for instance community champions and wildlife rangers.

125. Acknowledging the interconnection between sectors, the IP will contribute to promoting links and synergies within the IP among the different regions and with other relevant IPs such as

[118] Watson C. & Schatalek L, 2020. The Global Climate Finance Architecture. Climate Finance Fundamentals 2, Heinrich Böll Stiftung, Washington DC, USA. & ODI, London, UK. https://climatefundsupdate.org/wp-content/uploads/2020/03/CFF2-2019-ENG-DIGITAL.pdf

[119] GEF/R.9/02: Preliminary Findings of the Eighth Overall Performance Study of the GEF

the Global Wildlife for Development IP. This IP is also complementary to and synergistic with the FS IP which will tackle global commodities as drivers of deforestation and restore degraded productive lands in tropical forests.

126. The IP is strongly anchored in the Biodiversity and Climate Change Focal Areas as its overarching goal is to preserve the forests that have the richest biodiversity and the highest carbon stocks. It also significantly contributes to the Land Degradation Focal Area through supporting sustainable land management and targeted forest restoration for example to ensure and foster connectivity between primary forests and improve livelihoods. The IP will also enhance the integration with the GEF portfolio on Chemicals and Waste related to mining, especially small-scale artisanal gold mining and the use of mercury, and the International Waters portfolio related to coordinated approaches in transboundary forests.

Objectives, Key Interventions, and Selection Criteria

- Expand the coverage and improve management of protected areas in the tropical forest biomes to safeguard globally significant biodiversity, carbon stocks and sinks, and improve ecological connectivity in the forest biomes at local, national, and transboundary level.
- Implement Nature-based Solutions to achieve conservation outside the protected areas and decrease human pressure on primary forests. This includes improving conservation-friendly livelihoods through bioeconomy benefiting IPLCs.
- Promote integrated land-use planning, addressing competing land-uses while conserving primary forests. This includes the support to conservation friendly livelihoods at the local level; and the improvement of the "productive" sectors ensuring compatibility with forest conservation and the promotion of deforestation-free commercial commodities.
- Support forest landscapes restoration as a complementary measure to forest conservation, including biological corridors contributing to maintain tropical primary forest integrity and ecosystem services. This includes enhancing production and landscape revitalization by restoring degraded areas and using natural resources sustainably along biodiversity-friendly value chains, ensuring economic and social inclusion, within a landscape approach. With GEF support, targeted forests can also serve as building blocks for ecosystem restoration at landscape level.
- Promote policy coherence and whole of society approaches through policy and institutional reforms and integrated land-use planning, including the reduction of harmful incentives, involving all relevant sectors, fostering the development of sustainable infrastructure, strengthening law enforcement and the information and monitoring systems to ensure land-use decisions are not made at the expense of primary forests.
- Increase resource mobilization through supporting the implementation of financial instruments and approaches that provide long-term and additional resources for the conservation of primary forests. Possible instruments and approaches that can be considered include PES, CTFs, debt for nature swaps or conversions, Project Finance for Permanence (PFP), Sustainability Linked Bonds (SLBs), Country Platform approaches, blended finance and nature and biodiversity certificates. This also includes the implementation of the international development agenda related to financial incentives such as Reducing Emissions from Deforestation and forest Degradation (REDD+) and non-

market initiatives under the United Nations Framework Convention on Climate Change (UNFCCC).

- Harness and develop initiatives and partnerships at local and global levels to develop coordination, synergies and efficiency in addressing the drivers of forest loss and degradation and promoting solutions. Strategic partners include financial institutions (including national and regional banks) investing in infrastructure development and production sectors. Improve land tenure, access rights and access to finance of IPLCs to strengthen their crucial role in conserving forests. Support analysis and global awareness to enhance the role of primary forests conservation and forest restoration to meet the globally agreed commitments by 2030 made under the Rio Conventions and by the private sector.
- Promote coordination and synergies with existing financial support from the bilateral, multilateral aid, and non-profit organizations to avoid duplication of efforts and maximize the impact.
- Promote South-South cooperation including through the development of the interoperability between GEF regional and relevant global IP platforms. The cooperation includes learning, promoting transparency, sharing success stories, technical exchanges, intergovernmental dialogue, knowledge management, and communication strategies.

127. Selection criteria for the participating countries and project proposals include:

- The global importance of high integrity forests they host and willingness to tackle the key threats for primary forest deforestation and degradation.
- The commitment to work on regional and transboundary efforts to maintain and restore the integrity of the forest biomes beyond national boundaries.
- The high level of global environment and social benefits their participation in the IP will provide. This includes the level of contribution to the MEAs. Their commitment to conserve high ecological integrity forests and the efficiency of their strategy including through policy coherence, integrated approaches, and whole of society approaches.
- The system transformation potential of the proposal harnesses adequate levers of transformation including governance, financial leverage, partnerships, innovative approaches and knowledge management.
- The whole of society approach and commitment to policy coherence.
- The nature and level of cooperation with other GEF relevant platforms including within the IP and with other relevant IPs.
- The capacity to leverage co-financing, especially resource mobilized, demonstrating coordination and buy-in and direct involvement of the private sector.
- The articulation with other GEF funds (such as GBFF and LDCF) and with CW and IW FAs to maximize scale and synergies.

128. As in GEF-8, this IP will include five regional coordination platforms (one for each targeted regional biomes). These platforms will not only play the role of coordinating, sharing knowledge and enhancing capacities in the participating countries of their biome. Because this IP will not have a global platform, they will also have the critical responsibility to coordinate and create synergies on themes of common interest with the other regional platforms in close coordination with the GEF Secretariat acting as a global "hub" for the whole IP. Additionally, to maximize the impact in a systemic and transformative approach, the regional platforms will be

expected to engage outside the IP with other relevant GEF IP global platforms (such as Global Wildlife for Development and Food Systems IPs) and other relevant stakeholders and partnerships, developing synergies and scaling up GEF interventions influence.

Existing platforms and Potential Partners

129. At the global level:

- Global Platforms: Collaborative Partnership on Forests (CPF), United Nations Forum on Forests (UNFF), The High Ambition Coalition for Nature and People to develop synergies on the political commitment and target 3 of the KMGBF.
- International Climate Initiatives: Forests and Climate Leaders Partnership, International Climate Initiative (IKI), The Legacy Landscapes Fund, World Economic Forum's One Trillion Trees initiative, Lowering Emissions by Accelerating Forest finance (LEAF) Coalition.
- Private sector: The Coalition for Private Investment in Conservation (CPIC) initiative, World Business Council for Sustainable Development (WBCSD) Forest Investor Club, Restoring and Sustaining Landscapes Together (RESULT) Asia-Pacific, Grow Asia, Commodity initiatives, such as the Roundtable for Sustainable Palm Oil (RSPO) and the Cocoa Forests Initiative from the World Cocoa Foundation.
- Funding and Financial Institutions: REDD+ funding partners including financial institutions and private sector.
- International Non-Governmental Organizations (NGOs): African Parks, African Wildlife Foundation, Birdlife International, International Union for Conservation of Nature (IUCN), Conservation International (CI), Rainforest Alliance, The Nature Conservancy (TNC), Wildlife Conservation Society (WCS), World Wildlife Fund (WWF), Zoological Society of London (ZSL), Universal Rangers Support Alliance & International Rangers Federation (URSA/IRF).
- Research Centers: Consultative Group on International Agricultural Research (CGIAR), Center for International Forestry Research and World Agroforestry (CIFOR-ICRAF).
- Local Governments Mobilization: The Governors' Climate & Forest Task Force to help mobilize local government where relevant.
- Other Initiatives: The International Caucus for Conservation, The GEF Indigenous Peoples Advisory Group, World Resources Institute (WRI) Global Forest Watch and Land and Carbon Lab.

130. At the regional level:

- Amazon: Knowledge Platform of the Amazon Sustainable Landscape Impact Program (ASL), Leticia Pact, Amazon Cooperation Treaty Organization (ACTO), IADB's initiative Amazonia Forever, World Bank's Amazon Program, Network of Latin American Technical Cooperation in National Parks, Other Protected Areas, and Wildlife (REDPARQUES), the Amazon Region Protected Areas Program (ARPA).
- Congo: Regional Platform of the Congo Impact Program, Congo Basin Forest Partnership (CBFP), Economic Community of Central African States (ECCAS), Central Africa Forest Initiative (CAFI), Central African Forests Commission (COMIFAC), specialized networks (Network of IPLCs for the sustainable management of forest ecosystems in Central Africa - REPALEAC, and Conference on Dense and Moist Forest Ecosystems of Central Africa

-CEFDHAC, African Women's Network for Sustainable Development - REFADD, Youth Network for Central African Forests - REJEFAC).

- Asia Pacific: Association of Southeast Asian Nations (ASEAN) Regional Network on Forest and Climate Change, regional programs from multi, bilateral, and NGOs.
- Mesoamerica: Central American Commission for Environment and Development (CCAD) for the "5 Great Forests Initiative", The Dry Corridor Initiative.
- Guinean Forests of West Africa: Critical Ecosystem Partnership Fund (CEPF), Transboundary Tai-Grebo-Krahn-Sapo Forest, Gola Transboundary Forest Landscape, Cross River-Korup-Takamanda Transboundary Initiative, private sector (São Tomé and Príncipe), Mano River Union.

Contributions of this program to Global Environmental Benefits and MEAs

- UNFCCC and Paris Agreement: The UNFCCC emphasizes conserving diverse and resilient forests to achieve net zero efficiency by 2050, and the COP28 decision aims to halt and reverse deforestation by 2030[120]. By focusing on tropical and primary forests and their high-level carbon stock, the IP will provide a significant and efficient contribution to the net zero efficiency goal by 2050. In addition, the IP is aligned with the Glasgow Climate Pact[121] which highlights the importance of protecting and restoring ecosystems to act as carbon sinks and protect biodiversity, the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES)- Intergovernmental Panel on Climate Change (IPCC) report and UNFCCC decisions that emphasize ecosystem integrity and integrated climate-biodiversity solutions. The IP also efficiently contributes to article 6.8 of the Paris Agreement on non-market approaches which can include the conservation of forests without involving offsetting and trading of credits.
- CBD: Under the UNCBD, forest biomes are critical for achieving biodiversity targets in the KMGBF targets 1,2 and 3. The IP also aligns very well with the CBD COP16 Decision 16/22 [122] Noting "that biodiversity and ecosystem integrity play an important role in combatting climate change and urging governments "to identify and maximize potential synergies between biodiversity and climate actions".
- UNCCD: The IP contributes to the UNCCD and the Land Degradation Neutrality (LDN) targets by supporting sustainable land management and restoration efforts.
- UNFF: The IP contributes to the UNFF's goals of preventing deforestation, improving governance, and enhancing cooperation. The Program will significantly contribute to these objectives.

Role of the Private Sector in Supporting this Program

131. The interactions between the private sector and this IP are complex. The private sector has often been seen as a contributor to deforestation rather than a partner in conservation. This lack of involvement is due to various factors, including limited awareness of the benefits of environmentally sound practices, perceived high costs, and the absence of incentives for businesses to invest in forest conservation. The action of the private sector can however be considered as a potential positive element for policy coherence that faces multiple challenges.[123]

[120] UNFCCC/PA/CMA/2023/L.17120
[121] https://unfccc.int/sites/default/files/resource/cop26_auv_2f_cover_decision.pdf
[122] https://dev-chm.cbd.int/doc/decisions/cop-16/cop-16-dec-22-en.pdf
[123] STAP, 2023. Policy Coherence in the GEF. June 2023, 1-24.

132. Private sector engagement is crucial to complement forest conservation. At the landscape level, companies can invest in improved forestry practices, develop technologies for monitoring forest health, and create market demand for sustainably sourced products. Emerging environmental regulations, such as the EU Deforestation Regulation (EUDR) may provide a favorable enabling environment for transformational change.

133. The IP will promote a positive enabling environment for the private sector. This includes capacity building for small and medium enterprises (SMEs) and global corporations, supporting nature-positive public policies and governance.

134. Another key entry point to engage the private sector is encouraging financial innovations and providing an enabling environment for policy framework as well as providing capacity building for participating countries and partners. Financial innovations, such as results-based payments (PES[124, 125], carbon and biodiversity credit, outcome payment bond[126]), de-risking mechanisms (insurance products, guarantees[127]), and capital market mobilization (SLBs[128, 129, 130]) can attract new investments into forest conservation and restoration.

135. Engaging key supply chain companies is crucial for value-chain operations, ensuring forest conservation efforts are integrated from raw material sourcing to final product delivery. For example, the Living Amazon Mechanism project in Brazil[131] uses a blended finance investment mechanism to support conservation activities and strengthen value chains in the bioeconomy.

[124] Montero-de-Oliveira, Fernando-Esteban, Genowefa Blundo-Canto, and Driss Ezzine-de-Blas. "Under what conditions do payments for environmental services enable forest conservation in the Amazon? A realist synthesis." Ecological Economics 205 (2023): 107697.
[125] https://www.thegef.org/projects-operations/projects/9139
[126] https://treasury.worldbank.org/en/about/unit/treasury/ibrd/outcome-bonds
[127] https://www.thegef.org/projects-operations/projects/11324
[128] https://sslburuguay.mef.gub.uy/innovaportal/file/30690/20/uruguay_sslb_framework__2.pdf
[129] https://www.gov.br/planalto/en/latest-news/2023/11/brazil-announces-first-issuance-of-sustainable-bonds
[130] https://www.weforum.org/stories/2022/11/cop27-sustainability-linked-bonds-net-zero-transition/
[131] https://www.thegef.org/projects-operations/projects/11327

Global Wildlife for Development IP

136. Global indicators of wildlife status and population trends signal an accelerating decline across many taxa and increasing degradation and fragmentation of marine, terrestrial and freshwater habitat. On average, the size of global wildlife populations has declined by 73% in the last 50 years, with differences between regions and ecosystem types.[132,133] Given the essential role wildlife plays in the maintenance and functioning of ecosystems, this significant loss effects both human and ecological communities, decreasing ability for ecosystems to be robust to Earth system change, threatening food and human security, health and jeopardizing livelihoods.[134] The conservation and sustainable management of wildlife and wildlife landscapes is essential to meeting global biodiversity, climate, land management, and health goals.

137. The two main drivers of wildlife loss are interconnected: habitat fragmentation and loss; and unsustainable (legal and illegal) overexploitation and trade of wildlife. Although there are regional and sub-regional differences, the overexploitation of wildlife and destruction of habitat is driven by: illegal and unsustainable consumption and trade of wildlife, both at the domestic and international level, and the underlying demand for wildlife and wildlife products; undervaluation of natural resources and perverse incentives; lack of viable economic alternatives; and poor natural resource governance at the local, national and global scales.

138. Global illegal wildlife trade (IWT) one of the largest global illegal markets after narcotics, human trafficking and counterfeit products which is managed by complex transnational organized crime networks, generating up to $23 billion annually[135], and is increasingly facilitated online. 15 years on from a surge in political and donor attention to combating IWT, much progress has been made on poaching and trafficking of charismatic megafauna through demand and supply side efforts. Despite this, attention and investment has stagnated, and an increasing range of taxa are affected by illegal or unsustainable trade and recent assessment show no confidence that wildlife trafficking overall is being substantially reduced. Furthermore, the legal but unsustainable trade and use of wildlife often goes unreported and is contributing to overexploitation.[136]

139. Wildlife landscapes and key migration routes are often fragmented by competing land uses, including agriculture, which accounts for 90% or more of tropical deforestation[137] and

[132] World Wildlife Fund (WWF). (2024). Living Planet Report 2024 – A System in Peril. WWF, Gland, Switzerland
[133] Sayer, C.A., Fernando, E., Jimenez, R.R. et al (2025). One-quarter of freshwater fauna threatened with extinction. Nature. https://doi.org/10.1038/s41586-024-08375-z
[134] "Wildlife-based tourism alone now generates an estimated $120.1 billion annually and supports 21.8 million jobs globally "World Travel and Tourism Council (WTTC). (2019). The Economic Impact of Global Wildlife Tourism. WTTC, London, United Kingdom
[135] UN Office of Drugs and Crime (UNODC) 2024 World Wildlife Crime Report https://www.unodc.org/unodc/en/data-and-analysis/wildlife.html
[136] Determining the sustainability of legal wildlife trade Alice Hughes, Mark Auliya, Sandra Altherr, Brett Scheffers, ... David P. Edwards Journal of Environmental Management Vol 341 Article 117987 https://doi.org/10.1016/j.jenvman.2023.117987
[137] F. Pendrill, T. A. Gardner, P. Meyfroidt, U. M. Persson, J. Adams, T. Azevedo, M. G. Bastos Lima, M. Baumann, P. G. Curtis, V. De Sy, R. Garrett, J. Godar, E. D. Goldman, M. C. Hansen, R. Heilmayr, M. Herold, T. Kuemmerle, M. J. Lathuillière, V. Ribeiro, A. Tyukavina, M. J. Weisse, C. West (2022). Disentangling the numbers behind agriculture-driven tropical deforestation. Science 377. DOI:10.1126/science. abm9267

unsustainable infrastructure development, particularly roads and rails, resulting in significant wildlife mortality and pressure on wildlife populations.[138]

140. Finally, there are rapidly changing forces, threat multipliers and emerging trends impacting both wildlife and humans to which countries, practitioners and communities must respond and adapt including climate change, online trade, wildlife disease, diversification of consumer preferences for wildlife products and market dynamics impacted by factors such as status of ivory stockpiles. For example, zoonotic spillover, linked to the emergence of infectious diseases and pandemics[139], is driven by habitat destruction, wildlife trade, and land-use change.[140]

141. And Human-wildlife conflict (HWC**)** is intensifying globally due to habitat fragmentation, rising population pressures, climate change[141] affecting land productivity and shifting habitats, rewilding, unsustainable land use, changes in wildlife behavior and growing competition for resources, exacerbated by climate change and environmental degradation. Surveys indicate[142] a significant shift in national wildlife conservation priorities is taking place, driven by the growing concern over HWC in many countries, and HWC is disproportionally impacting low-income rural communities[143].

142. There is increasing understanding and awareness of the interconnectedness and complexity of these drivers as they are rooted in economic and human systems that transcend any one site or protected area, and countries and communities face a complex mix of these depending on their national and local context. Therefore systems-based approaches, and coordinated action informed by evidence and learning, are required to effectively address these drivers. Lessons from where progress is being made indicate that holistic interventions at both demand and supply stages can reduce wildlife trafficking including strong coherence and harmonization across the trade chain.[144] Social and economic dynamics affecting illicit economies should be considered rather than focus on a single species. Strong international cooperation and a solid evidence base is required.[145] GEF experience through ten years of the Global Wildlife Program supports these conclusions and informs GEF-9 strategy.

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[138] Ament, R., Clevenger, A., & van der Ree, R. (Eds.) (2023). Addressing ecological connectivity in the development of roads, railways and canals. IUCN WCPA Technical Report Series No. 5. Gland, Switzerland: IUCN. https://doi.org/10.53847/IUCN.CH.2023.PATRS.5.en

[139] Intergovernmental Platform on Biodiversity and Ecosystem Services. (IPBES). (2020). Workshop Report on Biodiversity and Pandemics. IPBES, Bonn, Germany

[140] Gibb, R., Redding, D.W., Chin, K.Q. et al (2020). Zoonotic host diversity increases in human-dominated ecosystems. *Nature* 584, 398–402. https://doi.org/10.1038/s41586-020-2562-8

[141] Abrahms, B., Carter, N. H., Clark-Wolf, T. J., Gaynor, K. M., Johansson, E., McInturff, A., ... & West, L. (2023). Climate change as a global amplifier of human–wildlife conflict. *Nature Climate Change*, *13*(3), 224-234.

[142] According to a 2022 global survey conducted by the Global Wildlife Program, nearly two-thirds (64%) of responding governments identified human-wildlife conflict as a "major" and "serious" issue, with 73% acknowledging that it is on the rise.

[143] Braczkowski, A.R., O'Bryan, C.J., Lessmann, C. *et al.* The unequal burden of human-wildlife conflict. *Commun Biol* 6, 182 (2023). https://doi.org/10.1038/s42003-023-04493-y

[144] Pg 12 of UN Office of Drugs and Crime (UNODC) 2024 World Wildlife Crime Report https://www.unodc.org/unodc/en/data-and-analysis/wildlife.html and corroborated by GEF GWP experience.

[145] UN Office of Drugs and Crime (UNODC) 2024 World Wildlife Crime Report https://www.unodc.org/unodc/en/data-and-analysis/wildlife.html

143. Wildlife is a critical integrator across health, economy, climate change, governance, security, rule of law and the GEF holds a critical and unique position as donor and convenor in the wildlife conservation and IWT space. The GWP is an important foundation on which the GEF and international community can build, evolve and invest in multiple GEBs with significant and concrete human benefits. GEF-8 builds on the significant progress made through the GWP in GEF-6 and GEF-7, and was designed considering the interconnectedness of ecosystem, wildlife and human health to deliver multiple GEBs, while addressing drivers of the loss of wildlife and wildlife habitats. This IP will influence transformational change in how we manage natural systems, and address risks of wildlife disease transmission in human health systems.

Framing of the Integrated Program

144. The GEF-9 GWP builds on past phases and will address the interconnected drivers of wildlife loss through a holistic, systems-based approach to improve governance, and human and institutional capacity; creates positive incentives for wildlife conservation and sustainable use; fosters transboundary conservation and multi-country collaboration; and applies evidence-based approaches, innovation and technologies to conserving wildlife.

145. GEF-9 will build on previous phases and meet the current context and go beyond a business-as-usual approach through *integration and inclusion* for *impact* by: increasing emphasis and investment in *transboundary approaches and multi-country collaborations*; *institutionalization of capacity*; increasing *policy coherence by mainstreaming wildlife* at the national, sub-national, local and landscape scale; invest in *locally led actions with direct support to IPLCs*; support the *professionalization of wildlife rangers* [146] as planetary health workers; scale-up the use of *behavior change and social science*-based approaches[147]; and through the application scaling of *technology and innovation*.

146. The theory of change for the GEF-9 GWP is that if the *connectivity and management of wildlife landscapes* are improved; *HWC* is prevented, mitigated and compensated; *wildlife trafficking, and unsustainable trade* is curtailed; and local, national and international *market and non-market incentives* are favorable then over- exploitation and consumption of wildlife will decline, the connectivity and quality of wildlife landscapes will improve, and result in commensurate increases in the biophysical condition of wildlife populations and landscapes, and accrue global environmental and associated benefits for whole of society.

147. The IP is designed to achieve benefits across multiple focal areas including in the Biodiversity Focal Area (BD FA) through the conservation of globally important biodiversity (species and landscape conservation and sustainable use); the Land Degradation Focal Area (LD

[146] According to the International Ranger Federation (IRF), rangers are broadly defined and: "play a critical role in conservation; they are responsible for safeguarding nature, and cultural and historical heritage, and protecting the rights and well-being of present and future generations. As representatives of their authority, organization or community, they work, often for extended periods, in protected and conserved areas and wider landscapes and seascapes, whether state, regional, communal, Indigenous, or private, in line with legal and institutional frameworks." IRF has produced best practice guidelines and resources on ranger capacity/competencies, welfare and conduct: https://www.internationalrangers.org/resources/

[147] Including crime prevention, problem-based policing, demand reduction, zoonotic spillover risk reduction, and other evidence-based and customized approaches.

FA) through the restoration of key wildlife habitats; the Climate Change Focal Area (CC FA) through greenhouse gas (GHG) avoidance through habitat conservation restoration.

148. The GW IP in GEF-9 will contribute to achievement of objectives of the Critical Forest Biomes IP and Drought and Drylands IP by mainstreaming and contributing to nature-positive development for country-level planning and land degradation neutrality.

Objectives, Key Interventions, and Selection Criteria

149. The objective of the GEF-9 GW IP is to conserve wildlife and wildlife landscapes by addressing the drivers of wildlife loss and supporting human-wildlife coexistence. Achieving this requires an approach with countries across transboundary, national and sub-national dimensions, with global coordination and engagement to align with and crowd-in diverse actors and initiatives.

Key program components:

1. Maintain ecologically connected, robust wildlife landscapes under integrated and coherent management across land uses, jurisdictions and stakeholders, within and across national borders. Achieving this will require multi-stakeholder approaches, coherence of policy and decision-making across sectors, integrated planning and improved management of and beyond protected areas, transboundary and regional cooperation, surveillance and management of wildlife-livestock-human health interface, and sustainable financing at the landscape level.
2. Address illegal and unsustainable wildlife trade and use working along domestic and international supply chains. This builds on past phases of GWP and will focus on strengthening evidence-based approaches, enhancing transparency and addressing corruption and building political. Potential activities under this component include: wildlife and situational crime prevention and anti-poaching measures; mainstreaming wildlife into law enforcement and the judiciary; community-based-monitoring and engagement; disrupting trafficking through information and intelligence and enforcement coordination within and between countries; addressing financial flows and online sales; changing consumer behavior to reduce demand within and between countries; better regulation and management of supply chains, including to reduce disease risks from wildlife trade.
3. Prevent, mitigate and compensate human wildlife conflict to reduce negative impacts on humans and wildlife and support human-wildlife coexistence. Country demand for resources and technical support in this area for GEF-8 was significant and will continue to be an area of need. Solutions to HWC must be customized and context specific. In GEF-9 this component will support scaled application of proven approaches, locally led solutions and innovation to address HWC including community-based behavior change measures; analog and digital alert systems; wildlife damage insurance options; and creative financing tools.
4. Diversified wildlife positive economic incentives are critical to ensure that IP and LCs, youth who will make up the workforce over the next 50 years and national governments alike value, benefit from and invest-in wildlife and habitat conservation. Wildlife positive economic options and job creation can transform dynamics fueling wildlife loss, including through nature-based tourism, landscape revitalization, diversification of livelihoods, and

private sector engagement. Potential activities under this component include diversified enterprise development; job generation, public-private partnerships (enterprises, concessions, technology, etc.); enabling policy environment including increasing and clarifying community and IPLC rights to manage and use resources; and innovative financing and insurance products.

150. The IP will include targeted activities in areas that national projects have a challenging time addressing, such as: i) international trafficking and transboundary issues; ii) behavior change for reducing consumer demand for illegal or unsustainable wildlife; iii) global and regional donor coordination and knowledge management, with emphasis in South-South collaboration. The four GWP GEF-9 components for national projects will reinforce one another with support of a global platform and targeted regional coordination and engagement.

151. Key approaches-*what is it going to take*? The theory of change and key components for GWP GEF-9 will be delivered through country projects that will be designed based on a situational analysis of the drivers of wildlife loss in their country, dynamics in the region and global forces, and should naturally be customized based on that context, and draw from key approaches to achieve impact. We will continue the successful approaches of GWP and further emphasize:

152. The gap in adequate and sustained financing for wildlife conservation is significant at the community, landscape, national and international levels, and there is a critical need to both narrow this gap and mobilize resources from diverse sources and sectors. In GEF-9 blended finance could be used as a tool to support innovative insurance mechanisms, wildlife friendly SMEs, and wildlife-based outcome payments. Targeted private sector engagement will be used to leverage further financing towards the program objective across components. Where available, BIOFIN biodiversity finance plans should be used as a road map for sustainable financing and proven approaches such as project finance for permanence (PFP), Conservation Trust Funds (CTFs) and Payment for Ecosystem Services (PES) will continue to play an important role.

153. GEF-9 will continue the innovative work of previous GEF-8 in applying behavior change and social-science approaches to shift human behaviors that are driving unsustainable wildlife consumption and trade demand and increasing zoonotic spillover risk. Aligned with the recommendations of the STAP[148] these approaches are also being used through GWP to prevent and reduce HWC and to build public and political will for conservation. The global coordination platform can support targeted technical assistance to country projects to mainstream the use of such approaches, while also providing global leadership in this area through targeted knowledge sharing events and product creation.

154. In GEF-9 the GWP will scale-up and support the adoption of technology and innovation through country projects with the support and coordination of the global platform and engagement with existing wildlife tech platforms[149]. There is significant scope for this, for example: using advanced monitoring systems, such as drones and satellite imagery to track animal movements and identify threats to their habitats; AI can help analyze large datasets, providing insights into

[148]Why behavioral change matters to the GEF and what to do about it: A STAP Advisory Document December 2020 https://cdn.unenvironment.org/stapgef/public/2021-03/54640%20STAP%20Behavior%20Change_WEB.pdf
[149] Such as WildLabs https://wildlabs.net/

wildlife populations, behavior, and patterns to improve conservation strategies; smart tracking devices can monitor endangered species in real time, helping to prevent poaching; for countering wildlife trafficking, blockchain technology can ensure the traceability and transparency of wildlife products; and genetic analysis and machine learning can be used to detect illegal wildlife products at borders.

155. Wildlife, transnational organized crime, disease transmission and climate change know no boundaries or territories, posing unique challenges and opportunities for conservation across borders. A key value-addition of the GEF-9 GWP is supporting cooperation among countries to effectively address cross-border threats and collaboratively manage transboundary landscapes. Previous phases of GWP have supported the management of Transfrontier Conservation Areas, brokered bilateral agreements between countries to combat wildlife trafficking; and strengthened sub-regional Wildlife Enforcement Networks. The global coordination project will continue to support key actions across multiple countries, such as regional collaboration on shared challenges such as HWC in Africa and consumer demand reduction. It has also adopted a "twinning approach" to facilitate cross-border learning and exchange. As has been highlighted by the IEO in a recent evaluation of the GWP,[150] as well as early OPS-8 findings[151], these types of activities are essential to addressing interrelated globalized drivers of wildlife loss that require a coordinated, multi-country approach.

156. Whole of society, whole of government: Addressing these challenges requires the engagement of many segments of society from the private sector (e.g. airlines, financiers and tour operators) to scientists and academic institutions, governments at all levels IPLCs, women, and youth, rangers with a focus on supporting and empowering those closest and most impacted by loss of wildlife and ecosystems through locally led actions and solutions. GEF-9 GWP will support the creation of a robust workforce and broad constituency for wildlife conservation. This will include support for building the capacity, welfare and conduct of rangers (broadly defined, as planetary health workers critical to meeting 30X30); engagement of youth (via wildlife conservation corps or similar), women (51% of the global population needs to be empowered) and community champions (support to leaders in the sector, including environmental defenders).

157. GEF-9 will continue to move toward working across ministries and public institutions to identify, reform and create policy, and regulatory environment to that is coherent and mainstream wildlife conservation into policing, judicial system and for holistic decision-making at the national and landscape-scale for wildlife. GWP GEF-9 will support countries on the institutionalization and long-term financing of capacity for wildlife conservation at the national and sub-national level which is essential to deliver and sustain cohorts of competent conservation professionals for wildlife conservation.

Selection criteria:

158. The program will adopt a dual approach with a global project and country specific investments. It will build on the existing program governance structure of previous phases of GWP

[150] Recommendations 1 and 3 of the Evaluation of the Global Wildlife Program Prepared by the Independent Evaluation Office, June 2024 https://www.thegef.org/sites/default/files/documents/2024-06/EN_GEF.C67_E_02_GWP_Rev.01.pdf

[151] GEF/R.9/02: Preliminary Findings of the Eighth Overall Performance Study of the GEF

with a clear value-added proposition to continue to scale impact. The program will consider the following selection criteria for financing: (i) Level of threat to globally significant wildlife populations and habitats from the multiple drivers (ii) Role of the country in unsustainable supply chains, including poaching of wildlife species; (iii) Potential benefits for conservation and livelihoods from wildlife-based economies and addressing HWC; (iv) Potential to cooperate with other countries to address threats to wildlife, habitats and ecological connectivity; (v) Opportunity for strong multifocal area, interventions producing multiple benefits; and (vi) Testing and scaling innovations for wildlife management, HWC, wildlife monitoring, and enforcement etc. vii) Demonstrated commitment to institutionalization, mainstreaming and/or policy reform and coherence for wildlife conservation; iix) Tangible transboundary and supply chain cooperation; ix) Demonstrated commitment to participate and collaborate in an integrated global program.

Existing Platforms and Potential Partners

159. GWP GEF-9 will serve as a convenor of existing platforms, convenors and emerging partners. The program will bring together existing consortia and initiatives to amplify knowledge exchange and learning. The GEF-9 program will engage with various global and regional platforms and alliances to strengthen collaboration between wildlife related actors to address multifaceted environmental, social, economic and health (zoonoses) [152] challenges facing wildlife conservation.

160. It will strengthen existing coalitions such as the International Consortium on Combating Wildlife Crime (ICCWC), [153] which is a collaborative effort of five inter-governmental organizations working to bring coordinated support to the national wildlife law enforcement agencies and to the sub-regional and regional networks that act in defense of natural resources. Collaboration with groups such as the URSA will continue and collaboration with IPLC platforms and partners including Indigenous associations, resource user groups, and conservancies will be strengthened.

161. Under previous phases of GWP, the global coordination project has created a powerful coordination and knowledge platform (KP) on which to build that provides technical resources, demonstrates leadership; supports and enables the exchange of lessons learned between country projects to achieve results. This platform will play a critical role in convening and supporting actors across sectors for wildlife conservation in GEF-9.

Contributions of this program to Global Environmental Benefits and MEAs

162. GWP GEF-9 will deliver multiple global environment benefits across the GEF's focal areas (BD, LD, CC) and MEAs. GEBs will include increased hectares under improved management; improved biophysical conditions (habitat and wildlife); and increased numbers of human beneficiaries.

163. The program will contribute directly to achieving Targets 1, 2, 3, 4, 5, and 9 of the KMGBF. In addition to the human health benefits of conserving wildlife and wildlife habitat, this

[152] https://www.woah.org/fileadmin/Home/eng/Media_Center/docs/EN_TripartiteZoonosesGuide_webversion.pdf
[153] https://cites.org/eng/prog/iccwc The partner agencies to ICCWC are the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) Secretariat, INTERPOL, the United Nations Office on Drugs and Crime (UNODC), the World Bank and the World Customs Organization (WCO).

program will also contribute to aligned actions to mainstream health included in the Global Action Plan on Biodiversity and Health[154] for instance: by considering biodiversity/health interlinkages, co-benefits and trade-offs landscape planning and management; reducing HWC; and improving management of interaction among humans, livestock and wildlife to decrease zoonotic disease spillover risk.

164. Although the GEF is not the financial mechanism for CITES, Convention on Migratory Species (CMS), nor Ramsar, and thus will not directly support countries CITES, CMS, Ramsar implementation activities, this program will make meaningful contributions to addressing the drivers of IWT and overexploitation of wildlife and strengthening wildlife management; maintenance of ecological connectivity; and conservation of wetlands within landscapes.

165. The program components will reinforce each other to increase integrity and connectivity of wildlife populations and landscapes and providing more diversified and productive economies through generating value from wildlife and its habitats will reduce biodiversity loss and enhance human wellbeing. Sustainable livelihoods will provide diversified sources of livelihood for IPLCs and can help to reduce the stress of unsustainable agriculture practices and exploitation of resources from conservation areas. GWP will include activities aimed at preserving and enhancing carbon sinks in natural ecosystems, including habitat restoration and agroforestry, and strengthening the robustness of IPLCs and target areas.

Role of the private sector in supporting this program

166. The private sector is a key partner to support innovation and transformation for wildlife conservation. GEF financing will incentivize actions by national governments and private sector to expand nature-based tourism and wildlife-based value chains to generate livelihood opportunities that contribute to conservation and reduce conflicts between communities and wildlife. The private sector can also play an important role in protected area management models and habitat restoration.

167. The travel, restaurant and retail sectors will be engaged to address the trade and consumption of illegal wildlife and wildlife products. Technology companies will be engaged to support the scaling of innovative solutions that support wildlife monitoring and habitat management, address IWT, influence demand reduction and consumption of wildlife and wildlife products online and off.

168. GWP will continue to explore innovative financial solutions and work with the financial sector to curb financial flows to wildlife trafficking. Blended finance or outside sources of concessional finance, and grant funding for technical assistance could be used to support SME development. The private sector commitments to biodiversity, climate change and land degradation present opportunities for channeling resources to protected areas, landscapes and diversified livelihoods.

[154] https://www.cbd.int/doc/decisions/cop-16/cop-16-dec-19-en.pdf

Blue and Green Islands IP

169. SIDS host 40% of the world's coral reefs[155], which are among the most biodiverse ecosystems globally. Occupying less than 0.5% of the Earth's land surface, SIDS are believed to support 20% of Earth's terrestrial biodiversity, with many species unique to their locales.[156] [157] Despite this backdrop, SIDS[158] are categorized as among the most vulnerable countries in the world, due to their small populations and land areas, fragile ecologies, vulnerable ecosystems, high levels of endemism, and diverse and distinct development trajectories.

170. Increased anthropogenic pressure on natural resources causing biodiversity loss, land degradation, and diminishing freshwater resources in SIDS, coupled with extreme vulnerability to adverse impacts of climate change, increasingly affects the health of their natural ecosystems, livelihoods, key economic sectors[159] and exacerbates societal challenges.

171. Impacts of the triple planetary crisis are profound in a SIDS context, given the strong interconnection between people's well-being and livelihoods and the healthy and productive environment they rely upon. With their small land mass and significant influence on global environmental degradation, SIDS embody the reality of a healthy planet for healthy people.

172. SIDS are also at the forefront of launching innovative approaches to tackle the planetary crisis. These have included pioneering financial, policy, and institutional solutions to protect their environment, economies and communities. [160]

173. Often characterized as large ocean states, SIDS' Exclusive Economic Zones (EEZ) are, on average, 28 times the country's land mass. Ocean and marine resources are central to their economies, culture, and daily livelihoods. This, in turn, can result in outsized impacts for SIDS when such environments are degraded. Much of the attention for supporting SIDS ocean resources has focused on addressing sea-based activities, such as targeting the fishing, shipping, and extractive sectors. There have been efforts to address SIDS ocean health by addressing land-based activities that can result in pollution, sedimentation, and alterations to hydrologic cycles.

174. Environmental and economic challenges in SIDS are often intertwined, including their high dependence on imported fossil fuels for electricity generation and transport, which strains financial resources and jeopardizes their energy security in addition to negative environmental and climate

[155] https://sdgs.un.org/smallislands/about-small-island-developing-states#:~:text=The%20total%20land%20area%20of%20SIDS%20is%20less,in%20SIDS%20are%20currently%20threatened%20by%20climate%20change

[156] (2017) SIDS in Numbers: Biodiversity and Oceans https://www.un.org/ohrlls/sites/www.un.org.ohrlls/files/sids_biodiversity_and_oceans_2017.pdf ;

[157] https://www.sei.org/perspectives/five-reasons-why-small-island-developing-states-are-bigger-than-we-think/

[158] Though there are many commonalities, SIDS are not a homogenous group of countries, with each of the geographical sub-regions of SIDS (the Caribbean, the Pacific, and the AIS) having different challenges as well as variations in size, capacity, gross domestic product (GDP), and connectivity. In addition, varying degrees of governance, institutional, and capacity limitations and constraints are also a key factor in the environment and climate challenges SIDS face.

[159] Tourism, fisheries, agriculture among others.

[160] Examples- Seychelles Sovereign Blue Bond, Barbados Debt for climate resilience swap, Fiji ocean accounting

impacts.[161] Heavy reliance on other imports, such as manufactured goods and electronics often containing hazardous substances, is an additional and growing environmental problem. With limited space and capacity for waste management and environmentally sound removal of these substances, SIDS are particularly vulnerable to air, water and soil pollution.[162]

175. The 4th International Conference on Small Island Developing States and the resulting Antigua and Barbuda Agenda for SIDS (ABAS) set the global development agenda for SIDS for the next 10 years. The ABAS highlights priorities of upscaling climate and biodiversity action and increasing conservation and sustainable use of the ocean and its resources, all with resilience as a common thread. The conservation and sustainable use of the ocean and its resources was one of the main actions in the ABAS outcome document. [163]

Framing of the Integrated Program

176. Given the interconnected environmental challenges and drivers in a SIDS context, SIDS have an opportunity to demonstrate the transformational potential of applying a source-to-sea approach to environment and development goals, including under the MEAs, SDGs and ABAS. Within the small island context, this approach is key to delivering enduring change across key socio-ecological systems and to advancing nature-positive societies.

177. The program will build on the GEF8 BGI IP to apply a source-to-sea framework that covers a wider range of drivers relative to the national context of SIDS. The holistic approach will foster national level planning through whole of government engagement for net zero, nature-positive, and pollution free pathways while at the same time engaging diverse actors through a whole of society approach.

