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GUIDELINES ON THE PROJECT AND PROGRAM CYCLE POLICY (2025 UPDATE)

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INTRODUCTION

1. These Guidelines serve to clarify GEF policies, processes and procedures related to the Project and Program Cycle. They are derived from the GEF Project and Program Cycle Policy and its original Guidelines (dated June 2017), Replenishment resolutions, Council-approved policies, and their associated CEO-approved Guidelines already circulated to Council for information. Various clarifying edits have also been made to reflect, among others, capabilities of new GEF systems (e.g. GEF Portal), where guidance is no longer relevant, and updated references.
2. All GEF Policies and Guidelines are available at the [GEF website](#). Updated guidelines on conducting Terminal Evaluations are made available separately by the GEF Independent Evaluation Office¹ and by STAP for screening GEF projects.²
3. All templates are available both publicly at the [GEF website](#) and to authorized users through the GEF Portal.
4. The Guidelines are effective from October 21, 2025.³ They are intended as a living document, to be updated as new guidance, information and implementation experience becomes available.

SUMMARY OF KEY UPDATES IN THIS VERSION

5. **Action 1:** Per the Council approval to increase the cap for Medium-Sized Projects from US\$ 2 million to US\$ 5 million, the Agencies and Countries are encouraged to use the one-step MSP approach as appropriate to expedite projects approvals. Additional clarifications on the level of PMC/PPG/M&E, enabling activities thresholds, and cancellation deadlines, among others.
6. **Action 2:** Agencies should limit the length of the sections in the PIF (for FSPs and MSPs) and MSP one-step Templates as follows:
 - Project Summary: maximum 1/2 page.
 - Project Rationale: maximum 3-5 pages.
 - Project description: maximum 3-5 pages.
 - Institutional Arrangements and Coordination and Cooperation with Ongoing Initiatives and Projects: maximum 1-2 pages.

¹ Guidelines for Conducting Terminal Evaluations of Full-Size Projects 2023, <https://www.gefio.org/evaluations/terminal-evaluations-2023>

² STAP Guidelines for Screening GEF Projects, <https://stapgef.org/resources/advisory-documents/stap-guidelines-screening-gef-projects>

³ Revised procedures apply to original/initial submissions after this date (PIFs, PFDs, One Step MSPs, EAs, CEO Endorsements, CEO Approvals) as applicable, further described in respective Annexes.

- Alignment with GEF-8 Programming Strategies and Country/Regional Priorities: maximum 1 page.

7. **Action 3:** Agencies are required to submit CEO Endorsement requests (for FSPs)/CEO Approvals (for MSPs) with sufficient time for GEFSEC Review and Council circulation as appropriate. For instance, for projects not requiring circulation to Council, submission to GEF Secretariat should occur at least 8 weeks prior to the automatic cancellation trigger date. For projects requiring circulation to Council, submission to GEF Secretariat should occur at least 12 weeks prior to the automatic cancellation trigger date.

8. **Action 4:** It is recommended to use a Steering Committee approach to in-country coordination and planning of GEF investments.

9. **Action 5:** Clarifications are provided in Annex 7 with regards to exceptions for a GEF Agency providing execution services. Such exceptions for the dual role of implementation and execution by a GEF Agency are limited to the following:

- (a) Due to legislative or regulatory restrictions in the country, executing entities are prohibited from receiving GEF funds;
- (b) Per the capacity assessment carried out by the GEF Agency, there is a limited or inadequate fiduciary and/or procurement capacities in potential executing partners, as assessed by the GEF Agency;
- (c) Fragile and Conflict-affected Situations (FCS) and/or post-natural disaster situations.
- (d) Global or regional coordination child projects for Programs, global or regional platforms for knowledge sharing and Umbrella Enabling Activities for a group of countries.
- (e) NGI projects.

10. In cases (a) and (b) above, execution services are limited to administrative, financial and procurement support. Any costs incurred by the Agency in terms of the performance of a dual role, including costs for capacity building support for executing agencies, are to be covered from co-financing or Agency fee and not from the GEF financing.

11. **Action 6:** If there is a significant change that results in substantial changes to expected Core Indicator outcomes or a request by the GEF Agency for the dual role of implementation and execution (or change to another GEF Agency for execution) after CEO Endorsement/Approval, this should be processed as Major amendment.

12. **Action 7:** GEF SGP projects will follow provisions included in these guidelines, unless otherwise stated in the SGP 2.0 Implementation Arrangements for GEF-8 (GEF/C.63/06/Rev.01)⁴, approved by the GEF Council in 2022.

⁴ GEF/C.63/06/Rev.01, *GEF Small Grants Programme 2.0 Implementation Arrangements for GEF-8*, 31 October 2022. See: <https://www.thegef.org/council-meeting-documents/gef-c-63-06-rev-01>

ANNEX 1: GEF OPERATIONAL FOCAL POINT LETTER OF ENDORSEMENT

I. INTRODUCTION

1. Through the Letter of Endorsement (LoE), the GEF Operational Focal Point (GEF OFP)⁵ confirms the project is consistent with national priorities, has been discussed with relevant stakeholders, and that the country has committed to providing the necessary support to the project, while aiming to achieve its expected results and long-lasting impacts.⁶ This guideline clarifies the procedures and requirements in the preparation and use of LoE.

II. GUIDELINES ON THE USE OF OFP LETTER OF ENDORSEMENT

2. The LoE signed by the current country's GEF OFP is a requirement when requesting GEF funding through any of the following:

- Project Identification Form (PIF) for Full-sized Project or Medium-sized Project (two-step)
- Program Framework Document (PFD) for Programs
- Medium-sized Project (one-step)
- Project Preparation Grant (if separately requested from PIF or from PFD Child Projects)
- Enabling Activities submitted through a GEF Agency (including umbrella projects)⁷
- Major amendments (for EAs, MSPs or FSPs).⁸

3. Electronic signature or similar confirmation by the OFP is valid. The relevant authorizing OFP is the one named and effective in the GEF database at the time of submission of the PIF/PFD to the Secretariat. A new LOE is not required in the event of a change in OFP during the project cycle.

4. The LoE details the GEF project financing being requested, including project preparation grants (if any) and associated Agency fees related to project financing and preparation grants.

⁵ The GEF Operational Focal Point is a government official nominated by a GEF Participant (as defined by the Instrument) who acts as the principal contact point for GEF activities in the country. A list of all GEF OFPs can be found here: https://www.thegef.org/focal_points_list

⁶ The GEF shall fund programs and projects which are country-driven and based on national priorities designed to support sustainable development and shall maintain sufficient flexibility to respond to changing circumstances in order to achieve its purposes – see Instrument for the Establishment of the Restructured Global Environment Facility, March 2015 – paragraph 4.

⁷ For umbrella projects, LoE for all participant countries need to be submitted at CEO Endorsement/Approval request at the latest.

⁸ When requesting an increase in the GEF project financing or major amendments, see guidelines on project amendment, drop, suspension and cancellation.

The LoE needs to be included at the time of PIF/PFD submission for FSPs, two-step MSPs and Child Projects included in Programs. It must be included at the time of MSP Approval Request submission for one-step MSPs or EA Approval Request for Enabling Activities submitted through a GEF Agency. In cases where a PPG was not requested at the time of PIF⁹ clearance/approval, the GEF OFP letter of endorsement requesting such a PPG may be submitted separately using the same template together with the Request for Project Preparation Grant Template.

5. The GEF OFP LoE is required for all GEF projects, including those with funding allocations from non-STAR focal areas (Chemicals and Waste, Climate Change Adaptation, and International Waters). The LoE must certify the project's activities are aligned with national priorities and also supported by the country. It also needs to include explicit reference to any project preparation grants (PPG) and associated Agency fees as per the format in the standard LoE template.

6. For Regional/Global projects or enabling activities with individual country allocations, the OFP LoEs should include either the country's individual allocation or the total GEF funding request including GEF Financing, PPGs and associated fees. If individual country allocations are not identified, the OFP LoEs should only include the aggregate total GEF funding request with the GEF Financing, PPGs and associated fees for all participating countries.

7. LoEs are **not** required in the following cases:

- (a) Global or regional projects with no GEF project-funded activities in the countries;
- (b) Projects or Programs using Non-Grant Instruments in which there are public sector beneficiaries in more than one country;¹⁰
- (c) Projects or Programs using Non-Grant Instruments in which the beneficiaries are private sector actors exclusively;
- (d) Global or Regional coordination child projects for Programs.

8. For global or regional projects with GEF project-funded activities in countries, all participant countries may not be identified by the time of PIF submission. If, during the preparation phase, a new country is identified, the GEF OFP Letter of Endorsement for the new participant country needs to be submitted by the time of CEO Endorsement/Approval request at the latest.

9. If the LoE is in a language other than English, it is to be accompanied by a copy translated into English. An unofficial translation is sufficient. The GEF OFP must use the LoE templates on

⁹ Or Child Projects for Programs.

¹⁰ Revised Strategy for Enhancing Engagement with the Private Sector - GEF/C.41/09/Rev.01 – page 11. Also see Operational Modalities for Public Private Partnership Programs - GEF/C.42/Inf.08 – page 2 and page 8. Conversely, GEF OFP Letter of Endorsement is required if the proposed PPP is specific to one country.

the GEF website; this template contains the minimum information requested. If the LoE template is modified or parts removed, a new LoE will be requested.

10. The LoE should not include reference to an exception for implementation and execution by the same GEF Agency.

III. RELATED POLICY DOCUMENTS

- *GEF Project and Program Cycle Policy*, OP/PL/01, July 2025
- *Project Cancellation Policy*: OP/PL/02, July 2025
- *Policy on the System of Transparent Allocation of Resources (STAR), GA/PL/01 and Guidelines for STAR, GA/GN/01, July 2018*

IV. RELATED REFERENCES

- *Revised Strategy for Enhancing Engagement with the Private Sector*, GEF/C.41/09/Rev.01, November 2011
- *GEF Project and Programmatic Approach Cycles*, GEF/C.39/Inf.3, November 2010
- *Streamlining the Project Cycle & Refining the Programmatic Approach*, GEF/C.38/5/Rev.1, July 2010
- *From Projects to Programs: Clarifying the Programmatic Approach in the GEF Portfolio*, GEF/C.33/6, April 2008
- *GEF Project Cycle Update: Clarification of Policies and Procedures for Project Amendments and Drops/Cancellation*, GEF/C.24/Inf.5, November 2004
- *GEF Project Cycle: An Update*, GEF/C.22/Inf.9, November 2003
- *GEF Project Cycle*, GEF/C.4/7, May 1995

ANNEX 2: PROJECT PREPARATION GRANT

I. INTRODUCTION

1. A Project Preparation Grant (PPG) is the funding provided to support preparation of a full-sized project (FSP) or medium-sized project (MSP). Where feasible, PPG could complement other sources of finance for project preparation. Requesting PPG funds is optional. There may be cases where GEF PPG funds are not required or where the level of project preparation is already sufficiently advanced. This guideline clarifies the required process to request PPG funds, as well as the type of activities that can be covered with these funds.

II. GUIDELINES ON PROJECT PREPARATION GRANT (PPG)

2. Requesting a PPG: A PPG request can be submitted in the following time frame in accordance with the project needs. The CEO decides whether to approve the PPG¹¹:

- (a) PPGs can be requested as part of the submission of a Project Identification Form (PIF) for both FSPs or for MSPs using a two-step approval process by selecting the appropriate box in the Portal. PPGs are not available for Enabling Activities.¹²
- (b) Letters of Endorsement (LOEs) are required for PPGs. Please see Annex 1 for additional details, including exceptions.
- (c) If not requested at PIF stage, PPGs can also be requested separately any time before the CEO endorsement submission of FSPs or CEO approval submission of MSPs. The request for PPG should be submitted through the Portal.
- (d) For MSPs using the one-step approval process that may have advanced the use of a PPG, this PPG amount can be included for reimbursement as part of the MSP submission for CEO approval. The appropriate box of the one-step MSP approval template in the Portal should be selected.
- (e) For Child Projects under a program, PPGs can be individually requested when Council approves the Program Framework Document (PFD). They can also be requested before Child Projects are submitted for CEO endorsement or approval.

¹¹ Project and Program Cycle Policy, Policy OP/PL/ 01, December 2018

¹² The Project and Program Cycle Policy defines PPG as “the funding provided to support the preparation of a FSP or MSP” (page 4). An Enabling Activity funds preparation of a plan, strategy or report to fulfil commitments under a Convention and in this respect already funds preparatory activities.

3. Limits for PPG Amount: The amount of PPG that can be requested is proportional to the size of the project (amount of GEF Financing excluding Agency Fee) as follows:¹³

- (a) For MSPs up to USD 2 million the limit is USD 50,000;
- (b) For MSPs of more than USD 2 million and up to USD 3 million, the limit is USD 100,000;
- (c) For MSPs of more than USD 3 million and up to USD 5 million, the limit is USD 150,000;
- (d) For FSPs of more than USD 5 million and up to USD 6 million, the limit is USD 150,000;
- (e) For FSPs of more than USD 6 million and up to USD 10 million, the limit is USD 200,000; and
- (f) For FSPs of more USD 10 million, the limit is USD 300,000.

4. PPG fee: The percentage of PPG fee follows the fee level of the related FSP, MSP or Program and is irrespective of the size of the PPG. The GEF Agency can request the PPG fee in full from the Trustee upon approval of the PPG.

5. Approval of PPGs: The CEO issues a PIF clearance letter for FSPs and the approval of PPGs and associated fee once the PIF is included in the work program. Similarly, when a two-step MSP PIF is approved by the CEO, a PIF and PPG approval letter is issued, including associated fee. For a one-step MSP, the CEO issues an MSP approval letter that includes the associated fee and reimbursable PPG, if any. For PFDs, the CEO issues a PFD approval letter of PPGs and associated fee for child projects once the PFD is approved by Council.

6. PPG administration: the participant country/ies and the GEF Agency should agree on modalities for administering the PPG resources.

7. Eligible Activities Covered by PPGs: The GEF Agency together with the executing partner (if already identified) and the recipient country agree on the activities needed for preparing the project. A list of eligible and ineligible PPG activities is provided in Table 1 and 2. PPG funds cannot be used for project implementation/execution as they are approved: i) under the terms that they are for preparatory activities, and ii) in the amount stipulated in the LOE and approval documents.

8. Reporting Requirements for PPG: By the time the project is submitted for CEO Endorsement/Approval, the PPG funding might have been fully utilized and reported in detail

¹³ On an exceptional basis, higher PPG amounts may be approved by the CEO, based on the Secretariat's assessment of the justification provided by the GEF Agency. Child Projects under a program follow the same rule as regular FSPs or MSPs.

under the respective Annex *Status of Implementation of Project Preparation Activities and the Use of Fund* in the Portal. The report on PPG usage should be prepared using the eligible expenditure categories in Table 1. Any PPG funding not fully used at CEO Endorsement/Approval should be indicated. The Agency can continue to use the remaining funds only on the eligible expenditure items under PPG as presented in Table 1 within one year after the project has been CEO Endorsed/Approved. Thereafter, any unused PPG funds must be returned to the Trustee, for credit to the respective GEF Trust Fund. The GEF Agency reports on the closure of the PPG in the quarterly report submitted to the Trustee.

III. RELATED POLICY DOCUMENTS

- *GEF Project and Program Cycle Policy*, OP/PL/01, July 2025

IV. RELATED REFERENCES

- *Progress Report on the GEF Project Cycle Streamlining and Harmonization Process*, GEF/C.46/Inf.13, May 2014
- *PPG Template (for previously approved PIF)*, December 2013
- *Progress Report on the GEF Project Cycle Streamlining Measures*, GEF/C.45/04, November 2013
- *Streamlining of Project Cycle*, GEF/C.43/06, November 2012
- *GEF Project and Programmatic Approach Cycles*, GEF/C.39/Inf.3, November 2010
- *Proposal for Revising the Fee System*, GEF/C.23/8, May 2004
- *Proposal for Revising the Fee System*, GEF/C.23/8/Rev.1, June 2005
- *Project Development and Preparation Facility (PDF)*, GEF/C.3/6, February 1995

Table 1. Eligible expenditures under Project Preparation Grants (PPGs)

Eligible Expenditure Items

For In-country Preparations of GEF project submission:

- Local consultations, national hearings and/or workshops to inform about GEF purposes and procedures or to discuss specific project and program ideas. This could include translation into local languages where appropriate and preparation of background papers that could facilitate discussion.
- Travel costs for local experts for consultations and discussions with interested parties and stakeholders, and local participation, where warranted in project design.