178. Practices which align with the segmentation of policies, procedures and regulations, are often directed toward maximizing local benefits, while missing upstream and/or downstream impacts. This can result in benefits for one economic sector, or in one source-to-sea segment, having negative consequences for another. These consequences are often not adequately accounted for in decisions on governance [164]. By applying a source-to-sea (and sea-to-source) approach, upstream and downstream stakeholders, governance mechanisms and ecosystem management interventions can be brought together to address shared challenges across these integrated systems. This approach responds directly to the previous SIDS Evaluations by the GEF IEO, including early OPS-8 findings[165], which emphasize the need for more integrated interventions and highlighted the

[161] SIDS spend up to 10 times more on electricity generation than mainland territories and countries (IEA, 2024).
[162] SIDS that rely on the tourism sector experience additional stress due to the waste generated by the cruise, hotel and aviation industries.
[163] This included:
"b. Addressing biodiversity loss caused by harmful human activities including inadequate waste management and unsustainable production and consumption; including of plastics; overfishing; Illegal, Unreported and Unregulated (IUU) fishing; introduction of alien invasive species; noise and light pollution; coral bleaching, ocean acidification, eutrophication and Harmful Algal Blooms (HABs); and coastal erosion, including through measures such as inter alia satellite monitoring, and the establishment and strengthened management of area-based management tools, including Marine Protected Areas and Integrated Coastal Zone Management (ICZM); and other effective area-based conservation measures (OECMS) and locally managed marine areas (LMMAs);"
[164] Mathews, R. E., Tengberg, A., Sjödin, J., & Liss-Lymer, B. (2019). Implementing the source-to-sea approach: A guide for practitioners. SIWI, Stockholm
[165] GEF/R.9/02: Preliminary Findings of the Eighth Overall Performance Study of the GEF

benefits of whole of island and ridge to reef approaches[166]. This program will seek to ensure that ocean health, land use, and economic resilience are addressed as interconnected issues.

179. The source-to-sea approach fully aligns with the GEF pillars of integration, whole of society, and impact. Through this program countries will be enabled to address barriers to maintaining healthy ecosystems in an integrated manner across different scales: i) horizontally across source-to-sea segments[167] (including ecosystems) and economic sectors cutting across land to sea and; ii) vertically across different levels of governance by putting nature and people at the center of the interventions and as architects of transformational change, fostering multiple environment and socio-economic benefits.[168] This approach will draw from and build on the GEF-8 IP on NZNPA for national level planning to foster the whole of government engagement, on the Clean and Healthy Ocean to target point and not-point sources of pollution, and Ecosystem Restoration to mainstream nature-based solution.

180. All relevant stakeholders, including private sector, civil society, government, NGOs, youth, women, and IPLCs will be involved in each country project through sub-regional initiatives, both intra and inter and activities. The program also has the potential to influence transformative change and impact, by harnessing the collective regional action of SIDS for rapid replication across islands and communities; addressing SIDS capacity constraints through integration and policy coherence to accomplish more with fewer policies; and putting cooperation among local communities at the center of nature-positive development by promoting a whole of society and source-to-sea approaches.

Objectives, Key Interventions, and Selection Criteria

181. The program aims to support countries to embark on blue and green development pathways through the maintenance and restoration of healthy terrestrial and marine ecosystems. In doing so, SIDS can also demonstrate the transformation potential of applying integrated (land and ocean) management through a source-to-sea approach, for the benefit of the whole of society. National interventions will build on country context to achieve the following:

182. Ecosystem Valuation and Accounting Frameworks- Methods for the valuation of nature (ecosystems and ecosystem services) can provide a foundation to facilitate policy coherence to transform systems. Under the program this activity could support: accounting models such as ecosystem valuation and/or natural capital accounting within a range of ecosystems along the source-to-sea system, in order to identify the value (physical and monetary) of ecosystems to society**,** including human well-being, environmental, and socio-economic benefits; ii) decision

[166] GEF/ME/C.57/02, Strategic Country Cluster Evaluation of The Small Island Developing States, https://www.thegef.org/sites/default/files/council- meeting documents/EN_GEF.ME_C57_02_IEO_SCCE_SIDS_Dec_2019_F.pdf and GEF/E/C.68/02, Evaluation of GEF Programs in Pacific Island States https://www.thegef.org/sites/default/files/documents/2024-11/EN_GEF.C68_E_02_Pacific_SIDS_Evaluation_Report_16Nov24_Final.pdf

[167] Source-to-sea segments are the distinct components of the source-to-sea system: land systems, freshwater systems, deltas, estuaries, coastline, nearshore, adjoining sea, continental shelf and open ocean. https://www.siwi.org/wp-content/uploads/2019/07/Source-to-sea-guide_webb.pdf

[168] These include water & food security, maintaining livelihoods, health, particularly in low-income and vulnerable communities among other areas.

support systems to internalize ecosystem valuation data and facilitate harmonized policy-making from source-to-sea [169]. Resilience benefits could also be included as a part of these assessments and iii) robust data collection, management, and infrastructure to support ongoing ecosystem accounting and evidence-based policy making.

183. Source-to-sea spatial prioritization and planning- Policy coherence through integrated spatial prioritization and planning will be needed and will require collaboration across relevant Ministries such as Finance/Economic Development/Planning, Environment, Water, Energy, as well as those representing key economic sectors such as, inter alia, fisheries, agriculture, and tourism. This intervention will aim to utilize valuation data to: i) facilitate the development or updating of integrated land use and marine spatial plans at national and local levels, accounting for source-to-sea linkages; ii) develop potential future land-use or marine-use change scenarios and, their impact on each other to ensure lasting outcomes; and iii) inform and strengthen integrated source-to-sea governance mechanisms, and engage in potential policy reform and inter-ministerial decision making.

184. Enhancing Financing Options from the Public and Local Private Sector – Facilitating domestic resource mobilization to provide adequate and enduring financing for the preservation of ecosystems and their vital services will be an important program element. This intervention may include measures to strengthen relevant financial and lending policies to discourage investments which lead to ecosystem degradation; channeling public and private funding to activities that enhance natural assets and ecosystem services and applying harmonized incentive mechanisms for natural resource management. In line with the GEF-9 ambition to mainstream and increase leveraged financing and impact through blended finance initiatives, the IP will consider strategic opportunities to deploy the GEF NGI for the solutions noted below.

185. Scaling of land and seascape interventions will also require strengthening the enabling environment of domestic public and private financial policies, institutions and incentives to soundly implement mechanisms such as PES and CTFs. Building the required capacities and conditions within the private sector to develop blended finance instruments and investments meeting SIDS needs will also be required at the country level and with the support of the global coordination project.

186. Scaling Solutions across the Source-to-Sea System - Scaling solutions to address ecosystem degradation in a source-to-sea system will require linkages and harmonized interventions across source-to-sea sectors and segments. Interventions should target critical ecosystems (e.g. watersheds, mangroves, forests) and/or key flows (such as sediment, pollutants, biota, ecosystem services), relevant to local socio-economic needs, and with a potential for replication. Depending on the country context and needs, interventions may include any of the relevant items below:

- Conserving ecosystems and species of global importance
- Promoting and implementation of integrated management approaches, including integrated water resources management, sustainable forest management, integrated coastal zone

[169] A country level platform representing development partners as well as national and local level stakeholders from key segments of the source-to-sea system, could be a key mechanism to support this process.

management, marine spatial planning, and promotion of locally managed marine areas (LMMAs).

- Enhancing terrestrial, coastal and marine habitats and ecosystems through restoration, to main ecosystem function, reduce alteration of key source-to-sea flows, support livelihoods and deliver co-benefits.
- Sustainable use and management of biodiversity through improved marine and terrestrial protected areas management, OECMS, and Indigenous and traditional territories.
- Sustainable land management (SLM), including engaging in activities to maintain, improve and restore agro-ecosystems in support of food production and livelihoods, drought smart land management, and to reduce the risk of flooding and erosion.
- Addressing hazardous chemicals management, to reduce agrochemical use and curb sources of land-based pollutants.
- Strengthen i) small scale farmers and fishers and social enterprises to provide innovative ecosystem management solutions; ii) local communities and civil society to support community-based fisheries management and management of productive landscapes.

187. Capacity Building, Knowledge Management, Awareness and Collaborative Engagement- Strengthening local stakeholder and decision-maker capacities will help to ensure that SIDS can independently apply, manage, and monitor interventions under the program. In addition, the program will support opportunities to capture and utilize local and traditional knowledge related to science, valuation and source-to-sea approaches. South-south learning, knowledge exchange and management will also be supported.

188. The global coordination function of the program will provide technical support, national level capacity building, knowledge management and learning, tools, guidance, and action on:

- Natural capital accounting, valuing ecosystems
- Enabling environmental interventions such as policy coherence, improvement of national financial frameworks
- Development of blended finance mechanisms and private sector engagement
- Engagement with existing sub-regional governance bodies to integrate the source-to-sea approach in regional policy frameworks.

Criteria

189. All GEF eligible SIDS may participate in the program, with each country implementing some/all interventions indicated above. The selection of countries will consider the level of ecosystem degradation in the targeted area, relative economic and socio-ecological importance; the ability to apply source-to-sea approach for multiple GEBs, and whole of society impact. Countries will need to demonstrate how they apply the whole of society principles across project interventions. Countries must also show political will for whole of government action and policy coherence. Participating countries should also commit to engage with global and regional platforms to encourage collaboration, collective action, and partnerships, including with representatives of civil society, youth and private sector.

Existing Platforms and Potential Partners

190. The program will aim to utilize and build on the global platform and regional nodes developed under the BGI IP. These existing platforms will continue to facilitate cross-learning and

to crowd in international private sector engagement and additional financing for improving and maintaining ecosystem health in a source-to-sea context.

191. In addition, there is potential to strength partnerships with the Inter-Agency Consultative Group on SIDS (IAGC), SIDS Coalition for Nature, sub-regional bodies such as Caribbean Community (CARICOM), the Organisation of Eastern Caribbean States (OECS), The Pacific Community (SPC), The Secretariat of the Pacific Regional Environment Programme (SPREP), Office of the Pacific Ocean Commissioner (OPOC), the Intergovernmental Oceanographic Commission (IOC-UNESCO), the Western Indian Ocean Marine Science Association (WIOMSA) as well as funding partners such as Caribbean Biodiversity Fund, Micronesia Conservation Trust, and coalitions related to the private sector and finance, include the SIDS Global Business Network (SIDS-GBN) and the Ocean Risk and Resilience Action Alliance (ORRAA).

192. The program may also benefit from the experiences and lessons learned from other source-to-sea work to improve ocean health, including knowledge generated by the GEF-8 CHO IP and its partners. There will also be opportunities to build on the work of the GEF International Waters Focal Area and the International Waters Learning Exchange and Resource Network (IW: LEARN) and past GEF IW investments, including the Pacific Ridge to Reef Program and in the Caribbean and North Brazil Shelf Large Marine Ecosystems (CLME+). Other potential partners may include UNESCO-IOC, United Nations Environmental Programme (UNEP) Regional Seas Programme, Ocean Action 2030, and the Blue Nature Alliance.

Contributions of this program to Global Environmental Benefits and MEAs

193. The integrated nature of the program and the source-to-sea approach will provide an avenue to support countries to meet their commitments and targets under all the MEAs simultaneously as well as the global SIDS priorities under the ABAS. The program will also contribute to many international ocean priorities, including SDG14: Life Below Water, the High-Level Panel on Sustainable Ocean Economy efforts on ocean management, accounting, and fisheries, as well as ABAS priorities that include the conservation and sound management of the ocean and its resources. The program may also support SIDS with ratification the implementation of the BBNJ Agreement, including capacity building and awareness raising of the Agreement in the context of larger national integration ocean management efforts.

194. Under the UNCCD, as 27 SIDS have committed to voluntarily set LDN targets and a growing number of SIDS developing national drought plans, the program can contribute to the implementation of these commitments under the Convention and the UNCCD Strategy (2018-2030) through SLM and drought smart land management interventions in productive landscapes.

195. This program will directly address specific objectives of the Kunming Montreal Global Biodiversity Framework, primarily Target 3 (30x30), but also Targets 1, 2, 7, 10, 11 and 14 in addition to other biodiversity-related multilateral instruments/agreements, by supporting mainstreaming biodiversity conservation across key terrestrial and marine ecosystems and tackling the causes of habitat degradation and other drivers of biodiversity loss, engaging in ecosystem restoration and reducing land-based sources of pollution for coastal waters including sedimentation from poor agriculture, forestry, and land management practices.

196. Under the UNFCCC, SIDS have committed to enhancing climate resilience and reducing GHG emissions through their Nationally Determined Contributions (NDCs), with the collective goal of limiting global temperature rise to well below 2°C, aiming for 1.5°C. As the most directly affected by climate change and sea-level rise, SIDS have also committed to reaching net-zero emissions by mid-century. The Program can support SIDS in embedding climate adaptation and mitigation into their national strategies, helping them achieve these targets and fulfill their commitments under the UNFCCC and the Paris Agreement.

197. The program will also support the objectives of the Stockholm Convention. These include reduction of use and emissions of POPs, particularly POPs pesticides HHPs used in agriculture. The program will also provide an opportunity to build on elements of various programs such as Integrated Collaborative Approaches for Sustainable Tourism (iCOAST), the second phase of Financing Agrochemical Reduction and Management (FARM+) and Implementing Sustainable Low and Non-Chemical Development in SIDS (ISLANDS) programs targeting chemicals and waste management, tourism and agriculture, key sectors in SIDS.

198. The program is primarily anchored under the International Waters (IW), Land Degradation (LD) and Biodiversity (BD) Focal Areas, with additional benefits expected under the Climate Change and Chemicals and Waste Focal Areas. Specifically, the IW Focal Area includes source-to-sea support in transboundary basins through Objective 1 and Objective 2. The overall focus of the BGI directly relates to all LD Focal Area objectives and will deliver on these objectives through interventions in integrated landscape planning and management and efforts to address drought.

199. The program aligns with the priorities of BD Focal Area Objective 1 through support to biodiversity mainstreaming in key sectors and integrated governance and spatial planning, ecosystem valuation, as well as the establishment of new and strengthening management of existing terrestrial and marine protected areas OECMs. Under the CC Focal Area, the IP will support the delivery of Objective 1 through interventions on nature-based solutions in natural ecosystems and productive landscapes to generate GHG mitigation benefits. Under the Chemicals and Waste Focal Area, the IP will support the delivery of Objective 4 by eliminating the use of harmful chemicals within productive landscape practices as an integral aspect of nature-positive, pollution free supply chains.

Role of the private sector in supporting this program

200. Engaging the private sector at the national, sub-regional and global level will be necessary for the success of this program. The private sector has a significant presence across key economic sectors which depend on healthy ecosystems such as tourism, fisheries, and agriculture. These can be used as entry points to develop financial mechanisms to deliver innovative solutions with a source-to-sea lens. The private sector will also be an essential partner in upstream activities to collaborate and provide inputs on strengthening of financial frameworks that integrate nature and at the downstream level for piloting of mechanisms such as PES. There is an opportunity to explore private sector support on knowledge aspects using innovations in digital technology. Digital interventions can be used for data collection and monitoring, decision support tools that optimize the outcome of investments that deliver GEBs, to monitor and track the progress of investments, and to capture and repackage knowledge generated by the projects.

Food Systems IP

201. Global agrifood systems are vital for health, food security, nutrition, and economic prosperity. However, they also contribute significantly to deforestation, biodiversity loss, land degradation, greenhouse gas emissions, and nutrient pollution. Agriculture occupies about 32% of the world's land area and is responsible for up to 80% of global deforestation, 70% of terrestrial biodiversity loss, 50% of freshwater biodiversity loss. [170] Additionally, unsustainable food production also leads to water pollution, impacting aquatic ecosystems and coastal areas. Agriculture accounts for 70% of global freshwater withdrawals and contributes to 78% of global ocean and freshwater eutrophication.[171] The agrifood market, valued at around $10 trillion per year, generates between $6 trillion and $12 trillion annually in hidden social, economic, and environmental costs.[172]

202. Food systems emit approximately 20 GtCO2e annually, accounting for about 35% of global GHG emissions. This is roughly a third of global emission, with the largest contributions from agriculture and land-use change activities (~70%) with remaining emissions coming from other downstream and upstream activities (retail, transport, consumption, fuel production, waste management, industrial processes and packaging). Since global food production is estimated to increase by 15% in coming decades, food systems GHG emissions might increase up to 80% from 2010 to 2050.[173] Globally, 30-40% of total food produced is wasted or discarded. Food loss and waste account for 8-10% of global greenhouse gas emissions and cost approximately $1 trillion annually. If current trends persist, food loss and waste will double by 2050[174].

203. The unsustainable management of agricultural areas significantly impacts biodiversity, land, water resources, and the global climate. Agricultural practices are becoming increasingly homogeneous, relying on a few global crops dependent on a small number of "global" crops, including major carbohydrate-based cereals and oil crops.[175]. While these practices may improve short-term yields and productivity, they result in significant environmental damage, including habitat loss, soil degradation, and water resource depletion. Agriculture accounts for 57 percent of tree cover loss. Cattle alone contribute to 36 percent, followed by oil palm, soy, cocoa, and other crops[176]. The inappropriate use of pesticides and food contamination are major human and ecosystem health risks globally. Agricultural encroachment into natural habitats increases the risk of zoonotic spillovers and contributes to climate change and biodiversity loss. Intensive livestock production systems, particularly on an industrial scale, pose risks to human health and the

[170] Fuglie, Keith O., Stephen Morgan, and Jeremy Jelliffe. "World agricultural production, resource use, and productivity, 1961–2020." (2024).
[171] Poore, Joseph, and Thomas Nemecek. "Reducing food's environmental impacts through producers and consumers." Science 360.6392 (2018): 987-992.
[172] Lever, UNFSS Finance. "Food Finance Architecture: Financing a Healthy, Equitable, and Sustainable Food System." *Document prepared for the United Nations Food System Summit* (2021).
[173] Costa Jr, Ciniro, et al. "Roadmap for achieving net-zero emissions in global food systems by 2050." *Scientific reports* 12.1 (2022): 15064.
[174] WRI, 2023. The Global Benefits of Reducing Food Loss and Waste, and How to Do It
[175] Khoury, Colin K., et al. "Increasing homogeneity in global food supplies and the implications for food security." *Proceedings of the national Academy of Sciences* 111.11 (2014): 4001-4006.
[176] Goldman, Elizabeth, et al. "Estimating the role of seven commodities in agriculture-linked deforestation: Oil palm, soy, cattle, wood fiber, cocoa, coffee, and rubber." *Technical Note, World Resources Institute* 22 (2020).

environment due to waste, antibiotic overuse, and deforestation caused by meeting the demand of animal feed. These systems can also increase the likelihood of high-impact animal diseases and zoonotic disease spillovers.

204. "Blue Foods," which include edible aquatic organisms like fish, shellfish, and aquatic plants, are part of the food system and have negative externalities like other major commodities. Despite this, they are often overlooked in key food policy discussions. Small-scale fisheries and aquaculture can provide lower impact alternatives to meat, potentially reducing environmental impacts compared to livestock farming. Additionally, seafood consumption offers nutritional benefits and can help alleviate pressure on land use.[177]

205. The food system comprises three key components: external drivers such as urbanization and climate change, food system processes including production and distribution, and outcomes like healthy diets and sustainability.[178] Food systems are complex and interlinked, shaped by the interaction between external drivers and internal components. Technological innovations must be paired with behavioral incentives to promote adoption. Effective interventions rely on understanding these interactions and aligning activities across public, private, and civic stakeholders. Various incentives can create feasible pathways towards transformation. However, changes within the system may produce unintended consequences and feedback loops, reinforcing or weakening outcomes. [179]

206. Recent legislation such as the EUDR, CSRD, and Carbon Boarder Adjustment Mechanism (CBAM) are shaping sustainability governance and could impose stricter environmental standards on GEF recipient countries. For example, the EUDR aims to minimize deforestation by ensuring that products entering the EU market are deforestation-free.[180]. However, domestic demand and localizing food system should prioritize the production and consumption of food within local regions to reduce dependency on imported goods. Localizing food systems can enhance food security, support local economies, and reduce the environmental impact associated with long-distance transportation of food. It also encourages sustainable agricultural practices tailored to local conditions and promotes robustness to global market fluctuations and supply chain disruptions.

207. The Food systems IP in GEF-9 builds on the groundbreaking work of the previous food systems programs launched in GEF-6, GEF-7, and GEF-8, delving deeper into the socio-economic and environmental drivers of our agrifood systems and charting a course for transformative change. The IP will learn from and build on experiences of the GEF's integrated approach programs from GEF-6 (Food Security in Africa and Taking Deforestation out of Commodity Supply Chains), GEF-7 (Food Systems, Land Use and Restoration Impact Program) and GEF-8

[177] Boyd, Claude E., Aaron A. McNevin, and Robert P. Davis. "The contribution of fisheries and aquaculture to the global protein supply." *Food security* 14.3 (2022): 805-827.
[178] High Level panel of Experts of Food Security and Nutrition
[179] Brouwer, Inge D., John McDermott, and Ruerd Ruben. "Food systems everywhere: Improving relevance in practice." *Global food security* 26 (2020): 100398.
[180] European Commission. 2023. Regulation on Deforestation-free Products.

(Food Systems Integrated Program) building on the lessons learned thus far generated[181], many of which have been documented by the IEO.[182]

Framing of the Integrated Program

208. Transforming agrifood systems offers solutions to environmental challenges such as biodiversity loss, land degradation and drought, pollution and climate change mitigation and adaptation, relevant to all GEF focal areas and trust funds. This underscores the need for continued and expanded investment in food systems by GEF, building a comprehensive portfolio across multiple replenishment cycles (GEF-6 to 9) to achieve significant transformational impact.

209. The GEF-9 Food Systems IP will focus on scaling solutions that are inherently small-scale to account for country and region-specific evidence which guides prioritization and policy optimization. The IP will use a combination of place-based and commodity-based approaches, targeting drivers of negative impacts by regions with specific interventions and investments that can be scaled up and out. Place-based strategies tailor actions to local conditions, such as specific ecosystems or crops - while commodity-based approaches provide a broader framework for scaling successful interventions across regions.

210. A critical gap for GEF-8 was the inadequate focus on integrated agricultural systems through crop diversification, intercropping, and intensification to maximize efficiency and productivity. For example, integrating crop and livestock systems (ICLS) enhances farm productivity and profitability without harming the environment. ICLS increases efficiency by using crop residues as livestock fodder and manure as fertilizer and reduces reliance on synthetic fertilizers. It provides alternative revenue streams, improves working conditions for small landholders, and supports intensification, contributing to food security.[183] In addition, aquaculture and poultry production can complement each other by sharing feed mill and value chain activities, particularly soy and maize.

211. When considering the needs of low-income countries, food systems require a comprehensive approach beyond just agricultural production. Efforts will be targeted at farm-level and smallholder farmers, while also addressing demand and financing actors across the global supply chain, including intermediaries. Global actors like corporations, financiers, and dietary demands influence land use decisions. A comprehensive approach beyond production is required, addressing post-harvest handling, processing, storage infrastructure, cold storage, and market access. On-farm processing is hindered by the lack of access to finance.

212. To promote the principle of food systems diversity and maximize potential for generating GEBs, the GEF-9 Food Systems IP will broaden the scope to allow countries to define and propose target food *systems*, subject to the provision of solid arguments on the potential of the interventions to achieve major GEBs and transformational impacts. This includes working with additional crops

[181] GEF, 2024. Advancing the Integrated Approach Tackle Commodity driven Deforestation.
[182] GEF IEO, 2021. GEF/E/C.60/04, Formative Evaluation of the GEF integrated Approach to Address the Drivers of Environmental Degradation, and GEF/R.9/02: Preliminary Findings of the Eighth Overall Performance Study of the GEF
[183] Sekaran, Udayakumar, Sandeep Kumar, and Jose Luis Gonzalez-Hernandez. "Integration of crop and livestock enhanced soil biochemical properties and microbial community structure." *Geoderma* 381 (2021): 114686.

and commodities and extending the food systems to encompass food and non-food agricultural products. It also covers activities such as food storage, aggregation, post-harvest handling, transportation, processing, distribution, marketing, disposal and consumption.[184]

213. Transforming food systems requires an integrated approach to mobilize and engage actors across different dimensions of the agrifood systems to avoid trade-offs and enhance synergies, promoting circularity, and focusing on a set of transformational levers:

a) Financial Leverage**:** Financial leverage is crucial for transforming food systems by optimizing public spending and mobilizing private capital to encourage sustainable practices and attract investment. Blended finance, which combines public and private funding, can de-risk investments in agriculture and food systems, making them more attractive to private investors. Leveraging financial resources also includes creating innovative financial instruments and mechanisms to support small-scale farmers and food producers, ensuring they have access to the necessary capital for improved practices. Effective financial leverage can drive large-scale changes, promoting environmental and economic viability, and social equity in food systems.
b) Governance, Policy Coherence and Effective Legal Frameworks: National and local policies and governance models are essential for creating an environment that supports global environmental goals and avoids harmful subsidies. Effective governance includes inter-ministerial coordination and multi-stakeholder involvement at all levels to ensure inclusivity. For transforming food systems, a coherent national legal framework is crucial. It aligns policy measures with legally binding norms, international obligations, and global standards. Legislation ensures coordinated implementation of policies across sectors (e.g., agriculture, fisheries, environment, public health), preventing contradictory interventions. It also assigns rights, defines responsibilities, and facilitates effective cross-sectoral action and coordination.
c) Multi-Stakeholder Dialogues and Coordination: Foster meaningful engagement with CSOs, IPLCs, youth, women and the private sector based on a set of principles and criteria on effective multi-stakeholder engagement and coordination to ensure that their priorities and needs shape policy and other key processes, as well as to leverage their expertise and resources for innovation and scalability of sustainability solutions.
d) Innovation and Learning: The catalytic grant of GEF is to be used for innovation (tech, finance, governance, data, civil society, youth, women's and Indigenous Peoples' engagement, etc.), and the project creates mechanisms for the inflow and outflow of knowledge through sub-national, national and regional networks and the global platform for scaling up.
e) Systemic Capacity Development: To advance and sustain progress at scale, strengthen country ownership and commitment through systemic capacity enhancement that interdependently empowers people, strengthens organizations, institutions, networks, multi-stakeholder processes as well as enhances the enabling policy environment based on country priorities assessment with rigorous tracking of results.

Objectives, Key Interventions, and Selection Criteria

214. The overall objective of the proposed GEF-9 Food Systems IP is to scale up transformational changes towards nature-positive food systems. The IP will seek to reduce

[184] This is based on FAO Strategic Framework 2022-2031.

environmental degradation and negative externalities in food production systems (food crops, commercial commodities, livestock and dairy, and aquaculture and small-scale fisheries), and on the demand side across supply chains. This will be achieved through the food system value chain approach, from production to distribution and consumption, ensuring nutrient recycling, waste valorization, and resource efficiency. This transformative approach will also ensure that shifts in food systems will also benefit natural systems through on-farm diversification and reduced pressure on habitats; urban systems by promoting circularity in value chains, energy systems through efficient energy innovations; and health systems through reductions in use of hazardous chemicals. In doing so, the IP will deliver results across all FAs (BD, CCM, LD, C&W and IW) and promote links and synergies within the IP among different cycles and with other relevant IPs (Critical Forest Biomes IP, Global Wildlife for Development IP, Sustainable Cities IP, and Drylands and Drought Management IP) and GEF programs (FARM+).

215. The IP will apply a multi-stakeholder approach to scale up solutions by integrating innovation across value chains to improve food security and generate GEBs in areas such as climate change mitigation, biodiversity conservation, land degradation, and water resources. Additionally, it will contribute to food security, livelihoods, and better health and nutrition. Achieving this transformation requires a collective effort from various stakeholders within food systems as well as promoting systemic shifts through innovative actions and policy options. The urgency for transformation in food systems was highlighted in the UAE Declaration on Sustainable Agriculture, Resilient Food Systems and Climate Action, as well as the UN Food Systems Summit (UNFSS) +2. These declarations emphasize the need to shift production and supply chain practices towards nature-positive, low-emission, and hazardous chemical-free pathways, and to support the implementation of these actions.

216. To maximize potential for transformative change, the program will operate at two levels—global and country-level (national or subnational). Globally, the program will establish links with relevant platforms and initiatives that foster multi-stakeholder dialogue and collective action to transform food systems. At country level, the program will draw on the proposed global framework to develop and scale up the innovative projects that demonstrate a holistic and systemic approach to food systems.

217. Key interventions at global level will include:

- Scaling Impact: Individual countries will deliver substantial benefits through their nationally focused projects; however, the potential for global transformation will require that such impacts be amplified beyond national boundaries. This will be achieved by catalyzing new opportunities across spatial (landscapes) or vertical (supply chain) dimensions to help maximize potential for impact. The program will mobilize and direct global actors and resources to support country projects, while also gathering, managing, and disseminating the models and knowledge generated by participating countries and communities of practice. This information will be fed into regional, global, and thematic policy forums, influencing the agendas of both public and private actors. Consequently, the impact will extend far beyond the target geographies of the individual projects, initiating processes that "scale out" the impacts on a global scale.
- Promoting Innovation: The program will achieve large-scale impact by integrating cutting-edge technological, financial, and social innovations to achieve transformational change. The

program will also promote novel approaches in policy, finance, technology, management practices, and social change. Digital transformation and technology adoption would include precision agriculture, smart sensors, and satellite imaging to optimize resource use, improve yields, and mitigate environmental impacts. Additionally, it supports agriculture through data-driven insights, enabling farmers to adapt to environmental variability. The development of ecosystem for technological adoption is critical, working with communities and lead farmers as champions, and partnering with technology providers to invest in local youth skills development for providing extension services and technical support.

- Leveraging Private and Financial Sectors: The program will encourage concrete actions on both the production and demand sides by actors from smallholders and SMEs to global corporates– e.g., traders, manufacturers, commodity buyers and retailers – toward use and expansion of sustainability standards and commitments to environmental and socially responsible sourcing. The program will also engage a spectrum of financiers to shift their investment toward environmental sustainability by capacity building and de-risking their investment. Efforts will be made to mobilize additional and larger scale financing, including through blended finance mechanisms, to maximize country outcomes and increase the program's impact and contribution to transformational change scaling up the proof-of-concept stage investments from earlier GEF investments.
- Cross-scale support: The program will catalyze access to knowledge, technical expertise and capacity development on issues that represent common challenges across multiple countries or specific geographical regions. The program will support efforts to influence public policy and private actions towards food systems, shifting production and landscape management practices, building effective multi-stakeholder dialogue, and promoting multi-country or regional planning and coordination to improve implementation.

218. Specific interventions suitable for GEF support at the country level include the following:

- Sustainable and Regenerative agriculture: The IP aims to create an enabling environment for countries and industries to shift agricultural food production through diverse approaches such as agroecology, regenerative farming, avoiding deforestation, rehabilitating and restoring agrifood production landscapes, diversifying cropping, increasing productivity, improving watershed management, and promoting sound land and soil management, cognizant of the importance of enhancing biodiversity in agricultural areas and agrobiodiversity itself. The focus will be on commercial commodities causing significant deforestation in the tropics (soy, palm, coffee, beef, and cocoa) and globally important food crops (rice, wheat, and maize), whose production results in negative environmental externalities. Restoration efforts will focus on revitalizing degraded lands and ecosystems to enhance their productivity and ecological health. Additional crops may be included if they contribute to systems transformation through nature-positive and hazardous chemical-free production, enhancing agrifood system sustainability (for millets, sorghum, other underutilized species, various fruits, commercial sugar cane, and non-food crops like cotton and leather/wool).
- Livestock and Dairy Management: The livestock sector contributes 90% of agricultural GHG emissions, with 20% from the dairy sub-sector. Dairy industry GHG emissions are 67% from enteric fermentation (methane), 31% from poor manure management (nitrous oxide), and 2% from feed and processing facilities.[185] Reducing the environmental impact of livestock

[185] FAO. 2020. Greenhouse Gas Emission for the Dairy Sector : A Life Cycle Assessment.

production involves improving productivity on existing pastureland, increasing genetic diversity, supporting integrated crop-livestock systems, restoring degraded pastures, and enhancing manure management. Restoration efforts will focus on restoring degraded pastures to enhance their suitability for livestock grazing, ensuring better forage quality and availability, and improving overall productivity and ecological health. Key strategies include introducing policies and incentives for better practices, promoting certification standards and traceability, improving disease prevention and control, supporting diversified and environmentally friendly diets, moderating animal product consumption, and increasing alternative protein production.

- Aquaculture and Fisheries: The program will prioritize nature in delivering affordable, low-footprint fish and other aquatic protein and health improvements by investing in improved aquaculture linked to land-based practices affecting freshwater and coastal ecosystems. Success in aquaculture relies on integrated investments connecting feed production to milling and market operations. The GEF will support smallholder feed production and integration with commercial millers, fostering cross-sector collaboration. Blue foods, including fish, aquatic plants, and shellfish, are crucial for diets and can reduce reliance on destructive protein sources.[186] Combining aquaculture and fisheries, including artisanal and inland fisheries, will enhance food security.

Selection criteria

219. Since GEF-6, 49 countries have participated in food systems-related programs. Building on this experience, the GEF-9 Food Systems Integrated Program will consider recipient countries capable of scaling up efforts and catalyzing systemic change. The GEF will prioritize countries demonstrating potential for transformational change based on the following criteria:

a) Science-based Strategy: The country strategy should be science-based with clear long-term pathways to meet national development needs, generate high-impact GEBs, and contribute to global food systems transformation.
b) Enabling Policy Environment: The policy and regulatory environment should support positive results through program implementation, fostering cross-ministerial support and policy coherence.
c) Private Sector Engagement: Active involvement of private sector entities, including companies and SMEs in the supply chain, and financial institutions to leverage capital for scale-up using innovative financial mechanisms.
d) Nature-positive Practices: Focus on crop diversification, intensification, intercropping, integration of crop and livestock or aquaculture systems and any other approaches which protect biodiversity directly (in agricultural areas) or indirectly (by reducing expansion of agricultural areas at the expense of natural ecosystems).
e) Support for Vulnerable Populations: Promote agricultural production that supports vulnerable populations, including women, youth, and Indigenous Peoples, involving them in planning and decision-making.
f) Scalability: Ensure results from smallholder, farm, and landscape levels can be scaled up to subnational and national levels
g) Digital Transformation: Invest in digital public goods and infrastructures to provide scalable solutions for smallholder farmers and vulnerable communities.

[186] UN DESA. 2021. Sustainable Blue Foods are Vital to Global Food Security

h) Environmental Safeguards: Implement strong safeguards to prevent negative environmental impacts or leakage.
i) Waste Reduction: Focus on reducing, reusing, and preventing food waste along the food systems' value chain.

Existing Platforms and Potential Partners

220. Numerous global initiatives and organizations are collaborating with previous GEF's food systems programs (GEF-6,7&8) to address various aspects of development in the agricultural and food sectors. Additional initiatives and coalitions include but are not limited to:

221. The Coalition on Indigenous Peoples' Food Systems, recognized at the UNFSS, is led by Indigenous Peoples and supported by UNFSS member states and other stakeholders. The Global Health Security Agenda addresses emerging infectious disease risks, including zoonotic spillover, through the UN system's "Tripartite+" collaboration (World Health Organization (WHO), Food and Agriculture Organization (FAO), World Organisation for Animal Health (WOAH), and UNEP). The Global Dairy Platform promotes sustainable dairy practices and enhances the dairy industry's contribution to global food systems.

222. The Global Agricultural and Food Security Program (GAFSP) launched a $75 million investment program to catalyze access to affordable finance for smallholder farmers, producer organizations, innovative startups, and MSMEs in the agrifood sector. The WBCSD is a global, CEO-led organization of over 200 leading businesses. The World Economic Forum (WEF) brings together leaders from business, government, academia, and media to shape global, regional, and industry agendas.

223. Other significant initiatives include the Blended Finance Taskforce, which mobilizes private finance for development in developing countries, and the Global Food and Farming Network (GFFN), which supports developing-country governments in designing policies and provides grant funding for various projects. Young Professionals for Agricultural Development (YPARD) supports young professionals in agricultural development, emphasizing the importance of equipping them with skills needed for the growing food and beverage markets, projected to be worth $1 trillion by 2030.

Contributions of this program to Global Environmental Benefits and MEAs

224. Many global environmental conventions and agreements emphasize sustainable agriculture and forestry. The Food Systems IP aims to improve landscape management, contributing to climate goals under the Paris Agreement and the UAE Declaration on Sustainable Agriculture, Resilient Food Systems and Climate Action..

225. From the biodiversity perspective, the IP will promote biodiversity-rich agricultural systems, support genetic diversity and in-situ conservation of agricultural species, and explore sustainable agricultural intensification and waste reduction. This program is crucial for meeting several KMGBF targets under the UN CBD. These targets include Target 10, which focuses on the sustainable management of agriculture, aquaculture, fisheries, and forestry; Target 16, which aims to encourage sustainable consumption choices and reduce global food waste; and Target 18, which seeks to reform harmful incentives and subsidies for biodiversity.

226. Additionally, the IP will play a vital role in achieving LDN targets under the UNCCD by avoiding new land degradation and ensuring that land resources remain productive and capable of supporting ecosystem functions and food security.

227. The IP will also contribute to Chemical and Waste GEBs by eliminating, avoiding, or disposing of HHPs. It will help in meeting SDG 6 on improving water quality and to conserving and enhancing water-related ecosystems, [187] and will deliver to targets of the GEF IW Focal Area, including GEBs from aquaculture activities that will be measured via nutrient pollution reduction, marine habitat under improved practices to benefit biodiversity, and land restored.

Role of the private sector in supporting this program

228. Involving the private sector in the GEF-9 Food Systems IP would be crucial for driving innovation, efficiency, and durability. The private sector has been hesitant to engage in sustainable agriculture due to a misalignment of goals—long-term versus short-term returns—and perceived high risks and uncertainties.

- Align policy and finance frameworks**:** Support the alignment of policy and finance frameworks to create a conducive environment for scaling improved practices. Advocate for policy reforms that favor sustainable agriculture and provide technical assistance to governments. Support industry working groups to improve the food system finance frameworks
- Engage stakeholders: Actively involve various stakeholders, including governments, financial institutions, agribusinesses, and SMEs, in the transformation of food systems through workshops, roundtables, and forums.
- Capacity building for local financial institutions: Provide capacity-building activities to local financial institutions to help them manage risks in agricultural lending and design credit and investment products tailored for farmers engaging in regenerative and durable agribusiness.
- Develop impact investment ecosystem**:** Support the development of an ecosystem of impact investors focused on food systems with catalytic capital and technical assistance. Partner with anchor companies in agribusiness value chains, investors, and financial institutions to leverage their resources and expertise.
- Promote data-driven business models**:** Develop data-led, evidence-based business models for scaling up nature-based solutions and improved agriculture, livestock, and aquaculture practices. Increase credibility and reduce risk for investors and financial institutions to invest in the sector.
- Pilot with the blended finance window, financial incentives and risk mitigation: Offer financial rewards such as reimbursable grants, low-interest loans, and outcome payments for improved agricultural practices; utilize GEF resources to mitigate risks and reduce costs through a blended finance or matching program for upstream value chain investment; and provide guarantees, insurance products, and other risk mitigation tools to attract private investors with different risk appetites.

[187] OECD 2020.

Drylands and Drought Management IP

229. Drylands, encompassing approximately 40% of the world's land area, support two billion people, contain 44% of the world's agricultural land and supply about 60% of the world's food production. More than 30% of urban areas and 34% of the urban population are in dryland regions, and drylands also contain over one quarter of the global biodiversity hotspots[188]. Water scarcity is a defining characteristic of drylands, to which their biodiversity, crops and production systems are inherently adapted. Exceptionally intense or prolonged dry periods can, however, exceed adapted tolerance limits.

230. With Earth system change intensifying, drought has emerged as a critical global challenge. The STAP described why drought matters for the global environment and its implications for GEF's work in an information note[189]. Droughts have significant environmental impacts: driving soil degradation, reducing water availability, and contributing to biodiversity loss, which in turn lead to severe ecosystem disturbances, endanger agricultural systems and food security, and undermine the livelihoods and incomes of communities[190]. Drought also disrupts the water cycle, increases the risk of flash floods, depletes groundwater reserves, and increases competition for water resources. Drought also results in significant socio-economic consequences, particularly in low-income and vulnerable communities. Consequences may include food insecurity, loss of livelihoods, health impacts, large-scale migration, and conflict.

231. Based on data from the 2022 UNCCD reporting process, 1.84 billion people in 101 countries are affected by drought, with 4.7% facing severe or extreme drought conditions. Eighty-five percent of those affected by droughts reside in low- or middle-income countries. With approximately 40% of the world's population already facing water scarcity and up to 700 million people at risk of displacement by 2030[191], urgent global action and collaboration is needed.[192] Given the magnitude and urgency of the global drought challenge and its core environmental underpinnings, the GEF recognizes the similar urgency of scaling up investment in integrated drought management efforts.