- Local workshops to discuss a project concept and provide a platform for divergent views on its efficacy.
- Consultancies and contracts to develop program and/or project options. These may be national, regional or international, as appropriate and agreed among partners. This could include preparation of terms of reference for pre-feasibility studies, feasibility studies, basic costing, technical and scientific design parameters, financial plan, assessment of incremental cost, strategy papers and where possible, the preparation of such papers.
- Gender and Environmental and Social Safeguards analysis required at project preparation phase. Subject to discussion with and concurrence of GEF Secretariat during the review process, this could include documenting the project baseline conditions and evaluating safeguard risks, developing related action plans or equivalents.
- Free prior and informed consent and related consultations where appropriate to ensure environmental and social safeguard standards are met.
- Assistance in preparing national and/or sectoral plans and programs (such as energy, industry or agriculture) that have direct bearing on project design; national policy analysis, and inventories and data analysis in support of the proposed project.
- Costs of translating documents into and out of English.
- Assessing capacity of executing partners.
- Other itemized costs not listed in Table 2, as agreed with the Secretariat

In addition, for regional and global projects:

- In-country costs in eligible recipient countries, including travel and subsistence costs of recipient country experts to consultations associated with the development of a regional or global project or program.

Table 2. Ineligible expenditures under Project Preparation Grants (PPGs)

- Costs associated with the work of government staff or regular project/program activities of a GEF Agency or a Project Executing Entity (EA) such as salaries, bonuses or emoluments.
- Non-project preparation costs including: project start-up costs (i.e. costs covered by Agency Fee such as pipeline management, operationalization of the project, internal appraisal, or covered by the project budget); demonstration and pilot projects; implementation of large-scale enabling activities, including detailed country-wide inventories and country studies, training activities other than where they are directly related to project and/or country preparation and major research.

- Capital goods (e.g. computers and engineering equipment) other than those directly required for project preparation.
- Purchase of motorized vehicles (such purchase, if required, should instead be covered by co-financing amounts, not PPG).

ANNEX 3: PROJECT AND PROGRAM RESULTS FRAMEWORK AND MONITORING & EVALUATION PLANS

I. INTRODUCTION

1. This guidance note builds on and refers to existing GEF policies and guidelines. As such, it should be read in tandem with recent policy updates on monitoring, results and evaluation¹⁴, as well as policies that include project reporting requirements. The note follows a practical approach by highlighting how GEF Agencies should use the GEF Portal to report project results. The guidance note first outlines how to plan and budget for M&E activities, grounded in the project results framework. It then presents in a second section key monitoring tools to provide updates on implementation progress. Attachment A provides a checklist GEF Agencies can refer to when preparing and implementing projects.

II. PREPARING THE PROJECT RESULTS FRAMEWORK

2. Different sections of the project document contribute together to a comprehensive results framework, with different requirements at different stages of project preparation (see Table 1). They include: A) essential results elements anchoring the project's results focus, such as the project objective and a set of outcome and output indicators that are linked to the project objective, B) core indicators highlighting the project's level of ambition around GEF priorities, C) the comprehensive project results-based logical framework, outlining the causal pathway with intermediate steps in a way that provides the project's overall theory of change, and D) Monitoring & Evaluation arrangements highlighting how results will be monitored and with what resources. In addition, the project document provides a dedicated space (Part II. Section 9) to indicate in a narrative form the overall project's socioeconomic benefits.

3. Altogether, these elements add up to a results framework — a management tool representing how the project's underlying logic will help it achieve its overarching objective and with what indicators. This section indicates how projects build the results framework at two different stages of the preparation phase and with different sources of funding. Table 1 summarizes guidance on the M&E and results requirements at the stages of PIF/PFD submission and request for CEO endorsement/approval. It points to the related sections of the project document for PFDs, MSPs and FSPs. One-step MSPs should refer only to the right column of the

¹⁴ *Updated Results Architecture for GEF-7*, GEF/C.54/11/Rev.02 (https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.C.54.11.Rev_02_Results.pdf); *Policy on Monitoring*, ME/PL/03 (https://www.thegef.org/sites/default/files/documents/2025-06/GEF_ME.PL_03_Policy_on_Monitoring_2025_Update_.pdf); and, *The GEF Evaluation Policy*, GEF/ME/C.56/02/Rev.01 (https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.ME_C56_02_Rev01_GEF_Evaluation_Policy_June_2019_0.pdf).

table. Meanwhile, it is not mandatory for Enabling Activities to report on Core Indicators or to provide a full project results framework.

A. ESSENTIAL RESULTS ELEMENTS

4. Outlining the overall project objective, outcomes and outputs is central to the design of a project; these critical elements appear at the front-end of the project document in the Indicative Project Summary section (Part I.B. of the project document) and are required of all project types, except for Program Framework Documents which do not indicate outputs. In this summary section, results elements sit next to the list of project components, and GEF financing, co-financing and project management costs.

B. CORE INDICATORS

5. A set of Core Indicators is now under implementation, with targets for some of them by GEF phase. Each of the key GEF programming priorities include at least one indicator – either an output or an outcome. The use of Core Indicators supports the implementation of the GEF-8 Results Measurement Framework and methodological guidance helps ensure consistency in reporting on results.¹⁵

Table 1. Addressing Results/M&E in the two preparation stages

PIF/PFD	CEO ENDORSEMENT/APPROVAL
A. ESSENTIAL RESULTS ELEMENTS (Part I. Section B.)	
<ul style="list-style-type: none"> ▶ Brief project objective statement indicating the project’s desired effect(s) as a result of the project interventions. ▶ Project outcomes that measure progress toward the aspects covered in the project objective as a result from outputs, with indicator name, units of measurement, and tentative baseline and target data. 	<ul style="list-style-type: none"> ▶ Final project objective statement indicating the project’s desired effect(s) as a result of the project interventions. ▶ Final Project outcomes that measure progress toward the aspects covered in the project objective as a result from outputs, with indicator name, units of measurement, and baseline and target data.

¹⁵ Guidelines on the Implementation of the GEF-8 Results Measurement Framework, GEF/C.62/Inf.12/Rev.01 (https://www.thegef.org/sites/default/files/documents/2023-02/Rev.01.EN_GEF_C.62_Inf.12_GEF-8%20Results%20Measurement%20Framework%20Guidelines.pdf); Updated Results Architecture for GEF-7, GEF/C.54/11/Rev.02 (https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.C.54.11.Rev_02_Results.pdf); Guidelines on Core Indicators and Sub-Indicators, ME/GN/02 (https://www.geftracks.com/sites/default/files/2019-04/indicators_0.pdf).

PIF/PFD	CEO ENDORSEMENT/APPROVAL
<ul style="list-style-type: none"> ▶ Project outputs, that track the products, goods services or actions, only if available data at this early stage of project design. (PFDs are not requested to provide outputs.) ▶ Theory of change 	<ul style="list-style-type: none"> ▶ Final Project outputs, that track the products, goods services or actions with indicator name, units of measurement, and final baseline and target data. ▶ Theory of change
B. CORE INDICATORS (dedicated section)	
<ul style="list-style-type: none"> ▶ Select a minimum of one Core indicator or sub-indicator in alignment with the project outcomes and outputs. ▶ Provide an estimated target for each selected Core indicator. 	<ul style="list-style-type: none"> ▶ Select a minimum of one Core indicator or sub-indicator in alignment with the project outcomes and outputs. ▶ Provide a final target for each selected Core indicator in line with project results indicators. ▶ Changes in the target level as compared to the PIF stage need to be justified.
C. COMPREHENSIVE RESULTS FRAMEWORK (Annex A)	
<ul style="list-style-type: none"> ▶ Not required at this stage. 	<p><i>Located in Annex A.</i></p> <ul style="list-style-type: none"> ▶ A full project results framework is required here, either as a copy and paste from the agency document or as a cross-reference to where the document is located.
D. MONITORING AND EVALUATION PLAN (Part II. Section 9.)	
<ul style="list-style-type: none"> ▶ The M&E plan is not expected at PIF stage, however project financing should include an indicative M&E budget in Part I, Section B of the project document. ▶ PFDs are expected to describe the intended M&E approach across the program, the theory of change, results 	<ul style="list-style-type: none"> ▶ The M&E plan and related budget are required for projects, inclusive of data source and responsible entity for data collection.

PIF/PFD	CEO ENDORSEMENT/APPROVAL
frameworks and indicators, and coherence across child projects, with M&E budget resources planned into each child project in Part I, Section B of the project document.	

6. Until GEF-5, projects used tracking tools to monitor progress in a standardized way. The GEF phase of project approval determines whether a project must use Core Indicators. Starting with GEF-6 projects, all projects must use Core Indicators at the next opportunity in the project’s life cycle — endorsement/approval, mid-term review or terminal evaluation, as summarized in Table 2. LDCF and SCCF projects do not report on Core Indicators, unless they are part of a multi-trust fund project. Instead, they use a separate results framework on climate change adaptation.

Table 2. The Core Indicators apply to all new and GEF-6 projects

PHASE	USE	USE OF CORE INDICATORS
GEF-5 and earlier	X	<i>Not required.</i> Continue to submit tracking Tools at mid-term and completion, if applicable. Core indicators submitted if available.
GEF-6	Y	<i>Transition to Core Indicators.</i> GEF-6 projects shift to Core Indicators at the next opportunity. They discontinue the use of Tracking Tools.
GEF-7 onward	Y	<i>Mandatory starting at PIF stage.</i> Core indicators and sub-indicators applied to all projects and programs, from concept stage to completion

7. Every new GEF trust fund medium- and full-sized project and Program Framework Document must use one or more Core Indicators to indicate the project’s level of ambition and to monitor results, along with the broader set of results indicators in the project’s results framework. Projects report on relevant indicators regardless of focal area source (e.g. a biodiversity protected areas project may report on GHG emission co-benefits). Dedicated fields of the online Portal exist to enter this data. In addition to selecting a Core Indicator, projects also identify a target or an expected level of results at identification or PIF stage and adjust it when reaching endorsement/approval stage. The Mid-Term Review and Terminal Evaluation are the two milestones during which GEF Agencies report on progress against Core Indicators. Table 3 provides the Core Indicator requirements throughout the project life.

Table 3. Projects update Core Indicators at four preparation and implementation milestones

PREPARATION		IMPLEMENTATION AND COMPLETION	
PIF/PFD	ENDORSEMENT / APPROVAL	MID-TERM REVIEW	TERMINAL EVALUATION
<ul style="list-style-type: none"> ■ Select one or more Core indicators or sub-indicators in line with the project outcomes and outputs. ■ Provide an estimated target for each selected Core indicator. ■ Justify the target level. 	<ul style="list-style-type: none"> ■ Select one or more Core indicators or sub-indicators in line with the project outcomes and outputs. ■ Provide a final target or expected results for each Core indicator. ■ Justify changes to the target compared to PIF. 	<ul style="list-style-type: none"> ■ Provide an update on the achievement of actual results. ■ The project might use the MTR report and text fields in the Portal to justify the level of achievement. 	<ul style="list-style-type: none"> ■ Provide the final actual results value achieved during the project. ■ The project might use the TE report and text fields in the Portal to justify the level of achievement.

8. The Core Indicator target forms the basis against which the success of the project is assessed. They can be set using trend analysis, technical expertise and other resources. The level of overall financing available by the project, through GEF resources and co-financing, also informs the target level, as well as judgement in ensuring that the target is reasonable and adequate. Including information in project documentation on how targets were set—criteria, computation or projection— is encouraged, as it helps understand the project’s level of realism and ambition. As GEF projects are made up of both GEF financing as well as co-financing, the Results Framework seeks to capture core indicator and sub-indicator values to which the GEF projects have contributed, in a way that reflects the full project financing, not just the GEF portion. Justification on the target levels must be provided in the project document section that immediately follows the Core Indicators in the GEF Portal. Projects separately track the materialization of co-financing at MTR and TE stages.

9. In addition to the Core Indicators, several sub-indicators exist to provide more granular data and support various analytical and accountability needs across the GEF partnership, including reporting to the multilateral environmental agreements. These sub-indicators are either sub-indicators feeding into an aggregate indicator given the multidimensional nature of the results that are being measured (e.g. mercury or hydrochlorofluorocarbon as two distinct

chemicals measured) or contextual indicators that provide elements providing a broader picture of the achievement taking place (number of low- or non-chemical systems implemented).

C. COMPREHENSIVE RESULTS FRAMEWORK

10. Each project may include a full-fledged results framework or a results matrix in Annex A of the project document in the GEF Portal. GEF Agencies have flexibility in using their own template in doing so. It may include all results indicators, inclusive of core indicators, along with units of measure, baseline and target values. Altogether, it may highlight the logical chain that leads to outputs and the desired outcomes, to meet the project objective.

11. An effective results framework not only articulates what outcomes the project aims to change and how (causal pathway) but also builds into it the critical assumptions that could impact the achievement of expected results. This includes possible constraints or risks, so that those risks can be better managed¹⁶. This results framework will help assess the causal logic at completion stage.

D. MONITORING & EVALUATION PLAN AND BUDGET

12. The Monitoring and Evaluation (M&E) plan is a core component of the project's results framework. It specifies for each indicator the role and responsibilities for collecting, reporting and analyzing data on results indicators, as well as the sources and frequency of data availability.

DEVELOPING AN M&E PLAN

13. The GEF Agency is responsible for preparing the M&E Plan, however key project stakeholders inform the design of the M&E plan (the EA, public administration, etc.). Stakeholders indicate the availability of data from existing sources and confirm that the M&E plan is built on systems and institutional arrangements preferably already in place, such as data from public administration and surveys. In making roles and responsibilities clear, the M&E plan should also be informed by institutional capacity for M&E and related capacity strengthening activities.

14. Agencies submit the M&E plan when reaching the CEO endorsement or approval step, in Part II, Section 9 of the project document. However, Program Framework Documents are expected to describe the intended M&E approach across the program and coherence across child projects. The M&E plan specifies roles and responsibilities, including where the information will come from, who will gather the information, and how often it will be collected and reported. It

¹⁶ In this way, the results framework becomes close to what amounts to the theory of change expected during PIF and CEO endorsement stages. See guidance in the GEF context from the Scientific and Technical Advisory Panel: *Theory of Change Primer*, GEF/STAP/C.57/Inf.04 (https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF_STAP_C.57_Inf.04_Theory%20of%20Change%20Primer_0.pdf).

should also indicate what capacity- strengthening activities are needed. Further the coordination child project of a program develops a program-level M&E plan.

15. Monitoring and evaluation (M&E) are two complementary but distinct processes. While monitoring is part of project management in that it tracks progress in achieving results at regular project intervals, evaluation is the systematic and impartial assessment of planned, ongoing, or completed activities, projects, programs in specific focal areas or sectors. At the GEF, the Independent Evaluation Office manages evaluation-related elements, mainly through terminal evaluations.

PRINCIPLES FOR BUDGETING AN M&E PLAN

16. This section clarifies the logic that determines the cost items eligible for consideration under the M&E plan and which entity will incur them. The M&E plan provides a breakdown which recognizes that M&E is an activity conducted by both the implementing and executing agencies, but different contexts, and with the understanding that most activities are conducted in partnerships.

17. Table 4 provides a breakdown by cost categories. The underlying rationale is that M&E activities taking place for project execution purposes—non-financial data collection, reporting and use for monitoring and management purposes—may be covered by the M&E budget, whereas activities taking place for oversight, supervision and corporate reporting on the project progress undertaken by the Agency are covered by the Agency Fee. Care should be taken not to include costs in the M&E budget that should be covered by Project Management Costs (e.g. administrative project updates¹⁷, and audit). While the M&E budget can be charged for the **monitoring and evaluation** of the project performance, Environmental and Social Safeguards (ESS), Gender action plan and Stakeholder engagement plan, the Project Preparation Grant or project funds should cover the **design**; with project funds used for the **implementation** of ESS, gender and stakeholder engagement requirements.

18. While the M&E plan only comes at CEO endorsement or approval stage, projects however have to include an estimated total budget amount for an M&E plan as part of the overall project cost at PIF or PFD stage. The budget template in Annex 7 may be used for this purpose.