Framing of the Integrated Program

232. The recent IEO Strategic Country Cluster Evaluation: GEF Support to Dryland Countries[193] and early OPS-8 findings[194] have confirmed that the evolution in the GEF toward more systems-based approaches and integrated programming is highly relevant for drylands, where a wider landscape approach allows for aligning environmental and development priorities. An integrated approach to address water scarcity and drought in drylands is essential to mitigate environmental and socio-economic impacts and to improve the well-being of affected people and their prospects of sustainable development.

[188] World Atlas of Desertification. https://wad.jrc.ec.europa.eu/
[189] STAP 2024. Why drought matters for the global environment. Information note.
[190] European Commission Joint Research Centre and United Nations Convention to Combat Desertification, World Drought Atlas. 2024
[191] WMO 2023. State of the Global Climate Report.
[192] Stefanski, R., Toreti, A., Aich, V. *et al.* Drought resilience demands urgent global actions and cooperation. *Nat Water* 3, 127–130 (2025). https://doi.org/10.1038/s44221-024-00373-9
[193] IEO (2024): https://www.gefieo.org/evaluations/scce-drylands
[194] GEF/R.9/02: Preliminary Findings of the Eighth Overall Performance Study of the GEF

233. The Drylands and Drought Management integrated program will promote a systems approach to common challenges posed by drought across different sectors and political boundaries and will facilitate investments to address them across the GEF family of funds.

234. The IP will operationalize a paradigm shift towards proactive drought management. Early action on drought can save lives, livelihoods, and financial resources – before disaster relief becomes the only option. Historically, drought management has been reactive, and crisis driven. More recently, the UNCCD has championed a proactive approach, highlighted in recent UNCCD COP16 negotiations and decisions, which emphasize preparedness, addressing risk mitigation, and resilience.

235. The Global Mechanism of the UNCCD and the UNCCD secretariat have been supporting countries in designing National Drought Plans (NDPs). More than 70 countries have developed or are engaged in the process of designing national-level plans of action[195]. A stocktaking of drought-related policies and plans by the Intergovernmental Working Group (IWG) on Drought[196] revealed the importance of other Convention related planning processes to identify priority actions for drought management, including NBSAPs, NDCs, NAPs, and NAPAs.

236. The IP will help countries and communities better prepare for, monitor and assess, mitigate, and respond to the cascading effects of drought. GEF investments will promote the improved management of land and water resources, including groundwater. Efforts will also support ecosystem-based measures to manage drought and biodiversity conservation. This integrated approach to drought follows a systems approach addressing interconnected ecological, social and economic factors and enhancing collaboration across sectors. The GEF has been supporting transformational change in dryland regions through the GEF-7 Drylands Sustainable Landscape Impact Program (DSL-IP) focusing on dryland forests, savannahs and grasslands in eleven participating countries. Prior to that, the GEF-6 Integrated Approach Pilot (IAP) program on Resilient Food Systems was explicitly focused on drylands in Sub-Saharan Africa, to tackle drivers of degradation affecting smallholder farmers. At the same time in Africa, the GEF has a long history of investing in the Great Green Wall Initiative to address dryland degradation and drought effects in the Sahel. By further addressing drought challenges in drylands, the GEF aims to build on this experience and further expand its programmatic approach to enhance the adaptive capacity of affected communities and deliver GEBs with positive impacts on development, national security, and economic prosperity.

Objectives, Key Interventions, and Selection Criteria

Goals and objectives

237. The main objective of the IP is to proactively manage drought and enhance ecosystems in selected dryland countries. The IP will address the multifaceted environmental challenges in drylands with a specific emphasis on drought. It will support countries in implementing the three pillars of integrated drought management: (i) monitoring and early warning, (ii) risk and impact assessment, and (iii) risk mitigation, preparedness, and response, the program will generate

[195] https://www.unccd.int/land-and-life/drought/drought-planning
[196] UNCCD 2022: Stocktaking of existing drought and related policies.

significant GEBs, socio-economic benefits, and secure local livelihoods. The integration of drought-smart land management, conservation and restoration of ecosystems, groundwater management, and other land-water nexus considerations will ensure a comprehensive approach to building drought resilience in dryland regions.

238. The IP aims at strengthening existing and forging new partnerships in the global efforts to address drought and helping to catalyze finance in collaboration with the recent pledges made by the Riyadh Global Drought Resilience Partnership and with other emerging funds related to drought. In this context, the UNCCD estimated the total funding needs for implementing drought plans at $210 billion[197]. The IP will contribute to narrowing the funding gap.

Key interventions

239. Effective drought policies and early warning systems are key enabling factors to strengthen drought response measures, as reactive interventions alone often fail to tackle underlying causes and vulnerabilities.[198] Leveraging local knowledge and experience is crucial for effective drought management[199], while enhancing tools and methods to monitor drought impacts on social-ecological systems supports better planning and preparedness. Additionally, aligning with and leveraging existing processes, partnerships and plans, such as NBSAPs, NDCs, NAPs, and NAPAs, will ensure policy coherence, resource optimization, and integration of drought management into broader development efforts.

240. Capacity development and engaging all levels of society, from policymakers to local communities, are crucial for achieving interconnected systems transformation to ensure lasting drought management efforts[200]. Moreover, a review of 67 GEF LDN projects across 56 countries highlights the importance of inclusivity and context-specific stakeholder engagement, particularly with CSOs and IPLCs.

241. At the field level, investing in drought-smart land management practices, such as landscape and habitat restoration, agroforestry, conservation agriculture, agro-ecological diversification, integrated pest management, rangeland and pasture management, soil erosion control, and the conservation of pollinators, can help mitigate drought impacts and improve land productivity.[201] In addition, on-grid and off-grid technologies that are essential for drought resilient agriculture need to be factored in.

242. Improved water management and conservation practices, including efficient irrigation techniques like drip irrigation and water storage infrastructure, e.g., small reservoirs and check dams, aquifer recharge, and rainwater harvesting systems.[202] Recognizing the critical role of soil moisture in mitigating drought impacts underscores the need for comprehensive water

[197] UNCCD (2024): Investing in Land's Future – Financial Needs Assessment for UNCCD
[198] Sass et al. 2024
[199] Mortimore 2010; Harris et al. 2018; Reichhuber et al. 2019; Petzold et al. 2020
[200] Mortimore 2010; Harris et al. 2018; Petzold et al. 2020
[201] International Organization for Migration and United Nations Convention to Combat Desertification 2019; IPCC 2019; Reichhuber et al. 2019; UNCCD 2022b
[202] For example, Knutson 2008; Kosmowski 2018; Ragab and Hamdy (2004); Chartzoulakis and Bertaki, (2015); Álvarez-Berríos et al. (2018) & Srivastav et al. (2021).

conservation plans. Although efficient irrigation can alleviate shortages, it does not address the root causes of water scarcity. Implementing strategies like rainwater harvesting, water recycling, and improved irrigation practices is crucial to enhancing water security.[203] Adopting a framework that integrates prevention, preparedness, and management—including aquifer recharge and effective water allocation—can help create a robust response to drought challenges and promote improved water management.

243. Actions to prevent overextraction and pollution of groundwater include raising awareness, increasing knowledge, and promoting better management approaches. For example, creating protected areas for groundwater, monitoring contamination sources, and having action plans for spills. [204] Allowing transparent groundwater withdrawals and setting sound limits can help address over-extraction. Aligning incentives across different sectors to value groundwater and its importance for health, livelihoods, and economies is also crucial.

244. Ecosystem-based adaptation and restoration, which involves restoring and conservation of natural ecosystems like wetlands and forests, can also play a vital role in buffering against drought impacts. Enhancing species functional diversity and controlling the spread of water-demanding invasive plant species are additional strategies. [205]

245. Biodiversity conservation measures are important for mitigating the impacts of drought and enhancing ecosystem health. Biodiversity conservation helps buffer against drought impacts and supports ecosystem robustness.[206] Enhancing species functional diversity, such as through intermediate short duration grazing in grasslands, can improve drought management and preparedness.[207] The ability of ecosystems to recover from drought is influenced by factors such as drought duration, frequency, post-drought wetness, and bioclimatic conditions.[208]

Selection criteria

246. The IP will provide opportunities for countries seeking to engage in a strategic and systematic approach to transforming their drought plans and related policies into tangible, bankable investments moving from policy to action through integrated, cross-sectoral approaches. The program encourages policy coherence through a whole of government approach, integrating drought management actions and investments across relevant ministries and implementing coherent project strategies from national to local institutions. The program will be anchored on stakeholder engagement and inclusion of all affected sectors of society, particularly in education, capacity building, technical and technology assistance, and the adoption of drought-smart land management practices.

247. Participating countries must show ambition for effective and coherent land and water policies and governance across sectors, optimizing their resources and investments. They are interested in a structured approach to assessing drought risk, resilience, and investment priorities,

[203]Zaveri et al. (2023).
[204] Groundwater – Vital but invisible. World Bank, 2022
[205] Cavaleri et al. 2014; Caldeira et al. 2015
[206] Falk et al. 2022
[207] Loeser et al. 2007; Griffin-Nolan et al. 2019
[208] Jiao et al. 2021

and in doing so, a process for bridging silos between sectors, jurisdictions, and institutions. The IP recognizes that drought management efforts are often most urgent in fragile, conflict-affected, and vulnerable settings (FCV) and will take recommendations made by the IEO[209] and STAP, as well as GEF Council guidance into account. [210]

248. While it is acknowledged that drought is a global phenomenon that is not limited to drylands, priority will be given to countries in dryland regions with high drought risks and systems' vulnerabilities, such as high incidents of poverty, low coping capacity, and groundwater dependent ecosystems[211]. Attention will be given to countries with dryland areas that overlap with areas of global biodiversity significance or ecosystems supporting endangered or endemic species, as these ecosystems are increasingly vulnerable to threats from climate change and land-use pressures.

249. Furthermore, the IP will be designed for optimal regional coherence and linkages. Regional and transboundary collaboration opportunities will be a criterion for the selection of participating countries. Experience under the GEF-7 DSL-IP highlights the value countries place on support for investments that enhance regional alignment and economies of scale. The program's regional coordination mechanisms have been instrumental in fostering coherence, direction, and collaboration among countries facing similar dryland challenges. Regional synergies will also enhance efficiencies in the provision of capacity development initiatives and facilitate meaningful knowledge sharing, joint financial mobilization efforts, and multi-stakeholder dialogues.

250. Participating countries must be willing to engage with global and regional platforms to closely collaborate with neighboring countries, international partners, and all relevant stakeholders to ensure that the program aligns with the needs of people in vulnerable situations and local communities.

Existing Platforms and Potential Partners

251. Established in 2018, the UNCCD Drought Initiative promotes a proactive approach to drought through strengthening vulnerable populations and ecosystems. A central part of the Drought Initiative is the Drought Toolbox which countries can use to develop and strengthen their national drought plans. The Toolbox developed by the UNCCD, together with its partners (including the FAO, Global Water Partnership and the World Meteorological Organization (WMO), features several technical and policy options that will be extremely useful for the GEF-9 program.

252. The Integrated Drought Management Programme (IDMP) is a joint initiative between the Global Water Partnership and WMO. The scope of the IDMP is to build climate resilience, reduce economic and social losses, and alleviate poverty in drought-affected regions of the world through an integrated approach to drought management, which cuts across sectoral, disciplinary and institutional jurisdictions and is responsive to specific regional and national needs and requirements. The IMDP does not provide funding; however, it serves as a community of practice providing technical support, sharing knowledge and experience.

[209] GEF/R.9/02: Preliminary Findings of the Eighth Overall Performance Study of the GEF
[210] See: GEF/E/C.59/01, GEF/STAP/C.66/Inf.03, GEF/C.66/09
[211] Rohde, M.M., Albano, C.M., Huggins, X. *et al.* Groundwater-dependent ecosystem map exposes global dryland protection needs. *Nature* 632, 101–107 (2024). https://doi.org/10.1038/s41586-024-07702-8

253. Launched at the UN Climate Summit in November 2022 by the Prime Minister of Spain, Pedro Sánchez, and the President of Senegal, Macky Sall, the International Drought Resilience Alliance (IDRA) is a global coalition comprising 41 countries and 28 international organizations partnering to mobilize political, technical and financial capital to enhance drought management in countries, cities, and communities. IDRA is a collaborative platform for building political momentum, knowledge exchange, innovative financing mechanisms, and a common framework for action. Its secretariat is housed by the UNCCD.

254. The Riyadh Global Drought Resilience Partnership (GDRP), launched at UNCCD COP16 in Riyadh, Saudi Arabia, aims to build drought resilience in 80 of the world's most vulnerable countries by leveraging public and private finance and shifting from reactive relief to proactive preparedness. The partnership has attracted $12.15 billion in pledges, including $10 billion worth of pledges from members of the Arab Coordination Group (ACG). Further, other public and private sector funds for drought are in preparation. The GEF-9 program will seek close collaboration with the GRDP and other emerging funds in leveraging the pledged funding towards comprehensive investments that cover both the upfront soft investments, and the physical investments needed for building drought resilience.

255. Several GEF agencies are involved in drought related projects and programs, such as the World Bank, the African Development Bank (AfDB), FAO, UNEP, IUCN, United Nations Development Programme (UNDP). Recent World Bank efforts are laying groundwork for fostering holistic drought management, promoting more cross-sectoral and cross-institutional operations that support longer-term, coordinated client engagement.

Contributions of this Program to Global Environmental Benefits and MEAs

256. The IP responds to the decision on the collaboration with the GEF from UNCCD COP16 which "*invites* the Global Environment Facility, under its ninth replenishment, considering the increased frequency and severity of drought, which poses a global challenge in the context of climate change, to prioritize the allocation of resources to proactive drought management to support Parties in the implementation of their actions."

257. The IP is anchored in the LD focal area (objective LD-2: Support implementation of National Drought Plans and other drought related policies) and will collaborate with and complement efforts of countries addressing desertification, land degradation and drought outside the IP.

258. The IP also addresses objectives of the IW focal area through its work on shared water resources, including groundwater, as well as objectives of the BD and CC focal areas. Furthermore, the program will seek close alignment with the programming strategies for LDCF and the SCCF responding to goals and objectives of the UNFCCC.

259. Integrating efforts with the UNCBD is vital to addressing the global importance of drylands for biodiversity and the escalating pressures they face. The IP will contribute to the implementation of the KMGBFF, particularly Target 2 on restoration of degraded ecosystems, and Target 8 which focuses on promoting nature-based solutions. Through its emphasis on land use

and agricultural practices, the IP also supports Target 10, which calls for enhancing biodiversity and sustainability in productive ecosystems.

260. Addressing drought management through the IP will not only mitigate immediate negative impacts but will also bolster long-term environmental and socio-economic progress and will make GEF investments more durable in the long-term.

Role of the Private Sector in Supporting this Program

261. Engaging the private sector in proactive drought management can drive innovation, improve efficiency, and scale up successful interventions. Private companies can invest in technologies and practices, such as drought-tolerant crops, efficient irrigation systems, and energy security solutions. In this context, on-grid and off-grid energy required for powering drought-resistant technologies such as early warning systems, water pumping, irrigation systems, will require private sector investments and technological innovation.

262. Private sector involvement is essential to link smallholder producers and pastoralists to markets, introduce viable supply chains, and create stable revenues with dryland commodities such as cotton, wool, leather, fuelwood, charcoal, shea, and gum Arabica. The program can leverage opportunities for improved value chains and income-generating activities to improve farmers' livelihoods and economic well-being. The IP will explore opportunities for public-private partnerships (PPPs) to leverage resources, share risks, and promote business management models that benefit both the environment and local communities.

263. Blended finance opportunities can help to advance innovative financial tools such as index-based insurance and performance-based bonds with indicators related to drought management (e.g. soil moisture). Further, GEF will support countries using their STAR allocation to participate in blended-finance structures to mobilize private finance, based on countries' demand, including the required capacity building in financial structuring at country level and facilitating coordination among the various stakeholders and government agencies required.

Sustainable Cities IP

264. The tremendous pace and scale of urbanization have made the transformation of urban systems to greater sustainability central to achieving global environmental and sustainable development goals. Cities contribute significantly to environmental degradation, accounting for over 70% of greenhouse gas emissions[212,213] and causing extensive destruction of biodiversity and nature due to habitat loss and fragmentation (36,6% urban areas are in KBAs)[214], and pollution of land, fresh water and oceans. Around 68% of global population will reside in cities by 2050[215], and these environmental impacts will directly affect their health, prosperity and well-being due to increased vulnerability to environmental extremes and impacted access to ecosystem services such as clean water, air, energy, and food.

265. By 2050, over a billion people in low-lying cities will face coastal environmental risks.[216] Urban heatwaves caused by increasing global temperatures and infrastructure expansion will affect most urban populations. About 350 million urban dwellers will experience water scarcity from severe droughts at 1.5°C increase above the historical mean. Groundwater overuse in cities leads to depletion, land subsidence, saltwater intrusion, and pollution. Environmental degradation disproportionately impacts women, youth, the poor, and those in informal settlements.

266. The challenges of Earth system change, nature loss, and pollution in cities represent a triple interlinked planetary crisis that needs to be addressed in an integrated manner, considering that the drivers of these issues are interconnected across sectors and stretch beyond urban administrative boundaries. Cities are part of broader resource sheds that encompass natural ecosystems and rural areas which provide key urban services. Linear infrastructure such as roads facilitates this connection and promotes urban and economic growth but also contributes to deforestation and habitat degradation.

267. Considering the extensive scale of urbanization, cities exert a planetary influence, with particularly significant effects on regions undergoing rapid urban growth and encroaching into natural ecosystems. Urbanization represents one of the most critical tipping points; therefore, there is a limited window of opportunity to facilitate a viable transition towards urbanization that aligns human development needs with the preservation of natural ecosystems.

268. Urbanization drives environmental degradation but also provides opportunities to foster a healthy planet and healthy people. The connection between people, nature, and infrastructure in

[212] Lwasa, S., et al., 2022: Urban systems and other settlements. In IPCC, 2022: Climate Change 2022: Mitigation of Climate Change. Contribution of Working Group III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change [P.R. Shukla, et al. (eds.)]. Cambridge University Press, Cambridge, UK and New York, NY, USA. doi: 10.1017/9781009157926.010.
[213] This includes emissions from urban food systems and therefore overlaps with the GHG emissions from global food system.
[214] Simkins, A.T., Beresford, A.E., Buchanan, G.M., Crowe, O., Elliott, W., Izquierdo, P., ... & Butchart, S.H. 2023. *A global assessment of the prevalence of current and potential future infrastructure in Key Biodiversity Areas*. Biological Conservation, 281, 109953.
[215] United Nations, 2018: 68% of the world population projected to live in urban areas by 2050. Retrieved from UN DESA.
[216] World Bank. 2016. *Unprepared for a Risky Future*. Washington, D.C.: World Bank Group.

cities enables policy makers to create solutions with multiple benefits and transform cities into engines of sustainability. This important role has been highlighted across the major international environmental summits and will continue to be a focus towards the 2030 global goals. To enhance their efforts, systemic barriers in financing, policies, technology, and knowledge must be addressed at all levels in a holistic, integrated approach.

269. Since its inception in GEF-6, the GEF's Sustainable Cities program has evolved into a major global partnership initiative on urban development. At least 90 cities across 33 countries have participated in the program, promoting integrated solutions related to land use planning, nature-based solutions, waste management, transport and energy, and housing. This has created an "ecosystem" of partners and initiatives that the GEF is well placed to leverage for advancing transformative change in urban systems. This includes the use of integrated land use planning approaches to foster transit-oriented development and low carbon zones in cities, and the use of digital geospatial tools for participatory and evidence-based planning. These approaches are helping to influence and support energy security, contribute to reducing pressure on natural systems, improve health systems through circularity principles for waste management, and improve food security. A notable contribution to cities is the mainstreaming of nature and biodiversity, enabling a rethinking of urban infrastructure development through policies for conservation and nature-based solutions.

270. Operating in complex urban governance systems, the program has also promoted innovative multi-level and cross-sector governance models, fostering collaboration between municipalities and national governments. It has created an enabling environment for replicating successes across cities through national city platforms and linking spatial development plans with national investment plans. Globally, the program has elevated the importance of cities in meeting objectives of conventions like the UNFCCC and CBD and built city capacities through exchanges and targeted knowledge and capacity development activities. Through this effort, the program has harnessed a global partnership that involves 11 of the 18 GEF Agencies including strong participation of MDBs and UN agencies, and City network such as C40 and ICLEI that have championed and supported integrated approaches in cities worldwide.

271. Building on the progress and achievements to-date, and the potential for scaling to tackle additional drivers of urban degradation, GEF-9 will support cities in their sustainability ambitions, commitments, and actions and align with MEAs served by the GEF, emphasizing the importance of cities in transitioning to nature-positive urban systems.

Framing of the Integrated Program

272. The GEF-9 Sustainable Cities IP will continue to promote integrated approaches to urban planning and development and aim to tackle major drivers of environmental degradation and generate multiple global environmental benefits. The program approach contributes to the transformation of urban systems by focusing on processes that engage a variety of actors and ensure durable outcomes within relevant institutions.

273. The GEF-9 program will emphasize the nexus between climate, nature and pollution; interlinkages that are increasingly recognized in the environmental conventions and which are very clearly experienced in cities. To advance the integrated approach, and deliver results at scale while

adding value, the GEF-9 IP will strategically foster collaboration with national and regional governments. It will expand its intervention space to address environmental degradation drivers at urban and associated territorial scales. This includes natural ecosystems that supply clean water, air, food, and energy to cities, as well as linear infrastructure that connects with cities and urban supply chains. This approach will create stronger links between human development and ecosystems with the aim of contributing to urban transformation that benefits both people and the planet.

274. The IP will advance integration vertically with a focus on policy coherence and effective governance relations between different levels of governments, and horizontally by focusing on interconnection of sectors and their inherent social-economic linkages present at the local level. Integration will also include mainstreaming energy efficiency and nature-positive approaches into urban plans and policies that can enable systemic, scalable and multi-disciplinary solutions in urban regions and help cities better harness synergies between investments. To promote whole of society benefits, the Sustainable Cities IP will work to support interventions that also bring local benefits of economic growth, poverty reduction, and job creation, considering the needs of women, youth and vulnerable communities. The program will support women's influence in urban planning and decision making and promote job creation for female entrepreneurs.

275. The Sustainable Cities IP aims to create large-scale impact by tackling urgent environmental degradation caused by urbanization, going beyond the city boundaries and including urban-rural linkages and the value chain of resources consumed in cities. The IP will help create systems for measuring impact and promote processes that can be durable and sustained within institutions and with a whole of society approach. To maximize impact and recognizing the urgency, the SCIP will put particular emphasis on rapidly urbanizing regions where early action can have large scale effects and avoid negative lock-ins. This will include working with intermediary cities and their surroundings, where urban development is happening at a high pace.

Objectives, Key Interventions, and Selection Criteria

276. The objective of the GEF-9 Sustainable Cities IP is to promote nature-positive urban development. To achieve this, the program will work with local, regional and national governments, and other urban actors, to adopt integrated approaches to urban planning. This includes upstream systemic interventions like policy development, financing, and capacity building, and downstream support in selected cities through strategic investments and implementation. The program will combine country-level investments with a global knowledge and coordination platform building on previous phases and GEF-IEO recommendations to improve governance and reporting mechanisms. The program will focus on a set of transformation levers.

- Governance and policy coherence: The SCIP will support cities and countries in developing governance models and coherent urban policies that integrate key aspects of urbanization, such as human development, jobs and informality, while ensuring protection of biodiversity and natural ecosystems. Policy coherence will focus on strengthening governance across the spatial scale and integrating sustainability in core urban functions of land use planning, regulations, budgeting and financing. This will be supported through national urban platforms that connect city action with national priorities and urban land use and infrastructure plans anchored in national investment plans. Additionally, it will leverage outcomes-based financing from MDBs and support the development of standards

and data for coherent decision-making in mainstreaming nature, climate, and circularity in urban development.

- Leveraging finance: Cities often struggle to access necessary resources due to low revenues, insufficient fiscal transfers, borrowing restrictions, and lack of technical capacity to prepare bankable projects. The SCIP will aim to strengthen the institutional capacity of local governments to access and manage finance and seek to strengthen and rationalize cities' main funding sources (national funds, fiscal transfers, etc.) to create conditions and incentives to nature-positive investments. This will enable the acceleration and access to structured finance such as public-private partnerships (PPPs). It will work with MDBs on mechanisms like bonds, performance linked investments and support development of innovative blended-finance solutions that can de-risk investments and catalyze large scale finance flows for urban solutions.
- Knowledge, learning and innovation: The program will bring together various knowledge partners (academia, traditional knowledge, private sector, etc.) and foster learning and collaboration to spread learnings and application through innovative tools and solutions. The Global Platform for Sustainable Cities (GPSC) that was established for the GEF-6 pilot program led by the World Bank will evolve to support the GEF-9 program, and link directly with the GEF-7 UrbanShift platform led by UNEP. This will foster interoperability of the platforms between the GEF phases to strengthen learning and knowledge exchange and foster adaptive management. Additionally, the platform will be linked with the global platforms created under the GEF-8 GRID and NZNPA IP to leverage its partnership and knowledge created for sustainable infrastructure.
- Partnerships: Effective governance, finance, and learning depend on strong, diverse partnerships. The global program will build new partnerships and strengthen existing ones through a multi-stakeholder approach, leveraging the momentum of project partners and previous program phases of Sustainable Cities IP, GRID, and NZNPA.

277. The program will focus on thematic entry-points which have the potential to generate environmental benefits and contribute to scalable, replicable and lasting impact at both the local and global scale. These entry points are:

- Land-use planning and management: Support integrated land use planning in urban regions, considering metropolitan regions, surrounding territories and catchments, supply chains and linear infrastructure connecting with cities. A wider spatial approach will enable more integrated and synergistic solutions in the nexus of climate, nature and pollution. The program will support improved land use planning, including using geospatial tools for mapping and management of land, and consider ownership and valuation of land through mechanisms such as land-value capture. The program will address crucial aspects of densification, mobility, housing and informal settlements, and ecosystem services including groundwater recharge and treatments for reduction in flow of harmful pollutants to land and water bodies.
- Infrastructure**:** Provide strategic support to smart infrastructure development in cities and surrounding areas, linking with integrated land use planning support. The program can support a range of infrastructure solutions with potential to deliver multiple environmental benefits and co-benefits, including transportation, housing, energy, waste, and water. Cities can focus on one or more areas but need to adopt integrated approaches, factoring synergies and trade-offs. Additionally, the program can support infrastructure outside urban

boundaries, such as industries in special economic zones, linear infrastructure, and trade infrastructure like ports connected with cities. The focus of support in such large-scale infrastructure will be on policy coherence, standards, efficient procurement, and innovative financing to deliver environmental benefits.

- Nature and biodiversity**:** The support for urban nature and biodiversity will enhance the role of cities in achieving global biodiversity and climate goals. The GEF's support for cities and surrounding regions will promote urban nature-based solutions, ecosystem management and conservation solutions, considering the relationship between Earth system change, biodiversity, pollution, and health. This integrated approach will allow projects to plan interventions at the catchment area level, delivering more comprehensive solutions that enhance biodiversity, sequester carbon, and increase the security of vulnerable communities. Solutions will draw on pilots and best practices globally, informed by science. Interventions will align with CBD Decision 15/12 and GBF Target 12 and other relevant targets, supporting collaboration, financial resource mobilization, capacity development, awareness, improved information, and monitoring.
- Circular economy solutions: The program will take an ambitious approach to support zero-waste cities in collaboration with governments and the private sector. The scale of zero-waste intervention can adopt area based or neighborhood approach to demonstrate zero waste solutions adopting circularity approaches. The program will pilot these interventions, complemented by policy support for replication across cities. Key entry points include construction materials, water and waste management, urban food systems, plastic value chains, and urban industries. The focus will be on upstream regulations, standards, and procurement models promoting circularity, alongside downstream technical assistance for decentralized solutions.

Selection criteria

278. The SC IP will consider the following selection criteria for countries and cities:

a) Enabling environment: National and local level policies and governance models that create an enabling environment for achieving global environmental benefits targets in relation to MEAs and avoid negative subsidies which contribute to environmental degradation in cities.

- Leadership**:** Demonstrated political leadership and ambitions by cities and countries, enabling cross sectoral collaboration and whole of government approach.
- Integrated approach**:** Integrated, systems based and innovative project approaches with explicit and clear entry points for delivering multiple global environmental benefits across sectors, governance levels and spatial boundaries.
- Alignment with national policies and additionality: Alignment and coherence of project activities with national urban development priorities with a clear added value ensuring additionality to existing urban initiatives or investment.
- City selection: Cities in highly urbanized or rapidly urbanizing regions, including intermediary cities and cities in LDCs and SIDS, where the integrated approach to urbanization can be adopted to tackle environmental degradation.
- Finance**:** Ability of the project to support cities and partners in leveraging financing from both domestic resources and private capital, to achieve large scale impact.

- Partnerships**:** Strategic engagement with multiple stakeholders including the private sector and civil society, as well as other cities and global initiatives, to leverage expertise and resources for innovation and scalability of lasting solutions.
- Co-benefits: Potential to deliver socio-economic co-benefits for inclusive urbanization, including increasing resilience and improving livelihoods.
- Innovation: Presenting innovative ideas with sound risk management that can lead to innovation in technology, finance, policies or institutional governance, including solutions to advance measurements and monitoring of progress in an innovative manner.
- Scalability: Articulating scalable approach to replicate the project activities in other cities in the country.
- Sustainability: Projects that have the potential to generate long-term sustainable impact towards urban transformation, with clear strategies for sustenance beyond the lifetime of GEF's investments.

Existing Platforms and Potential Partners

279. The GPSC, created in GEF-6 period and further strengthened in GEF-8 will continue to be reinforced in GEF-9 period. Alongside UrbanShift, which was established in the GEF-7 period, these platforms have become leading global convening and knowledge hubs, bringing together more than 90 cities and 33 countries. The global platform has brought together city networks and organizations such as Local Governments for Sustainability (ICLEI), C40 Cities Climate Leadership Group and WRI to facilitate city-city learning, capacity building and political leadership of local governments in contributing to national and global environmental goals.

280. In the GEF-8 period, partnerships have been established with leading global alliances and institutions such as Cities Climate Finance Leadership Alliance (CCFLA), Sustainable development Solutions Network (SDSN), Urban SDG Finance Commission, Resilient Cities Network, UN-Habitat, the Global Covenant of Mayors (GCoM), and other strategic partners including those engaged under the global platforms of GEF-8 GRID and NZNPA IP. As they advance their work, the GEF will adopt an agile and adaptive approach to provide complementary support to local, sub-national and national governments with its unique approach to address global change, biodiversity and pollution challenges in an integrated manner. With a specific aim to accelerate flow of finance and engage private sector, the GEF-9 SC IP will collaborate with financial institutions and private sector financing arms like IFC and IDB Invest. Partnerships will be formed with the MDBs Cities Group and bilateral programs such as the Foreign, Commonwealth and Development Office (FCDO) Green Cities and Sweden's Viable Cities to enhance financing for urban development.

281. In line with GEF's KM&L Strategy, the IP will foster collaboration with global research and academic institutions to capture and share knowledge from GEF's sustainable cities investments. Partnerships will be established with institutions such as University of Pennsylvania, Durham University, OECD, IPCC, IPBES, and Institute of Housing and Urban Studies, including leading research institutions from the global south. These collaborations will facilitate south-south and north-south collaboration and enable GEF to integrate the latest science and knowledge into the program's planning and implementation. Finally, the program will leverage existing national urban platforms created in countries like China, India, Brazil, Peru, and Paraguay to inspire new

countries to develop similar platforms and connect them with the global platform for knowledge generation and exchange.

Contributions of this program to Global Environmental Benefits and MEAs

282. The GEF-9 period builds on GEF's efforts to support urban transformation, aligning with global targets on climate, nature, and SDGs, including the MEAs that the GEF serves. The UNFCCC recognizes the need for local action to combat climate change and build resilience through urban greening, energy-efficient buildings and sustainable transportation.[217] Over two-thirds of country NDCs include references to urban development, showing clear linkages between urbanization and climate action.[218] The SCIP will generate climate benefits through efficient land-use planning, energy efficient infrastructure, and nature-based solutions. The CBD includes Target 12, focused on enhancing green spaces and urban planning for human well-being and biodiversity and other targets such as Target 8 to minimize impacts of environmental change and Target 14 to integrate biodiversity values into decision-making and planning. The IP will directly contribute to these targets by integrating nature and biodiversity into urban planning and design. The UNCCD notes that rapid urbanization affects ecosystems beyond city boundaries. The program's regional approach will mitigate ecosystem degradation and promote improved land and water management. Built environment solutions will foster long-term materials and waste management, reducing plastic waste and hazardous chemicals under the Stockholm and Minamata Conventions. Furthermore, the program will contribute to the benefits associated with the international waters focal area, particularly in groundwater and ocean ecosystems issues.

Role of the private sector in supporting this program

283. The private sector is an integral part of urbanization and transformation, driving economic growth and creating jobs by bringing capital, expertise, and innovation to urban services.With the business case for sustainability becoming stronger, the private sector is increasingly proactive in creating market-based solutions in areas such as housing, transportation, energy, and waste management. Their role in conservation and implementing nature-based solutions is also growing, though gaps remain. The IP will adopt a systemic approach to engage the private sector as close partners of local and national governments in solutions at the nexus of climate, nature, and pollution. It will follow a three-pronged approach:

- Creating enabling conditions for private sector participation in implementing energy efficient, nature-positive infrastructure through public-private partnerships, procurement guidelines, and market-based mechanisms.
- Proactively engaging private sector players to mobilize investments for scaling up infrastructure solutions. Strategic collaborations will be developed with private sector financing arms of MDBs, such as IFC.
- Leveraging private sector innovation in emerging technology and financial solutions through mechanisms like innovation challenges and business dialogues, with an emphasis on MSMEs and youth and women-led businesses.

[217] Cities and Local Action to Combat Climate Change
[218] https://unhabitat.org/sustainable-urbanization-in-the-paris-agreement

Circular Solutions to Plastics Pollution IP

284. Despite growing awareness of plastic pollution, global plastic production and mismanagement continue to escalate, posing severe threats to the global environment and to human well-being. Today, only about 9% of plastics produced are recycled[219], while the majority end up in landfills and incinerators, or leak into the environment. Historically, international attention has centered on single-use plastics, predominantly in food and beverage packaging. However, plastic-intensive products span far beyond this sector, encompassing construction materials, electronics, textiles, agricultural films, automotive parts, and many other applications. Their ubiquitousness requires that plastics solutions address all major value chains.

285. Within the GEF-8 Integrated Program on Circular Solutions to Plastic Pollution, systems have been put in place to accelerate systemic changes to reduce plastic leakage and waste. Building on this momentum, there is substantial GEF-9 potential to broaden both upstream and midstream measures, such as eco-design, reusable systems, and alternative materials, across a broad set of plastic categories and supply chains. Upstream approaches offer the greatest promise for eliminating plastic pollution at its source by redesigning products and business models for circularity. A 2023 UNEP analysis[219] underscores that redesigning products and packaging can dramatically cut waste: for example, implementing design-for-circularity rules would greatly improve recyclability and reduce pollution. These rules include eliminating dyes and additives that hinder recycling, standardizing plastic materials and formats, increasing recycled content, and removing hazardous chemicals. By shifting the emphasis to prevention, the GEF-9 integrated program aims to transform entire value chains toward circular economy practices.

286. The expanded GEF-9 Plastics IP widens the scope of action from a sole focus on the food and beverage sector in GEF-8 to addressing all major plastic categories (except those covered by the Stockholm Convention). The program will continue the focus on upstream interventions while taking a circular economy approach to address all aspects of the plastic supply chain. Blended finance solutions, robust policy frameworks, and whole of society participation are central elements of the approach. The program builds on transformations identified in GEF-8, especially the synergy of finance, governance, innovation, and multi-stakeholder action to deliver impact at scale. It aligns with emerging international momentum, including the negotiation of a new global plastics treaty, to catalyze an ambitious and comprehensive response to the plastic pollution crisis.

Framing of the Integrated Program

287. The GEF-9 Plastics IP builds on the first phase of the GEF-8 Integrated Program on Circular Solutions to Plastic Pollution to trigger a systems change to accelerate the transition towards a circular economy of plastics and prevent plastic pollution with a focus on upstream solutions. The STAP recognizes the importance of a circular economy approach to addressing plastic pollution in the paper: Plastics and the Circular Economy[220].

288. This expanded GEF-9 IP widens the scope of action from a sole focus on the food and beverage sector to addressing all major plastic categories, including electronics, consumer goods,

[219] United Nations Environment Programme (2023). Turning off the Tap. How the world can end plastic pollution and create a circular economy. Nairobi.
[220] Scientific and Technical Advisory Panel (STAP) to the Global Environment Facility (2018). Plastics and the Circular Economy.

building and construction, healthcare, etc. It simultaneously deepens the emphasis on preventing waste generation and mismanagement by prioritizing blended finance solutions, private sector engagement, policy coherence, and whole of society participation. It builds directly on the levers of transformation identified in GEF-8, especially the interplay of finance, governance, innovation, and multi-stakeholder action.

289. The theory of change for the GEF-9 Plastics IP will recognize that plastic pollution is a complex and systemic issue that requires a multi-faceted approach. It will also acknowledge that addressing plastic pollution requires action across the entire value chain, from production to consumption, to leakage into the environment, and that a combination of regulatory, policy, and market-based approaches are necessary to achieve transformative change.

290. The IP is designed to achieve benefits across multiple focal areas including in the Chemicals and Waste focal area through reductions and elimination of toxic chemicals, the Climate Change focal area through GHG mitigation from reduced production and incineration of plastics, and the International Water focal area by addressing plastic pollution in marine protected areas. It is also designed to address multiple MEAs and coordinate with other projects, programs, and platforms within and outside of the GEF.

Objectives, Key Interventions, and Selection Criteria

291. The objective of the GEF-9 Plastics IP is to accelerate the circular economy of plastics and to prevent plastic pollution, with a focus on upstream solutions. The program will strengthen the circular economy through thoughtful eco-design, alternative materials, and reuse and refill systems. Blended finance, private sector partnerships, and whole of society approaches will amplify program impacts and scale, while providing for a just transition.

Key Program Components

a) *Upstream interventions*: An overarching objective of this IP is to prevent or drastically reduce plastic waste generation by rethinking product design and material choices at the earliest stages. Upstream interventions will prevent or drastically reduce plastic waste generation by addressing product design and material choice. The program will support eco design, and alternative materials, including biodegradable or non-toxic substitutes for conventional plastics, focusing on high-volume sectors like packaging, construction, and consumer goods. Reusable and refillable systems are a key to success and the program will encourage large-scale adoption of models (e.g., refillable packaging for household items, returnable containers in retail) and investment in enabling infrastructure. Working with the private sector is key to upstream interventions.
b) *Blended finance mechanisms*: Mobilizing financing for circular economy solutions in plastics requires going beyond traditional public-sector grants. Public funds and development aid, while important, are insufficient to meet this scale of resource needs. Therefore, a core objective of the program is to de-risk and leverage private investment for circular plastic solutions through blended finance.

   Blended finance efforts will aim to mitigate real and perceived risks associated with novel circular economy ventures so that private investors can participate with confidence of reasonable returns. By structuring public-private deals that absorb certain risks, this

approach can unleash multiples more capital toward plastic pollution solutions than public finance could alone.

Blended finance models will be developed by combining GEF grants, or risk guarantees with commercial capital. For instance, the program can support the creation of investment funds targeting circular plastics enterprises, such as eco-design startups, advanced recycling technologies, or reuse/refill systems. Debt instruments like nature bonds and sustainability-linked loans tied to plastic waste reduction metrics may also be utilized to incentivize private capital flows. Blended finance approaches will be coupled with technical assistance to ensure investable project pipelines, thereby helping entrepreneurs, SMEs, and municipalities to develop "bankable" circular solutions and to build capacity to absorb and manage new investments. Over time, as markets mature and regulatory frameworks strengthen, reliance on public de-risking should diminish, with proven business models standing on their own.

c) *Policy and governance*: Technological and financial innovations must be supported by an enabling policy environment. This component of the program focuses on strengthening governance, policies, and enforcement mechanisms to align incentives across the plastics value chain. Governments will be supported in developing coherent strategies and regulations that drive the transition to circular plastics.