¹⁷ *Rules and Guidelines for Agency Fees and Project Management Costs*, GEF/C.39/9 (https://www.thegef.org/sites/default/files/council-meeting-documents/C.39.9_Fees_and_Project_Management_Costs%2C_October_20%2C_2010_4.pdf).

Table 3. Cost assignment of M&E activities

	ACTIVITY FOR THE RESPONSIBLE ENTITY INCURRING COST	
	M&E BUDGET	AGENCY FEE
Inception workshop (M&E part)	<ul style="list-style-type: none"> M&E Plan consultation (Executing Entity staff, consultants) 	<ul style="list-style-type: none"> Participation of Agency staff and consultants, review and oversight M&E Plan consultation and review (Agency staff)
Inception Report (M&E part)	<ul style="list-style-type: none"> M&E Plan: elaboration, including M&E of Gender, ESS Strategies, Stakeholder Engagement Plan 	<ul style="list-style-type: none"> Review and oversight
M&E of Core Indicators and project results framework	<ul style="list-style-type: none"> Monitoring of Core Indicators and reporting to Agency on progress, including for MTR and TE updates 	<ul style="list-style-type: none"> Oversight, review, reporting through GEFSEC
Project Implementation Report (PIR)	<ul style="list-style-type: none"> Reporting to Agency on progress, along requirements 	<ul style="list-style-type: none"> Oversight, review, reporting through GEFSEC
Supervision missions	<ul style="list-style-type: none"> Conduct supervision missions (non-agency staff, technical experts) 	<ul style="list-style-type: none"> Oversight, review, reporting through GEFSEC Agency supervision, staff, technical experts
Learning mission/site visit	<ul style="list-style-type: none"> Plan and execute (Executing Entity staff) 	<ul style="list-style-type: none"> Plan and execute (Agency staff)
Monitoring of ESS, and management plans	<ul style="list-style-type: none"> Monitoring and reporting to Agency on identified risks and impact, and management 	<ul style="list-style-type: none"> Oversight, review, reporting through GEFSEC
GEF Tracking Tool to be updated at MTR and TE	<ul style="list-style-type: none"> Reporting to Agency updated data for Tracking Tools 	<ul style="list-style-type: none"> Oversight, review, reporting through GEFSEC

Mid-term Review (MTR)	■ Undertake (produce, prepare, lead), including outsourced contracting.	■ Oversight, review, reporting through GEFSEC
Independent Terminal Evaluation (TE)	■ Undertake independent evaluation according to the requirements of the GEF Evaluation Policy (produce, prepare), including outsourced contracting	■ Oversight and review of preparation (via the Agency's own IEO as applicable) and submit per GEF Evaluation Policy

19. The cost of monitoring and evaluating activities depends on project characteristics, however past trends can inform Agencies' M&E budget preparation. An analysis of past projects indicates that M&E budgets amount to, on average:

- 5% of the GEF-funded part of project financing for projects up to USD 5 million,
- 3% for projects from USD 5 to USD 10 million and
- 2% for projects above USD 10 million.

20. When designing M&E budgets, GEF agencies should take into account the key elements that have implications for M&E costs. Project determinants guiding the preparation of the M&E budget include the project size, the number and remoteness of project locations, M&E capacity strengthening required and type of results to monitor.

III. MONITORING DURING PROJECT IMPLEMENTATION AND AT COMPLETION

21. Countries and GEF Agencies use the results framework during implementation to assess progress toward the project objective and adjust course when necessary. They use the mid-term review to assess overall project performance in-depth and take actions to enhance implementation. The mid-term review is a key instrument for project reorientation if needed, to achieve intended results. At project completion, the results framework provides the foundation to evaluate the project performance in meeting its objective, identify achievements and application of the project's M&E plan. Within the context of the GEF, three types of documents provide updates on project progress. This section presents these three tools that help assess project performance—the Project Implementation Report (PIR), Mid-Term Review (MTR) and Terminal Evaluation (TE). Table 5 provides the list of reporting requirements for projects for each of these tools.

Table 4. The GEF's reporting requirements during the project life cycle

POLICIES	PIR	MTR	TE	OTHE
GEF8 RESULTS MEASUREMENT FRAMEWORK (EFFECTIVE: July 2022)				
Projects approved since 2014 update progress in achieving core indicators		●	●	
GEF-5 projects and earlier use tracking tools		●	●	
MONITORING POLICY (EFFECTIVE: JULY 2019)				
Project status	●			
GEF first disbursement				●
GEF disbursement amount	●			
DO rating	●			
IP rating	●			
Risk rating	●	●		
Changes to expected MTR and TE dates, and reasons	●			
Minor amendments	●			
Geographic location of project activities	●			
PFD's Lead agency provides an annual Program Progress Monitoring Report				●
Annual summary report on the administrative expenses by agencies				●
CO-FINANCING GUIDELINES (does not apply to EAs) (EFFECTIVE: July 2018)				
Materialized co-financing amounts, sources and types & investment mobilized		●	●	
Explain any changes in co-financing from endorsement to implementation		●	●	
STAKEHOLDER ENGAGEMENT POLICY (EFFECTIVE: July 2018)				
Information on progress, challenges and outcomes	●	●	●	
GENDER EQUALITY POLICY (EFFECTIVE: July 2018)				

POLICIES	PIR	MTR	TE	OTHE
Information on implementing gender-responsive measures and results areas	●	●	●	
Information on progress with gender-related indicators in project documents	●	●	●	
UPDATED POLICY ON ENVIRONMENTAL AND SOCIAL SAFEGUARDS (EFFECTIVE: July 2019)				
Annual report on accountability, grievance and conflict resolution mechanisms				●
Progress on implementing any risk management measures	●	●	●	
Update on any revisions to identified types of risks or risk ratings	●	●	●	
FIDUCIARY POLICY (EFFECTIVE DATE: December 2019)				
Update on grievance cases				●

22. While the Monitoring policy provides more details on the PIR and MTR, the Evaluation policy and associated guidelines form key documents for guidance on preparing a TE. PIRs, MTRs and TEs are disclosable to the public. The preparation of these documents by Agencies requires soliciting the review and comments of OFPs,¹⁸ including as they pertain to alignment with national priorities and regulation, oversight and institutional coordination, and overall performance and sustainability. Finally, Agencies also share annual summary reports on the administrative expenses covered by agency fees, including project cycle management and any corporate activities, within 75 days of the end of a fiscal year (see Appendix B).

A. PROJECT IMPLEMENTATION REPORT

23. The Project Implementation Report (PIR) is a key self-assessment tool used by GEF Agencies for reporting every year on project implementation status. The GEF Agency submits an update on implementation progress around key data points directly in the Portal. In addition, they provide narrative context on the challenges encountered during implementation, as well as an account of progress made in implementing the stakeholder engagement plan, gender action

¹⁸ Streamlining the GEF Project Cycle: Report from the Working Group on the Streamlining Process, GEF/C.67/05/Rev.01 (https://www.thegef.org/sites/default/files/documents/2024-06/EN_GEF.C.67.05.Rev._01_Streamlining_GEF_Project_Cycle_Working_Group_Report.pdf)

plan, ESS and knowledge management activities¹⁹. Agencies can also indicate any minor amendment performed and the geographic location of project activities. For projects utilizing a Non-Grant Instrument, Agencies are expected to submit PIRs in line with the general requirements for GEF projects through completion (equivalent to maturity or operational closure). In addition, reporting on actual and expected reflows through PIRs is a specific requirement that must continue until financial closure is achieved.²⁰

24. The GEF Portal provides a space to attach a dedicated PIR with additional information, building on Agencies' own implementation progress and monitoring reports. Attached PIRs help further assess progress toward achieving the project objective and implementation progress and challenges, risks and actions that need to be taken.

25. All projects must submit a PIR update annually for each year of implementation, within 75 calendar days after the end of each GEF's full fiscal year (July 1 – June 30). The first PIR is due once the project has completed its first full fiscal year under implementation, within 75 days of the fiscal year completion. Before this first PIR, GEF Agencies update the date of first disbursement in a dedicated module of the GEF Portal. A Project Implementation Report (PIR) is not required in the fiscal year when a Terminal Evaluation is submitted.

26. The GEF Portal is continuously updated with the objective of being the one-stop-shop for GEF Agencies to submit PIR updates, including the following data:

- Information on project status, including implementation start and first disbursement dates;
- The amount of GEF Project Financing disbursed;
- The latest Development Objective (DO) rating, Implementation Progress (IP) rating, and Risk Rating—using Agencies' own rating approach on a six-point scale for DO and IP ratings, and four-point scale for risks;
- Any changes to the expected dates of submission of Terminal Evaluations and any Mid-Term Reviews, as well as reasons therefore;
- Information on challenges in implementing project activities.

¹⁹ *Policy on Gender Equality, SD/PL/02*

(http://www.thegef.org/sites/default/files/documents/Gender_Equality_Policy.pdf); *Policy on Stakeholder Engagement, SD/PL/01*

(http://www.thegef.org/sites/default/files/documents/Stakeholder_Engagement_Policy.pdf); *GEF Knowledge Management Approach Paper, GEF/C.48/07/Rev.01* (https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.C.48.07.Rev_.01_KM_Approach_Paper.pdf).

²⁰ See Sections IV Reflows and V Monitoring, Reporting and Management of Reflows of GEF/C.63/12, *GEF Blended Finance Global Program and Non-Grant Instruments Policy Update*.

27. Enabling Activity projects provide a yearly update in the PIR module of the GEF Portal on the project status and financing disbursed, and any other information as required by GEF policies as appropriate.

28. Small grants program (SGP) adhere to PIR requirements and also provide in PIRs information on the list of organizations to which grants were awarded, as well as disbursement information by country along key categories—grants to CSOs/CBOs, capacity development and technical assistance, Monitoring and Evaluation, Knowledge Management, PMC, and Agency fee—, with details by CSOs/CBOs for each country and on the use of resources by key expenditure categories^{21,22}.

B. PROGRAM PROGRESS MONITORING REPORT

29. The annual Program Progress Monitoring Report (PPMR) facilitates systematic reporting and tracking of operational progress toward program-level outcomes. This report offers an opportunity to highlight the coherence and consistency in the implementation of child projects. By establishing linkages between inputs, outputs and outcomes, it supports a monitoring, evaluation and learning management approach to program implementation. This report also enhances accountability for results achieved and encourages proactive management of operations.

30. The exercise is mandatory for all programs, noting that some of the report’s sections are specific to programs adopting integrated approaches. PPMR must be submitted by November 30 of each year, or 75 days after the deadline for PIR submission, allowing automatic population of latest child project data from the Portal. The first PPMR is submitted after the first full fiscal year following the CEO Endorsement of the Coordination Child Project or following the CEO Endorsement of at least one child project.

31. The GEF Portal provides a dedicated module for Lead Agencies of programs to enter PPMR information and attach related documents, building on Agencies’ own implementation progress and monitoring reports. Upon submission, an output document will be auto-generated populating aggregate child project data on project attributes, implementation progress, results and co-financing. In addition, Agencies provide narrative on:

- Progress toward key outcomes by program component, with examples of impactful child projects and variances between expected and achieved results.

²¹ See paragraphs 26 to 38, *Policy on Monitoring*, GEF/C.56/03/Rev.01 (https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.C.56.03.Rev_.01_Policy_on_Monitoring.pdf).

²² See paragraph 38, *GEF Small Grants Program 2.0, Implementation Arrangements for GEF-8*, GEF/C.63/06/Rev.01.

- Updates on the program’s progress around the cross-cutting priorities of gender, stakeholder engagement, private sector, knowledge management, and capacity.
- Updates around the four transformation levers: governance and policies, innovation and learning, financial leverage, and multi-stakeholder dialogue (specific to programs with integrated approaches).
- Collaboration and synergies with other organizations and partners aligned with global sustainable transformation trends (specific to programs with integrated approaches).
- Problems encountered during implementation and any strategic issues or major deviations from plans.
- Key actions to be undertaken by the program in the year ahead.

C. MID-TERM REVIEW

32. The Mid-term Review (MTR) is a critical milestone of project implementation that involves key project stakeholders. It takes stock of progress and performance in reaching the project objective, and supports making decisions to strengthen progress, ownership and commitment going forward. This may take the form of project restructuring. The MTR is also an opportunity to discuss with the country and project beneficiaries the continued relevance of the project objective and likelihood of achievement during the remaining implementation period, taking into account current government and sector priorities.

33. The exercise is mandatory for full-sized projects and medium-sized projects of more than \$2 million and encouraged for medium-sized projects up to \$2 million. GEF Agencies also provide updates and narrative assessments as required by relevant GEF policies in the GEF Portal. The following information is also required to be submitted:

- *Core indicators.* At MTR stage, GEF Agencies must provide an update on progress in reaching actual results for Core Indicators within the MTR module of the Portal, as applicable. The update focuses on the achievement of actual results. It highlights the distance left to meet targets by Terminal Evaluation stage.
- *Tracking Tools.* Projects approved with financing from the GEF-5 and earlier phases should continue submitting updated tracking tools at the MTR stage to provide an update on progress in reaching results indicators.
- *Co-financing.* The achievement of the full extent of project results relies on the timely availability of financing, including from co-financiers. At MTR stage, GEF Agencies provide information on the planned and actual amounts, sources and types of co-financing and investment mobilized. Agencies can also mention entities that

provide new co-financing, in addition to the co-financing expected at CEO endorsement/approval. The Portal provides space to explain any deviation from the co-financing target set at CEO endorsement and challenges.

34. While the GEF does not prescribe a specific format for this report, the MTR should typically take place at least two years after project implementation begins and before disbursing the majority of financing available. The MTR should be prepared and submitted within the expected date provided in the first PIR, or as amended during implementation.

35. The GEF Portal provides a dedicated module where Agencies complete information on Core Indicators and Co-financing, and attach the MTR report, along with tracking tools as relevant, and text fields to provide update on implementation and GEF policies. This includes an update on progress, challenges and outcomes on project implementation activities; on stakeholder engagement; on the gender action plan; on gender-responsive measures and indicators; on knowledge activities; on ESS; as well as the main findings of the MTR. Narrative sections should be candid, concise, consistent and complete in providing the key findings, progress, or lack thereof, and the actions to be undertaken.

D. TERMINAL EVALUATION

36. At project completion, Agencies submit a Terminal Evaluation (TE) in line with the requirements specified by the GEF's Independent Evaluation Office²³. The exercise is mandatory for full- and medium-sized projects. It takes place consistent with the expected submission date provided at CEO endorsement/approval or as amended during implementation, and no later than twelve months after the actual Implementation End Date. In terms of content, the same information requested at MTR should also be provided at TE stage, in the GEF Portal's dedicated online module:

- *Core indicators.* GEF Agencies provide the final update on the achievement of actual Core Indicator results, as applicable.
- *Tracking Tools.* Projects approved with financing from the GEF-5 and earlier phases should continue submitting updated tracking tools at the TE stage to provide an update on progress in reaching results indicators.
- *Co-financing.* GEF Agencies provide information on the actual amounts, sources and types of co-financing and investment mobilized. Agencies can also mention entities that provide new co-financing, in addition to the co-financing expected at CEO

²³ *The GEF Evaluation Policy*, GEF/ME/C.56/02/Rev.01(https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.ME_C56_02_Rev01_GEF_Evaluation_Policy_June_2019_0.pdf).

endorsement/approval. The Portal provides space to explain any deviation from the co-financing target set at CEO endorsement and challenges.

37. The GEF Portal provides a dedicated module where Agencies complete information on Core Indicators and Co-financing, attach the TE report and tracking tools as relevant, and text fields to provide update on implementation and GEF policies as relevant. This includes an update on progress since MTR, challenges and outcomes on project on stakeholder engagement; on gender-responsive measures and indicators; on knowledge activities; and on ESS. Narrative sections should be candid, concise, consistent and complete in providing the key findings, progress, or lack thereof, and the actions to undertake. The TE should be prepared and submitted within the expected date provided at CEO endorsement or approval, or as amended during implementation. It should follow IEO guidelines and policy.

E. PORTFOLIO MANAGEMENT

38. Agencies should convene an Annual GEF Portfolio Review Meeting with each OFP to assess and discuss the progress of their respective GEF country portfolios. These review meetings offer a structured platform for dialogue on implementation challenges and, importantly, for identifying actions to enhance ongoing implementation. To maximize their effectiveness, GEF Portfolio Review Meetings should be scheduled before the consultation stage associated with the preparation of PIRs. The OFP and Convention Focal Points take part in these meetings, with any other relevant country representative.