   The program will establish a robust, cross-sectoral policy environment that incentivizes upstream solutions and ensures accountability along the plastics value chain. Integrated policy frameworks will align and harmonize waste management, environmental, and trade policies to facilitate circular economy approaches. Regulatory tools and economic instruments will be used to introduce or refine plastic taxes, recycled-content mandates, import-export regulations, and bans on select problematic plastics. Institutional capacity building will strengthen national and subnational agencies' ability to enforce policy, track progress, and coordinate across multiple sectors (e.g., environment, commerce, industry). The program will also develop or strengthen extended producer responsibility (EPR) schemes that mandate product redesign for recyclability and hold producers responsible for end-of-life management. In addition to national regulations, local governance and enforcement capacity are crucial.

d) *Monitoring, reporting, and verification (MRV)*: Accurate progress tracking and transparency are essential for adaptive management. Therefore, standardized metrics, such as plastic leakage rates, greenhouse gas emissions savings, and the percentage of recycled content will be adopted to ensure consistency across different projects. Innovative technology enabled data systems, such as blockchain, will be considered for real-time tracking of plastic flows from production to disposal, while independent third parties will verify performance outcomes, especially in finance models tied to measurable impacts.

Key Themes

292. A defining element and key theme of this program is ensuring inclusive, whole of society, whole of government and, private sector participation in the effort to reduce plastic pollution. Transforming the plastics economy will require changes in practices and mindsets across all stakeholders, and the program is designed to catalyze broad engagement through partnerships, awareness campaigns, and support for innovative initiatives at all levels of society. As we move toward a circular plastics economy, it is paramount that the transition is equitable, leaving no one behind. Plastics pollution is not only an environmental issue but also a social one: millions of

people's livelihoods currently depend on the plastics value chain, including informal waste pickers, who are often among the poorest and most marginalized. New systems of plastic management must integrate such informal workers into the emerging circular economy. This approach was highlighted in the February 2024 GEF Council paper "Tracking and Measuring the Socio-Economic Co-Benefits of GEF Investments"[221] and the GEF STAP paper "Community-Based Approaches."[222]

293. The program will ensure broad-based participation in plastics reduction efforts, from large multinationals to individual households with a focus on ensuring a just transition. Civil society and community initiatives will empower NGOs, community-based organizations, youth groups, women lead businesses, and educational institutions to champion and scale local solutions. Private sector engagement will foster public–private partnerships, supply-chain collaborations, and corporate commitments to reduce and redesign plastics. Behavioral change and consumer awareness will be targeted through campaigns to encourage plastic avoidance, promote reusable/refillable models, and improve waste sorting at the household level.

Implementation and Scaling Strategy

294. The Plastics IP proposes to launch demonstration projects in strategically selected contexts, showcasing the feasibility, profitability, and environmental benefits of upstream interventions. Lessons learned will be captured for upscaling regionally and globally. Multi-level partnerships will anchor cooperation across local, national, and international scales to align regulations, mobilize resources, and share knowledge. A global knowledge exchange mechanism will synthesize best practices, data, and success stories, creating adaptive management loops so that strategies remain effective in diverse conditions.

Selection Criteria for Projects

295. Projects seeking to participate in this program must demonstrate clear alignment with its core objectives of reducing plastic waste generation, preventing mismanagement, and scaling circular solutions. A strong readiness to implement upstream strategies, such as eco-design, alternative materials, or blended finance for reuse systems is central. Policy commitment is also central, including evidence of stakeholder buy-in, political will to strengthen policy coherence, and the ability to harmonize incentives across multiple sectors. Sound private sector engagement, indicated by both financial leverage and technological innovation, is key. The program will prioritize projects that involve civil society, local communities, and women- and youth-led initiatives, ensuring a whole of society approach. Each project should propose robust monitoring frameworks that use standardized indicators and allow for transparent reporting and independent verification. Strong multifocal area, interventions producing multiple benefits is also key for this program. A demonstrated commitment to participate and collaborate in a GEF IP is required.

Contributions to Global Environmental Benefits and MEAs

296. The GEF-9 Plastics IP is designed to achieve benefits across multiple focal areas and MEAs. The program will contribute to the Chemicals and Waste Focal Area through reductions and elimination of toxic chemicals, the Climate Change Mitigation Focal Area through GHG

[221] GEF/C.66/12 (2024). Tracking and Measuring the Socio-Economic Co-Benefits of GEF Investments.
[222] GEF Scientific and Technical Advisory Panel (2024). Community-Based Approaches.

reduction from reduced production and incineration of plastics, and through the International Water Focal Area by recuing plastic pollution in marine protected areas. This program will also contribute to improving human health.

297. The GEF-9 Plastics IP directly supports global environmental governance by aligning its objectives with key multilateral environmental agreements. Most notably, it contributes significantly to achieving targets under the forthcoming Global Treaty on Plastic Pollution, negotiated under UNEA resolution 5/14. Additionally, by reducing plastics-related POPs emissions, the program supports the implementation of the Stockholm Convention on POPs.

298. Through promotion of circular economy principles, waste reduction, and sustainable material management, the program aligns with objectives of the Basel Convention, particularly regarding the transboundary movement of plastic waste. The IP also supports targets set by the UN SDGs, and will contribute directly to achieving Target 7 of the KMGBF which specifically calls for "preventing, reducing, and working towards eliminating plastic pollution."

Existing Platforms and Potential Partners

299. To maximize impact, the IP will leverage existing global and regional platforms and partnerships focused on plastic pollution. Collaboration with initiatives like the UNEP-hosted One Planet Network, the World Bank's PROBLUE program, and the Global Plastic Action Partnership (GPAP) hosted by the World Economic Forum will be prioritized to accelerate knowledge exchange and amplify funding opportunities. The IP will engage with regional bodies such as ASEAN's Regional Action Plan on Marine Debris and the African Circular Economy Alliance to replicate successful interventions regionally. By tapping into networks like the Ellen MacArthur Foundation's Global Commitment, the IP will also benefit from robust private sector engagement, thereby significantly expanding the scale and pace of circular plastics solutions globally.

300. Under the first phase of the Plastics IP, the global coordination project has created a robust coordination and knowledge platform to build on that provides technical resources and supports and enables the exchange of lessons learned between country projects to achieve results. This platform will support actors across plastic intensive sectors in GEF-9.

Role of the private sector in supporting this program

301. The private sector is crucial for driving systemic change in the plastics economy. This sector's role in the IP includes innovating through eco-design, adopting sustainable practices across value chains, and mobilizing capital through blended finance mechanisms. Businesses will implement EPR systems to manage the lifecycle impacts of their products. Companies participating in initiatives such as the New Plastics Economy Global Commitment are pivotal partners in shifting market dynamics toward sustainability. Collaboration between the IP and these companies will accelerate the scaling of circular economy solutions, particularly in high-volume industries such as packaging, consumer goods, construction, textiles, health care, and electronics.

302. Private financial institutions, leveraging blended finance instruments such as nature bonds, sustainability-linked loans, and venture capital investments in circular start-ups, will play a central role. The IP will facilitate public-private partnerships that demonstrate the profitability and sustainability of circular plastics innovations, thereby attracting further private investment.

Pollution-free Supply Chains IP

303. Global supply chains, spanning sectors such as agriculture, construction, textiles, electronics, and manufacturing, remain crucial to global commerce yet are major contributors to environmental degradation[223], GHG emissions, and biodiversity loss[224]. The implications of these supply chains extend beyond localized pollution: hazardous chemicals like POPs, endocrine disruptors, and heavy metals, once introduced, can disperse across regions via wind, water, and international trade.

304. The GEF-8 IP on Eliminating Hazardous Chemicals from Supply Chains demonstrated that addressing these issues requires strong governance, blended finance, collaborative stakeholder engagement, and technological innovation. Building on those lessons, the new Integrated Program explores a broader range of high-impact industries with the goal of establishing supply chains that are simultaneously pollution-free and nature-positive. By employing systemic, interlinked approaches, this program aims to reshape production and trade to safeguard both ecological integrity and socioeconomic development.

Framing of the Integrated Program

305. Under the GEF-8 program, joint efforts by governments, multinational corporations, and local stakeholders are poised to yield substantial reductions in toxic chemical usage and improvements in resource efficiency by combining public grants, philanthropic capital, and private-sector contributions, pilot projects successfully de-risked emerging technologies, spurring further investment in safer chemical substitutes, energy-saving manufacturing, and advanced waste processing. Policy reforms in participating countries will harmonize enforcement across different ministries, creating predictable business environments that incentivize compliance. Community-driven participation is proving equally important, especially involving women's groups and marginalized communities who often bear the brunt of pollution and other environmental impacts. The early work of this IP prompted an expanded vision: eliminating hazardous substances in more sectors, curbing carbon footprints throughout value chains, and embedding biodiversity conservation in industrial and agricultural operations.

<u>Rationale for the Proposed GEF-9 Program</u>

306. From textiles to electronics, modern supply chains generate substantial pollution, degrade ecosystems, and accelerate global warming. As evidence of climate tipping points and biodiversity loss accumulates[225], siloed initiatives tackling these threats separately risk inefficiency and partial solutions. Instead, a holistic approach is needed to create cross-cutting synergies and avoid negative tradeoffs. For example, phasing out hazardous chemicals typically lowers GHG emissions associated with high-energy waste treatment, while reforestation or regenerative agriculture strategies both restore ecosystems and sequester carbon[226].

[223] Global Chemicals Outlook II, UNEP 2019

[224] IPBES (2019): Global assessment report on biodiversity and ecosystem services of the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services. E. S. Brondizio, J. Settele, S. Díaz, and H. T. Ngo (editors). IPBES secretariat, Bonn, Germany.

[225] Pollution and health: a progress update; Fuller, Richard et al. The Lancet Planetary Health, Volume 6, Issue 6, e535 - e547

[226] Griscom, B.W. et al. (2017) – Natural Climate Solutions (PNAS)

307. Eliminating hazardous chemicals toward a pollution-free pathway requires a commitment to proactive chemical management, the adoption of safer alternatives, and robust regulatory frameworks. Similarly, promoting a net-zero pathway demands a comprehensive strategy encompassing secure and reliable energy production, energy efficiency improvements, and the integration of circular economy principles. Creating nature-positive supply chains necessitates a shift towards actively contributing to ecosystem health through deforestation-free sourcing, agriculture, and ecosystem conservation initiatives, guided by frameworks like Science Based Targets Network (SBTN) and Taskforce on Nature-related Financial Disclosures (TNFD).

308. The policy and governance landscape are also rapidly evolving, with increasing international and national regulations driving corporate accountability for supply chain sustainability. Organizations like the OECD[227] and the World Bank[228] provide invaluable guidance and recommendations for governments and businesses navigating this complex terrain. Effective governance mechanisms, built on collaboration and transparency, are crucial for translating policies and commitments into tangible environmental outcomes.

309. Financing the transition requires innovative approaches that blend public and private capital, incentivize improved practices through financial instruments, and support investments in improved technologies. Technological advancements in areas such as pollution control, traceability, and logistics offer powerful tools for achieving environmental excellence in supply chains. Collaborative partnerships among diverse stakeholders, including businesses, governments, NGOs, and local communities, are essential for driving systemic change and fostering local empowerment. Finally, establishing robust monitoring, reporting, and knowledge-sharing mechanisms ensures transparency, accountability, and continuous improvement in the pursuit of sustainable supply chain management.

310. The IP for pollution-free supply chains has the potential to be a transformative force, contributing to a more environmentally sound, socially equitable, and economically robust future. The GEF-9 program will orchestrate solutions at scale by aligning governance, finance, technology, and stakeholder involvement. It envisions supply chains that not only mitigate harm but actively regenerate ecological systems, strengthen communities, and set new benchmarks for corporate transparency.

Objectives, Key Interventions, and Selection Criteria

311. Creating pollution-free supply chains involves systematically phasing out or significantly reducing hazardous chemicals, such as POPs, heavy metals, per- and polyfluoroalkyl substances (PFAS) and plastics. Achieving this requires a combination of risk-based regulatory frameworks, advanced treatment technologies, widespread adoption of green chemistry principles and access to finance and markets.

312. To achieve net-zero emissions, it is essential to expedite the transition to renewable energy sources, implement energy-efficient manufacturing processes, and adopt low-carbon logistics strategies, aligning operations with the Paris Agreement's objective of limiting global temperature

[227] OECD Corporate Responsibility
[228] Resilient and Inclusive Supply-Chain Enhancement

rise to below 2°C. Integrating circular economy models further supports this effort by minimizing carbon intensity throughout supply chains.

313. Generating nature-positive outcomes involves actively rehabilitating and protecting critical ecosystems such as forests, wetlands, and coral reefs located within or adjacent to supply chains. Adopting regenerative agricultural practices, ensuring deforestation-free sourcing, and initiating ecological restoration projects are crucial strategies for enhancing biodiversity and strengthening ecological robustness.

314. Achieving systemic transformation demands coherent policies that span environmental protection, international trade, labor rights, and industrial practices. Encouraging multi-stakeholder participation, from local communities to global corporations, is vital. Additionally, robust monitoring systems and continuous knowledge exchange are essential to sustain and scale transformative efforts effectively.

315. Ensuring comprehensive and lasting changes to global supply chains hinges on the strategic deployment of four key levers:

316. The first is blended finance, which involves combining public and philanthropic funding with private-sector capital to mitigate the risks associated with emerging sustainability measures. These include safer chemical alternatives, renewable energy adoption, and large-scale ecosystem restoration projects. Financial instruments link returns to tangible milestones in greenhouse gas or pollution reduction.

317. The second lever is private sector engagement. Encouraging companies, from global multinationals to small and medium-sized enterprises, to adopt ambitious sourcing standards, prioritize safer materials, and embrace circular practices is crucial. Tools like supply chain audits and the formation of industry-wide coalitions help set shared norms. These efforts are further bolstered by transparent reporting practices and growing consumer and investor demand for responsible production.

318. Third, policy coherence and governance play a critical role. Harmonizing regulations related to chemicals, greenhouse gas emissions, and biodiversity across various government ministries ensures consistent enforcement. This creates a level playing field where compliant firms can innovate without being undermined by less scrupulous competitors. Landmark legislation, such as the EUDR and Germany's Supply Chain Act, exemplifies how due diligence laws can enhance accountability for environmental impacts embedded in traded commodities.

319. Finally, whole of society participation is essential for equitable and effective implementation. Involving local communities, civil society organizations, women's cooperatives, youth organizations and Indigenous Peoples ensures that solutions are socially just and contextually relevant. Multi-stakeholder platforms can facilitate knowledge sharing, uphold social oversight, and catalyze grassroots innovation.

Program Components

320. Supply Chains to be addressed in this program can include but not be limited to the following high impact supply chains. The ultimate selection of supply chains will be done by participating countries:

- Textiles – Commercial, Industrial and Apparel
- Electronics
- Agriculture & Agro-Processing
- Construction
- These supply chains frequently span multiple countries, underscoring the transboundary nature of pollution and the need for globally coordinated financing.

The proposed components of this program include the following intervention areas:

1. *Strengthening Policy and Governance Frameworks*:

321. Establishing robust policy and governance structures, the crucial starting point for sustainable supply chains, must be a collaborative endeavor. Policy Alignment and Reform will be most effective through the creation of inter-ministerial and multi-stakeholder task forces. These wide stakeholder bodies, comprising representatives from environment, trade, agriculture, industry ministries, Indigenous peoples, women's associations, youth groups, labor unions, and relevant NGOs, will harmonize sectoral regulations, ensuring that chemical management, circular economy, and energy efficiency are mutually reinforcing and socially equitable. For instance, the design and implementation of EPR frameworks for plastics, electronics, or textiles will be enriched through participatory workshops with community advisory councils and civil society organizations, considering the livelihoods of informal waste workers and promoting fair labor practices. Similarly, enforcing Deforestation-Free Supply Chains requires traceability standards developed in consultation with Indigenous communities and local stakeholders, respecting their traditional knowledge and land rights, and incorporating mechanisms for grievance redress and benefit-sharing.

322. Effective enforcement and institutional capacity rely on a workforce equipped not only with technical skills but also with an understanding of the rights of diverse communities. Specialized training curricula for border agencies, environmental inspectorates, and labor departments will include modules on these crucial aspects. Upgrading data collection and monitoring systems (digital platforms, remote sensing, blockchain traceability) will be enhanced by incorporating input from citizen science initiatives and community-based monitoring programs, ensuring data accessibility and transparency for public accountability. Furthermore, the implementation of penalties for non-compliance and incentives for early will be carefully considered for potential impacts on SMEs and vulnerable populations, ensuring fair application and access.

2. *Mobilizing Blended Finance*

323. Transitioning to cleaner, more efficient supply chains requires innovative financing models that prioritize both environmental and social outcomes. Outcome-based instruments will be structured to tie financial returns not only to environmental performance but also to verified social metrics, such as job creation for marginalized groups, fair labor practices, and community benefits. "Clean Production Bonds," for example, will prioritize projects demonstrating positive social

impacts through community engagement and safe working conditions. Similarly, sustainability-linked loans will incentivize companies based on progress in both environmental and social aspects of their operations and supply chains.

324. Risk mitigation tools must be designed to lower barriers for a diverse range of stakeholders. Establishing guarantees and first-loss capital arrangements will prioritize investments in projects with strong environmental and social safeguards, actively engaging and benefiting local communities. Blended-finance facilities pooling public and private resources for high-risk, high-reward demonstration projects (e.g., large-scale circular solutions) will incorporate specific criteria favoring projects with community engagement, fair labor standards, and benefits for marginalized groups. Local Financing Solutions will be strengthened by designing cooperative lending schemes or microfinance products in consultation with local communities and SMEs, lowering interest rates for sustainable initiatives and linking credit accessibility to both environmental and social inclusion metrics. Capacitating local/national commercial banks to lend to businesses in transforming supply chains will involve training on assessing both environmental and social risks and opportunities and establishing guarantee mechanisms supporting SMEs and women-led enterprises.

3. *Fostering Private-Sector Partnerships and Industrial Upgrades*

325. The private sector's indispensable role in supply-chain transformation must be guided by principles of collaboration and social responsibility. Corporate Supply-Chain Engagement will be most effective through sector-specific platforms (for textiles, electronics, agribusiness, etc.) that bring together not only large corporations and local suppliers but also representatives from labor unions, community organizations, and environmental NGOs. These inclusive platforms will co-develop roadmaps that are both environmentally sound and socially just, sponsoring supplier development programs that offer training, technology transfer, and financing tools tailored to smaller firms, ensuring they can meet new sustainability standards while also improving labor conditions and promoting fairness.

326. Encouraging technology and process innovation will involve partnerships with R&D institutions and the active participation of workers and communities to ensure safety and address potential social impacts of technological change. Performance-based grants or low-interest loans for energy efficiency initiatives and green chemistry adoption will be linked to demonstrable environmental savings and improvements in worker health and safety. Building Circular Economy Infrastructure requires collaboration with informal waste worker organizations to revamp local collection and recycling systems, ensuring fair wages, safe working conditions, and opportunities for formalization. Industry associations and consumer groups will lead to eco-labeling standards that indicate not only environmental performance but also provide information on product durability, repairability, and the conditions of production.

4. *Implementing Cross-Sector Interventions for Integrated Nature-Positive Outcomes*

327. Efforts to protect and restore ecosystems must be deeply integrated with social considerations. Landscape and Ecosystem Restoration will involve financial incentives (carbon credits, PES) for regenerative agriculture, agroforestry, and habitat restoration designed in consultation with local communities and Indigenous peoples, respecting their rights and traditional ecological knowledge. Urban and coastal restoration projects will prioritize the active involvement

of local communities in design, implementation, and long-term management, ensuring equitable benefit distribution. Biodiversity Safeguards in Industrial Corridors will necessitate enforcing buffer zones and rehabilitating degraded land with the full participation and consent of local communities, addressing potential displacement or livelihood impacts through fair compensation and alternative opportunities. Co-financing pollution control systems in factories near sensitive habitats will be linked to demonstrable positive impacts on local communities' health and livelihoods.

5. *Monitoring, Reporting, and Knowledge Exchange through Transparency and Participation*

328. The success of sustainability initiatives hinges on transparent and inclusive monitoring and reporting mechanisms. Digital Traceability and Data Platforms will be implemented to track commodities, ensuring data accessibility for consumers, CSOs, and affected communities to verify both environmental and social compliance. Publicly accessible dashboards displaying real-time emissions data will enable community monitoring and participation in environmental oversight. Independent Verification and Reporting will involve contracting accredited third-party auditors whose selection is transparent and whose reports are publicly available, validating both environmental and social metrics. Public "Sustainability Scorecards" will incorporate both environmental and social performance indicators, actively soliciting feedback from diverse stakeholders on their design and content to ensure accountability and recognize leaders.

Implementation Approach

329. A multi-stakeholder steering committee, including the GEF Secretariat, GEF agencies, government ministries, industry, and civil society, oversees resource allocation, sets priorities, and approves child projects. Each child project aligns with the integrated theory of change, featuring robust monitoring protocols for chemical compliance, emissions reduction, and nature-positive actions. Independent verifiers apply standardized frameworks such as the GHG Protocol (Scopes 1–3) and TNFD[229] guidelines to gauge progress.

330. Implementation proceeds in stages. Pilots in the first 1–3 years refine the financial and policy architecture while testing leading-edge solutions. Subsequent phases (3–7+ years) expand these proven approaches across broader geographies and additional commodities, securing deeper institutional buy-in. Ultimately, the supply chain actors themselves, driven by market demand, consumer awareness, and consistent regulation, sustain the momentum for pollution-free, nature-positive practices.

331. To make these components actionable at scale, projects can begin by conducting a baseline assessment that maps key industries, their pollution hotspots, and greenhouse gas sources, as well as identifying critical ecosystems under threat. From there, they can formulate a national supply-chain action plan, prioritizing interventions according to environmental impact, economic value, and feasibility, and aligning these timelines with major international agreements such as the Stockholm Convention, Minamata Convention, Global Framework on Chemicals, Paris Agreement and the Kunming-Montreal Global Biodiversity Framework.

[229] TNFD (2025) – Taskforce on Nature-related Financial Disclosures

332. Next, projects can mobilize blended finance by creating bankable proposals that attract interest from development banks, philanthropic foundations, and private investors. In parallel, they should enact and enforce policy reforms to set up favorable legislative conditions and ensure real-world compliance. Pilot projects in selected regions or sectors serve as proving grounds, with rigorous monitoring and evaluation frameworks guiding subsequent scale-up. Throughout these stages, whole of society engagement, embodied in permanent multi-stakeholder councils and ongoing community consultations—guarantees local buy-in and shared decision-making. Finally, the "Report and Refine" phase uses transparent data reporting to assess impact, make evidence-based adjustments, and sustain momentum.

Selection Criteria for Projects

- Creating meaningful impact through eligible projects requires a multifaceted approach that addresses environmental, social, and governance dimensions.
- Projects should aim to eliminate or significantly reduce toxic substances by presenting credible strategies for phasing out POPs, heavy metals, PFAS, or other highly hazardous chemicals. These measures are vital for protecting both human health and environmental integrity.
- In parallel, initiatives must contribute to global environmental goals by curbing greenhouse gas emissions. This can be achieved through the integration of renewable energy sources, adoption of low-carbon logistics, and improvements in energy efficiency.
- Protecting and restoring ecosystems is another critical element. Successful projects will demonstrate how efforts such as reforestation, regenerative agriculture, or habitat conservation contribute directly to advancing biodiversity objectives and strengthening ecological resistance.
- Projects must also embed systemic policy reforms. This involves providing evidence of alignment with supportive policies, such as EPR schemes, reverse supply chains, procurement regulations, alongside strong enforcement mechanisms and coordination with national or regional frameworks.
- Effective initiatives will actively engage and empower women, youth, and local communities, ensuring that benefits are equitably distributed and culturally appropriate.
- Finally, robust monitoring and evaluation systems are essential. Projects should employ independent, verifiable metrics to track progress in reducing chemicals, lowering carbon emissions, and conserving and restoring ecosystems. Transparent reporting and data sharing are key to fostering global learning and accountability.

Contributions to Global Environmental Benefits and MEAs

333. By systematically eliminating toxic chemicals, decarbonizing industrial operations, and embedding nature-based solutions, the Integrated Program fulfills multiple MEAs, including:

- Stockholm Convention on POPs: Phasing out POPs through regulatory controls and safe alternatives.
- Minamata Convention on Mercury: Halting mercury use in manufacturing processes and controlling emissions.
- Global Framework on Chemicals: Improving the sound management of chemicals and waste.

- Basel Convention on Hazardous Wastes: Improving hazardous-waste handling, preventing cross-border dumping.
- Paris Agreement: Reducing GHG emissions in line with net-zero targets and limiting global warming below 2°C.
- Kunming-Montreal Global Biodiversity Framework: Halting and reversing nature loss via reforestation, biodiversity corridors, and deforestation-free sourcing. Specifically the interventions proposed in this integrated IP are likely to directly relevant to the following targets: Target 7 (Reduce pollution), Target 8 (Minimize Climate Change Impacts), Target 10 (Sustainability in Agriculture, Fisheries, Forestry), Target 14 (Mainstreaming Biodiversity), Target 15 (Business Responsibility), Target 18 (Incentives and Subsidies), Target 19 (Resource Mobilization), Target 20 (Knowledge, Technology and Capacity), Target 21 (Indigenous and Local Knowledge) and Target 22 (Inclusive and Equitable Participation).

334. In addition to meeting treaty obligations, the program delivers tangible global environmental benefits. Soil health and water quality improve as toxins are phased out; GHG emissions decline through renewable energy and efficiency measures; and biodiversity rebounds from targeted habitat restoration. Jobs in eco-friendly manufacturing, regenerative agriculture, and waste management bolster local livelihoods.

Potential Partners and Existing Platforms

335. Achieving the vision of pollution-free, net-zero, and nature-positive supply chains demands a unified effort from a wide range of stakeholders. The collective actions of global institutions, civil society, industry leaders, and local communities are essential to driving progress.

336. Multilateral organizations and development banks play a foundational role in this transformation. Institutions like the World Bank, the International Finance Corporation (IFC), and regional development banks provide critical financial instruments such as blended finance, technical assistance, and risk guarantees to support infrastructure projects. Agencies including UNEP, UNDP, FAO, and UNIDO contribute with their deep policy expertise, data resources, and capacity-building initiatives that foster integrated strategies for chemical safety, climate neutrality, and biodiversity protection.

337. International NGOs and philanthropic foundations further bolster these efforts. Organizations such as WWF, TNC, and CI offer specialized knowledge in ecosystem restoration, biodiversity monitoring, and community engagement. Meanwhile, foundations like Rockefeller, Ford, and Bloomberg support pilot programs, research initiatives, and grassroots efforts that explore and scale innovative solutions.

338. Industry alliances and business platforms also serve as catalysts for lasting change. The WBCSD enables collaboration among major companies to chart sustainability roadmaps, while global commerce initiatives such as the Green Chemistry & Commerce Council (GC3) encourage peer learning and best practices in chemical safety. Sector-specific platforms like The Fashion Pact address the environmental footprint of industries like textiles and apparel, committing to biodiversity and environmental goals.

339. Certification and standard-setting bodies ensure accountability and transparency across supply chains. Entities like the Forest Stewardship Council (FSC), and Fairtrade uphold rigorous standards for sustainable resource use and ethical labor practices. Frameworks from the Science Based Targets initiative (SBTi) and the TNFD guide companies in measuring and disclosing their environmental and climate impacts.

340. Technology and data platforms are indispensable in creating traceable and verifiable supply chains. Tools like blockchain solutions offered by Tracextech and EFL Global enhance real-time visibility, while the GHG Protocol provides standardized methods for tracking emissions across all scopes, promoting transparency and consistency.

341. National and regional government networks foster policy alignment and shared responsibility. Coalitions of environment ministries work to harmonize regulations on hazardous chemicals and climate targets across borders. PPPs mobilize joint investments to mainstream improved technologies in strategic sectors and regions.

342. Finally, local communities and civil society organizations are at the heart of implementation. Community-based organizations bring essential local knowledge, help with monitoring, and ensure accountability among suppliers. Women's cooperatives and youth councils play a pivotal role in promoting equitable benefit-sharing, elevating emerging voices, and ensuring that program efforts are fair and intergenerational.

Role of the private sector in supporting this program

343. In the collective pursuit of pollution-free, net-zero, and nature-positive supply chains, governments and international organizations lay the groundwork by crafting vital policy frameworks and deploying funding mechanisms. Yet, it is the private sector that holds a unique and powerful position to accelerate the pace, expand the scale, and inject the innovation necessary to turn these ambitions into reality.

344. Private enterprises play a multifaceted role in driving this transformation. One of their most immediate contributions lies in financing and investment. Corporations with deep capital reserves can swiftly scale up solutions to shift investment to safer chemicals, renewable energy projects, and efficient logistics infrastructure. Moreover, by co-investing with development banks or philanthropic organizations, they help de-risk emerging technologies like advanced water treatment systems or carbon capture solutions, making these innovations more attractive and accessible to wider markets.

345. The private sector also leads the charge in innovation and technology. Within private R&D labs and entrepreneurial start-ups, breakthrough ideas take shape including biodegradable materials, AI-powered climate risk analytics, and other cutting-edge solutions are developed here. Once proven, these innovations benefit from the commercial power of corporations, gaining rapid traction and transforming from niche prototypes into new industry standards.

346. Beyond product development, private companies wield significant influence over global supply chains. Multinational firms can set and enforce rigorous environmental standards across their networks, requiring deforestation-free sourcing, low-toxicity inputs, and low-carbon

operations. They can further enhance accountability and transparency by deploying digital tools such as blockchain and IoT sensors, providing real-time data on carbon emissions, pollution levels, and biodiversity impacts for stakeholders across the board.

347. In the marketplace, businesses also shape consumer behavior. Through strategic marketing and clear product labeling, they can raise awareness and drive demand for net-zero, environmentally responsible goods. This, in turn, nudges the entire system toward more sustainable production and consumption. Companies that embrace these forward-thinking values not only contribute to the planet's health but also gain competitive advantages, strengthening their brand reputation and consumer loyalty.

348. Finally, collaboration and partnerships are essential to sustained progress. Private companies are increasingly forming alliances with NGOs, academia, and local communities, co-developing shared standards and championing best practices, whether it is the phase-out of hazardous chemicals or large-scale ecosystem restoration. Larger firms also play a critical role in uplifting small and medium-sized enterprises (SMEs), offering training, technology transfers, and financial support to help them transition to greener practices.

349. In embracing these roles, private-sector actors become both catalysts for change and beneficiaries of a more sustainable world. Their leadership not only aligns with environmental stewardship but also secures long-term business resilience in an increasingly conscious global economy.

FOCAL AREAS

350. Focal Areas provide predictable funding for recipient country actions to meet their global MEA commitments, and provide the core investments in conservation, mitigation and restoration activities. GEF Focal Area investments follow the guidance of relevant MEAs and align with recipient country national development plans. In addion to technical projects and programs enhancing nature conservation, mitigation of pollutants and planetary change, and providing restoration and regenerative solutions for degraded ecosystems, GEF Focal Areas provide core support for MEA enabling activties and reporting. Focal Areas feature both programs, regional and global, in specific thematic areas (e.g., GEF-8 FARM+ agricultural chemicals program), and projects that may be single or multiple focal area. Multiple focal area projects are increasingly common as the GEF seeks to maximize efficiency, synergy and lasting impact in its investment approach.

351. GEF-8 focal area investments are yielding important global environment benefits. As of December 2024, GEF-8 focal area programs and projects support the conservation of 213 million hectares of protected areas, restore over 9 million hectares of land and ecosystems, reduce greenhouse gas emissions by 1,885 million tons, improve management across 35 transboundary water ecosystems, and remove over 261 thousand metric tons of hazardous chemicals and waste[230]. GEF-9 focal areas strategies are designed to amplify GEF-8 achievements, advancing integrated and transformational actions, and responding to emerging global environmental challenges. The GEF Focal Areas, described in detail in the pages that follow, include:

a) Biodiversity (BD)
b) Climate Change (CC)
c) Land Degradation (LD)
d) International Waters (IW)
e) Chemicals & Waste (CW)

[230] GEF-8 Corporate Scorecard December 2024.

Biodiversity Focal Area

Global Context of Biodiversity

352. The Convention on Biological Diversity (CBD) defines biodiversity as "the variability among living organisms from all sources including, inter alia, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part; this includes diversity within species, between species, and of ecosystems."

353. In addition to its intrinsic and relational values, biodiversity is a societal asset that makes significant contributions to advance human prosperity and quality of life[231]. We depend on biodiversity for food, health, clean air and water, security from natural disasters, and for recreation and cultural inspiration. More than half of global gross domestic product (over $50 trillion of global annual economic output) is dependent on nature**Error! Bookmark not defined.**. Peace and human c onflicts are also commonly influenced by natural resource competition and scarcity[232].

354. As nature underpins the health of the planet upon which we reside, and itself is sustained by the diversity and distribution of biodiversity, urgent action at global scale to reduce biodiversity loss is a key priority for humanity. Three quarters of terrestrial ecosystems have been significantly altered, a quarter of assessed plant and animal species are threatened with extinction, and genetic diversity is declining in wild and domesticated species[233]. If delayed merely ten years, the costs of addressing biodiversity loss would likely double, and the probability of global species extinctions – for which the rate is already tens to hundreds of times higher than averaged in the past 10 million years – would increase for the 1 million species that currently face extinction[234].

355. The Agreement under the United Nations Convention on the Law of the Sea on the conservation and sustainable use of marine biological diversity of areas beyond national jurisdiction ("BBNJ"), which was adopted in June 2023, identifies the GEF as part of its Financial Mechanism. The GEF-9 International Waters Focal Area Strategy is specifically designed to support its implementation through its objective 2 "Supporting the BBNJ Agreement". The GEF-9 Biodiversity Strategy supports activities that are mutually supportive of the implementation of the CBD and the BBNJ Agreement.

CBD COP Guidance to the GEF

356. Adopted by the CBD COP 15 in December 2022, the KMGBF[235] sets out an ambitious pathway to achieve our shared global vision of a world living in harmony with nature by 2050. Among the Framework's key elements are 23 targets to halt and reverse biodiversity loss and put

[231] IPBES (2022). Summary for Policymakers of the Methodological Assessment Report on the Diverse Values and Valuation of Nature of the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services. https://doi.org/10.5281/zenodo.6522392.
[232] Rist, L., Norström, A., & Queiroz, C. (2024). Biodiversity, peace and conflict: understanding the connections. *Current Opinion in Environmental Sustainability*, *68*, 101431.
[233] IPBES (2019). Global assessment report on biodiversity and ecosystem services of the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services. https://doi.org/10.5281/zenodo.3831673.
[234] IPBES (2024). Summary for Policymakers of the Thematic Assessment Report on the Interlinkages among Biodiversity, Water, Food and Health of the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services. https://doi.org/10.5281/zenodo.13850289.
[235] CBD. (2022). KMGBF, CBD/COP/DEC/15/4.

nature on a path to recovery by 2030 and four 2050 goals. CBD COP 15 requested the GEF to establish the Global Biodiversity Framework Fund (GBFF) in 2023. GBFF was fully operational, with programming well under way, in 2024.

357. The KMGBF recognizes that a whole of government and society approach is required to achieve its goals and targets. Women's empowerment, youth, and gender-responsive approaches and the full and effective participation of Indigenous peoples and local communities (IPLCs) are necessary elements for successful implementation of the framework that were further operationalized through the Programme of Work on Article 8(j) and other provisions of the CBD related to IPLCs to 2030 adopted by CBD COP 15 and 16, respectively.

Table 3: Elements of the four-year outcome-oriented framework for biodiversity programme priorities of the CBD and its Protocols for the GEF-9 period

Main elements of CBD COP 16 guidance	Delivery mechanism
The four-year outcome-oriented framework of biodiversity programme priorities for the period 2026–2030 includes the following elements under the CBD and its Protocols for which effective implementation support is to be provided: (a) The balanced implementation of the three objectives of the Convention. (b) The KMGBF, including each of its goals and targets, which define the outcomes being sought. (c) National biodiversity strategies and action plans, including national targets on biodiversity. (d) National biodiversity finance plans or similar instruments. (e) The mechanisms and strategies adopted under the Convention to strengthen the means of implementation of the KMGBF, in particular eligible activities under the following mechanisms: (i) The revised strategy for resource mobilization. (ii) The long-term strategic framework for capacity-building and development. (iii) The knowledge management strategy to support the implementation of the KMGBF. (f) Eligible activities under the plans of action adopted under the Convention to support the effective and inclusive implementation of the KMGBF, including: (i) The plan of action on subnational governments, cities and other local authorities for biodiversity (2023–2030). (ii) The Gender Plan of Action (2023–2030). (iii) The global action plan on biodiversity and health.	(a)–(c): Main delivery mechanisms are Biodiversity Focal Area Strategy and Integrated Programs of the GEF Trust Fund; and GBFF. Projects developed through other programming lines of the GEF Trust Fund, the LDCF and SCCF may contribute. (d): Objective 3 of the Biodiversity Focal Area Strategy and Action Area 4 of the GBFF. (e) (i): Objective 3 of the Biodiversity Focal Area Strategy and Action Area 4 of the GBFF. (e) (ii)-(iii): Addressed as cross-cutting elements in all GEF and GBFF projects, including through the requirements on Knowledge Management Approach in all projects set in GEF guidance on the project and program cycle policy (f) (i): Main delivery mechanism: Sustainable Cities IP (f) (ii): Addressed as a cross-cutting element in all GEF and GBFF projects through GEF Policy

(g) The monitoring framework for the KMGBF and the enhanced multidimensional approach to planning, monitoring, reporting and review. (h) The implementation plan and the capacity-building action plan for the Cartagena Protocol on Biosafety. (i) The capacity-building and development action plan for the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from Their Utilization. (j) The guidance on programme priorities to support the implementation of the Protocols, adopted by the Conference of the Parties serving as the meeting of the Parties to the Cartagena Protocol at its eleventh meeting and the Conference of the Parties serving as the meeting of the Parties to the Nagoya Protocol at its fifth meeting, contained in enclosures I and II, respectively.	(f) (iii): Objective 1 of the Biodiversity Focal Area Strategy; Chemicals and Waste Focal Area and most Integrated Programs (Global Wildlife for Development IP, Food Systems, Pollution-free Supply Chains, Circular Solutions to Plastics Pollution, Sustainable Cities, Drylands and Drought Management) (g): Biodiversity Focal Area Strategy through Enabling Activities, including for national reports and support to monitoring systems (h) - (j) Objective 2 of the Biodiversity Focal Area Strategy and Action Area 8 of the GBFF

GEF-9 Biodiversity Focal Area Strategy and Associated Programming

358. The goal of the GEF-9 BD focal area strategy is for globally significant biodiversity to be conserved, sustainably used, and restored. To achieve this goal, the strategy will support the following three objectives:

a. Improve conservation, sustainable use, and restoration of natural ecosystems through integrated landscape/seascape approaches
b. Effectively implement the Cartagena and Nagoya protocols.
c. Realign financial flows and mobilize domestic resources for biodiversity.

<u>Objective 1. To improve conservation, sustainable use, and restoration of natural ecosystems through integrated landscape/seascape approaches (Goals A and B of the KMGBF)</u>

359. GEF-9 continues the strategic shift initiated in GEF-8 towards an area-based investment strategy focused on integrated landscape/seascape management approaches[236] that use multiple tools and strategies to respond to the drivers of biodiversity loss within large landscape and seascape mosaics[237]. Context-tailored combinations of nature- and people-oriented conservation measures, restoration, sustainable use, and biodiversity mainstreaming approaches in the context

[236] Integrated landscape management and landscape approaches have no universally agreed definition. For GEF, support to integrated landscape/seascape management refers to an investment strategy that provides tools for allocating and managing terrestrial and marine ecosystems to most effectively achieve GEF's mandate to deliver global biodiversity benefits while supporting important social, economic, and environmental co-benefits in areas where agriculture, fisheries, mining, forestry, etc. compete with biodiversity goals. This approach is fully consistent with the ecosystem approach long espoused by the CBD and the landscape approach discussed at SBSTTA 15 and within the recommended guiding principles for landscape level approaches (UNEP/CBD/SBSTTA/15/13)

[237] In the context of the GEF-9 strategy, mosaics are defined as networks of protected areas and complementary landscapes/seascapes that include combinations of protected areas, OECMs, sustainable use areas, production landscapes and seascapes, and IPLC managed lands and waters. Landscapes include all the freshwater and aquatic biodiversity therein

of large, landscape/seascape-scale investments are likely to achieve more durable outcomes for biodiversity, including through enhanced connectivity. They are also cost-effective for achieving co-benefits with water, food, health, and climate, and amplifying environmental, economic and social outcomes[238].