39. OFPs are expected to carry out project and portfolio oversight activities, including project site visits. These activities aim to strengthen OFPs' engagement in implementation and enable them to contribute to project progress by identifying and addressing key issues in collaboration with Agencies. Site visits can be conducted independently or jointly with the Agency, particularly in relation to the preparation of PIRs, MTRs, and TEs. Dedicated resources may be available to support these activities during GEF-8.

IV. RELATED POLICY DOCUMENTS

- *Policy on Monitoring, ME/PL/03, July 2025*
- *The GEF Evaluation Policy, GEF/ME/C.56/02/Rev.01, June 2019*
- *Fee Policy for GEF Partner Agencies, FI/PL/03, July 2025*
- *Minimum Fiduciary Standards for GEF Partner Agencies, GA/PL/02, July 2025*
- *Monitoring Agencies' Compliance with GEF Policies, ME/PL/02, May 2017*
- *Policy on Access to Information; GEF/C.55/06, December 2018*
- *Policy on Co-Financing, FI/PL/01, July 2018*

- *Policy on Environmental and Social Safeguards*, GEF/C.56/05/Rev.01, July 2019
- *Policy on Gender Equality*, SD/PL/02, July 2018
http://www.thegef.org/sites/default/files/documents/Gender_Equality_Policy.pdf
- *Policy on Stakeholder Engagement*, SD/PL/01, July 2018
- *Project Cancellation*, OP/PL/02, July 2015
- *Project and Program Cycle Policy*, OP/PL/01, July 2025
- Updated Policy on Minimum Fiduciary Standards, GA/PL/02, July 2025

V. RELATED REFERENCES

- *Guidelines on the Implementation of the GEF-8 Results Measurement Framework*, GEF/C.62/Inf.12/Rev.01, June 2022
- *GEF Small Grants Programme 2.0, Implementation Arrangements for GEF-8*, GEF/C.63/06/Rev.01, December 2022
- *The GEF Small Grants Programme 2.0 Operational Guidelines for GEF-8*, February 2024
- *GEF Knowledge Management Approach Paper*, GEF/C.48/07/Rev.01, June 2015
- *Updated Results Architecture for GEF-7*, GEF/C.54/11/Rev.02, June 2018

Attachment A: M&E and results checklist during the project life cycle

This checklist helps GEF agencies ensure that critical M&E and results dimensions are considered when preparing and implementing projects. It should be read in tandem with the overall guidelines, as an aid to ensure key results and & M&E areas are met in projects.

PROJECT PREPARATION STAGE	
<p>The table considers two stages of project development, with PIF/PFD marked as “1” and CEO endorsement or approval as “2”. When reaching endorsement stage (2), PIF/PFD questions (1) should again be reviewed, this time in light of information that emerged during preparation, with a view to finalize results and M&E elements.</p>	
ESSENTIAL RESULTS ELEMENTS AND RESULTS FRAMEWORK	
1	<ul style="list-style-type: none"> <input type="checkbox"/> Is the proposed project/program objective consistent with GEF’s programming priorities by focal area(s)? <input type="checkbox"/> Is there a robust link between project activities, outputs and final outcomes? <input type="checkbox"/> Are the problems and barriers the project/program seeks to solve and their root causes well defined? <input type="checkbox"/> Are the key risks to project/program outcomes assessed adequately with candor? <input type="checkbox"/> Are the targets reachable within the context and type of financing (investments vs. technical assistance)? <input type="checkbox"/> Is each results indicator clear and inclusive of an estimated baseline, target and unit of measurement? <input type="checkbox"/> Is each aspect of the Project Objective captured by at least one result indicator? <input type="checkbox"/> Are target estimates of a PFD reflective of the underlying child projects?
2	<ul style="list-style-type: none"> <input type="checkbox"/> Is the project/program approach grounded in evidence that emerged during the preparation phase? <input type="checkbox"/> Does the results framework in Annex A reflect the project logic, assumptions and results chain? <input type="checkbox"/> Does the project document include, if available, a diagram of the project’s theory of change?
CORE INDICATORS	
1	<ul style="list-style-type: none"> <input type="checkbox"/> Does the project/program use at least one GEF core indicator? And sub-indicators when relevant?

	<ul style="list-style-type: none"> <input type="checkbox"/> Is the use of core indicators aligned and consistent with all results elements of the project/program, and inclusive of co-benefits as appropriate? <input type="checkbox"/> Does the project/program justify how these targets have been identified? <input type="checkbox"/> Are the targets set in a way that considers the full project/program financing and co-financing? Including in cases where financing comes from other trust funds.
2	<ul style="list-style-type: none"> <input type="checkbox"/> Are changes in final target levels and use of Core Indicator justified as compared to the PIF stage? <input type="checkbox"/> Are METT scores provided in case of the use of sub-indicators 1.2 and 2.2? <input type="checkbox"/> Are indicators and targets of child projects consistent with target levels expressed in the parent PFD?
M&E PLAN	
1	<ul style="list-style-type: none"> <input type="checkbox"/> Has the project included the M&E budget in its overall financing? <input type="checkbox"/> Does the PFD include elements that describe the intended M&E approach across the program and coherence across child projects, with M&E budget resources planned into each child project?
2	<ul style="list-style-type: none"> <input type="checkbox"/> In the instance where baseline data is unavailable, what are the plan, resources and timeline to fix this? <input type="checkbox"/> Do the monitoring tools provide the necessary information to report on progress and involve key stakeholders and use existing data systems? <input type="checkbox"/> Have staffing, technical and financial needs for M&E been identified to ensure data availability? <input type="checkbox"/> If M&E capacity strengthening is needed, does the M&E plan take this into account and budget for it? <input type="checkbox"/> Are the budgeted activities aligned with the guidance provided in the related section of the guidelines?

PROJECT IMPLEMENTATION AND COMPLETION STAGES

PROJECT IMPLEMENTATION REPORT

- Does the PIR capture adequately the latest progress data available for all requested fields in the GEF Portal?
- Does each project rating (implementation progress, development outcomes and risks) reflect the implementation challenges and risks that are affecting or likely to affect the achievement of outcomes?
- Does the PIR indicate any changes to the expected MTR or TE dates? If so, are these changes justified by information that emerged from implementation review exercises? Are minor amendments mentioned?
- Does the PIR provide a candid, concise, consistent and complete narrative account on implementation progress and around policies in the GEF Portal's text fields? This includes progress on stakeholder engagement, gender-responsive measures and knowledge activities.
- Has a more comprehensive implementation report been uploaded in the GEF Portal that justifies ratings and provides an account of the overall project implementation progress?
- Are the geographic location of project activities provided?

MID-TERM REVIEW

- Does the project provide an update in the Portal fields on the progress made in achieving Core Indicators and materializing co-financing with related justifications, as applicable and appropriate?
- Does the project provide the updated METT tracking tool or other tracking tools as appropriate?
- Is the update on co-financing materialized comprehensive and backed by context, as needed?
- Does the MTR provide a candid, concise, consistent and complete narrative account of the MTR's main findings and policies in the GEF Portal's text fields? This includes progress on ESS risk management measures, stakeholder engagement, gender-responsive measures and knowledge activities.
- Has a more comprehensive MTR report been uploaded in the GEF Portal that indicates progress in achieving project objective, validates project design, justification, and relevance of results indicators?

- Does the MTR report assess progress against the project results indicators with data and in line with the M&E plan, and that the project is on track to achieve its targeted outputs and outcomes?
- Does the MTR report provide a review of the quality of outputs delivered and conformity with specifications?
- Is the assessment of progress in the MTR report informed by PIR and M&E data, supplemented by findings from the mid-term review, and inclusive of information gathered through interviews with stakeholders?
- Have critical risks to achievement of the project objective been continually assessed, updated and mitigated as appropriate, including identification of risks to sustainability?
- Is the project proactive in proposing solutions to problems, including restructuring and adaptive actions to pursue if necessary?