360. Consistent with the GEF mandate to generate global environmental benefits, targeted landscapes and seascapes will contain globally important biodiversity. Project proponents will demonstrate:

a. The global importance of the project's anticipated biodiversity benefits. It typically requires justifying the project`s contribution to the persistence of biodiversity components - genes, species, or ecosystems - in relation to their worldwide extent or population size. Proponents will be invited to use the Key Biodiversity Area (KBA) standard[239] or other criteria commonly used to identify areas for biodiversity conservation, but other well-justified criteria will be accepted with consideration for the specific project context and data availability[240].

361. Adequacy of the chosen landscape(s)/seascape(s) boundaries to contribute to the persistence of targeted globally significant biodiversity, given its current and future spatial distribution, including under climate change.

362. Embedded as a fundamental element in this approach is the central role of IPLC-managed lands and waters and their contribution to improved biodiversity conservation and sustainable use and critical socio-economic benefits at local and national levels.

363. The complementary strategies that can be supported in an integrated landscape/seascape intervention are described below.

364. Integrated governance and spatial planning (KMGBF Targets 1, 14, 21, 22, 23)

As key ingredient of projects under Objective 1, the GEF will support the development or strengthening of integrated governance arrangements, joint planning processes, including biodiversity-inclusive spatial land/sea-use planning, clarification of land tenure and resource rights, and policy reform and development for greater policy coherence. GEF will also fund decision support tools, such as Natural Capital Assessment and Accounting (NCAA), to help optimize co-benefits and manage trade-offs in spatial planning or other landscape/seascape management decisions. While optimal governance structures will vary among landscapes, inclusive, accountable and adaptive governance is essential for success of integrated landscape/seascape approaches and to foster the transformative change required to address the drivers of biodiversity loss[241]. Projects will thus support the development and/or use of coordinating

[238] Carmenta, R., Coomes, D. A., DeClerck, F. A. J., Hart, A. K., Harvey, C. A., Milder, J., Reed, J., Vira, B., & Estrada-Carmona, N. (2020). Characterizing and Evaluating Integrated Landscape Initiatives. *One Earth, 2*(2), 174–187. https://doi.org/10.1016/j.oneear.2020.01.009

[239] KBA Standards and Appeals Committee of IUCN SSC/WCPA (2022). Guidelines for using A Global Standard for the Identification of Key Biodiversity Areas. *Version 1.2*. Gland, Switzerland: IUCN.

[240] Asaad et al. (2017) identified 8 commonly used criteria: (1) habitat rarity or uniqueness; (2) habitat fragility/sensitivity; (3) ecological integrity; (4) habitat representativity; (5) presence of species of conservation concern; (6) occurrence of restricted range species; (7) species richness; and (8) importance for life history stage.

[241] IPBES (2024). Summary for Policymakers of the Thematic Assessment Report on the Underlying Causes of Biodiversity Loss and the Determinants of Transformative Change and Options for Achieving the 2050 Vision for Biodiversity of the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services. https://doi.org/10.5281/zenodo.11382230

structures and processes that enhance the engagement of multiple actors through horizontal (e.g., across various sectors) and vertical (e.g., multilevel governance) channels to address fragmented and sectoral decision-making, diverse values, and inadequate scaling of actions. By focusing on multi-sectoral approaches and trade-off identification and management, this set of interventions contributes to operationalizing EIO's recommendations 3 and 4 for GEF Support to Mainstreaming Biodiversity[242] and STAP's conclusions on Natural Capital approaches[243] and Nature-Based Solutions[244].

365. Financial Sustainability, Effective Management, and Ecosystem Coverage of Protected Area Systems, OECMs, and indigenous and traditional territories (KMGBF Target 3)
GEF will strengthen three elements of a sustainable system of protected areas and OECMs[245]: (i) effective protection of ecologically viable and climate-resilient representative samples of the country's ecosystems and adequate coverage of threatened species to ensure long term persistence; sufficient and maintained (ii) financial resources and (ii) individual and institutional capacity at the site and system-level to manage protected areas and OECMs. Support will also be provided for the sustained stewardship of indigenous and traditional territories, including the recognition and realization of the rights of IPLCs to control and manage their lands and territories. GEF will continue to promote the empowerment, participation, and capacity building of IPLCs in the design, implementation, and (co-)management of protected areas and OECMs.

366. New protected areas established with GEF support will be globally significant as defined by the Key Biodiversity Area (KBA) standard[246]. When KBA criteria are not met, proposals will be considered on a case-by-case basis. Notably, the GEF biodiversity focal area will support the protection of areas recognized by the CBD as ecologically or biologically significant marine areas (EBSAs)[247] focusing on areas within national jurisdictions[248].

367. Sustainable Use of Biodiversity (KMGBF Targets 4, 5)
GEF will support the sustainable use of: (a) wild and native species from terrestrial, freshwater, and marine ecosystems; and (b) agrobiodiversity including protection of Crop Wild Relatives (CWR) in-situ through CWR Reserves; plant genetic resources, through farmer management, in Vavilov Centers of Diversity and other globally important diversity centers; and animal genetic resources to conserve the wild relatives of domesticated livestock. GEF will also support customary sustainable use of biodiversity by IPLCs, thereby supporting the implementation of the

[242] GEF EIO (2019) Evaluation of GEF Support to Mainstreaming Biodiversity.
[243] GEF STAP (2022) Natural Capital Approaches: Lessons Learned. A STAP Information Brief.
[244] GEF STAP (2020) *Nature-based solutions and the GEF*. A STAP Advisory Document.
[245] OECMs are defined as a geographically defined area other than a Protected Area, which is governed and managed in ways that achieve positive and sustained long-term outcomes for the in-situ conservation of biodiversity with associated ecosystem functions and services and where applicable, cultural, spiritual, socio‒economic, and other locally relevant values (CBD/COP/DEC/14/8).
[246] Ibid.
[247] Convention on Biological Diversity. *Ecologically or Biologically Significant Marine Areas (EBSAs).* https://www.cbd.int/ebsa
[248] Protected areas in Areas beyond national jurisdiction will be supported through the International Waters Focal Area, as part of its support to the Agreement under the United Nations Convention on the Law of the Sea on the Conservation and Sustainable Use of Marine Biological Diversity of Areas beyond National Jurisdiction (BBNJ Agreement).

Global Plan of Action on Sustainable Customary Use. GEF biodiversity mainstreaming efforts in the agriculture, forestry, fisheries, and tourism sectors will also support sustainable use.

368. Biodiversity Mainstreaming in Priority Sectors (KMGBF Targets 10, 14)
GEF will continue to focus primarily on supporting the following suite of activities to advance biodiversity mainstreaming:

- Changing production practices to be more biodiversity-positive, with a focus on sectors that have significant impacts on biodiversity: agriculture, forestry, fisheries, tourism, extractive industries (gas, oil, and mining) and infrastructure development.
- Integrate biodiversity values into policy, upstream planning and decision-making, design and financing of infrastructure to avoid biodiversity loss
- Developing or amending policy and regulatory frameworks to reform incentives harmful to biodiversity and provide incentives for biodiversity-positive land and resource use**.**
- NCAA exercises designed to respond to specific decisions or policy questions.

369. Restoration (KMGBF Target 2)
The Biodiversity Focal Area will support cost-effective restoration activities that improve the status of globally significant biodiversity. Proponents are invited to use the opportunities provided by other focal areas for restoration activities with limited demonstrable benefits for biodiversity (e.g. LD, CC)

370. Prevention, Control and Management of Invasive Alien Species (KMGBF Target 6)
GEF-9 will continue to focus support on addressing Invasive Alien Species (IAS) in island ecosystems. Ninety percent of documented global extinctions attributed mainly to IAS have occurred on islands[249]. GEF will support the implementation of comprehensive prevention, early detection, control, and management frameworks that emphasize a risk management approach by focusing on the highest risk invasion pathways. Targeted eradication will be supported in specific circumstances where proven, low-cost approaches exist, reintroduction risks can be minimized, and it would support the persistence of globally significant biodiversity.

371. For support outside of island ecosystems, proponents are invited to use the opportunities provided by Action Area Seven (Invasive alien species management and control) of the GBFF.

372. Synergies with other Conventions and objectives, including health and flyways (KMGBF Targets 7,8, 11)
Synergies: Proponents are encouraged to use the coherent and flexible framework offered by integrated landscape/seascape approaches to build multi-focal area and multi-trust fund projects combining interventions eligible under the Biodiversity Strategy with activities under other GEF Strategies to deliver on multiple MEAs in a synergistic manner. It may also include, among others, SLM interventions on productive land (Land Degradation Focal Area), demonstration of scalable approaches to pollution prevention (Chemicals & Waste Focal Area), or mini-grids systems in rural and peri-urban areas and electric cooking (Climate Change Mitigation Focal Area), which

[249] IPBES (2023). Summary for Policymakers of the Thematic Assessment Report on Invasive Alien Species and their Control of the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services. https://doi.org/10.5281/zenodo.7430692

can enhance energy access while reducing pressure on natural ecosystem within targeted landscapes.

373. Health: To support the Global Action Plan on Biodiversity and Health adopted by COP 16 [250], proponents are invited to embed in projects designed under Objective 1, relevant interventions that harness biodiversity and health interlinkages, while delivering benefits for biodiversity of global significance. Proponents will be encouraged to monitor and evaluate the health co-benefits of such projects. Embedded interventions may include those identified by the IPBES Nexus Assessment, notably:

- Strengthening policy integration and collaboration across the Environment and Health sectors through integrated governance models and inter-ministerial coordination, in line with the One Health approach
- Pandemic prevention through protected areas and corridors that reduce zoonotic disease spillover risk
- Wetland and mangrove conservation that contributes to clean water and associated disease prevention
- Conservation and sustainable use of biodiversity for traditional and modern medicine, including through IPLC-led conservation and benefit-sharing agreements under the Nagoya Protocol.
- Incorporating health impact assessments in land-and sea-use planning.

374. Flyways: If met with sufficient country demand, a programmatic approach dedicated to flyways will support integrated landscape/seascape approaches across multiple geographies in a coherent and coordinated manner. Migratory birds travel thousands of miles along routes called *flyways*, which include sites where they can rest, feed and breed. A decline in migratory birds thus indicates the deterioration of the ecological systems they encounter during their life cycle [251]. Impacted by habitat loss, climate change, hunting, and collision with energy infrastructure, nearly 10% of all migratory birds are threatened with extinction. Cumulative impacts on flyways also lead to adverse effects on a host of other species, and loss of ecosystem services and livelihoods. The transboundary nature of flyways means that international collaboration and coordinated responses that address threats at the site, national, regional and global scales is essential to conserving migratory birds and the habitats on which they depend. The GEF-9 BD Strategy will thus support a dedicated program, if it is met with sufficient country demand. Countries will participate with STAR resources for national projects. Set aside resources will support a global and/or regional coordination project(s). The program will work in partnership with international organizations, governments, private sector and IPLCs, taking an integrated approach that combines policy, planning and site-based measures. It will support several KMGBF targets (including 1, 3, 4, 8 and 9) with complementary contributions to the CMS and Ramsar Convention.

[250] CBD. (2024). *Biodiversity and health*. CBD/COP/DEC/16/19

[251] Eren, S., Beaulieu, A., Piersma, T., & Crockford, N. (2024). Flyways beyond migratory pathways: The case of waterbird conservation. *Conservation and Society*, *22*(2), 74-85.

375. Project proponents may also embed Mother Earth-centric actions[252] that deliver global environmental benefits within integrated landscape-seascape approaches.

Objective 2. To effectively implement the Cartagena and Nagoya protocols (Goals A, B and C of the KMGBF)

376. The Cartagena Protocol on Biosafety

The GEF will support the ratification of the Protocol by the countries that have not done so and support the implementation of National Biosafety Frameworks (NBFs), in line with the implementation plan[253] and capacity-building action plan[254] adopted by COP-MOP 10 in 2022. The aim of GEF investment is to build capacity to ensure that countries have functional NBFs and are in full compliance with the requirements of the Protocol and have mobilized adequate resources to support its implementation.

377. In the context of country-driven projects, eligible Parties will be supported to implement the provisions of the Protocol, including: development or alignment of biosafety legislation; capacity building and strengthening of infrastructure related to detection and identification of living modified organisms; capacity building related to risk assessment and risk management; and enhancing public awareness, education and participation concerning the safe transfer, handling and use of living modified organisms. They will also be supported in developing or acquiring certified reference materials, in knowledge-sharing and technology transfer, including establishing regional networks of laboratories, and implementation of action plans to achieve compliance with the Cartagena Protocol.

378. The GEF will also provide support for the ratification and implementation of the Nagoya-Kuala Lumpur Supplementary Protocol on Liability and Redress to the Cartagena Protocol on Biosafety (CPB). There will also be a specific focus on capacity building and regional cooperation to support the effective implementation of the supplementary Protocol.

379. The Nagoya Protocol on Access and Benefit Sharing (ABS)

GEF will support national and regional implementation of the Nagoya Protocol, in line with capacity-building and development action plan[255] adopted by COP-MOP 5 in 2024. If still required, GEF will support targeted capacity building to facilitate ratification of the Protocol. The following core activities to comply with the provisions of the Nagoya Protocol and promote its implementation will be supported:

a. Stocktaking and assessment (gap analysis of policies, laws, regulations, and institutional capacity, including research organizations; stakeholder identification, user rights and intellectual property rights).
b. Development or revision national ABS frameworks, including national laws and policies that promote scientific research and development and national investments on the use of genetic resources

[252] Mother-Centric Actions are defined in Target 19 of the KMGBF as "Ecocentric and rights-based approach enabling the implementation of actions towards harmonic and complementary relationships between peoples and nature, promoting the continuity of all living beings and their communities and ensuring the non-commodification of environmental functions of Mother Earth"

[253] CBD (2022). *Implementation plan for the Cartagena Protocol on Biosafety* CBD/CP/MOP/DEC/10/3, annex.

[254] CBD (2022). Capacity-building Action Plan for the Cartagena Protocol on Biosafety and the Nagoya-Kuala Lumpur Supplementary Protocol on Liability and Redress **(**CBD/CP/MOP/DEC/10/4), annex.

[255] CBD (2024), *Capacity-building and development and awareness-raising* (CBD/NP/MOP/DEC/5/3), annex.

c. Development of long-term institutional capacities for managing, monitoring, enforcing, and evaluating national ABS frameworks, including the capacities of IPLCs and relevant stakeholders to participate in legal, policy and decision-making processes and secure the fair and equitable sharing of benefits
d. Capacity-building to add value to genetic resources and associated traditional knowledge for access and benefit-sharing, biodiversity conservation, and sustainable use.

380. In recognition of the importance of genetic resources for food and agriculture and in achieving food security worldwide, the GEF will consider projects for the mutually supportive implementation of the Nagoya Protocol and the International Treaty on Plant Genetic Resources for Food and Agriculture for countries that are Parties to both instruments.

381. Eligible countries are invited to combine support from the International Waters focal area and Biodiversity STAR resources programmed under Objective 2 of the Biodiversity Strategy to build synergies in their national frameworks and capacity building efforts for the implementation of the Nagoya Protocol and provisions related to BBNJ Agreement.

382. The GEF will also enhance the national implementation of the Nagoya and Cartagena Protocols through regional collaboration, which can be cost-effective through sharing regulatory and scientific resources.

Objective 3. To realign financial flows and mobilize domestic resources for biodiversity (Goal D of the KMGBF)

383. The recent IPBES Nexus assessment**Error! Bookmark not defined.** estimates the global biodiversity f inance gap at $0.3–1 trillion per year. It highlights that current economic and financial systems allocate 35 times more resources towards economic activities that directly damage biodiversity than they provide to support nature. Private investment in activities that damage biodiversity is incentivized both by harmful subsidies and the wider enabling environment, which permits externalities that remain unaccounted for in production and consumption choices.

384. CBD COP 16 adopted the Revised strategy for resource mobilization (2026-2030)[256] to increase substantially and progressively the level of financial resources from all sources, align fiscal and financial flows with goals and targets of the KMGBF, and encourage the private sector to reduce negative and increase positive impacts on biodiversity progressively. The revised strategy includes the development, update and implementation of national biodiversity finance plans and multiple actions targeted at enhancing the contribution of multilateral development banks.

385. The KMGBF recognizes that an increased ODA is required to achieve its goals and targets, but also that ODA will continue to represent only a fraction of the global biodiversity finance gap. Realignment of financial flows and mobilization of new and additional domestic resources is thus to play a central role and largely rests upon setting the proper policy environment for public and private finance and fostering policy coherence.

386. Since its inception, the GEF has supported about half of the Conservation Trust Funds worldwide[257], many payments for ecosystem services schemes[258, 259] and Project Finance for

[256] CBD (2025), *Resource Mobilization*, CBD/COP/DEC/16/34
[257] GEF (2024) *How Conservation Trust Funds Are Driving Progress for Nature*
[258] GEF (2014) *GEF investments on Payment for ecosystem services schemes.*
[259] GEF (2023) *Payments for Ecosystem Services*

Permanence approaches[260], a debt-for-nature conversion facility, national Access and Benefit Sharing measures[261], and several innovative bonds, including the first sovereign blue bond[262] and outcome payment bonds[263]. Thanks to its central role in developing blended finance models for biodiversity, the GEF has been the largest contributor to private finance mobilization for biodiversity through ODA, accounting for 75% of the total over 2017-2020[264]. The GEF has also contributed to shaping the nascent biodiversity credit markets[265] and supported catalytic initiatives leveraging philanthropic resources, such as the Blue Nature Alliance[266], which has mobilized more than $115 million of co-finance for the conservation of 1.25 billion hectares of ocean ecosystems.

387. To step up and systematize these efforts, GEF-8 introduced domestic resource mobilization as an objective of the Biodiversity Focal Area strategy and provided support to 91 countries to develop their first national biodiversity finance plans (BFP). Building on and expanding UNDP's Biodiversity Finance Initiative (BIOFIN), the GEF Umbrella Programme to Support Development of BFPs has been helping countries create enabling conditions, including baseline diagnostics, capacity, and institutional arrangements, required to mobilize resources at scale to implement the KMGBF.

388. The GEF-9 Biodiversity Strategy consolidates and builds on this baseline GEF-8 investment to strengthen GEF's central role in developing the pathway to KMGBF Targets 18 and 19. The GEF, including the GBFF designed to receive contributions from all sources, will directly contribute to Target 19(a) as the prime channel for multilateral biodiversity finance and continue to leverage direct co-financing. In addition, Objective 3 will contribute to Targets 18 and 19(b), (c), (d) and (g) by supporting initiatives dedicated to realigning financial flows with the KMGBF and generating additional biodiversity finance beyond the lifetime of projects. It will support the implementation of BFPs, introduce a stronger focus on blended finance and a technical assistance facility to leverage MDB policy-based operations. Focusing on integration, the GEF Trust fund will also contribute to Target 19(e), optimizing co-benefits and synergies of finance targeting biodiversity and climate. Target 19(f) is supported through Objective 1.

Global program on realignment and resource mobilization (Targets 14, 15, 18, 19)

389. GEF-9 will support a global program on financial flows realignment and resource mobilization to sustain the transformative process initiated by the GEF-8 Umbrella Programme to Support Development of Biodiversity Finance Plans (BFPs). Continued support in GEF-9 is in line with GEF EIO's conclusion that, to influence key national decisions, mainstreaming biodiversity into national financial planning requires long-term support to national-level processes[267]. The GEF-9 program will focus on creating the enabling conditions, including policies, incentives, and institutional frameworks, for public and private finance realignment and mobilization of new and additional domestic resources. This includes upstream policy work to support integrated decision

[260] Cabrera et al. (2021) *Securing sustainable financing for conservation areas: a guide to project finance for permanence*. Washington D.C. Amazon Sustainable Landscapes Program and WWF.
[261] UNDP-GEF (2021) *Access to genetic resources and benefit sharing. Theory to Practice under the Nagoya Protocol.*
[262] https://www.thegef.org/newsroom/press-releases/seychelles-launches-worlds-first-sovereign-blue-bond
[263] GEF (2022) A new lifeline for wildlife conservation finance.
[264] OECD (2023) *A decade of development finance for biodiversity*. https://doi.org/10.1787/e6c182aa-en
[265] GEF (2023) *Innovative Finance for Nature and People*
[266] *https://www.bluenaturealliance.org/*
[267] GEF EIO (2019) Evaluation of GEF Support to Mainstreaming Biodiversity.

making and planning that values biodiversity. The program will notably support capacity building and institutional set-up for implementation and monitoring of BFPs, including support to national-level platforms to foster a whole of government approach and multi-stakeholder coordination. It will further support piloting and evaluation of priority measures or mechanisms identified in national BFPs. A global knowledge platform will provide methodological support, codify lessons, promote innovations, and foster peer-to-peer learning.

390. Countries will use their STAR allocation to participate in the program. Set-aside funding will incentivize participation and resource the global knowledge platform.

Implementation of Biodiversity Finance Plans (Targets 14, 15, 18, 19)

391. In parallel to the global program, GEF will also support implementation and evaluation of measures and mechanisms identified in BFPs through standalone projects funded through STAR. Support will be provided to the context-specific solutions identified by countries in their BFPs to mobilize resources at scale for biodiversity conservation, use and restoration.

Leveraging private sector and multilateral development banks for biodiversity (Targets 18, 19)

392. Countries are invited to use the Blended Finance Country Challenge Program available under the Blended Finance Global Program by using STAR and GBFF resources as non-grant instruments to leverage private sector finance to deliver global biodiversity benefits. Within a project, countries may combine the use of STAR and GBFF resources as traditional grant and non-grant instruments, but only the latter will trigger additional financing from the Blended Finance funding window. While not limited to these instruments, GEF support will notably promote Debt-for-Nature Conversions, biodiversity outcome bonds, and other forms of sovereign biodiversity bonds. These tools have the unique ability to mobilize capital markets to benefit public entities and deliver public goods. They have the potential to reach significant scale and biodiversity impact[268] while creating a powerful entry point for lasting collaboration between the Ministries of Finance and Environment.

393. Debt-for-Nature Conversions (DFNCs) are based on derisking tools (credit enhancements) provided by MDBs and an increasing array of actors to help countries deliver on nature and debt objectives concurrently. DFNCs entail debt restructuring where countries exchange existing debt for a new guaranteed bond (or loan) at more favorable terms that generate savings and usually have extended tenors. The proceeds of the new bond are used to "buy back" the comparatively more expensive, outstanding debt. All or a significant portion of the generated savings are used to fund biodiversity action. Recent DFNCs demonstrated how capital markets can be leveraged to raise long-term biodiversity funding through the capitalization of CTFs, while securing required policy changes and conservation commitments in line with the KMGBF. GEF will support the enabling environment (including CTF development/strengthening, development of evidence-based conservation commitments, capacity building and coordination between Environment and Finance sectors) and offer direct support to DNFC through STAR or GBFF resources used as credit enhancement (guarantee, liquidity facility or other de-risking instrument), in which case additional financing from the Blended Finance funding window would be provided.

394. Building on its pilot investments in the Rhino and Coral bonds, GEF will continue investing in biodiversity outcome bonds with the objectives to (i) facilitate replication to achieve scale with

[268] 67 countries at risk of sovereign debt distress hold over 22% of global biodiversity priority areas, 83% of which are unprotected: (Nedopil, C., Yue, M. & Hughes, A.C. Are debt-for-nature swaps scalable: Which nature, how much debt, and who pays? *Ambio* 53, 63–78 (2024). https://doi.org/10.1007/s13280-023-01914-4)

the aim of eventually eliminating GEF support, including by diversifying issuers and attracting other entities, budget lines or market mechanisms as sources of outcome payment; and (ii) enhance the ability of the instrument to deliver ecosystem-wide benefits for biodiversity of global significance.

395. GEF will also support, through set-aside resources, a Technical Assistance Facility to mainstream biodiversity in multilateral development banks' policy-based loans and credit enhancements (PBLC). PBLCs provide direct budget support or facilitate access to financing on more favorable terms, in exchange for policy actions in developing countries. They represent a significant financial volume and share of commitments made by MDBs[269] and are powerful tools to foster policy coherence. However, integration of biodiversity objectives remains limited. As PBLCs are typically negotiated over a few months, the facility would provide MDBs that are GEF agencies with rapid access to funding required to develop analytics to assess alignment with KMGBF, and to include biodiversity objectives in policy matrices underpinning PBLCs. The facility would also contribute to the development of tools and methodologies, in support of MDBs' Joint Statement on Nature, People, and Planet and the Task Force on Sustainability-Linked Sovereign Financing for Nature and Climate.

396. Consistent with efforts to advance integrated approach to portfolio planning across the GEF focal areas and family of funds, particularly as related to the Country Platforms engagements described in the Country Engagement Strategy, the BD focal area may also contribute to the development of a multi-focal area technical assistance facility, providing expert technical assistance, capacity building and upstream portfolio planning. This support will help to optimize recipient country GEF investments across the spectrum of environmental challenges and will position countries to build synergies and leverage among GEF funding and development finance, particularly by multilateral development banks (IMF, WB, others).

Enhanced complementarity between the GEF Trust Fund and the GBFF

397. GBFF programming directions, which have been set for the period up until 2030, include eight Action Areas[270] designed to complement GEF-8 support while also exploiting opportunities to leverage finance for scaling up support to the KMGBF. The GEF-9 BD Strategy reinforces complementarity with the GBFF Programming Directions along three dimensions (Fig. 14).

398. Predictable baseline support for key KMGBF building blocks: Whereas all resources are allocated to countries through a competitive process in the GBFF, the GEF-9 BD Strategy leverages the GEF Trust Fund's ability to set-aside resources to ensure baseline funding of key building blocks for KMGBF implementation. The GEF Trust Fund will notably support the KMGBF Planning, Monitoring, Reporting and Review mechanism through enabling activities. Resources will also be set-aside to better respond to evolving strategic priorities identified by the CBD COP, including more direct support to IPLCs, ensuring effective support for the Nagoya and

[269] Policy-based operations represented $139 billion, or 38% of the total new financial commitments made by the African Development Bank (AfDB), Asian Development Bank (ADB), Inter-American Development Bank (IDB) and the World Bank, between 2015 and 2020: (Neunuebel, C., et al. 2022. "Aligning Policy-Based Finance with the Paris Agreement." Working Paper. Washington, DC: World Resources Institute. https://doi.org/10.46830/wriwp.21.00066).

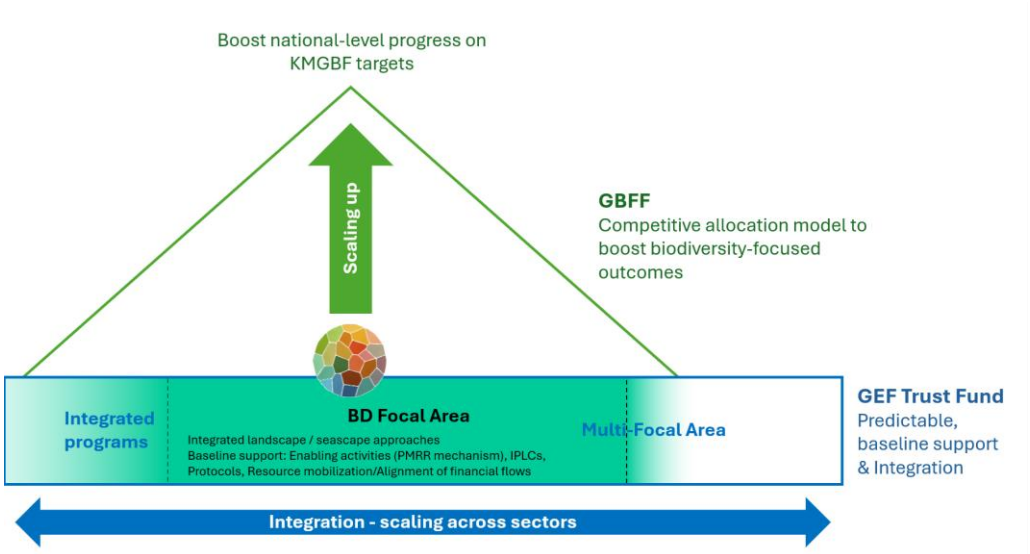
[270] GEF. (2024). Programming Directions for the Global Biodiversity Framework Fund (Council Document GEF/C.64/06/Rev.02)

Cartagena Protocols, accelerating implementation of the CBD resource mobilization strategy, and support to monitoring systems.

399. Focus on integration: In line with COP guidance and the GEF Trust Fund's comparative advantage as Financial Mechanism of six MEAs, Biodiversity STAR programming in GEF-9 will focus on integration through Integrated Programs, Multi-Focal Area (MFA) projects and integrated landscape and seascape approaches. The GEF-9 BD Strategy promotes integrated landscape/seascape approaches as a strategy supported by best science that also enables countries to blend resources from several focal areas to deliver on multiple KMGBF targets and MEAs in a coherent and synergistic manner.

400. Dedicated biodiversity fund to boost and scale up progress on KMGBF targets: GBFF programming directions support a broad range of biodiversity-focused priorities and enable national-scale projects focused on a narrow set of KMGBF targets. While the GEF Trust Fund emphasizes integration and the GEF-9 Biodiversity Strategy focuses on core biodiversity needs and integrated landscape/seascape approaches, the GBFF provides complementary support to scale up from landscape-level to national-level to achieve the ambition of the KMGBF targets.

Figure 13: Enhanced complementarity between the GEF Trust Fund and the GBFF



Focal Area Set Aside

Enabling activities

401. Reporting obligations: Support will be provided to all eligible countries for their 8th National Report to the CBD, 2nd National Report under the Nagoya Protocol, and 6th National Report under the Cartagena Protocol. Per COP 16 guidance, the GEF will also contribute to the development and implementation of national biodiversity monitoring systems, including through capacity-building and development, to support the reporting efforts of Parties to the CBD. As monitoring is foundational for effective KMGBF implementation and reporting, support will be provided through an enabling activity modality to ensure all countries have access to baseline support, which countries may complement with STAR resources.

402. Biodiversity Finance Plans: Countries that have not yet benefited from BIOFIN or GEF support to develop a BFP may be supported to do so as part of the global program on realignment

and resource mobilization for biodiversity described under Objective 3. As necessary, other countries may use their STAR allocation to update their BFP as part of the global program.

403. Other Strategic Priorities

- Global program on realignment and resource mobilization for biodiversity, as described under Objective 3.
- Technical Assistance Facility for MDB policy-based operations and enhancement of portfolio planning for Country Platforms, as described under Objective 3.
- Regional/global action in support of the Cartagena and Nagoya protocols. In response to COP 16 guidance[271],[272], resources will be set aside to ensure effective support is provided in the GEF-9 cycle to the implementation of the protocols through global and regional projects, prioritizing countries that have not received GEF funding for that purpose in recent GEF cycles. Countries are encouraged to use their STAR and the opportunities in Objective 2 to advance implementation of the Cartagena and Nagoya Protocols.
- Flyways: If the programmatic approach dedicated to flyways described under Objective 1 is met by sufficient country demand, set aside resources will support a corresponding global and/or regional coordination project(s).
- Indigenous Peoples and Local Communities Conservation Initiative (ICI):
    a. The KMGBF recognizes the fundamental role of IPLCs as stewards of biodiversity through management of their lands, territories, and waters. There is significant evidence that supporting IPLC management is as or more effective than traditional protected areas, while IPLCs manage *ca.* 40 percent of land listed by governments as under conservation
    b. ICI responds to the CBD Programme of Work on Article 8(j)[273] and to guidance to the GEF to explore ways to further improve, facilitate access to and increase direct funding for IPLCs[274]. It will expand the scale and scope of Community-Based Approaches (CBA) and continue to embed the principles highlighted in recent GEF IEO's[275] and STAP's[276] work dedicated to CBA as well as early OPS-8 findings[277]. Building and expanding upon the success of ICI in GEF-7 which focused on supporting larger IPLC organizations and GEF-8 which is focusing on IPLC-led funds, ICI will continue to provide a dedicated window for IPLC organizations to

[271] Annex II, Paragraph 13 of CBD COP decision 16/33: "Further requests the Global Environment Facility to examine options to support the implementation of the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from Their Utilization in order for the Global Environment Facility to be able to fulfil its responsibilities in operating the financial mechanism for the Protocol on an interim and ongoing basis in the most effective manner, and to report on this matter to the Conference of the Parties at its seventeenth meeting."

[272] Annex II, Paragraph 10(b) of CBD COP decision 16/33: "To further explore modalities to reform its operations, including by considering how to increase funds dedicated to the implementation of the Cartagena Protocol and the use of global and regional projects, in such a manner as to enable it to fulfil its responsibilities effectively in operating the financial mechanism for the Protocol on an interim and ongoing basis, and report on those matters to the Conference of the Parties to the Convention on Biological Diversity at its seventeenth meeting;"

[273] CBD (2024) Programme of work on Article 8(j) and other provisions of the Convention on Biological Diversity related to indigenous peoples and local communities to 2030, CBD/DEC/COP/16/4, Annex, Element 8.

[274] CBD (2025) *Financial Mechanism*, CBD/DEC/COP/16/33, paragraph 32.

[275] GEF IEO (2024) Evaluation of Community-Based Approaches at the GEF.

[276] GEF STAP (2024) Community-based approaches. A STAP Information Note.

[277] GEF/R.9/02: Preliminary Findings of the Eighth Overall Performance Study of the GEF

access GEF resources. Like previous phases, it will be designed with guidance from Indigenous leaders, including the GEF Indigenous Peoples Advisory Group and deliver benefits across GEF focal areas.

c. ICI will provide support to IPLC-led organizations to implement conservation and stewardship activities within their territories. In addition, by building the institutional and administrative capacity of Indigenous-led organizations to manage international funding, the ICI will also support their readiness to access and use other funding sources, including the Cali Fund established by COP 16[278], which is to allocate at least half of its funding to IPLCs.

Key Contributions of Integrated Programs to Biodiversity Focal Area Outcomes

404. The GEF-9 biodiversity strategy and associated programming strategies build on the integrated approaches to achieve biodiversity conservation and durable use outcomes implemented since GEF-6. Integrated Programs (IPs) will help achieve the focal area strategy objectives while specifically supporting Goals A, B and D of the KMGBF and many of its targets (Table 4).

405. A set of IPs will provide focused support to important biomes hosting unique biodiversity, where concerted action will deliver stronger benefits. The Amazon, Congo, and Critical Forest Biomes, the Blue and Green Islands, and the Drylands and Drought Management IPs will contribute to the conservation and restoration of globally important forest biomes, terrestrial and marine ecosystems in SIDS and dryland ecosystems, respectively. Drylands and Drought Management IP will also support the sustainable use of dryland biodiversity through interventions addressing drought and enhancing ecosystem health.

406. Other IPs will address key global drivers of biodiversity loss. The Food Systems IP will scale-up transformational changes in food systems. The Pollution-free Supply Chains and the Circular Solutions to Plastic Pollution IPs will address the impact of key supply chains (e.g., textiles, electronics, agriculture, construction) and plastic pollution on biodiversity, including through support to prevent, reduce, and eliminate plastic pollution, with a focus on upstream interventions. Urban and infrastructure development will be targeted by the Sustainable Cities IP, which will promote nature-positive, net-zero, pollution-free and resilient urban regions. Finally, the Global Wildlife for Development IP will conserve wildlife and wildlife landscapes by tackling both habitat fragmentation and loss, and the use and trade of wildlife.

[278] CBD (2024), Digital sequence information on genetic resources, CBD/COP/DEC/16/2

Table 4: Mapping of GEF-9 Integrated Programs to the Kunming-Montreal Global Biodiversity Framework (KMGBF) Action Targets

KMGBF TARGETS	INTEGRATED PROGRAMS							
	Amazon, Congo, and Critical Forest Biomes	Blue and Green Islands	Circular Solutions to Plastic Pollution	Drylands and Drought Management	Food Systems	Pollution-free Supply Chains	Sustainable Cities	Global Wildlife for Development
1	X	X					X	X
2	X	X		X	X	X		X
3	X	X						X
4								X
5	X							X
6								
7		X	X		X	X	X	
8	X	X		X	X	X	X	
9	X							X
10		X		X		X	X	
11	X	X		X	X	X		
12							X	
13								
14		X				X	X	
15						X		
16			X		X			
17								
18					X	X		
19	X	X				X		
20	X	X	X	X	X	X	X	X
21	X	X	X	X	X	X	X	X
22	X	X	X	X	X	X	X	X
23	X	X	X	X	X	X	X	X

Climate Change Focal Area

Global Context of Climate Change

407. Climate change continues to be a critical and growing threat to both human and natural systems. The Synthesis Report of the IPCC Sixth Assessment Report (AR6), released in March 2023[279], highlights that human activities have unequivocally caused global warming, with global surface temperatures reaching approximately 1.1°C above pre-industrial levels.

408. The global carbon budget for 1.5°C has shrunk significantly since the last GEF replenishment was completed in 2022. Indeed, estimates suggest that at current emissions rates, the world will likely deplete such budget before 2035, unless immediate action is taken. The AR6 emphasizes that global net anthropogenic CO_2 emissions need to decline by about 45% from 2010 levels by 2030 and reach net zero by around 2050. Achieving these targets necessitates rapid and far-reaching transitions in energy, land, urban, and industrial systems[280].

409. The urgency for rapid reduction of carbon emissions has led to a growing momentum in establishing net-zero commitments and plans. As of December 2024, 146 countries, representing approximately 93% of global Gross Domestic Product (GDP) had adopted net-zero emissions targets[281]. During COP 28 in Dubai, nearly 200 countries agreed to accelerate efforts toward net-zero energy systems by 2050.

410. The first Global Stocktake [282] however, which was finalized during COP 28, noted insufficient progress across all areas of climate action, from reducing greenhouse gas emissions, to strengthening resilience, to providing financial and technological support for vulnerable nations. It emphasized the urgency of accelerating action to keep the 1.5°C threshold within reach.

UNFCCC Guidance to the GEF

411. The GEF serves as an operating entity of the Financial Mechanism under the Convention and its Paris Agreement. The GEF-9 Climate Change strategy supports climate action in developing countries in line with this role and with COP guidance. The GEF-9 period is framed by the Paris Agreement's ambition mechanism, including the submission of long-term strategies (LTSs) and updated Nationally Determined Contributions (NDC 3.0) prior to the start of GEF-9, the Second Global Stocktake in 2028, and the next round of NDC submissions toward the end of GEF-9.

412. The latest guidance was provided to the GEF at COP 29 in 2024, including guidance from the COP and from the meeting of the Parties to the Paris Agreement (CMA). COP 29 welcomed the collaboration of the GEF with the other multilateral climate funds, aiming to enhance developing countries' access to climate finance, scale successful projects, and strengthen

[279] IPCC (2023): Summary for Policymakers. In: Climate Change 2023: Synthesis Report. Contribution of Working Groups I, II and III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change
[280] Systems Change Lab (2024). By the Numbers: The Climate Action We Need in the Next 10 Years
[281] Net Zero Tracker (2024) Net Zero Stocktake 2024: NewClimate Institute, Oxford Net Zero, Energy and Climate Intelligence Unit and Data-Driven EnviroLab https://netzeroclimate.org/wp-content/uploads/2024/09/Net_Zero_Stocktake_2024.pdf
[282] UNFCCC (2023), Outcome of the First Global Stocktake

coherence. With respect to GEF-9, COP 29 invited the GEF to support developing countries by incorporating just transition elements into national climate plans, facilitating coordination of climate support, and enhancing adaptation contributions within its project portfolio. On transparency, the CMA 6 requested the GEF to consider ways to improve the delivery of support for the Capacity-building Initiative for Transparency (CBIT) and enabling activities[283].

413. At COP 28, in 2023, the COP encouraged the GEF to continue its efforts to further streamline its processes[284], consider ways to better serve different regions[285], and promote more active engagement of women, youth, and IPLC in its projects and programs[286]. Regarding the private sector, the COP requested to further explore risk-taking approaches to foster innovation and make better use of concessional financing to attract more private investment[287]. On transparency, the fifth meeting of the CMA (CMA 5) welcomed the support from the GEF for preparing biennial transparency reports (BTRs), including combined and expedited application processes for multiple BTR projects[288].

414. Article 13 of the Paris Agreement establishes an Enhanced Transparency Framework (ETF) for action and support, and the COP requested the GEF to support the establishment and operation of a CBIT during GEF-6 and through future replenishment cycles. On transparency, the fourth meeting of the CMA noted the increased support provided in GEF-8 for developing countries to BTRs and for the CBIT[289].

GEF-9 Climate Change Focal Area Strategy and Associated Programming

415. In its last evaluation covering the focal area, the GEF IEO explicitly recognized that the GEF CC portfolio offers clear comparative advantages within the global landscape of climate finance.[290] The IEO identified several distinguishing features, which include the provision of flexible and predictable grant financing; the focus on upstream and regulatory environments to support scaled-up investments; its targeted support for innovation and piloting of new technologies and financial approaches; its ability to fund integrated approached and to program resources across environmental priorities; and its support for countries to meet their obligations under the UNFCCC.[291]

416. The GEF-9 CC Focal Area strategy is designed to further strengthen the GEF's comparative advantages as identified by the IEO conclusions presented above. It aims to support countries to rapidly accelerate their decarbonization efforts and to undertake transformational shifts towards net-zero GHG emissions and climate-resilient development pathways. CC focal area investments will complement and maximize synergies with the other GEF windows and programming modalities, including the IPs, other Focal Areas and the GEF's family of funds.

[283] Decision -/CMA.6, paragraph 3. https://unfccc.int/sites/default/files/resource/cma2024_L18E.pdf
[284] Decision 7/CP.28, paragraph 14. https://unfccc.int/sites/default/files/resource/cp2023_11a01_adv.pdf
[285] Decision 7/CP.28, paragraph 6. https://unfccc.int/sites/default/files/resource/cp2023_11a01_adv.pdf
[286] Decision 7/CP.28, paragraph 11. https://unfccc.int/sites/default/files/resource/cp2023_11a01_adv.pdf
[287] Decision 7/CP.28, paragraphs 20-21. https://unfccc.int/sites/default/files/resource/cp2023_11a01_adv.pdf
[288] Decision 11/CMA.5, paragraph 2 (a). https://unfccc.int/sites/default/files/resource/cma2023_16a02_adv.pdf
[289] Decision -/CMA.4, paragraph 7. https://unfccc.int/sites/default/files/resource/cma2022_L11E.pdf
[290] https://www.gefieo.org/sites/default/files/documents/evaluations/climate-change-2017.pdf
[291] https://www.gefieo.org/sites/default/files/documents/evaluations/climate-change-2017.pdf

417. CC funding is intended to complement resources deployed by other providers of climate finance, including primarily the other Multilateral Climate Funds (MCFs). Following guidance received at COP 28 and COP 29, the GEF, the Adaptation Fund, the Climate Investment Funds and the Green Climate Fund, have intensified joint efforts to promote collaboration and coherence, to improve developing countries' access to climate financing.

418. CC investments will look to further strengthen synergies and maximize complementarities with programming by the other MCFs, leveraging the comparative advantages of the GEF model, including its predictability, high concessionality, trusted processes and its unique ability to program resources for multiple environmental benefits. Investments structured in the context of shared investment plans and country-led investment platforms will be encouraged.

The CC strategy is organized around two objectives and related strategies, as follows:

- Advancing Transformational Climate Mitigation Pathways
    - Integrated Long-Term Net-Zero Planning and Just Transition
    - Resource Efficiency and Circular Economy
    - Power Systems and Energy Access
    - Integrated and Zero-Emission Mobility
    - Nature-Based Solutions for Climate Mitigation
    - Financial Innovation to Unlock Private Capital
- Strengthening Enabling Conditions
    - Capacity-Building Needs for Climate Transparency
    - Convention Obligations and Enabling Activities

<u>Objective 1: Advancing Transformational Climate Mitigation Pathways</u>

419. GEF-9 CC investments will aim to drive the transformation of key economic systems — energy, industry, transport, and land use — that are responsible for most global CO_2 emissions. Through technology transfer, financial innovation, support for policy reforms, and promotion of best practices, CC focal area investments will focus on rapid GHG reductions to achieve carbon neutrality by mid-century, while integrating climate resilience. All CC projects will be required to align with national strategies, including NDCs and Long-Term Strategies (LTSs) and their implementation roadmaps and investment plans, and to demonstrate sustainability beyond the implementation period. CC projects will prioritize transformative policies and support for innovative technologies and business models that incentivize private sector engagement and attract substantial co-financing, offer high replication potential, and promote the participation of civil society and IPLCs.

420. CC Objective 1 includes five key strategies. Projects may target multiple strategies, including cross-cutting initiatives such as innovative finance, clean technology innovation, and carbon pricing. For the latter, GEF investment will support national level institutional enabling conditions, not project level pilot transactions. Fossil fuel-related projects are ineligible for GEF funding.

Strategy 1.1: Integrated Long-Term Net-Zero Planning and Just Transition

421. CC focal area investments under this strategy will support a whole of government and programmatic approach to ensure consistency between climate and development planning[292], short-term and long-term planning[293], and across MEAs commitments. This strategy will support cross-sectoral modeling, analytics, and planning activities that are transparent, iterative and led by country capacities, enabling decision-makers to make informed choices on country alignment with long-term, low-emission and climate resilient pathways. Countries will be supported to develop domestic capacity to prepare and update their climate change long-term vision and strategy and to translate those into concrete pipelines of policy reforms and bankable investments.

422. Leveraging the growing momentum around supporting country-led frameworks and national investment platforms[294], and building on lessons from the GEF-8 Net Zero Nature Positive Accelerator Integrated Program, this strategy will support the establishment of nationally determined mechanisms to facilitate coordination and mobilization of financial support. This responds to guidance received by the GEF at COP29[295]. In addition, this strategy will also look to maximize contributions towards policy coherence efforts, financing activities such as green budgeting[296], repurposing of subsidies in climate-related sectors, and efficient spatial planning to inform net zero infrastructure development while minimizing trade-offs with other environmental priorities.[297] In response to COP guidance[298], this strategy will also support the integration of fair economic principles into national climate plans and programs, to mitigate socio-economic impacts on vulnerable populations. Funded activities may include the design of inclusive energy transition or fossil fuel phase-out roadmaps that include job retraining programs; support for multi-stakeholder platforms - government, labor unions, civil society and private sector - to co-create just transition plans; financing pilot projects with replication potential; and investing in reskilling programs for workers, especially women, youth and IPLC. This strategy will also support IPLC as ecosystems stewards that may be impacted by net-zero transition plans, through co-design and co-ownership of sustainable infrastructures.

423. Programming of funds under this window will be coupled as much as possible with funding from other CC focal area strategies (1.2 to 1.6), from the Blended Finance Global Program when applicable, and from other relevant windows within the GEF Family of Funds.

Strategy 1.2: Resource Efficiency and Circular Economy

424. GEF has a strong record of accomplishment in energy efficiency and will seek to increase GEF-9 CC focal area support of cost-effective energy efficiency solutions with large mitigation potential. On buildings[299], CC investments will look to tackle both embodied and operational carbon emissions, prioritizing integrated approaches to increase the efficiency of the entire

[292] IDB, IDDRI (2022) , Achieving Net Zero Prosperity: how governments can unlock 15 essential transformations
[293] DDPP (2024), 2050 Pathways, NDC – LT-LEDS Alignment guide
[294] NDC Partnership (2024), https://ndcpartnership.org/sites/default/files/2025-02/building-blocks-country-owned-climate-action.pdf
[295] Decision -/CP.29 Report of the Global Environment Facility to the Conference of the Parties and guidance to the Global Environment Facility
[296] OECD (2021), Green budget tagging: Introductory guidance and principles
[297] Hernandez, Rebecca R., Alona Armstrong, Jennifer Burney, Greer Ryan, Kara Moore-O'Leary, Ibrahima Diédhiou, Steven M. Grodsky et al. "Techno–ecological synergies of solar energy for global sustainability." Nature Sustainability 2, no. 7 (2019): 560-568
[298] Decision -/CP.29 Report of the Global Environment Facility to the Conference of the Parties and guidance to the Global Environment Facility
[299] GABC (2024), Global Status Report for Buildings and Construction

building envelope and lifecycle. The GEF will support a refresh of energy efficiency policies, building codes, and certification schemes, while continuing to support financial and fiscal instruments. Integration of secure energy sources and efficient building standards and demonstrations will also be supported, with a primary focus on public buildings and social housing. Reducing energy needs for cooling and refrigeration will remain a priority area for GEF investments, including through passive designs, nature-based solutions (e.g. green facades, roofs, etc.), district cooling, digitalization and energy management systems, and innovation in cold chains with linkages to food security, water and health. Opportunities will be sought to maximize the climate benefits of actions to implement the Kigali Amendment of the Montreal Protocol.

425. On circular economy, strategies such as avoid, recover, reduce, reuse, redesign, regenerate and remanufacturing will be promoted. Circular economy approaches informed by life cycle analysis will target a reduction in energy and material use per unit of output, with benefits both for climate, through reduced emissions, and for nature, through reduced environmental pressures. Support in this area will be focused on the development of low-carbon material pathways, including support for certifications and standards (e.g. green cement, steel, etc.), demonstrations through public procurement, and the development of new business models.

426. In the manufacturing sector, industrial energy supply has traditionally depended on subsidized heavy fuels, and on small and medium sized industrial & manufacturing enterprises that are inefficient in the use of heat and energy. The CC focal area will support mitigation measures in this sector including medium and long-term roadmaps, electrification of heat uses and wider adoption of digital technologies, harmonized benchmarks for low- and zero-carbon products and associated certification schemes, aggregating demand for low- and zero-carbon products, and technology transfer. The GEF will also consider support for green hydrogen as an efficiency modality for very hard to abate sectors, where cost- and resource-efficient. Interventions that address linkages between energy security and critical minerals[300], for instance, through the promotion of alternative chemistries that are less dependent on materials with negative social and environmental impacts, will also be considered.

Strategy 1.3: Power Systems and Energy Access

427. In this sector, CC investments will prioritize upstream interventions to unlock large-scale transformations, focusing on technical assistance, piloting, and capacity building for policymakers and the specialized workforce, as well as derisking approaches for private investments and innovative financial mechanisms. Grid modernization to accelerate the penetration of renewables on the grids, as well as storage technologies and demand side management will be a priority. Support for large-scale efficient and secure energy facilities will be considered on a case-by-case basis to avoid over-subsidizing and crowding out private sector investments, and in line with the principle of minimum concessionality.

428. Opportunities to enhance the climate and economic resilience of communities through improved access to clean, reliable, affordable and climate resilient energy systems, especially in SIDS and LDCs, will also be pursued, including through multi-trust funds programming with the LDCF and the SCCF. Energy access will remain a priority for the GEF. This window will support decentralized clean and affordable energy solutions, focusing on micro- and mini- grid systems in rural and peri urban areas, including electric cooking, and in a complementary fashion with other initiatives already ongoing in the energy access space.

[300] STAP (2020), Technologically Critical Elements and their relevance to the Global Environment Facility

Strategy 1.4: Integrated and Zero-Emission Mobility

429. In transport, the GEF will continue to prioritize investments in interventions fostering modal shifts, promoting avoid/reduce, shift and improve approaches (A-S-I) to expanding and improve public transit and active mobility, and to reduce reliance on private vehicles. The GEF will support electric mobility piloting, and scaling investments in countries where elective vehicles (EV) penetration rates remain low and the price gap with internal combustion engine (ICE) vehicles remains substantial. Participation of and co-financing by the private sector will be important selection criteria for CC investments.

430. CC investments will promote the integration of efficient and secure energy sources with charging networks and advanced technologies such as Vehicle-to-Grid mechanisms, direct coupling of EVs energy demand with efficient and secure energy deployment, and fiscal considerations related to revenues from fuel taxes. The GEF will support policies and local capacity building to advance the recycling of lithium-ion batteries and other critical materials, and to bolster the import of secondhand vehicles, including ICE and EVs. To ensure a seamless and efficient charging ecosystem, the GEF will promote EV charging interoperability, fostering standardized protocols and infrastructure that enable cross-network compatibility. Where feasible and appropriate, CC investments will support local manufacturing and market development and South-South cooperation. Scalable solutions to plan for and accelerate the efficiency of the shipping and aviation sectors will also be considered.

Strategy 1.5: Nature-Based Solutions for Climate Mitigation

431. In this sector, GEF focal area investments will support cost-effective interventions to generate GHG mitigation benefits in natural ecosystems and productive landscapes. CC investments will prioritize mitigation options in high-carbon ecosystems and in agriculture, ensuring alignment and complementarity with other GEF focal areas and programming windows. Supported activities must demonstrate a high potential for reducing carbon loss and providing continued or enhanced natural CO_2 removal.

432. Nature-based Solutions (NbS) interventions will aim to generate significant co-benefits, including biodiversity conservation, land revitalization, and strengthening against climate impacts. Aligned with national climate strategies regarding natural ecosystems in countries' NDCs and LTSs, the GEF will support interventions designed to address the drivers of environmental degradation and to protect and restore key sinks for above- and below-ground carbon, including in wetlands, peatlands, and coastal habitats such as mangroves, seagrass, and marshes.

433. In the agriculture sector, strong and cost-effective mitigation potential may be achieved in improved soil carbon management, enhanced nutrient use efficiency, sustainable manure management, and resistant livestock systems. Programming in inland aquaculture, which is projected to grow substantially to keep up with protein demand, has potential to contribute to climate mitigation via inputs and supply chain management. Innovations in agri-tech, food-tech, food waste management, and logistics will also be considered, together with cross-sectoral interventions addressing methane emissions through national or regional methane reductions programs. The role of emerging technologies—such as AI and satellite imagery—in reducing implementation and MRV costs, making climate action more effective and scalable, will be explored in combination with the above sectoral investments.

Strategy 1.6: Financial Innovation to Unlock Private Capital

434. The GEF will support countries using their STAR resources to support or participate in blended finance structures to mobilize private finance. This window could be used in the form of grants to provide capacity building in financial structuring at country level and facilitating

coordination among the various stakeholders and government agencies required. Capital markets instruments such as outcome-based bonds, sustainability-linked bonds and other forms of sovereign debt issuance linked to climate-related KPIs are effective financial products to mobilize private investment for climate objectives, yet countries require technical expertise to successfully deploy them.

435. Countries are invited to use the Blended Finance Country Challenge Program available under the Blended Finance Global Program by using STAR resources available under this strategy as non-grant instruments, to leverage private sector finance to deliver climate mitigation benefits at scale. Within a project, countries may combine the use of STAR as traditional grant and STAR used as non-grant: only the latter portion will trigger the additional financing available from the Blended Finance Country Challenge Program. Any reflow generated by the STAR portion used as non-grant downstream will remain within the country and will not need to be returned to the GEF.

Objective 2: Strengthening Enabling Conditions

436. The GEF will continue to fund enabling activities that enhance the integration of climate change concerns into national planning. In GEF-9, countries will access dedicated resources for Convention obligations and CBIT support from set-asides and may use their country allocations for other enabling activities.

Strategy 2.1: Capacity-Building Needs for Climate Transparency

437. The CC focal area will provide support for projects that build institutional and technical capacity at national level to meet the provisions of the enhanced transparency framework, as outlined in Article 13 of the Paris Agreement. The CBIT aims to (i) strengthen national institutions for transparency-related activities in line with national priorities; (ii) provide relevant tools, training and assistance for meeting the provisions of Article 13; and (iii) assist in the improvement of transparency over time. All developing country Parties that have ratified the Paris Agreement can access CBIT support. In addition, once countries have completed the first stage of CBIT projects, they may request further CBIT support.

Strategy 2.2: Convention Obligations and Enabling Activities

438. The GEF will continue to provide support to developing country Parties to the Paris Agreement for the preparation of BTRs and National Communications (NCs). Countries can access resources for the preparation of these reports from the CC focal area set aside. GEF modalities of support and indicative costing for preparing BTRs and NCs are presented in Information note GEF/C.62/Inf.15. Countries requiring additional resources beyond amounts available through the set aside may opt to utilize their STAR allocations

439. Following COP guidance, support for Technology Needs Assessments (TNAs) will be made available for SIDS and LDCs that have not yet undertaken one and wish to do so. Other countries may use their country allocations for the preparation and implementation of TNAs. The GEF will also continue to make financial support available for the preparation of NDCs, following COP guidance. Countries may use CC STAR allocations for these activities.

Focal Area Set Aside

440. In addition to Strategies 2.1 and 2.2, Objective II will also include a Focal Area set aside envelope to be used for innovative and high impact global and regional programs. Building on the suite of GEF-7 and GEF-8 global programs, GEF-9 CC programs will include initiatives with high climate mitigation and socio-economic co-benefits potential, which can act as incubators for ideas to be mainstreamed or scaled in the GEF portfolio in future cycles. These may include programs

focusing on: (i) methane management, including food waste, (ii) zero-carbon built environments, (iii) electric grid modernization with a focus on SIDS, and (iv) regional approaches to fostering natural climate solutions, including in peatlands, lake ecosystems, and coastal blue carbon.

441. Consistent with efforts to advance integrated approach to portfolio planning across the GEF focal areas and family of funds, particularly as related to the Country Platforms engagements described in the Country Engagement Strategy, the CC focal area will contribute to the development of a multi-focal area technical assistance facility, providing expert technical assistance, capacity building and upstream portfolio planning. This support will help to optimize recipient country GEF investments across the spectrum of environmental challenges and will position countries to build synergies and leverage among GEF funding and development finance, particularly by multilateral development banks (IMF, WB, others).

Key Contributions of Integrated Programs to Climate Change Focal Area Outcomes

442. The CC focal area is cross-cutting as emission reductions are needed and will be sought across all sectors. As such, joint programming with other GEF focal areas will be actively pursued, including in the context of integrated programs. Three integrated programs are particularly important in terms of their potential contribution to the GEF's CC mitigation ambition.

443. Amazon, Congo, and Critical Forest Biomes; GEF-9 will build on past successes in sustainable forest management to support low-carbon strategies in intact forest landscapes, especially the Amazon and Congo Basin. These vital carbon sinks are under threat and are key to avoiding GHG emissions through improved forest management and avoided deforestation.

444. The SC IP will support integrated urban solutions that promote low-emission, resilient development. Empowering cities to implement NDCs and pursue low-carbon growth can yield significant CC mitigation benefits. The Food Systems IP will advance resistant agriculture and durable land management, improving food security for smallholders while reducing emissions. It will also support deforestation-free supply chains across agricultural production, processing, and consumption.

Land Degradation Focal Area

Global Context of Desertification, Land Degradation, and Drought (DLDD)

445. Land is key to the resilience of the Earth system through processes that regulate climate, biodiversity, water, and nutrient cycling. Land provides for food production, clean water, and shelter and, as such, is central to human well-being[301]. The Earth's land area is finite. Using land resources sustainably is fundamental for human well-being. Human use, at varying intensities, affects about 60–85% of forests and 70–90% of other natural ecosystems[302]. Globally, 1.6 billion hectares or 15.4% of land area is degraded. Between 2015 and 2019, at least 100 million hectares of healthy and productive land were degraded every year, affecting food and water security globally[303]. Warming over land has occurred at a faster rate than the global mean and this has had observable impacts on the land system[304]. Among the multiple challenges, drought is emerging as a critical global challenge. Drought profoundly affects multiple environmental dimensions, including soil health, biodiversity, earth system stability, and water availability[305]. The connection between drought and land degradation is particularly concerning, as healthy soils play a crucial role in buffering against drought conditions. Drought also causes substantial economic losses, impacting agriculture, industry and all of society, with costs exceeding $307 billion per year[306].

UNCCD Guidance to the GEF

446. The UNCCD COP16 Decision on the Collaboration with the GEF includes six points that are highly relevant for the GEF-9 focal area strategy. The decision:

a) *"Invites* the *GEF* to strengthen its support for countries in programming Land Degradation Focal Area resources to combat desertification, land degradation and drought and achieve their voluntary land degradation neutrality targets, including in the context of land degradation neutrality".

b) *"Takes note* of the GEF's enhanced attention to drought mitigation and adaptation and *invites* the GEF to strengthen its efforts in this regard to enable countries to address their desertification, land degradation and drought priorities".

c) *"Requests* the GEF, within its mandate, to support the implementation of the national drought plans and other drought-related policies, especially strengthening early warning, preparedness, mitigation and recovery, rehabilitation and monitoring systems, and capacity-building";

d) "*Encourages* the GEF to continue its efforts to harness opportunities for leveraging synergies (i) among the Rio conventions and other relevant environmental agreements; as well as (ii) with the 2030 Agenda for Sustainable Development".

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[301] Tomalka, J., Hunecke, C., Murken, L., Heckmann, T., Cronauer, C., Becker, R., Collignon, Q., Collins-Sowah, P., Crawford, M., Gloy, N., Hampf, A., Lotze-Campen, H., Malevolti, G., Maskell, G., Müller, C., Popp, A., Vodounhessi, M., Gornott, C., Rockström, J. (2024). Stepping back from the precipice: Transforming land management to stay within planetary boundaries. Potsdam, Germany: Potsdam Institute for Climate Impact Research.

[302] IPCC (2023), Special Report on Climate Change and Land

[303] UNCCD Data Dashboard: https://data.unccd.int/

[304] ibid

[305] STAP (2024), Information Note. Why drought matters for the global environment.

[306] Thomas, R., Davies, J., King, C., Kruse, J., Schauer, M., Bisom, N., Tsegai, D., Madani, K., (2024). Economics of Drought: Investing in Nature-Based Solutions for Drought Resilience – Proaction Pays. A joint report by UNCCD, ELD Initiative and UNU-INWEH, Bonn, Germany; Toronto, Canada

e) "*Commends* the continued attention paid by the GEF to policy coherence in the field of desertification, land degradation, and drought, and *invites* the GEF to continue to track progress on policy coherence";
f) *"Encourages* the GEF to consider, upon request, projects that support Parties in reviewing public expenditures, incentives and investments, and to support public policies and investments that decrease land degradation, combat desertification, and build resilience to drought, in a nationally determined manner."

GEF-9 Land Degradation Focal Area Strategy and Associated Programming

447. The LD strategy aligns with the UNCCD Strategic Framework 2018 – 2030, supporting all five Strategic Objectives. The GEF will support countries for a broad range of SLM interventions, addressing DLDD, institutions and regulatory frameworks, and policy coherence for LDN.

448. A specific emphasis in GEF-9 is placed on supporting proactive drought management, addressing drought-prone ecosystems and vulnerable populations. This reflects GEF's increasing attention to drylands, as confirmed by a recent IEO evaluation[307] as well as early OPS-8 findings[308], and represents a further evolution of the LD strategy towards providing countries with direct entry points to implement their national drought plans and related policies.

449. LD investments focus on production landscapes where agricultural, forestry and rangeland management practices underpin the livelihoods of rural communities, smallholder farmers and pastoralists, Land encompasses soil, water, and life, economic production, cultural heritage, and social well-being. SLM can only be achieved through a 'people-centered' approach. This principle recognizes the connection between people and land and promotes a whole of society approach.

450. The GEF will continue to apply an integrated landscape approach, centering on the interplay and interdependency among water, biodiversity, climate change, and socio-economic factors. Integrated land-use planning facilitates context-specific solutions, harnesses the potential of different land types in intervention areas, and promotes socio-ecological connectivity in land use systems that maximizes the benefits for local livelihoods.

451. The goal of the LD focal area in GEF-9 is to avoid, reduce, and revert land degradation[OBJ], combat desertification, and proactively manage drought through a people-centered approach This will be achieved through three main objectives:

i) Sustain productive landscapes and livelihoods
ii) Support implementation of National Drought Plans and other drought related policies
iii) Promote fair land and water governance & strengthen enabling conditions

The three main objectives are described in further detail in the following pages.

[307] GEF IEO (2024): Strategic Country Cluster Evaluation: GEF Support to Drylands Countries. Volume 1: Main Report. GEF Council document: https://www.thegef.org/council-meeting-documents/gef-e-c-66-01
[308] GEF/R.9/02: Preliminary Findings of the Eighth Overall Performance Study of the GEF

Objective 1: Sustain productive landscapes and livelihoods

452. This objective promotes the wider application and scaling of SLM[309] interventions that improve land health and maintain the flow of agro-ecosystem services that underpin food production and livelihoods. It places emphasis on community-based resource management initiatives, fostering a sense of ownership and stewardship benefiting the environment and local economies.

453. LD investments will support a broad range of SLM practices, such as:

- Agroecological intensification and diversification, agro-forestry and other regenerative agriculture practices that rely on natural ecological processes to enhance yields and reduced agrochemical inputs, avoiding GHG emissions, and sequestering carbon in agricultural systems.
- Agro-biodiversity conservation, reducing the conversion of natural habitats, including wetlands conservation and restoration to improve water filtration, biodiversity and carbon sequestration.
- Measures to improve soil health and reduce soil erosion, pollution risks and degradation of water resources.
- Sustainable rangeland management including practices that maintain or improve the health and productivity of rangelands through rotational grazing, forage species, and soil preservation through disturbance and erosion control.
- Community-based Forest management and restoration to maintain agro-ecosystem services and to curb forest loss and the reduction of trees and vegetative cover in production landscapes.

Objective 2: Support implementation of National Drought Plans and other drought related policies

454. This objective supports the further development and operationalization of national drought plans and policies and their implementation. Investments will primarily support nature-based solutions to drought that generate GEBs while also strengthening local livelihoods and drought resilience, within the mandate of the LD focal area.

455. LD investments will seek complementarity with other investments across the GEF family of funds to support countries in proactive drought management. Joint investments will be promoted through multi-focal area and muti-trust fund projects and programmatic approaches. Co-financing will be mobilized to address elements of proactive drought management that go beyond the GEF's mandate, for example for physical investments building drought resilience infrastructure in water, agriculture, and transport. LD investments will provide a range of support options, such as:

- Operationalization of drought plans through technical assistance applying methodologies and tools such as the Drought Risk and Resilience Assessment Methodology (DRRA) and the UNCCD Drought Toolbox,
- Fostering partnerships between and across government agencies, private sector and civil society to enhance the effectiveness of the implementation of drought plans and policies by pooling resources and expertise,

[309] SLM is broadly defined by the UN 1992 Rio Earth Summit as "the use of land resources, including soils, water, animals and plants, for the production of goods to meet changing human needs, while simultaneously ensuring the long-term productive potential of these resources and the maintenance of their environmental functions."

- Capacity development, education, and awareness-raising to enhance drought preparedness, promote improved land and water management practices, and foster effective strategies for drought resilience,
- Drought-smart land management (D-SLM) practices in croplands, grazing lands, forests and woodlands, and mixed landscapes including interventions to and reducing wildfire risks by improving forest and woodland landscape management,
- Drought-resilient agriculture, e.g., planting drought-resistant crop varieties and adopting agroecological practices such as agroforestry, silvo-pasture, permaculture, mulching, no-till farming, mixed cropping, and cover cropping that can help improve soil moisture, organic matter and carbon content,
- Sustainable water management and conservation practices, including increasing the capacity of soil to accept, retain, and release water, aquifer recharge, efficient irrigation techniques like drip irrigation and small-scale water storage infrastructure, e.g., check dams, and rainwater harvesting systems.

Objective 3: Promote fair land and water governance & strengthen enabling conditions

456. This objective promotes fair governance and the strengthening of enabling frameworks and conditions for scaling SLM and achieving LDN. It emphasizes the critical role of improving governance by promoting the participation of all stakeholders, including women, youth, Indigenous Peoples, and local communities. The objective also recognizes that capacity building efforts are needed to strengthen governance frameworks, and that private sector engagement is crucial for bringing innovation and technology required to upscale SLM.

457. LD investments will provide a range of support options, such as:

- Promoting policy coherence in the field of DLDD and providing advisory support for sectoral integration at national and sub-national level, including the elimination of harmful subsidies in the agricultural sector,
- Revising policies and governance frameworks, reviewing public investments and incentives, exploring diverse financing options, including blended finance supporting investments that decrease land degradation, combat desertification, and address drought challenges, in a nationally determined manner,
- Strengthening multi-level land and water governance systems to meaningfully involve local governments, IPLCs, women, and youth including integrating local knowledge with national and sub-national policies,
- Promoting multi-stakeholder engagement to encourage and enforce land and water conservation practices, regulate access and benefits sharing to natural resources, and enable improved land and water use,
- Resolving land tenure and resource use rights issues that are barriers to SLM and promoting good governance, equality and benefit sharing, and securing livelihoods,
- Building capacity among land users and strengthen governance capabilities for SLM and LDN,

- Enable private sector engagement, including through blended finance opportunities[310], expanding technology and innovation, and utilization of data and AI for improved monitoring.

Focal Area Set Aside

458. LD Focal area resources set-aside from STAR will be used for:

a) UNCCD enabling activities to support countries to fulfil obligations to the convention, focusing on reporting and formulation of national strategies and plans in line with current and upcoming COP decisions and the UNCCD strategy,
b) Supporting platforms and incentives for the GEF-9 integrated programs, and coordinating national projects through programmatic approaches, such as regional programs supporting the implementation of LD focal area objectives and its elements, e.g., the Great Green Wall Initiative (GGWI) in the Sahel and Sahara as well as the GGWI of the Southern African Development Community (SADC).

459. Consistent with efforts to advance integrated approach to portfolio planning across the GEF focal areas and family of funds, particularly as related to the Country Platforms engagements described in the Country Engagement Strategy, the LD focal area will contribute to the development of a multi-focal area technical assistance facility, providing expert technical assistance, capacity building and upstream portfolio planning. This support will help to optimize recipient country GEF investments across the spectrum of environmental challenges and will position countries to build synergies and leverage among GEF funding and development finance, particularly by multilateral development banks (IMF, WB, others).

460. Global and regional projects on GEF-9 priority cross-cutting issues such as innovation, and policy coherence, as well as mainstreamed work on ecosystem restoration.

Key Contributions of Integrated Programs to Land Degradation Focal Area Outcomes

461. By adopting an integrated landscape approach, the LD focal area drives an agenda for multiple GEBs, including those related to the conservation and sustainable use of biodiversity, climate change mitigation and adaptation, and the protection of international waters, and pollution and use of pesticides in the agricultural sector. In this regard, joint programming with other GEF focal areas will be actively pursued, especially in the context of integrated programs.

462. The Drylands and Drought Management IP represents a major effort to address DLDD issues alongside multifaceted environmental challenges in drylands in the context of drought and development in dryland nations. It will help participating countries to implement their national drought plans and other drought related policies in an integrated manner. The Food Systems IP, the Blue Green Islands IP, and the Forest Biomes IP are highly relevant for the LD focal area. These programs address major drivers of environmental degradation, promote LDN, catalyze the transformation to sustainable food systems, generate multiple environmental and socio-economic benefits through SLM and restoration of degraded land, apply nature-based solutions at scale that support socio-economic development, and invest in the conservation and effective governance of critical forest biomes that maintain the health of the planet

[310] The GEF will support countries using their STAR allocation to participate in blended-finance structures to mobilize private finance.

International Waters Focal Area

Global Context of International Waters

463. Globally, there are over 300 transboundary river and lake basins, at least 500 known transboundary aquifers, 66 Large Marine Ecosystems, and 64 percent of ocean area beyond national jurisdiction. The health of these international waters underpins environmental well-being and social and economic development for most of the planet. Achieving good governance and sound management of shared freshwater and marine ecosystems, including the BBNJ Agreement, is essential to realizing the UN SDGs; critical for protecting biodiversity, maintaining productive land systems, and mitigating and adapting to climate change; and foundational for building a healthy planet for healthy people. It can also have significant co-benefits for regional integration and political stability.

464. However, the highly complex nature of shared freshwater and marine ecosystems, and the increasing country reliance on the resources and ecosystem services they provide, results in multiple and layered stresses. Where freshwater and marine ecosystems connect in a source-to-sea continuum, challenges can be even more complex, involving additional countries and key stakeholders in shared-management of these resources.

465. Many freshwater systems are facing unprecedented threats from climate change, urbanization, population growth, and increasing demand from industry and agriculture. Freshwater species populations have experienced the steepest decline of any biome, averaging an 85% decline since 1970[311]. Below the surface, groundwater resources are under threat of rapid depletion and pollution across the world, including in major agricultural regions.

466. Coastal and marine ecosystems are under immense pressure from development, habitat loss, pollution, unsustainable fishing practices and other industry activities, and the impacts of climate change. Ocean warming has accelerated at alarming rates, nearly doubling compared with recent decades[312], with far ranging impacts to marine habitats, species, and humans. Aquaculture harvest has overtaken capture fisheries harvests for the first time in history, highlighting the increasing demands placed on the coastal and marine environment[313].

467. The GEF's International Waters (IW) Focal Area has the unique mandate to support multi-country cooperation in shared freshwater and marine ecosystems to achieve GEBs. IW Focal Area support has helped to establish many regional cooperation frameworks, treaties, and protocols on shared and transboundary surface and groundwater resources and on common shipping, fishing and marine resources.

468. GEF IW investments facilitate integrated, cross-sectoral approaches that engage the public and private sector, civil society, nongovernmental organizations, and bilateral and multilateral institutions. They are designed to work at multiple scales—from community to cabinet—and across entire watersheds, from source-to-sea.

[311] WWF (2024) Living Planet Report 2024 – A System in Peril. WWF, Gland, Switzerland.
[312] Li, Z., England, M.H. & Groeskamp, S. (2023) Recent acceleration in global ocean heat accumulation by mode and intermediate waters. Nat Commun 14, 6888 (2023). https://doi.org/10.1038/s41467-023-42468-z
[313] FAO (2024) The State of World Fisheries and Aquaculture (SOFIA). Rome, Italy.

GEF-9 International Waters Focal Area Strategy and Associated Programming

469. The GEF-9 International Waters (IW) strategy builds on the success of GEF-8 to support multi-country cooperation in managing and conserving shared freshwater and coastal and marine ecosystems for lasting GEBs. This includes the GEF's role as part of the financial mechanism for the BBNJ Agreement. The IW strategy focuses on three objectives:

a) Strengthening sustainable management in shared coastal and marine ecosystems
b) Supporting the BBNJ Agreement
c) Strengthening sustainable management of shared freshwater systems.

470. Where appropriate, the objectives will be aligned with other GEF Focal Areas and Trust Funds to address multiple and integrated issues, such as land-based activities affecting the coastal and marine environment and measures to build resilience of these vital ecosystems.

471. The IW strategy responds to relevant IEO recommendations and STAP guidance. This includes the IEO evaluation on water security (GEF/E/C.64/01/Rev.02) that is emphasized in IW Objective 3[314] as well as early OPS-8 findings[315]. The strategy responds to STAP guidance with strengthened focuses on supporting advancement on blue economies as well as mechanisms for freshwater cooperation and managing conflict.

Objective 1: Strengthening sustainable management in shared coastal and marine ecosystems

472. This objective will target activities and investments in transboundary coastal and marine ecosystems, including Large Marine Ecosystems and ocean areas beyond national jurisdiction. Activities that could be supported under this objective include:

473. Accelerating action on protection and improved management of transboundary coastal and marine ecosystems

a. Establishing and strengthening multi-country and transboundary cooperation for marine management (e.g. Transboundary Diagnostic Analysis-Strategic Action Programme (TDA-SAP) and Strategic Action Programme (SAP) implementation) in Large Marine Ecosystems and other country-led regional management approaches
b. Supporting countries with sustainable and regenerative initiatives promoting coastal and marine blue economic sectors, including, *inter alia*, tourism, marine recreation, energy, shipping, and fishing
c. Mitigating impacts of ocean extractive industries
d. Promoting intra- and inter-national policy coherence toward addressing land-based pollution threats through source-to-sea approaches
e. Establishing and strengthening long-term sustainable financing mechanisms, including blended finance and utilization of NGI and related incentive
f. Promoting transparency, cooperation and joint management through marine spatial planning efforts and sustainable ocean planning
g. Supporting 30x30 efforts in transboundary coastal and marine ecosystems

[314] Evaluation of The GEF's Approach and Interventions in Water Security. https://www.thegef.org/council-meeting-documents/gef-e-c-64-01-rev-02

[315] GEF/R.9/02: Preliminary Findings of the Eighth Overall Performance Study of the GEF

h. Filling ocean data gaps and piloting new technologies and citizen science approaches for improved management
i. Aligning and mainstreaming marine transboundary priorities into national MEA commitments (National Biodiversity Strategy and Action Plans (NBSAP), NDC, National Action Programs, etc.)
j. Supporting countries to protect, restore and regenerate key coastal and marine ecosystems
k. Supporting establishment of blue carbon inventories and blue carbon market enabling environments, especially for inclusion in NDCs
l. Promoting adoption of NbS and green/blue infrastructure solutions to address coastal and marine priorities and future climate change scenarios
m. Advancing sustainable fisheries management
    i. Piloting and scaling sustainable fisheries management initiatives in transboundary systems
    ii. Reducing harmful subsidies and other perverse incentives, including through policy coherence at national and regional scales
    iii. Promoting market mechanisms to scale ecosystem-based and sustainable fisheries management approaches
    iv. Filling data gaps and piloting technologies for improved fisheries management
    v. Supporting proactive fisheries management planning with migrating fish stocks under future climate change scenarios
    vi. Promoting sustainable aquaculture practices
    vii. Strengthening country efforts to address Illegal, Unreported, and Unregulated (IUU) fishing, including support for ratification and implementation of the Port State Measures Agreement

474. Addressing global ocean threats in areas beyond national jurisdiction (non-BBNJ Agreement activities)

a. Protecting commercially important fish stocks and building awareness of the impacts of industrial fishing on ecosystems and biodiversity, including bycatch
b. Improving the use of data and information to combat IUU fishing
c. Mitigating impacts of ocean extractive industries
d. Advancing country-led efforts to promote a sustainable global shipping industry

<u>Objective 2: Supporting the BBNJ Agreement</u>

475. Objective 2 reflects the status of the adopted BBNJ Agreement, which has not yet entered into force[316]. Until the Agreement enters into force, GEF-9 IW support will follow existing GEF Council guidance[317] with national-level support to ratification and implementation readiness. Additional relevant activities may also be supported at the request of negotiating Parties of the BBNJ Agreement Preparatory Commission and with agreement of GEF Council. Upon entry into force of the BBNJ Agreement, GEF-9 IW support will be guided by directions from the BBNJ

[316] Ratification status can be found here: https://treaties.un.org/pages/ViewDetails.aspx?src=TREATY&mtdsg_no=XXI-10&chapter=21&clang=_en

[317] GEF/C.66/07: Initial Guidelines for Enabling Activities and Ratification Support Projects for the Agreement under the United Nations Convention on the Law of the Sea on the Conservation and Sustainable Use of Marine Biological Diversity of Areas Beyond National Jurisdiction (BBNJ)

Agreement COP, ensuring that duplication is avoided, and that complementarity and coherence is promoted among the utilization of the funds within the financial mechanism. Activities could include continued national-level support for ratification and implementation readiness as well as those described in Article 52(6) of the BBNJ Agreement, as follows:

a. Fund capacity-building projects under this Agreement, including effective projects on the conservation and sustainable use of marine biological diversity and activities and programmes, including training related to the transfer of marine technology
b. Assist developing States Parties in implementing this Agreement
c. Support conservation and sustainable use programmes by IPLCs as holders of traditional knowledge
d. Support public consultations at the national, subregional and regional levels
e. Fund the undertaking of any other activities as decided by the COP

Objective 3: Strengthening the management of shared freshwater ecosystems

476. Objective 3 targets transboundary river and lake basins, wetlands, aquifers and deltas. Example activities that could be supported under this objective include:

477. Enhancing water security across borders and sectors in shared freshwater systems

a. Establishing and strengthening multi-country and transboundary cooperation (e.g. TDA-SAP and SAP implementation and other country-led regional management approaches) in freshwater systems
b. Filling data gaps and piloting new technologies and citizen science approaches for improved freshwater ecosystem monitoring and management
    i. Supporting data and information sharing among countries and accelerating access to information
    ii. Supporting the formation and/or strengthening of regional legal and institutional frameworks for cooperation
c. Promoting and strengthening intersectoral policy coherence and policy reforms across sectors and borders, including through source-to-sea approaches
    i. Supporting cooperation in shared freshwater ecosystems to address preparedness and resilience against increasingly severe and extended Earth system change, including flooding, drought, and glacial melt
    ii. Aligning with and mainstreaming freshwater transboundary priorities into national MEA commitments (NBSAPs, NDCs, National Action Programs, National Implementation Plans (NIPs) etc.)
    iii. Supporting countries to protect, restore and regenerate globally important transboundary basins and wetlands
    iv. Promoting adoption of NbS and green/blue infrastructure solutions to address pollution where feasible, groundwater recharge, and flood and drought management, and to enhance resilience
    v. Establishing and strengthening long-term sustainable financing mechanisms, including blended finance and utilization of NGI and related incentive
    vi. Leveraging private sector finance to enhance water security

478. Addressing gaps in governance and sustainable management of shared groundwater resources

a. Strengthening the enabling environment for groundwater management at the national level
b. Establishing and strengthening multi-country cooperation to assess and cooperatively manage transboundary aquifer systems and groundwater dependent ecosystems
c. Promoting the improved groundwater management in the basin management practices of transboundary river basin organizations
d. Piloting and scaling investments to avoid over-pumping, salinization and contamination of groundwater
e. Equipping government entities at all levels with the knowledge and tools to avoid over-pumping, salinization and contamination of groundwater
f. Supporting policy and NbS investments to enhance recharge
g. Supporting mainstreaming of groundwater quality protection into national and regional planning

Cross-Cutting Themes

479. There are several *cross-cutting topics* that the IW focal area will strengthen further moving forward including by dedicated funding windows within regional or global projects. These include (i) *Engagement with the private sector* to encourage sustainable production and resource use across supply chains, including by engaging with sector or industry-wide roundtables and encouraging transparent the adoption of performance standards ; (ii) *whole of government and whole of society approaches* in the management of shared resources and providing dedicated support in projects ; (iii) *policy coherence* to promote mutually reinforcing policy actions across governance of shared resources, including through the TDA-SAP approach; (iv) *blended finance* and NGI to encourage and derisk the uptake of financing mechanisms such as bonds, guarantees, and insurance; (v) *knowledge management and learning*, including through the International Waters Learning Exchange and Resource Network (IW:LEARN), the cross-agency and multi-actor platform of knowledge exchange and capacity building, and (vi) *Supporting communication and engagement with public media* and support cooperation and exchanges among environmental journalists across countries in shared water systems to increase trust, transparency and reaching wider civil society.

480. Consistent with efforts to advance integrated approach to portfolio planning across the GEF focal areas and family of funds, particularly as related to the Country Platforms engagements described in the Country Engagement Strategy, the IW focal area will contribute to the development of a multi-focal area technical assistance facility, providing expert technical assistance, capacity building and upstream portfolio planning. This support will help to optimize recipient country GEF investments across the spectrum of environmental challenges and will position countries to build synergies and leverage among GEF funding and development finance, particularly by multilateral development banks (IMF, WB, others).

Partnerships

481. In addition to the GEF's role as part of the financial mechanism of the BBNJ Agreement, the GEF International Waters focal area may support actions to mutually achieve goals for other international agreements where the GEF does not operate as the financial mechanism nor have any obligations or mandates. This includes the Convention on the Law of the Non-navigational Uses of International Watercourses of 1997 and the Convention on the Protection and Use of

Transboundary Watercourses and International Lakes, the UN Convention on the Law of the Sea, the Ramsar Convention on Wetlands, and others. Healthy transboundary marine and freshwater ecosystems are also prioritized in many Intended Nationally Determined Contributions (INDCs) and NBSAPs and will be essential in supporting delivering towards the CBD, UNFCCC, UNCCD and UN Decade of Ocean Science for Sustainable Development targets.

482. The GEF IW Focal Area will also facilitate partnerships through IW: LEARN among a range of actors to stimulate conversation and capacity between, and beyond, GEF funded activities. The focal area will also continue to engage with related initiatives supported by partners and countries, including the Transboundary Water Cooperation Coalition and similar efforts by GEF Agencies, MEA Secretariats and other partners.

Key Contributions of Integrated Programs to International Waters Focal Area Outcomes

483. Shared freshwater and marine ecosystems underpin many of the GEF Focal Areas and Integrated Programs proposed for GEF-9. The IW Focal Area will continue to identify opportunities to work alongside national investments utilizing STAR focal areas to foster multi-country and transboundary cooperation, including opportunities for blended finance and/or multi-trust fund projects. Multiple entry points also exist for leveraging ongoing GEF IW and Integrated Programs investments, including the GEF-8 Clean and Health Oceans Integrated Program, to achieve the objectives of the IW Focal Area and the same is also true for IW projects to contribute to GEF-9 Integrated Programs. All GEF-9 IPs provide opportunities for national-level child projects to support the implementation of regional and global IW priorities in LMEs and transboundary freshwater basins. For example, the Blue and Green Islands IP and the Circular Solutions to Plastics IP may support the national implementation of regional SAPs, such as in the Caribbean Large Marine Ecosystem (CLME) SAP that prioritized land-based sources of pollution as a transboundary threat to the Caribbean Sea. Likewise, the key geographies of the Critical Forest Biomes IP also help advance national level strengthening of past IW efforts for multi-country cooperation, such as in the Amazon, Meso-America, and Congo. Further, the Sustainable Cities and Drylands and Drought Management IPs may provide national and municipal-level implementation to address critical groundwater and conjunctive water management issues that are priorities of the GEF-9 IW strategy. The Food Systems IP could support the scaling of many regional fisheries management strategies linked to GEF IW efforts promoting sustainable fisheries and aquaculture. All the GEF-9 IPs may also benefit from and support the strengthening of knowledge and experience from IW:LEARN.

Chemicals and Waste Focal Area

Global Context of Chemicals and Waste

484. Year after year, global chemical production and use continue to expand, fueling economic progress while simultaneously contributing to pollution that jeopardizes both human well-being and the health of the planet. Hazardous chemicals and persistent pollutants, including plastics, highly hazardous pesticides, environmentally persistent pharmaceuticals, electronic waste, and substances regulated by international conventions such as those under the Stockholm Convention and the Minamata Convention, have been detected in the air, in water sources, throughout food webs, across farmland and urban landscapes, and even within human bodies. In many developing nations and economies in transition, limited resources and institutional capacity hinder safe waste management, the creation and enforcement of coherent policies, the development of skills and knowledge, and effective data collection. As a result, these areas are especially susceptible to accumulating harmful toxins in both the environment and human populations.

485. Against this backdrop, the GEF has emerged as a key financial mechanism for several international accords, including primarily the Stockholm Convention on Persistent Organic Pollutants and the Minamata Convention on Mercury, while also supporting the Global Framework on Chemicals and the Montreal Protocol. Over the years, the GEF has supported impactful chemicals and waste initiatives that cut across numerous high-stakes industries, such as agriculture, mining, infrastructure, healthcare, information and communication technology, transportation, tourism, waste and plastics management, and the manufacture of consumer products and commodities.

486. Under its ninth replenishment cycle (GEF-9), the GEF is proposing an enhanced strategy designed to encourage more integrated, transformative, and ambitious approaches to pollution prevention and management. This includes addressing the problem of legacy chemicals and tackling new challenges posed by the escalating global plastics crisis. Although reaching "zero waste and pollution-free economies" remains an aspirational goal, it serves as a rallying call for the scale of change necessary and emphasizes the critical need to safeguard both the planet's ecosystems and human health.

487. A central pillar of this new strategy involves mobilizing additional resources from private, commercial, and household sectors, all while strengthening the GEF's established collaboration with industry stakeholders in the chemicals and waste focal area. By fostering deeper partnerships and bolder action, the GEF aims to catalyze meaningful progress toward a cleaner, healthier, and better future for all.

488. Through a cohesive, integrated strategy, the GEF-9 Chemicals and Waste focal area:

- Implements key IEO[318] evaluation insights: reinforcing robust policy frameworks, training, private-sector and SME engagement, measuring health co-benefits, and balancing legacy-chemical commitments with progressive supply-chain transformations.
- Fulfills Minamata Convention obligations and enabling activities: continuing to support Minamata Initial assessments (MIAs), artisanal and small-scale gold mining (ASGM) National

[318] Evaluation of GEF Interventions in the Chemicals and Waste Focal Area GEF-5 to GEF-9: GEF/E/C.68/01

Action Programs, Review of the Implementation of Article 7 (RIA), phaseout of mercury containing products, control and management of trade of mercury and its compounds, reduction of industrial emissions and strong awareness/behavior-change interventions to reduce mercury's health and environmental impacts. The focal area will also support stronger linkages between mercury pollution and human health particularly the impact on local communities, indigenous peoples, youth and women.

- Fulfills Stockholm Convention obligations: continuing to support National Implementation Plan (NIP) updates, manage and dispose of legacy POPs including polychlorinated biphenyls (PCB), Dichlorodiphenyltrichloroethane (DDT) reduce emissions of unintentional POPs (UPOPs) and act on new POPs[319] including Perfluorooctanoic acid (PFOA), its salts and PFOA-related compounds, Perfluorohexane sulfonic acid (PFHxS), its salts and PFHxS-related compounds, Per- and polyfluoroalkyl substances and others . The focal area will also respond to any newly listed chemicals by the Convention during the GEF-9 period, including through support for updating of NIPs and early actions on these chemicals.
- Aligns with the Global Framework on Chemicals: championing integrated, cross-sector, and knowledge-driven approaches to embed safer chemicals management, resource mobilization, and stakeholder partnerships toward global 2030/2035 targets. The focal area will support the targets of the Global Framework through incorporating the objectives of the targets into the design of projects funded under the focal area. The focal area will also support specific actions under the global framework that require globally coordinated action, including, but not limited to action on environmentally persistent pharmaceuticals, antimicrobial resistance, highly hazardous pesticides, textiles, agriculture, mining and critical minerals and electronics.
- Supports the implementation of the Montreal Protocol: by supporting the ratification of the eligible countries with economies in transition as well as implementing the Kigali Amendment of the Montreal Protocol.
- Aligns with the STAP 2020 advisory document on Delivering Multiple Benefits through the Sound management of Chemicals and Waste by the strategy's multi-objective framework, mix of policy reforms, technology deployment, and attention to social and economic outcomes that reflects the core messages in the STAP advisory document[320]. As implementation proceeds, continuing to deepen co-benefits measurements for biodiversity, earth system change, water, and especially local community well-being will help demonstrate the full range of positive impacts envisioned by both the strategy and the STAP guidance.

GEF-9 Chemicals and Waste Focal Area Strategy

489. The GEF-9 CW strategy supports a transition toward circularity, safe chemistry, improved chemicals management, and pollution prevention across value chains. It emphasizes prevention at the source, addresses legacy chemicals, mainstreaming of environmental and social safeguards, robust data collection and monitoring, and innovative financial mechanisms, including blended finance.

[319] Persistent Organic Pollutants Listed by the Stockholm Convention

[320] STAP advisory document" Delivering Multiple Benefits through the Sound Management of Chemicals and Waste"

490. The Focal Area will focus on the following principles:

- Supporting Conventions obligations (Minamata, Basel, Rotterdam, and Stockholm (BRS), and potential plastics agreements), including enabling activities and capacity building for newly listed and legacy chemicals.
- Supporting the Global Framework on Chemicals and the Montreal Protocol on Substances that Deplete the Ozone Layer.
- Strengthening policy frameworks that align national and regional regulations with international commitments, accompanied by robust enforcement.
- Driving innovation and technology adoption, including data transparency and traceability systems for supply chains, trade flows, and frontier digital tools (AI, Internet of Things (IoT), blockchain) for monitoring.
- Building capacity and ensuring a whole of society approach, emphasizing vulnerable communities, including informal waste pickers and smallholder farmers.
- Transforming markets and supply chains to phase out hazardous substances, including plastic additives of concern, driving product redesign, and reducing reliance on harmful chemicals and materials.
- Mobilizing and establishing long-term financial mechanisms, including blended finance and utilization of NGIs and related incentives, are crucial for scaling up pollution prevention, with a specific focus on the promotion of circular solutions.
- Supporting Small Island Developing States and Least Developed Countries through strategic programs and projects tailored to the needs of these countries

491. Consistent with efforts to advance integrated approach to portfolio planning across the GEF focal areas and family of funds, particularly as related to the Country Platforms engagements described in the Country Engagement Strategy, the CW focal area will contribute to the development of a multi-focal area technical assistance facility, providing expert technical assistance, capacity building and upstream portfolio planning. This support will help to optimize recipient country GEF investments across the spectrum of environmental challenges and will position countries to build synergies and leverage among GEF funding and development finance, particularly by multilateral development banks (IMF, WB, others).

GEF-9 Chemicals and Waste Focal Area Strategy and Associated Programming

Objective 1: Strengthening Policy and Regulatory Frameworks

492. In an era of growing environmental awareness, governments and international bodies recognize that the safety of our ecosystems and communities' hinges on robust policy and regulatory frameworks. The need to control hazardous chemicals and plastics has never been more urgent, and addressing these issues requires a multi-layered approach that encompasses legal reforms, cross-sectoral coordination, and effective enforcement. By strengthening these frameworks, stakeholders can ensure the responsible use and disposal of chemicals and plastics, safeguarding both public health and the environment. Under this objective the following actions are eligible for support:

493. Enabling Environments and Alignment: The following actions seek to build effective policies by creating strong legal and regulatory frameworks that reflect international agreements. This foundation not only facilitates the adoption of best practices but also empowers countries to respond swiftly to evolving environmental challenges.

a. Support EAs and related processes under the Stockholm and Minamata Conventions—such as NIPs, MIAs, Review of the Implementation of Article 7 (RIAs), and National Action Plans for ASGM.
b. Provide technical and legal assistance to incorporate international treaties (e.g., BRS, Minamata) into national or regional frameworks, including the integration of newly listed chemicals and emerging plastics-related amendments or conventions.
c. Integrate GMP requirements and other COP guidance into domestic regulatory systems, ensuring alignment with established global standards.

494. Harmonization, Enforcement, and Compliance: The following actions seek to ensure uniform guidelines and robust enforcement measures and regulations remain consistent across sectors and national borders. Such harmonization deters illegal trafficking and fosters greater accountability among stakeholders.

a. Develop or strengthen sector-specific guidelines for industries such as electronics, plastics, textiles, agriculture, healthcare, and tourism, promoting environmentally sound management practices.
b. Promote effective enforcement by providing targeted training (e.g., customs and port of entry), with the aim of intercepting hazardous chemicals, plastic waste, and other pollutants.
c. Strengthen incentives and penalties—including EPR, tax incentives, pollution charges, and subsidies—to encourage safer chemical use and the adoption of plastic alternatives.

495. Policy Coherence and Data Integration: Seamless collaboration between ministries, combined with comprehensive data collection, ensures that all facets of pollution prevention are addressed. This coordinated approach aligns budgetary decisions with environmental objectives while maintaining transparency and accountability. Actions as follows will be considered:

a. Promote cross-sectoral coordination among environment, finance, health, and other ministries to align domestic financial flows with pollution prevention goals, enabling budgetary coherence.
b. Emphasize data collection on traded chemicals and plastics, focusing on cross-border impacts and the entire supply chain.
c. Embed monitoring and reporting frameworks (including social and environmental safeguards and health co-benefits) to track policy and regulatory effectiveness in preventing pollution from hazardous chemicals and plastics.

<u>Objective 2: Driving Innovation and Technology Deployment</u>

496. Innovation for Pollution Prevention: Fostering new ideas, technologies, and processes is essential to curb hazardous chemicals and plastics. By establishing platforms for research, development, and scaling up best practices, industries and communities can harness innovative solutions that reduce pollution at its source. Below are the key actions proposed under this focus area:

a. Establish an incubation and accelerator innovative window to seed and scale local and international best practices, including chemistry practices, cleaner production, plastics alternatives, and nature-positive solutions.
b. Embed digital-era tools (AI, IoT, blockchain) in risk assessment, compliance monitoring, and supply chain transparency, ensuring that plastic waste flows and chemical usage are tracked accurately.

497. Knowledge Transfer and Capacity Building: Effective technology deployment depends on the exchange of skills and insights. Facilitating knowledge transfer ensures that proven techniques are tailored to local contexts, while ongoing training and monitoring help sustain long-term benefits. Below are the key actions proposed under this focus area:

a. Facilitate technology transfer and replication of Best Available Techniques/Best Environmental Practices (BAT/BEP), focusing on solutions suited to specific local needs.
b. Promote research and development (R&D) and pilot projects that showcase cost-effective, scalable methods for pollution prevention, including data collection and robust monitoring and evaluation (M&E).
c. Encourage plastics recycling and redesign innovations to reduce reliance on virgin plastics, fostering a market for sustainably produced and recycled materials.

498. Lifecycle and Circular Design: Early-stage design decisions significantly influence the environmental impact of products and processes. By prioritizing eco-design and circularity, industries can minimize waste and pollution throughout a product's lifecycle. Below are the key actions proposed under this focus area:

a. Support design-stage interventions (safe chemistry, eco-design, lifecycle assessments) that minimize the use of hazardous chemicals, plastics, and other toxic inputs.
b. Promote resource efficiency through reuse, recycling, upcycling, and safer substitutes, prioritizing actions that prevent pollution leakage into the environment.

<u>Objective 3: Building Capacity and Ensuring a Just Transition</u>

499. Workforce Development and Safeguards: A shift toward safer chemicals and sustainable plastics management requires a well-trained workforce. Ensuring occupational safety and health standards protects workers and promotes best practices across value chains. Below are the key actions proposed under this focus area:

a. Train workers in manufacturing, agriculture, recycling, waste handling, tourism, electronics, and related sectors on safe chemical use, including effective plastics management.
b. Embed occupational health and safety measures and align with International Labour Organization (ILO) standards. Focus on safeguarding at-risk communities such as informal plastic collectors, small-scale gold miners, smallholder farmers, and waste pickers, building strong partnerships at the project level

500. Social Protection: Engaging diverse stakeholders in decision-making ensures fair distribution of benefits and responsibilities. Social safety nets and community-led initiatives help vulnerable groups transition away from harmful practices without compromising livelihoods. Below are the key actions proposed under this focus area:

a. Engage indigenous peoples, youth, local communities, women, and vulnerable groups in project design, implementation, and M&E to foster equitable benefit-sharing and capacity building.
b. Provide livelihood support and social safety nets to communities moving away from hazardous activities or polluting industries, including plastic manufacturing.

501. Local Innovation and Ownership: Local communities often hold valuable knowledge and innovative ideas for addressing pollution challenges. By empowering them through training and

financial support, projects can become self-sustaining and responsive to real-world conditions. Below are the key actions proposed under this focus area:

a. Encourage community-driven pilot projects that build on and incorporate local and indigenous knowledge.
b. Strengthen enabling environments by offering training and microfinancing for informal waste pickers, smallholder farmers, and other groups positioned to adopt safer practices, particularly in the collection and management of plastic waste.

Objective 4: Transforming Supply Chains and Markets

502. Detoxification and Durable Supply Chains Transparency: Reducing the presence of hazardous chemicals and plastics in supply chains calls for better tracking, inventories, and enforcement. Collaboration among industries, governments, and consumers is critical for phasing out harmful substances and ensuring transparency. Below are the key actions proposed under this focus area:

a. Work with industry to phase out newly listed POPs, mercury, and other hazardous chemicals, including plastic additives of concern in supply chains.
b. Support the collection of inventories and data on traded chemicals, plastics, and finished articles, strengthening supply chain tracking.
c. Incentivize improved product design (e.g., using safer materials and ensuring recyclability) to minimize cross-border pollution and plastic leakage.

503. Circular and Pollution Free Supply Chains: Embedding circular economy principles into supply chain management helps industries adopt cleaner technologies, reduce emissions, and prevent pollution. This synergy between nature-positive procurement and low impact strategies benefits both environmental conservation and corporate aims. Below are the key actions proposed under this focus area:

a. Collaborate with corporations and trade associations to incorporate circular economy approaches thereby extending product life, adopting hazardous chemical-free or plastic-free materials, and prioritizing pollution prevention at the source.
b. Encourage nature-positive procurement (e.g., hazardous chemicals- or plastic-free, low-impact materials) and low impact strategies in tourism, agriculture, manufacturing, and other sectors.
c. Promote water stewardship, watershed management, and marine litter reduction using a source-to-sea approach, reinforcing the goal of nature-positive supply chains.

Objective 5: Strategic Financial Mechanisms and Private Sector Engagement

504. Innovative Financial Instruments: New financing models can unlock resources for pollution control and plastics reduction. By embedding clear environmental criteria into bonds and other financial products, investors and institutions can channel capital toward sustainable projects. Below are the key actions proposed under this focus area:

a. Pilot bonds such as pollution prevention bonds, blended finance, and other vehicles aimed at curbing plastic waste and reducing chemical usage.
b. Explore embedding pollution and plastics criteria (e.g., plastic neutrality) and transparency requirements in mainstream financial products.

c. Encourage the development of financial taxonomies that recognize chemicals, plastics, and waste risk as material factors, driving deeper private sector commitment.
d. Leverage focal area resources (e.g., GEF's non-grant instrument window) to complement and incentivize private investment in pollution prevention initiatives.

505. Optimizing GEF's Role: Through strategic use of grants and co-financing, the Global Environment Facility (GEF) can catalyze large-scale pollution control efforts. Identifying critical intervention points ensures resources are directed where they will have the greatest impact. Below are the key actions proposed under this focus area:

a. Identify key intervention points by conducting value chain and cost-benefit analyses, including the disposal costs for newly listed POPs, mercury, hazardous chemicals, and plastic waste streams.
b. Use performance-based grants and co-financing models to attract private capital for pollution control solutions, including cutting-edge plastics circularity initiatives.
c. Engage the private sector early in project design to establish a clear business case for pollution prevention as a strategic investment area.

506. Policy and Regulatory Linkages: Aligning financial incentives with robust policies strengthens overall pollution control strategies. By partnering with finance ministries and leveraging industry advocacy, governments can establish a supportive framework for safer chemicals and plastic waste management. Below are the key actions proposed under this focus area:

a. Partner with Ministries of Finance and other key institutions to integrate pollution risks into financial regulations (e.g., mandatory disclosures of plastic and chemical footprints).
b. Foster a policy advocacy role for industry to reduce regulatory uncertainty and champion reforms that expedite safer chemicals and plastic waste management.

Objective 6: Eliminating a Hazardous Legacy

507. Addressing Legacy Chemicals and Plastics Hotspots: Decades of unsustainable practices have left stockpiles of obsolete pesticides, POPs, and other hazardous materials. Targeted remediation and safe disposal are crucial for preventing further environmental and health risks. Below are the key actions proposed under this focus area:

a. Address legacy chemicals (e.g., PCBs, obsolete pesticides, POPs in stockpiles, contaminated sites, and mercury hotspots) in accordance with established Convention guidance.
b. Invest in cost-effective disposal and remediation aligned with Basel Convention guidelines for environmentally sound management.
c. Scale up local solutions for the environmentally sound disposal of legacy POPs and other hazardous stockpiles, preventing further releases into the environment.
d. Tackle plastic pollution hotspots (e.g., uncontrolled dumpsites, coastal areas) through integrated cleanup and remediation efforts, along with structural measures that avert future leakage.

Partnerships

508. IPs: Encourage cross focal area synergy (BD, CC, IW) to amplify impact and mainstream pollution prevention, particularly plastics, into broader development plans.

509. Stakeholders: Coordinate with the BRS, Minamata, GFC and Montreal Protocol Secretariats, as well as private sector, civil society, research institutions, and local communities.

510. Capacity Building for MEA Obligations: Support enabling activities, global monitoring, and reporting under relevant conventions (e.g., Stockholm, Minamata), while also anticipating forthcoming global frameworks on plastics

Key Contributions of the Integrated Programs to the Chemicals and Waste Focal Area

511. Across tropical forest regions such as the Amazon and Congo basins, integrated programs can support curbing mercury use in ASGM and reducing POPs and highly hazardous pesticides from agricultural runoff and logging. These approaches help countries meet their Minamata Convention obligations and encourage best practices like integrated pest management (IPM), thereby aligning with the CW focal area's efforts to eliminate hazardous substances. In island contexts, particularly SIDS, programs can support "source-to-sea" strategies that enhance solid waste and e-waste management and limit hazardous imports, ultimately reducing the volume of marine contaminants. Additionally, food systems initiatives can emphasize safer pesticides, regenerative agriculture, and improved aquaculture and livestock practices, thus addressing both POPs and the emerging issue of antimicrobial resistance in the environment.

512. In dryland regions, integrated programs can address heavy pesticide use during drought responses, preventing dangerous chemicals from accumulating in fragile ecosystems. By promoting sustainable pest control and better water management, these initiatives reduce soil contamination and salinization while bolstering policy frameworks and enforcement capacity. Urban-focused efforts can tackle municipal and industrial waste challenges by improving collection, recycling, and disposal systems; cities also benefit from nature-based solutions like natural infrastructure to filter pollutants, and from cleaner production methods in local industries to cut mercury and POP releases. Complementing these, circular approaches to plastics encourage safer material design, reduce hazardous additives, and prevent unintentional POPs from open burning or improper disposal.

STRATEGIC INITIATIVES

Blended Finance (Non-Grant Instrument)

513. It is recognized that ODA funds, while necessary, are insufficient to close the Nature Funding Gap. Together with traditional ODA assistance, new and innovative sources of financing must also be mobilized from other entities such as the private sector and philanthropy. The need to mobilize resources from both traditional and non-traditional sources is now commonly discussed, and explicitly reflected, in international environmental negotiations. Target 19[321] of the KMGBF[322] aims to mobilize $200 billion per year for biodiversity from "all sources". The CBD's recent COP-16 decision on resource mobilization[323] explicitly identifies the private sector and the role of blended finance. The UNFCCC COP-29's New Collective Quantified Goal finance[324] calls on all actors to work together to enable the scaling up of financing to developing country Parties from all public and private sources to at least $1.3 trillion per year by 2035. Resource mobilization from all sources is a topic that is featured in the recent 2023 Agreement on Biodiversity Beyond National Jurisdiction (2023)[325], and this topic also features in the ongoing discussions of the Intergovernmental Negotiating Committee (INC) on Plastic Pollution.[326]

514. During GEF-8, the guidance provided by COPs and MEAs has increasingly noted the need to mobilize large amounts of capital -including from the private sector- to finance countries' transition into a nature-positive future. Blended finance can be a highly effective tool to facilitate capital flows from the private sector. A recent OECD report cites blended finance effectiveness in mobilizing private sector investment, with total leverage reaching $70 billion in 2024, and yet notes that this remains a small portion of total global investment.[327]

The OECD defines Blended Finance as "the strategic use of development finance for the mobilization of additional finance towards sustainable development in developing countries."[328] *The primary goal of the GEF Blended Finance Global Program is to expand private sector investment aligned with GEF strategic priorities and to create replicable business models and financial structures to accelerate private investment in the environment. The GEF Blended Finance Program uses non-grant instruments (e.g., equity, loans, guarantees) that have the potential to generate reflows.*[329]

515. Convergence's "Blended Finance State of the Market" reported that blended finance increased to record highs in 2024, with climate-driven blended finance transactions as the primary

[321] https://www.cbd.int/gbf/targets/19
[322] https://www.cbd.int/doc/decisions/cop-15/cop-15-dec-04-en.pdf
[323] https://www.cbd.int/doc/decisions/cop-16/cop-16-dec-34-en.pdf
[324] https://unfccc.int/sites/default/files/resource/cma2024_L22_adv.pdf
[325] https://www.un.org/depts/los/convention_agreements/convention_overview_convention.htm
[326] https://www.unep.org/inc-plastic-pollution
[327] https://www.oecd.org/en/topics/leveraging-private-finance-for-development.html
[328] OECD DAC Blended Finance Principles https://www.oecd.org/en/publications/oecd-dac-blended-finance-principles_dc66bd9c-en.html
[329] GEF/C63/12 GEF Blended Finance Global Program and Non-Grant Instrument Policy Update

driver. Investment in other environmental areas such as biodiversity or pollution remained subdued.[330] The report also noted a reduction in overall ODA for climate but an increased participation of MDBs and DFIs in climate financing, which reached a six-year high and was central to the blended finance market rebound.

516. The GEF has proven to be a leading innovator in Blended Finance structures, which the GEF Partnership has effectively used to accelerate private sector investment in areas that deliver GEBs under the GEF Trust Fund.[331] The GEF-8 Blended Finance Global Program received a $196 million allocation and was established to create replicable business models and financial structures to demonstrate financial viability and to mobilize private sector investment in the environment. The GEF's work in this arena evolved from the early GEF cycles to target highly innovative projects in frontier areas such as biodiversity and de-risk investments to reach scale. Landmark transactions include the first ever sovereign Blue Bond in the Seychelles, the Rhino Bond in South Africa, or the Living Amazon Mechanism in Brazil. Several GEF projects were referenced by the report commissioned by the G20 Sustainable Finance Working Group as leading examples for nature-based solutions.[332] These highly innovative NGI projects resulted in breakthrough innovations in financial structures, generated important GEBs and achieved high co-financing ratios (on average 1:17) with strong participation of the private sector (1:12). This high mobilization ratio proves that the use of non-grant instruments can successfully help create risk and return profiles that can unlock private finance at scale.

517. To capitalize on this success, we propose to increase and mainstream the use of NGI for mobilizing private resources through all funding modalities of the GEF Family of Funds in GEF-9. Building on lessons learned from GEF-8, five strategic elements will guide GEF's efforts, as described below under "Scaling up the Blended Finance Window".

Lessons-Learned from the GEF-8 Global Blended Finance Program

518. The GEF and its Partner Agencies were among the first international organizations to pioneer the use of blended finance structures for renewable energy and energy efficiency, validating numerous business models still in use today. The GEF work in blended finance has evolved from the early GEF cycles, resulting in a separate set-aside during the GEF-4 replenishment negotiations. The goal of this separate window of financing was to expand private sector investment in GEF strategic priorities. The use of non-grant instruments such as debt, equity or guarantees at concessional terms offers unique advantages for private sector participation since it enables the GEF to support innovation through patient capital, de-risk financial structures, or lengthen maturities of financing (among other financial enhancements). Since GEF-6, the

[330] State of Blended Finance 2024 https://www.convergence.finance/resource/state-of-blended-finance-2024/view

[331] In the context of the GEF, non-grant instruments are instruments that provide financing in a form that has the potential to generate financial returns or the potential to repay principal to the original investment. These include debt, risk mitigation instruments, equity and performance-based financing, amongst others. GEF Blended Finance Global Program and NGI Policy Update GEF/C. 63/12

[332] Report Toolbox on Financing NBS 2024 included GEF funded projects GEF-8 Living Amazon Mechanism, GEF-7 AGRI-3 Fund and Food Securities Fund and GEF-6 Moringa Fund and Seychelles Sovereign Blue Bond.

proceeds/reflows generated by projects under this separate window of financing are required to be transferred to the GEF Trust Fund.[333]

519. Maintain flexibility in the terms and conditions of GEF financial products**.** GEF blended finance initiatives under several NGI windows have successfully invested in highly innovative projects, generated GEBs, and have achieved high co-financing ratios with strong participation of the private sector. Opportunities for innovation in GEF-9 will continue to require flexible financial conditions, long tenors and a high-risk appetite, including local currency financing. While equity is the most requested instrument for proof of concepts and first-of-a-kind projects, investments to reach scale in frontier areas require de-risking mechanisms. Risk mitigation instruments, concessional debt, and/or risk sharing mechanisms are also key for investments in LDCs and SIDS, which are underserved by private sector finance. Flexible instruments that include convertibility and contingency features can be instrumental for outcomes-based financing. GEF's innovation in financial structuring is aligned with GEF's mandate for innovation as reflected in the GEF Risk Appetite statement.[334]

520. New financial instruments add flexibility and incentives to GEF projects for GEB impact. The GEF Policy on NGI, approved in December 2022[335], added new financial instruments such as risk mitigation instruments, contingent and convertible grants as tools for outcome-based financing. These new additions facilitated the GEF's increasing collaboration with MDBs both with their sovereign and private sector operations. These instruments offer increased flexibility and support innovative market approaches, while directly incentivizing GEB generation. Outcome-based financing (such as the Coral Bond) helped catalyze investments in projects based on successful environmental outcomes. GEF investment materializes only when environmental outcomes are achieved, which in turn increases the efficient and effective use of resources under the Blended Finance window. Outcome-based bonds for conservation, convertible guarantees in debt for nature conversions, sustainability linked loans are also specifically designed to ensure that GEB generation remains at the core of the financial transaction.

Increasing Blended Finance through the GEF Family of Funds

521. Increased appetite from Countries to use blended finance structures.[336] GEF recipient countries recognize the benefits of using blended finance structures for national projects that seek to mobilize financing at scale. Single country projects represented 40% of GEF financing from the GEF-8 NGI window. Most of these projects were presented by the sovereign operations divisions of MDBs and requested de-risking instruments in single focal areas (such as Biodiversity or Climate Change Mitigation). Many of the countries expressed interest in keeping reflows at

[333] GEF/C.47/06 GEF-6 Non-grant Instrument Pilot and Updated Policy for Non-Grant Instruments
[334] GEF Risk Appetite GEF/C.66/13 https://www.thegef.org/sites/default/files/documents/2024-01/EN_GEF.C.66.13_GEF_Risk_Appetite.pdf
[335] GEF Blended Finance Global Program and NGI Policy Update GEF/C.63/12 https://www.thegef.org/sites/default/files/documents/2023-11/EN_GEF.C.63.12_GEF_Blended_Finance_Global_Program_and_NGI_Policy_Update.pdf
[336] As identified by the MOPAN Report as a step that needs to be taken, the GEF is seeking ways to further encourage and incentivize demand for blended finance.

country level, which applies when countries use their STAR and non-STAR allocation in the form of non-grant instruments. GEF-9 efforts will leverage this recent trend, and include an expansion of funding, modalities and partnerships to optimally deploy the blended finance approach across the GEF Family of Funds.

522. G20 Report on Vertical Climate and Environmental Funds[337] recommends increasing the use of NGI and the participation of MDBs; this is also underscored by OPS-8 early findings[338] and the forthcoming MOPAN Report[339]. GEF's work in blended finance also builds on the findings of the report commissioned by the G20 to a high-level working group on reviewing the work of Vertical Climate and Environmental Funds. The report calls for increased efficiency and coordination among Funds and highlights that resources from the GEF can help drive mobilization through financial structures that provide NGIs at high concessional terms to generate a multiplier effect. MDBs continue to play a pivotal role in catalyzing private sector investment in blended finance transactions.

Box 2: GEF-8 NGI Program Highlights

Projects in GEF-8 aimed to create new asset classes and financial structures that have the potential to transform industries and reach scale through capital markets. The GEF's flexible terms of financing remains a strong competitive advantage in negotiating strategic leverage opportunities.

A. GEF investment in outcome-based bonds, securitizations and debt for nature conversions:

- *Debt for Nature conversions- IDB (GEF ID 11324) Regional LAC.* The GEF financing provides a convertible guarantee as credit enhancements for sovereign Debt for Nature Conversions in at least three LAC countries. These instruments enable long-term financing for conservation, introduce incentives for achieving conservation commitments, and strengthen national frameworks for natural resource management. The GEF guarantee can convert to a grant targeted at conservation efforts if certain conservation milestones are met.
- *Living Amazon Mechanism -Funbio* (*GEF ID 11327) Brazil.* This project tests a securitization mechanism that leverages on a capital markets product called CRA (Agribusiness Receivable Certificate) to finance conservation activities of Amazon stewards (IPLCs) and SMEs in the value chain of Natura, a major player in Bioeconomy and a cosmetic company.
- *Coral Reef Bond -World Bank Group (GEF ID 11323) Indonesia*. The Indonesia "Coral Bond" is the world's first outcome-based bond for Marine Protected Areas, designed to improve management effectiveness and biodiversity outcomes in some 2 million hectares of coral reefs. This iteration has attracted a private financial institution as an outcome-payor and additional co-financing from the Agency. It also involves knowledge transfer to local Indonesian authorities through the Indonesia Environment Fund as the executing agency.

B. GEF investment in de-risking mechanisms to scale up solutions.

- *PSEEP -DBSA (GEF ID 11064) South Africa.* The project will establish a risk-sharing facility to encourage commercial lending for energy efficiency improvements by SMEs, leveraging private sector capital with a mobilization ratio of 1:16. Commercial lenders will accept 30% of the risk, while

[337] Accelerating Sustainable Finance for Emerging Markets and Developing Economies: Independent High-Level Expert Group Review of the Vertical Climate and Environmental Funds October 2024 https://g20sfwg.org/wp-content/uploads/2024/10/G20-IHLEG-VCEF-Review.pdf
[338] GEF/R.9/02: Preliminary Findings of the Eighth Overall Performance Study of the GEF
[339] MOPAN Assessment Report of the GEF, forthcoming in May 2025

the GEF provides a first loss guarantee. STAR resources will offer Technical Assistance to enhance financial institutions' capacity.

- *E-mobility Program -AFDB ("GMFA") (GEF ID 11671) Regional Africa.* The GMFA project aims to promote mobility solutions by attracting private sector investment to support the deployment of electric buses, electric 2-3 wheelers, and associated charging infrastructure in six African countries. The project builds on GEF-6 focal area e-mobility Program and aims to scale up mobility solutions across diverse markets, fostering broader adoption and significant environmental benefits.
- *Scope 3 Mechanism IFC World Bank Group (GEF ID 11326) Global.* The project aims to reduce Scope 3 emissions in the textile and apparel sector through the Global Supply Chain Decarbonization Platform. Several textile and apparel brands to provide loans to manufacturers and suppliers across emerging markets. In addition, the GEF will provide technical assistance through grants to mitigate the use of hazardous chemicals in the supply chain.

GEF-9 Upscaling Blended Finance

523. Building on lessons learned in GEF-9, we propose the following five strategic elements to respond to the needs and demands of larger impact and more private resources for GEF work:

524. Increase the Blended Finance Global Program funding window. Expert stakeholders suggested during the TAG meetings that GEF's resource allocation should increase, both to raise ambition and to fully benefit from the leverage effect of non-grant financial instruments. From GEF-6 to GEF-8, cumulative GEF investment in NGI reached $369.5 million with $6.4 billion in total co-financing (a ratio of 1:17), with over half ($3.5 billion) from the private sector. Experts also suggested the possibility of increasing the size per operation when GEBs and regional or global projects with high environmental impact require higher de-risking to attract private sector financing. In GEF-9, the $15 million investment cap per project will be lifted, allowing for greater flexibility and leverage potential.

525. Mainstream blended finance in the GEF Trust Fund with a Blended Finance Country Challenge Program. GEF recipient countries have increasingly expressed interest in using GEF financing to mobilize additional domestic and foreign private and public resources. In GEF-8, 40% of Blended Finance Global Program resources were allocated to single country projects. GEF blended finance investments, in the form of equity, guarantees, and loans (*inter alia*), can reduce investment risk for private capital. Blended finance projects are beneficial for GEF recipient countries, because they can amplify GEB impacts and sustainability, while generating financial reflows that will remain in-country, as they are not required to be repaid to the GEF.[340] Building on progress and lessons to date, the GEF will encourage countries to program a strategic share of their GEF-9 STAR and non-STAR resources in blended finance. Priority will be given to blended finance projects for which recipient countries propose to program their STAR allocations.

526. To encourage countries to achieve a higher multiplier effect of GEF-9 financing, a portion of the Blended Finance window will be used to promote the use of grant instruments through a Country Challenge Program. Participating countries will receive additional financing from the Blended Finance funding window when using their STAR and non-STAR focal areas allocations in the form of non-grant instruments to mobilize private sector financing. Integrated Programs in

[340] GEF/63/12 GEF Blended Finance Program and Non-Grant Instruments Policy

which private sector participation is central and may serve as an important source of leveraged financing will also include the possibility of using blended finance structures. These may include the Food Systems, Sustainable Cities, and Plastics IPs, among others. Increased use of non-grant instruments by countries will also likely result in an increased participation of MDBs as GEF agencies, -which could lead to breakthrough and scalable project designs aimed at accelerating private sector investment.

527. Increase relevant and timely technical support to countries. A major barrier to the use of blended finance is the complexity of operations, the need for grant financing at project preparation level, and the limited capacity of governments to engage in blended finance transactions. To address this issue, the GEF-9 Country Engagement Strategy, country platforms and the Focal Area programming priorities will provide for targeted and timely technical support to countries to develop strategic blended finance projects and to build the enabling conditions and policy coherence required for these often-complex initiatives. Focal Area priorities linked to blended finance include technical support for country capacity-building, project preparation, and facilitating coordination among stakeholders and government agencies.

528. Blended Finance throughout the Family of GEF Funds will be supported through Multi-Trust Fund Projects using non-grant instruments, with a special focus on integrating resistance and nature-based solutions. Such projects may deploy investments combining resources from the Global Blended Finance Program with resources from the SCCF Window B. For the GBFF, entry points to submit multi-trust fund projects will be identified as the GEF aligns project and program cycles enabling more effective complementary resourcing. The GEF will also seek to grow the SGP microfinance window to foster expanded, strategic use of blended finance. Such efforts would further mobilize women-owned businesses and other micro-enterprises, providing investments that benefit vulnerable populations, strengthen communities, and generate important GEBs.

529. Collaborate with the Financial Industry as a key lever for aligning financial flows. Disclosure, metrics, and measurement remain key challenges for investment in nature at scale, mostly in developing countries. The GEF participation and investment in the Taskforce on Nature-related Financial Disclosures (TNFD) supported the efforts to mainstream disclosures of nature-related financial risks and impacts by corporates and financial institutions as a necessary first step towards providing investors consistent, comparable and decision-useful information to incorporate nature-related considerations into investment decisions. Increased support for and coherence in approaches to develop and standardize metrics and financial disclosure requirements will be key to the future growth of financial flows to nature-positive activities. The GEF will work with Agencies that engage with the financial sector, including regulators and central banks, to increase efforts towards the alignment of financial flows with Conventions' priorities, such as Targets 14 and 15 of the KMGBF.

Country Engagement Strategy

530. Country engagement is the means through which the potential of the GEF is translated into possibility and to impact. The CES articulates how this potential - in financial and technical resources, in translation of science to robust strategy and best practice, and in partnership, political alliance and leverage-building – is translated into impact through effective empowerment of recipient countries and their key institutions, public, private, and civil society. Country empowerment, through the provision of information, capacity-building, technical support, financial resources, networks, and opportunities, aims to strengthen country ownership and integration of environmental goals and GEF-driven actions into national development strategies for lasting GEBs.

531. The effectiveness of the CES in translating GEF's potential into impact has drawn consistent recognition in recent GEF evaluations[341] as well as in the forthcoming MOPAN Evaluation of the GEF.[342] At the country level, the CES activities strengthen countries' ownership of environmental portfolios by intensifying support for impactful country outcomes through GEF financing and resources. This empowerment aligns with findings of the G20 report[343], which highlights the CES's role in improving coordination and transparency, enabling more impactful environmental investments. The GEF IEO's 2023 evaluation of the country support program[344] and early OPS-8 finding[345] emphasizes that the CES fosters stronger partnerships, driving measurable improvements in project design and implementation through meaningful engagement with governments, civil society, and the private sector, all of which demonstrate that the CES is a critical mechanism for the GEF in translating global environmental ambitions into country-driven actions and impacts.

532. The CES thus is the vehicle through which the full GEF-9 strategy is delivered. The CES also serves the entire family of GEF funds and as such will improve the synergies and efficiencies in all GEF resource programming with countries resulting in a more seamless and impactful set of investments. The CES also guides how the GEF Secretariat convenes, communicates, and collaborates across the GEF Partnership to achieve our shared aims of achieving lasting GEBs. Thus, the CES articulates how the GEF will bring together our broad partnership around its many interventions and relationships to provide efficient and effective technical support for portfolio development, to enhance policy coherence, and to leverage financial, institutional, and political resources to achieve our ambitious aims. To this end, the CES articulates how the GEF will support recipient country governments to become more integrated and aligned to delivering environmental outcomes.

Progress on Country Engagement in GEF-8

533. In November 2022, GEF Council approved the GEF-8 CES, noting "*The Country Engagement Strategy … builds on the past three decades of GEF's work focused on empowering*

[341] GEF/R.9/02: Preliminary Findings of the Eighth Overall Performance Study of the GEF
[342] MOPAN Assessment Report of the GEF, forthcoming in May 2025
[343] Accelerating Sustainable Finance for Emerging Markets and Developing Economies: Independent High-Level Expert Group Review of the Vertical Climate and Environmental Funds October 2024 https://g20sfwg.org/wp-content/uploads/2024/10/G20-IHLEG-VCEF-Review.pdf
[344] GEF IEO GEF Country Support Program (CSP) https://www.gefieo.org/evaluations/csp
[345] GEF/R.9/02: Preliminary Findings of the Eighth Overall Performance Study of the GEF

and supporting countries to achieve higher impact with GEF resources." GEF-8 CES piloted important new initiatives such as training and financial resources for Operational Focal Points (OFPs) to enhance their GEF portfolio management [346] and the Gustavo Fonseca Youth Conservation Leadership Program, supporting young scientists who will be at the helm of stewarding the global environment. GEF-8 also marked an important pivot towards a greater Country-focused approach, including increased engagement of GEF technical staff in upstream dialogues with OFPs and national partners for portfolio planning, focusing on enhancing policy coherence supporting alignment of actions and investments across government ministries. In GEF-8, efforts were made to learn from existing experiences in countries that had adopted national steering committees for GEF national governance. Country Platforms were also piloted in select countries.

CES Strategic Directions in GEF-9

534. The CES builds upon past investments to empower countries for maximum impact in the use of GEF resources[347], to advance GEF's policy coherence and whole of government integration, to build capacity and strategic opportunity for key GEF liaisons (Operational Focal Points, Political Focal Points, Ministries) to lead impactful country portfolios, to mobilize critical stakeholders for nature-positive governance, and increase communications, knowledge, and learning. The CES brings together the entire GEF family of funds for efficient, effective, and responsive support of GEF recipient countries.

535. Building on GEF-8 successes and key lessons as well as early OPS-8 findings[348], the forthcoming CES Evaluation and the impending MOPAN Report[349], the GEF's CES efforts in GEF-9 will center on the following 4 strategic lines: enhancing country ownership and OFP capacity, advancing the whole of government approach for policy coherence, supporting and empowering all stakeholders for maximum impact and shared benefits, and providing effective communications, knowledge, and learning opportunities, tools and products.

1. Enhancing Country Ownership and OFP Capacity

536. Country ownership of GEF investments requires that the GEF is understood and integrated in national development agendas, and that the GEF's key country liaisons (OFPs, PFPs, Ministries) are engaged in efforts to build knowledge, advance integrated planning, align policies and mobilize complementary resources to achieve and sustain GEBs.

OFP Empowerment

537. Given the central importance of OFPs to effective GEF delivery, strengthening the capabilities and influence of OFPs for national environmental leadership is a centerpiece of the CES. In GEF-9, OFP Empowerment will be anchored on three key pillars – building capacity

[346] As highlighted in the impending MOPAN Assessment, increasing support was provided to OFPs during GEF-8 to help identify the correct agencies for programming. MOPAN Assessment Report of the GEF, forthcoming in May 2025
[347] MOPAN Assessment Report of the GEF, forthcoming in May 2025
[348] GEF/R.9/02: Preliminary Findings of the Eighth Overall Performance Study of the GEF
[349] MOPAN Assessment Report of the GEF, forthcoming in May 2025

through the provision of knowledge and training, increasing financial and technical resource access for portfolio management, and enhancing OFP recognition as environmental leaders in their countries and their regions.

538. Building the capacity of OFPs will enable OFPs to efficiently and effectively manage their GEF portfolios and enhance policy coherence of GEF investments at country level. GEF-9 OFP capacity building efforts will include core GEF knowledge provision and skills training in investment portfolio development and management, blended finance[350], South-South exchanges to enhance replication of successful innovation, thematic meetings and webinars on emerging scientific and technical issues, among other topics.

Financial Support to OFPs

539. GEF-9 will continue the successful GEF-8 pilot of financial support to OFPs, providing essential resources to manage their GEF portfolios. The relatively modest funding provided for effective operational oversight is essential to supervising Implementing Agency delivery, to project-based learning, management, and to building OFP leadership.

Upstream Technical Dialogues

540. In addition to general training efforts, the GEF will continue direct, context-specific engagement with OFPs in Upstream Technical Dialogues, supported by GEF technical staff and Agency partners. Upstream efforts aim to support OFPs in the prioritization of GEB targets, optimization of portfolio design and leverage of complementary actions and investments – public, private, philanthropic. These Dialogues are demand-driven and will be prioritized at the beginning of GEF-9. They will be held both in-person and virtually and will be followed through the GEF-9 cycle with periodic portfolio reviews by OFPs and their GEF technical support partners.

2. Advancing the Whole of Government Approach for Policy Coherence

541. Successful GEF investments require that all relevant government entities participate and are aligned with environmental goals and priorities. GEF-8 pilots of the policy coherence approach and Country Platforms are forging a new path to integrating GEF investments into national development efforts, ensuring greater synergies and holistic planning in achieving environmental outcomes central to nature-positive growth, and providing opportunities to leverage and amplify financial resources and actions delivering GEBs. The forthcoming MOPAN Report notes that the GEF's commitment to a whole-of-government (and whole-of-society) approach makes its country outreach more nuanced and at the same time potentially more productive.[351] GEF-9 CES efforts will strengthen proven approaches, such as National Dialogues and Constituency meetings, and will expand and mainstream National Steering Committees[352] and Country Platforms.

542. These efforts will aim to position GEF investments as a strategic opportunity within each recipient country, working across agencies of the Executive Branch to integrate environmental values in national development strategies and investments. Advances in cross-ministry planning

[350] As identified by the MOPAN Report, further steps are needed to build country demand for loan finance and non-grant instruments. MOPAN Assessment Report of the GEF, forthcoming in May 2025
[351] MOPAN Assessment Report of the GEF, forthcoming in May 2025
[352] Ibid.

and policy coherence will enable greater domestic resource mobilization to further narrow the nature financing gap. Additionally, the GEF will increase efforts to engage and support PFP and OFP participation in national ministerial coalitions on environment and development priorities to build further synergies and leverage resources for nature positive development.

543. GEF-9 CES will furthermore aim to explore and pilot engagements with the Legislative Branch, working with national congresses on relevant policy coherence and domestic resource mobilization opportunities. Country engagement will not be limited to the national level in GEF-9, where we will seek strategic opportunities to partner with sub-national governments, where development efforts are commonly anchored. State-level land use planning, protected area and IPLC territorial management, and groundwater management efforts may benefit from sub-national government engagement.

National Steering Committees

544. The CES will promote National Steering Committees in willing countries to maximize coherence in programming GEF resources, aligned with national development priorities. National Steering Committees bring together key Ministries across recipient country governments to integrate environmental priorities and investments towards shared development aims. As several GEF recipient countries already have active National Steering Committees, the GEF-9 CES will learn from these experiences to scale up and mainstream to selected pilot countries in alignment with a whole of government approach.

National Dialogues

545. The CES will support National Dialogues, in coordination with (OFPs) to engage relevant national stakeholders to discuss and guide the programming of GEF resources in strategic portfolios and partnerships enabling maximum impact and leverage, particularly of domestic resources. National Dialogues are tailored to the needs of recipient countries. In GEF-9 National Dialogues will optimize investments across the GEF Family of Funds.

Country Platforms

546. The CES will encourage Countries to participate in Country Platforms with STAR resources and in collaboration with multilateral and bilateral donors to promote coordinated and synergistic investments in nature-positive development. Country Platforms were recognized and recommended by the G20 Sustainable Finance Working Group[299]. To date, the GEF family of funds has contributed to Country Platforms initiated by the International Monetary Fund (IMF) and the World Bank in Benin, Cote d'Ivoire, Madagascar and Seychelles, aligning GEF TF, LDCF, and SCCF investments for lasting impact across the spectrum of environmental challenges in these countries. These Country Platforms build on IMF Resilience and Sustainability Facilities (RSF) that are financing packages associated with a set of in-depth policy reforms and the requirement to catalyze private sector investment. In each country, the Country Platforms are jointly Chaired by Ministers of Finance and Environment and are directly linked to IMF climate policy reforms with substantial long-term concessional finance. The Country Platform in Madagascar, held in October 2024, was linked to an RSF totaling $321 million, which is conditioned on country-owned policy reform measures. The Madagascar Country Platform enhanced linkages between GEF programming and government priorities and catalyzed the development of a market-based

outcome bond for nature conservation, which the GEF is actively pursuing with the World Bank, as lead agency.

547. The CES will include specific provisions to support country platforms through the GEF Trust Fund and broader Family of Funds, as relevant. Support will be considered to incentivize Country Platform implementation, including GEF portfolio investment planning, aligning and leveraging priority investments in the RSFs, enhancing the use of blended finance and the GEF NGI, coordinating implementation of workstreams agreed to in the Country Platforms, and monitoring progress on policy alignment priorities in RSFs and associated investment plans. If a significant number of recipient countries express interest in portfolio planning and investment alignment through Country Platforms, the GEF may draw resources from focal area set asides to develop a technical assistance facility to provide expert technical assistance, capacity building, and shared learning.

GEF Constituency Meetings

548. Convened and chaired by Council Members, GEF Constituency Meetings bring together all countries in the Constituency to discuss and formulate official positions on the GEF Council agenda items. Constituencies may also convene these meetings to discuss Constituency governance matters. The Secretariat may organize the Constituency Meetings, either virtually or in-person, and may introduce certain Council items at the request of Council Members. Pre-Council meetings may also be organized on demand to support recipient country Council Members and Alternates to exchange views on the Council agenda and to develop common positions for more effective Constituency representation.

3. Supporting and Empowering all Stakeholders

549. The GEF-9 CES will also serve as a means of fostering approaches, to build understanding and partnership with all elements of society for nature-positive solutions. The CES will provide opportunities for enhanced stakeholder participation in GEF events, support for broad participation in regional and global policy dialogues, and enhanced communications efforts to increase knowledge and appreciation of the GEF Partnership.

GEF Seminars

550. GEF Seminars provide the core "GEF 101" content, offer guidance on project design with GEF technical staff and with STAP, and feature current GEF strategies and priorities. GEF *Introduction Seminars,* held twice annually in a virtual format, provide an enhanced understanding of the GEF, its policies, and operations to recipient country partners in government agencies, implementing agencies and CSOs. GEF-9 Introduction Seminars will be supplemented with online resources, including webinars, briefing documents, and training toolkits. Additionally, GEF-9 inception workshops will be conducted across all GEF regions to socialize and promote knowledge diffusion of GEF-9 strategies for IPs, focal areas, global initiatives, and cross-cutting themes to foster the effective implementation of GEF-9 activities.

Expanded Constituency Workshops

551. Expanded Constituency Workshop (ECWs) bring the GEF partnership together in every region annually, focused on priority themes, aligned to the stage of the replenishment cycle. ECWs

engage OFPs, PFPs, Convention Focal points, CSOs, IPLCs and youth to build relationships, knowledge, and opportunities to enhance understanding and cooperation across the whole of society ECWs provide an opportunity for the GEF to share information, to guide and support programming objectives, and to listen and learn from country partners and stakeholders.

Support to Key Stakeholders

552. Mobilizing the whole of society in support of nature-positive solutions will also require that the GEF support the participation of CSOs, IPLC, Women, Youth in GEF-relevant national, regional and global meetings. These include National Dialogues, ECWs, thematic conferences, as well as MEA COPs in which the voices of those most directly affected by global environmental challenges must be elevated and amplified to inform and influence decisions taken by the global community. Additionally, the GEF may provide targeted support to attend COPs to the Conventions, particularly for recipient countries with low capacity for purposes of long-term institutional capacity building for sustainable development.

The Gustavo Fonseca Youth Conservation Leadership Program

553. GEF-8 saw the launch of the "Fonseca Leadership Program" and to date we have supported over 127 young conservation leaders with graduate fellowships and field grants in all GEF regions. This support will ensure that we are preparing the next generation of conservation leaders to act and occupy strategic leadership positions in GEF recipient countries. The Program will continue in GEF-9, and we will expand the support for young leaders in all focal areas of the GEF.

4. Communications, Knowledge, and Learning

554. GEF Communications will be central to effective implementation of the CES, including by supporting engagement with political decision-makers and influential communicators, who can reinforce the GEF's goals in targeted countries, as well as with civil society stakeholders including youth, women and IPLCs and with the private sector. The GEF Policy on Communication and Visibility will guide GEF-9 CES communications efforts.

555. Knowledge sharing is an essential element of country empowerment. To further advance knowledge-sharing and help strengthen partnerships on the ground among stakeholders, the GEF will expand its activities for sharing best practices and lessons learned with key. OFPs lie at the center of these exchanges, through a Community of Practice that will enable South-South, regional exchanges, and trans-continental dialogues, for intensive and strategic knowledge sharing on best practices and challenges, including open exchanges on design, implementation, successes/failures, sustainability, co-financing, specific unplanned issues and their resolutions, any challenges with GEF Agencies, and feedback to the Secretariat. Knowledge and learning exchange will also be promoted through the global and regional platforms of the IPs.

556. Efforts to build awareness and value of the GEF's support for recipient country environmental efforts in GEF-9 will also include ongoing work that has started in GEF-8 to amplify the voices of a global network of GEF Project Communicators. Every GEF-accredited Implementing Agency and the majority of Executing Agencies have communications specialists that document and publicize successes and challenges on the front lines of conservation. Communicating the importance of GEF funding and project advances and the relevance of GEF investments to national development priorities will build understanding and support for more ambitious GEF financing and amplify existing domestic commitments to lasting impact.

Small Grants Program

557. Civil society, Indigenous Peoples, local communities, and youth and women groups, leaders and advocates around the world play critical roles shaping global development agendas. They deliver transformational solutions to global environment problems, bring rights holders and marginalized voices in national policy dialogues and elevate local needs in international negotiations and financing.

558. Evidence shows that empowered civil society, women, youth, Indigenous Peoples and local communities plays important roles in influencing and setting national and global agendas, supporting domestic policy coherence and implementation of multilateral environmental agreements.[353] They bring citizens' voices to national and international debates, initiate and implement local and lasting solutions, and elevate local needs in national and global strategies. Local actions conceived and executed by CSOs, and community-based organizations (CBOs) provide bottom-up approaches critical to conserving the environment.

559. Recent GEF IEO Evaluations and early OPS-8 findings[354] corroborates that community-based approaches, guided by community priorities and ownership, are linked to greater project sustainability and that good project design, focused on participatory planning and meaningful integration of communities in resource management, was a key factor in sustainability.[355] At the same time, barriers to civil society engagement are varied and numerous, ranging from legal structures, financing to institutional and cultural dynamics, and social norms.

560. Each of the MEAs continues to stress the critical need for translating global agreements into effective action at local, national and sectoral levels and engage with civil society and non-state actors in different ways. Interest of civil society in the work and implementation of these MEAs has grown exponentially over the years. The Kunming-Montreal Global Biodiversity Framework highlights the need to enable participation at all levels of government, with a view to

[353] Assorted references on the important roles of civil society, women, youth, and IPLCs in delivering global environmental benefits:

- Alejo C, Meyer C, Walker WS, Gorelik SR, Josse C, Aragon-Osejo JL, Rios S, Augusto C, Llanos A, Coomes OT and others. (2021) Are indigenous territories effective natural climate solutions? A neotropical analysis using matching methods and geographic discontinuity designs
- Brondízio, E.S, Yildiz Aumeeruddy-Thomas, Peter Bates, Joji Carino, Álvaro Fernández-Llamazares, Maurizio Farhan Ferrari, Kathleen Galvin, Victoria Reyes-García, Pam McElwee, Zsolt Molnar, Aibek Samakov, and Uttam Babu Shrestha (2021): Locally Based, Regionally Manifested, and Globally Relevant: Indigenous and Local Knowledge, Values, and Practices for Nature. *Annu. Rev. Environ. Resour*. 2021. 46:16.1–16.29
- Forest Peoples Programme, International Indigenous Forum on Biodiversity, Indigenous Women's Biodiversity Network, Centres of Distinction on Indigenous and Local Knowledge and Secretariat of the Convention on Biological Diversity (2020) Local Biodiversity Outlooks 2: The contributions of indigenous peoples and local communities to the implementation of the Strategic Plan for Biodiversity 2011–2020 and to renewing nature and cultures. A complement to the fifth edition of Global Biodiversity Outlook. Moreton-in-Marsh, England: Forest Peoples Programme.
- Child B, Cooney R. (2019) Local Commons for Global Benefits: Indigenous and community-based management of wild species, forests, and drylands. Scientific and Technical Advisory Panel to the Global Environment Facility, Washington, DC.

[354] GEF/R.9/02: Preliminary Findings of the Eighth Overall Performance Study of the GEF

[355] GEF IEO (2024), Evaluation of Community-Based Approaches at the GEF, https://www.gefieo.org/sites/default/files/documents/evaluations/community-based-approaches-vol1.pdf

fostering the full and effective contributions of women, youth, Indigenous Peoples and local communities, civil society organizations, the private and financial sectors, and stakeholders from all other sectors.

561. During the GEF-8 Replenishment negotiations the GEF reiterated the importance of enhancing engagement of non-state actors and focused on "whole of society" approaches emphasizing stakeholder engagement across different segments of society. The GEF-8 Strategy integrated new targeted efforts to expand support and engagement with civil society,[356] including increasing the ambition, scale and scope of the GEF SGP, elevating women empowerment responsive measures, facilitating renewed efforts to support young professionals and youth groups working with the MEAs[357], as well as the launch of the Fonseca Leadership Program (FLP)[358] and the second phase of the Inclusive Conservation Initiative (ICI).

562. Over the course of GEF-8, the GEF Secretariat has organized and facilitated dialogues and consultations with civil society, Indigenous Peoples, local communities, women and youth groups, including CSO Consultations[359], the GEF-7 Assembly Partnership Forum[360], GEF Expanded Constituency Workshops, and more recently a dedicated stocktaking and visioning exercise on expanding GEF's engagement and financing to civil society and SGP as part of the GEF-9 Technical Advisory Meeting. The below proposed strategic directions build on these consultations and early lessons learned advancing SGP in GEF-8.

Progress on SGP 2.0 in GEF-8

563. The GEF SGP has served as an essential element of the GEF's larger efforts to support strong engagement of civil society stakeholders and partners, providing financing as well as technical and capacity building support to Indigenous Peoples, local communities, women and youth to achieve the GEF mandate and mission. Since its inception in 1992, the program has supported close to 30,000 grants[361], administering over $1.5 billion of GEF funds to local communities and CSOs across 136 countries, and secured over $990 million in co-financing.

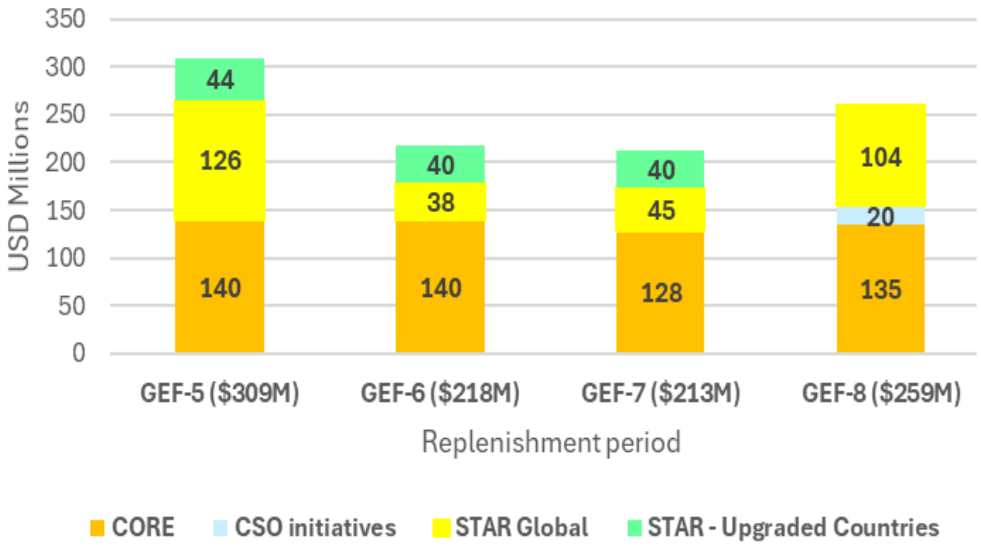
564. The approval of the SGP 2.0 Implementation Arrangements for GEF-8[362] responded to findings and recommendations of the joint IEO Evaluation of SGP,[363] affirmed GEF's ambitious

[356] For additional background see: GEF/C.63/Inf.15, p. 20.
[357] https://www.thegef.org/what-we-do/topics/gef-small-grants-program
[358] https://www.thegef.org/fonseca-leadership-program
[359] Including: "Enhancing Climate Resilience: The Role of Civil Society, and Indigenous Peoples and Local Communities." – June 2021 (https://www.thegef.org/events/gef-consultations-civil-society-enhancing-climate-resilience/"Youth-led Solutions to the Planet's Environmental Crisis" - Dec 2021 (https://www.thegef.org/events/gef-consultations-civil-society-youth-led-advocacy-and-solutions)/ Expanding Microfinancing to Support Local Actors and Actions for the Environment in GEF-8 and Beyond - June 2022 (https://www.thegef.org/events/gef-consultations-civil-society-inclusive-microfinancing)/ Civil society engagement with the Global Environmental Conventions that the GEF Serves - Nov 2022 (https://www.thegef.org/events/gef-consultations-civil-society-global-environmental-conventions)/ Consultations with Civil Society on Building Sustainable, Resilient, and Inclusive Cities - Feb 2024 (https://www.thegef.org/events/gef-consultations-civil-society-building-sustainable-resilient-and-inclusive-cities)/ Conversation on GEF initiatives and approaches to Civil Society -June 2024.
[360] See also https://enb.iisd.org/global-environment-facility-gef-assembly-7-daily-report-23aug2023
[361] UNDP. GEF Small Grants Programme Annual Monitoring Report. Key results, reporting year 2023-2024
[362] GEF/C.63/06/Rev.01, GEF Small Grants Programme 2.0 Implementation Arrangements
[363] GEF/E/C.60/01, Joint Evaluation of the GEF Small Grants Programme (2021)

SGP reform agenda and set forth a bold plan of action to expand, diversify, innovate and optimize the SGP model and approach. In line with these arrangements, the GEF Secretariat has led efforts towards implementing the new features and priorities of SGP 2.0. including:

- Diversified SGP implementing roles beyond UNDP. In 2023, FAO and CI were selected as the two additional SGP implementing agencies for the SGP Core global program. Together, these three agencies, with the support of the GEF Secretariat, are now collaborating closely, pooling together diverse experience and technical expertise for the benefit of SGP and supporting the continued expansion and evolution of SGP. In addition, SGP implementing roles were further expanded with the two new SGP CSO Initiatives.
- Expanded the SGP financing envelope, secured a 22% increase of financing to SGP since GEF-7 and increased country allocation of STAR to SGP by 20.4% since GEF-7.[364]
- Expanded country coverage. Eliminated the upgrading policy and facilitated equal access of SGP resources to all GEF eligible countries, increasing coverage to 136 compared to 124 countries in GEF-7.
- Innovated with two pilot and complementary approaches to enhance direct financing and support to youth, women, Indigenous Peoples and local communities, including the roll-out of the two SGP 2.0 CSO Initiatives, including (i) the CSO Challenge Program (led by IUCN), and (ii) the Microfinance Initiative (led by the WB), with $10 million allocated to each.
- Improved measures to increase efficiency of SGP resources and better capture and monitor important socio-economic benefit. In GEF-8, there has been an increased grant ratio of GEF SGP financing directly flowing to CSOs and CBOs to 72 % (compared to 62% in GEF-7) and introduction of a new results framework to better account for the full scope of SGP's results and impacts.

Figure 14: Resource allocations to GEF SPG across replenishment periods



[364] STAR resources increased from $85M in GEF-7 to $104M in GEF-8 (15 countries more countries than in GEF-7 decided to allocate STAR resources in GEF-8 - now 88 countries compared to 73 in GEF-7)

Proposed Strategic Directions for the GEF SGP in GEF-9

SGP Objective and Principles

565. The GEF SGP in GEF-9 will serve one dedicated pilar of the whole of society approach to enhance direct access to resources for civil society, Indigenous Peoples, women empowerment, and youth. SGP will continue to build on the GEF SGP 30 years' strong foundation and successes, as well as early achievements and lessons learned implementing SGP 2.0 in GEF-8.

566. The proposed strategic directions include renewed principles to further diversify and expand the scale and scope of SGP to provide increased financing and meaningful support to civil society, Indigenous Peoples, local communities and youth and women groups.

567. Underpinning GEF's ambition around a Whole of Society Approach, the proposed overall objective of the SGP for GEF-9 is to "catalyze and mobilize civil society actors and local actions, through increased financing, engagement and support to CSOs, Indigenous Peoples, youth and women that address global environmental issues, while helping to deliver on national MEA commitments and sustainable development."

568. In GEF-9, it is proposed that the GEF SGP continues the path set out in GEF-8 by adopting and strengthening the following principles and elements:

- *Expand the scale and scope*, by (i) incorporating targeted measures to support scaling out and up (based on lessons-learned, good practices and innovations) to support civil society organizations to partner in GEF projects and programs; and (ii) expanding criteria for SGP grantees to include civil society networks and platforms, including Indigenous Peoples, youth women groups affiliated to the MEAs that the GEF serve support their participation in national, regional, international events, platforms and networks. (ii) expanding criteria for SGP grantees to include civil society networks and platforms, including Indigenous Peoples, youth women groups affiliated to the MEAs that the GEF serves.
- *Extend and diversify GEF SGP implementing and executing partners*: While it is envisaged that the number of SGP Core Implementing Agencies (UNDP, FAO, and CI) selected in GEF-8 will remain, new measures in GEF-9, would (i) strengthen execution roles of regional and national NGOs and CSOs in SGP core; (ii) expand GEF Agency participation through other GEF financed windows; and (iii) opening up SGP core tranches to all three SGP implementing agencies at the same time to ensure equal opportunities for all agencies to engage with countries, expanding country choice.
- *Enhance SGP Community of Practices and Learning Platform*s to ensure program coherency and strengthen knowledge sharing, as well as reporting and communication among SGP grantees, country officials, implementing agencies, and other partners (e.g. south-to south learning platforms), capturing and sharing best practices and innovative solutions across multiple, multi country SGP projects and CBA approaches.
- *Strengthen monitoring, reporting and efficiency measures*, including (i) maintain the increased grant ratio of SGP financing directly flowing to CSOs and CBOs as set at 72% in GEF-8; and (ii) build on SGP 2.0 SGP Results framework introduced in GEF-8 and

strengthen measures to better monitor, capture and report on SGP results and operational aspects, including relevant socio-economic benefits[365] and co-benefits.[366]

- *Review the equal distribution of SGP core financing* among countries, ensuring equal distribution and access by all GEF-eligible countries, and country absorption capacity.

SGP Thematic Approaches and Priorities in GEF-9

569. During GEF-9, building on its longstanding foundations and the early achievements attained during the implementation of the SGP 2.0 in GEF-8, the GEF SGP will continue to expand and enhance its size, scale and scope. As an overarching strategy, SGP will continue to promote its landscape and seascape approach and enhance capacities of bottom-up, country-driven and decentralized country programs. It is also envisaged that, consistent with the GEF-8 SGP Strategy, that SGP would continue to prioritize SGP grantmaking at the national level to support (i) community-based management of threatened ecosystems and species, (ii) durable agriculture and fisheries, and food security, (iii) low-impact energy access and co-benefits, (iv) local to global coalitions for chemicals and waste management, and (v) catalyzing sustainable urban solutions. This strategy will be implemented through a four-pronged approach:

570. Enhance the scale and scope of SGP Core Program: Building on over 30 years of the successful implementation of SGP program and the renewed ambition, strategy and principles introduced in GEF-8, the SGP global core program will have an enhanced focus on IPLCs, women and youth. Consistent with GEF-8 SGP Strategy, the SGP will continue to adapt, and augment the landscape and seascape approach and thematic priorities, with additional focus on scaling up and out, innovation and expanding criteria to include national civil society networks linked to the MEAs. To achieve this, the SGP proposes the following: increasing the overall GEF financing envelope allocated to the SGP; maintaining the three SGP Implementing Agencies introduced in GEF-8, whilst extending the role and requirements of CSO executing entities; updating the disbursement mechanism through unified tranches to ensure equal opportunities for the newer SGP Implementing Agencies to establish SGP country programs in GEF-9.

571. Consolidate and enhance two SGP CSO Strategic Initiatives: CSO Challenge Program: Building on the early lessons learned from the GEF-8 SGP CSO Challenge Program, this complementary window will provide the SGP with opportunities outside the traditional landscape and seascape approach, to better align SGP grantmaking to the needs of civil society actors to engage, influence, support and deliver on national MEA commitments, plans and targets. The program will prioritize youth and youth-led civil society organizations, women and women groups as well as Indigenous Peoples and identify and implement scalable CSO and CBO-led local actions to directly contribute to national MEA priorities, plans, targets and metrics. This window will also allow for the enhanced engagement of civil society in MEA-related national, regional/international events, platforms and networks and expand the scope of SGP beneficiaries to include youth, women networks & platforms affiliated to MEAs. It will include opportunities for scaling up successful, high impact, innovative civil society environmental initiatives and approaches in relevant GEF projects and programs.

[365] The need to track socio-economic co-benefits across the GEF Portfolio is also identified by the impending MOPAN Assessment Report of the GEF, forthcoming in May 2025.
[366] GEF/C.66/12 Tracking and Measuring the Socio-Economic Co-benefits of GEF investments.

572. SGP Microfinance private sector engagement window**:** Building on the GEF-8 SGP 2.0 Microfinance Initiative and other experiences across the GEF project portfolio, we propose a renewed complementary financing window to further explore, expand and incentivize scalable MFI and private sector engagement and linkages with the SGP. This window will look to strengthen MFIs' capacities, products and services to provide technical and financial support to SGP nature-based MSEs and producers, with a focus on Indigenous Peoples, women and youth enterprises and entrepreneurship. The overall aim is to help strengthen and scale up selected SGP initiatives by providing training and mentoring, capacity development, and mobilize complementary financing through private sector funding and blended finance approaches.

573. Establish a GEF SGP Global Learning platform: Recognizing the increased need for collective communication, reporting, knowledge-sharing, learning and results-oriented monitoring across an increasingly diverse SGP landscape, with more SGP implementing agencies with varied approaches, increased country coverage, and complementary CSO initiatives and approaches, SGP in GEF-9 will introduce a dedicated GEF SGP Global Learning Platform, aiming to: leverage and capture diverse SGP Implementing Agencies', Community-based and Whole of Society approaches, best practices and lessons learned, to identify successful and scalable initiatives feeding into MSP, FSPs and IPs; improve GEF's knowledge base; facilitate cross-learning among SGP grantees and partners, and experience sharing e.g. south-south exchanges, thematic dialogues; facilitate regional, thematic capacity building efforts e.g. online training courses and webinars; increase and harmonize strategic communication and reporting needs to enhance visibility, awareness raising among GEF partners; introduce a results-oriented monitoring system, based on in-country visits, beyond usual-practice reporting and M&E. The global learning platform will build on experiences from similar platforms, including GEF Integrated Programs Global Platforms and lessons learned from SGP in GEF-8. The SGP platform will underpin, integrate and support vertical and horizontal linkages between the SGP global Core program, the targeted CSO initiatives and civil society and community-based approaches within the wider GEF project and program portfolio platform. It is envisaged that it would be implemented as an inter-agency platform for collaboration and collective learning.

574. Incorporate Targeted SGP-type components in selected GEF-9 Integrated Programs: Considering the SGP as a proven and successful delivery mechanism for civil society engagement and local action, promoting the incorporation of SGP-type components and other community-based approaches into relevant GEF-9 Integrated Programs, FSPs and MSPs, with the aim to boost finance and the engagement of civil society actors across GEF programming.

575. Strengthen monitoring, reporting and efficiency measures: Building on the renewed effort in GEF-8 to increase efficiency and improving the monitoring and results framework as described in the GEF SGP 2.0 Operational Guidelines for GEF-8,[367] SGP in GEF-9 will (i) improve the monitoring of the efficacy of the increased 72% grant ratio introduced in GEF-8, while recognizing the need for capacity development and learning; and (ii) build on the SGP 2.0 Results framework introduced in GEF-8 and strengthen measures to better monitor, capture, report and communicate on SGP achievements and impact.

[367] GEF SGP 2.0 Operational Guidelines for GEF-8: https://www.thegef.org/documents/gef-small-grants-programme-2-0-operational-guidelines-gef-8

Innovation Window

576. The GEF-8 Programming Directions included a strategic priority on advancing innovation to support its work on promoting transformative change in systems that drive environmental degradation. The Innovation Window was approved as a Global Program with $12.34 million in funding to further strengthen the GEF as an innovative institution in global environment finance. GEF financing under the Innovation Window was established to invest in activities that both directly and indirectly support and enhance the impact of GEF investments. As the financial mechanism of MEAs and with its programming portfolio that is increasingly targeted to integrated solutions, the Innovation Window is intended for the GEF to harness expertise and strengths of diverse technical entities for innovations that will drive systems change toward sustainability.

577. During GEF-8, the following five areas of innovation were considered for programming under the window based on guidance from the STAP[368]:

- Technological innovation, for example, new products and processes and significant technical changes in existing products and processes;
- Financial innovation, for example, new funding vehicles, generating funds by tapping new funding sources, and blended finance models;
- Business model innovation, for example, new ways to generate revenue, reduce costs, deliver products and services, and create value;
- Policy innovation, for example, develop and implement new and effective policies, approaches, and strategies to address societal challenges; and
- Institutional innovation, for example, changing formal organizations (e.g. government agencies, and business associations), and markets, as well as values, beliefs, and customs which guide people's behavior.

578. The call for proposals generated considerable interest from diverse entities around the world, with a total of 128 proposals received, requesting a total of $244 million. The global coverage, institutional representation, and innovations targeted by these proposals reinforced the importance of this window. Through a rigorous initial screening and review process by the Secretariat and STAP, a cohort of 27 proposals was identified as eligible for funding under the window. The cohort together covers a wide range of issues, cut across multiple GEF programming areas, geographical balance, and institutional representation, all of which will contribute innovations toward pathways for a healthy planet and healthy people. However, the total funding requested by this cohort of proposals was US$ 51.9 million, which far exceeded the amount available for programming.

579. A final cohort funding as medium-sized projects was decided following consultation with STAP, which helped to prioritize the proposals with respect to significance of innovations proposed, anchoring on the latest science, and potential to generate and contribute new knowledge that can support GEF mandate and beyond. The Secretariat also considered additional criteria including geographical coverage, complementarity with other GEF funding windows, balance

[368] GEF STAP GEF/STAP/C.64/Inf.06 Leveraging Innovation for Transformational Change https://www.thegef.org/council-meeting-documents/gef-stap-c-64-inf-06

between GEF agencies to maximize engagement, and diversity of non-GEF entities involved A summary of the selected proposals is presented in Table 5.

Table 5: Projects under the GEF-8 Innovation Window

Title	GEF Agency	Partners
Collaboration for Complex Challenges: addressing the food-biodiversity-climate nexus	UNDP	Wageningen Centre for Development Innovation, FAO, UNEP
Accelerating Rapid Transition of Subsidies and Incentives Grants Mechanism	CI	Critical Ecosystems Partnership Fund, Blue Nature Alliance
Nature-Positive Private Finance and Investments	WWF	Finance for Biodiversity Foundation, UNEP Finance Initiative
Accelerating Integration, Policy Coherence, and Food Systems Investment – Learning from Africa's Food Systems Vanguard Countries	WB	Africa Food Systems Alliance, Global Alliance for Improved Nutrition, World-Wide Fund for Nature, 4SD Foundation
Revolutionizing Indicators of (Un)sustainable Wildlife Use and Trade by Harnessing social media Big Data	IUCN	The Wildlife Trade Monitoring Network (TRAFFIC), UNEP WCMC University of Cambridge, University of Helsinki, University of Oxford
Jaguar Corridors in the Face of Rapid Environmental Change: A Dynamic Monitoring and Assessment System for Prioritizing Conservation Investments	WWF	Google, TerrAdapt
AgroWeb3 powered by LAC Chain: EU Deforestation Regulation Compliance Window	IFAD	IADB, European Space Agency , European Institute of Innovation for Sustainability, the French National Research Institute for Agriculture, Food and Environment

580. The GEF-8 programming process offered invaluable insights on how to make the innovation window even more effective for addressing GEF priorities. Furthermore, the seven funded projects will demonstrate the importance of such targeted investments for mobilizing scientific and technical entities to generate global public goods. Given the unique nature of the funding window, the GEF Secretariat will engage with agencies and STAP to interact with the projects during implementation for experiential learning that will help inform GEF-9 programming.

Proposed Approach for GEF-9

581. In GEF-9, the GEF Secretariat will work to further strengthen the Innovation Window. A key emphasis will be on prioritizing innovations that cannot be pursued by other GEF funding modalities across the family of funds. This distinction will ensure that the Innovation Window delivers value-adds beyond GEF's regular programming while at the same time generating knowledge that becomes available as a global public good.

582. Building on successful programming in GEF-8, the GEF will identify a small set of immediate and urgent priorities where innovation can play a critical role in advancing or scaling action for a Healthy Planet and Healthy People. Emphasis will be placed on priorities that will strengthen the overall GEF-9 strategic direction, including the following:

583. *Technological innovation* – The growing urgency for countries to embrace nature positive pathways in their national development will benefit greatly from technology innovations across diverse sectors. From development and piloting of new products and processes to technical changes in existing products and processes, such innovations will enable the GEF to harness expertise from diverse entities focused on developing country regions. A particular focus will be on cutting-edge technology innovations such as the use of AI and blockchain, which have potential for scaling-up investments to deliver impactful environmental outcomes and for driving transformative change in systems.

584. *Business Model innovation* – The GEF is committed to a whole of society approach to addressing global environmental challenges, which emphasizes integration, inclusiveness, and impact. To strengthen the approach, there is need for targeted investments in innovative business models that create synergies for environmental sustainability while avoiding negative tradeoffs. Such models can include new ways to generate revenue, reduce costs, deliver products and services, and create value.

585. Consistent with the overall GEF-9 programming direction, the Secretariat will ensure that all investments through innovation will be anchored on a clear theory of change, including pathways and assumptions for influencing transformative change in systems. The programming will also give due consideration to engagement of youth and women, where there is clear opportunity to empower them as entrepreneurs and key actors for driving such change.