TERMINAL EVALUATION

- The following is only related to reporting on the TE-related field in the Portal, as the guidelines on Terminal Evaluation available in this document provide the full guidance on preparing Terminal Evaluation.
- Does the project provide a final update on progress made in achieving Core Indicators and materializing co-financing in the Portal?
- Has the project reported on Core Indicators, as applicable?
- Does the project provide the final METT tracking tool as appropriate?
- In the cases of a GEF-5 or earlier project, has it provided a final tracking tool?
- Does the MTR provide a candid, concise, consistent and complete narrative account on the TE's main findings and around policies in the Portal's text fields? This includes progress on ESS risk management measures, stakeholder engagement, gender-responsive measures and knowledge activities.

Attachment B: Agency Fee Reporting Template²⁴

GEF Fiscal Year Estimated actual administrative costs	Staff time (days)	Consultant time (days)	Staff cost (USD)	Consultant cost (USD)	Travel costs (USD)	General operating costs (USD)	Total cost (USD)
1. GEF CORPORATE ACTIVITIES							
Policy support							
Portfolio Management							
Reporting							
Outreach and knowledge sharing							
Support to the GEF Independent Evaluation Office							
<i>SUB-TOTAL</i>							
2. GEF PROJECT CYCLE MANAGEMENT SERVICES							
Project identification, preparation, approval and start up							
Project implementation, supervision, and monitoring							
Project completion and evaluation							

²⁴ This annual reporting requirement was established by Council (ref. C.33/8, C.34/Inf.8 and C.41/07) and covers only use of GEF financing. This report may be uploaded directly to the Portal together with the PIR.

<i>SUB-TOTAL</i>							
<i>TOTAL</i>							

Attachment B (cont'd). Activity Categories:

- (a) *Policy support includes the development, revision and operationalization of GEF policies, strategies, business plans and guidelines. It also includes participation in the meetings of the GEF governing bodies.*
- (b) *Portfolio management includes pipeline and program management, financial management and data management. It includes participation in financial consultations organized by the Trustee. It also comprises periodic (e.g. GEF Portal, annual) portfolio monitoring reporting, the Annual Portfolio Review for the Evaluation Office (APR) and the overall management of the portfolio regardless of the number of projects undertaken.*
- (c) *Reporting includes all the reporting requirements listed in Annex 1.4 of GEF/C.39/09.*
- (d) *Outreach and knowledge sharing includes participation in sub-regional consultations, country dialogues and STAP meetings.*
- (e) *Support to Evaluation Office includes evaluations, reviews and studies initiated by the GEF Evaluation Office.*

ANNEX 4: ADDRESSING STAKEHOLDERS' COMMENTS

I. INTRODUCTION

1. The GEF Stakeholder Engagement Policy Guidelines²⁵ provide guidance on requirements for stakeholder engagement relevant to the project and program cycle. Paragraph 8 of the Policy states that in submitting project proposals to the GEF Secretariat (as PIFs or PFDs), “. . . Agencies provide a description of any consultations conducted during project development, as well as information on how Stakeholders will be engaged in the proposed activity and means of engagement throughout the project/program cycle.” Guidance on project and program development (paras 20-26) includes steps related to dialogue, outreach and consultations, identification of roles, among others.

II. ENGAGING STAKEHOLDERS IN POLICY AND PROGRAM DESIGN AND IMPLEMENTATION

2. A Stakeholder Engagement Plan is required by the Policy, to be included at the time an Agency submits a project or program to the CEO for Endorsement or Approval. Guidance on the development of a Plan can be found in the GEF Stakeholder Engagement Policy Guidelines (paras 27-31). The Plan should be made publicly available by the Agency in a form and language appropriate to the relevant stakeholders and disseminated proactively to them. The Plan is made publicly available by the GEF. Finally, Agencies should include information on progress, challenges and outcomes of stakeholder engagement in their annual Project Implementation Reports, Mid-Term Review, and Terminal Evaluation.

III. GUIDELINES ON OTHER AGENCIES' COMMENTS

3. Maintaining coordination and transparency throughout the project cycle is a requirement for implementation of GEF projects.²⁶ To that end, GEF Agencies can access PIFs and PFDs on the GEF website once the Work Program is posted. This enables Agencies to provide helpful comments in the following ways:

- Point out potential duplication of efforts, opportunities for collaboration, or other complementary activities on the ground;
- Advise the project proponent on how to further strengthen elements of the proposed project by sharing lessons learned from similar or complementary projects in the region;
- Improve the merit and soundness of the project; and

²⁵ Stakeholder Engagement Policy Guidelines (SD/GN/01), December 20, 2018.

²⁶ See GEF/C.12/9 para 15.

- Suggest complementarity to carry out the work based on their comparative advantage.

4. Proponent Agency response to Other Agencies' Comments when submitting the request for CEO Endorsement/Approval. When preparing the request for CEO Endorsement/Approval, the proponent Agency should respond adequately to any comments from other Agencies, as well as explain in the corresponding Annex of the CEO Endorsement/Approval document, how it has incorporated comments into the Project Document in the Annex of the Request for Project Endorsement/Approval Template.²⁷

IV. GUIDELINES ON CONVENTION SECRETARIAT'S COMMENTS²⁸

5. Relevant Convention Secretariats should provide their comments after accessing the PIFs and PFDs on the GEF web site once the Work Program is posted.

6. Proponent Agency response to Relevant Convention Secretariats' Comments. The proponent Agency should respond directly to the relevant Convention Secretariat regarding their comments, if any.

7. Proponent Agency response to Convention Secretariat's Comments when submitting Request for CEO Endorsement. When preparing the project for CEO Endorsement, the Agency should respond adequately to any comments from the Convention Secretariats as well as explain in the corresponding Annex of the CEO Endorsement/Approval document how the comments have been incorporated into the Project Document in Annex of the Request for Project Endorsement Template.

V. GUIDELINES ON COUNCIL COMMENTS

ADDRESSING COUNCIL COMMENTS AT CEO APPROVAL

8. All MSPs will be circulated four weeks prior to CEO Approval for Council review. Any Council member may submit to the Secretariat comments that require further clarifications. The Secretariat makes sure that comments are addressed in a satisfactory manner. On that basis, the CEO can issue the CEO Approval.

ADDRESSING COUNCIL COMMENTS AT CEO ENDORSEMENT

9. The Council reviews a work program at its biannual meetings. As well, it reviews intersessional work programs with decision by mail on a no-objection basis between Council meetings.²⁹ Four weeks prior to the Council meeting or prior to the deadline of a decision by mail, the work program is posted on the GEF website and circulated to Council Members. Council

²⁷ This will be possible through the GEF Portal

²⁸ For Chemicals and Waste Focal Area, the Multilateral Fund Secretariat can also submit comments as it deems necessary.

²⁹ Subject to resource availability.

Members have two additional weeks after the work program is approved in a Council meeting to submit supplementary comments.

10. Compilation of Council comments. Council members' comments are uploaded in Portal.³⁰ In the case of intersessional work programs, Council Members' comments are provided by the deadline of the decision by email. The Agencies may access these comments in the GEF Portal.

11. Proponent Agency Response to Council comments when submitting projects for CEO Endorsement. The proponent Agency will incorporate as appropriate Council comments received at work program approval. The Agency should respond adequately to comments from Council members, as well as explain in the corresponding Annex of the CEO Endorsement/Approval document, how comments have been incorporated into the Project Document in the Annex of the Request for Project Endorsement/Approval Template in the Portal.

12. Proponent Agency Response to additional Council comments prior to CEO Endorsement. At the time of work program approval, a Council member can request to circulate a project's CEO Endorsement Request and the Final Project Document to the Council for review four weeks prior to Endorsement. Similarly, for all Child Projects, CEO Endorsement/Approval Request and the Final Project Document to the Council should be circulated for review four weeks prior to Endorsement/Approval. Any Council member may submit additional comments that require further clarifications to the Secretariat. The Secretariat makes sure that comments are addressed in a satisfactory manner.³¹ On that basis, the CEO can issue the CEO Endorsement/Approval.

ADDRESSING COUNCIL COMMENTS ON A PROJECT MAJOR AMENDMENT SUBMITTED FOR CEO ENDORSEMENT/RE-ENDORSEMENT

13. Agency response to Council comments on a major project amendment.³² When an Agency requests CEO endorsement for a project with a major amendment,³³ the proposal is circulated for four weeks to Council for comments and approval. Council members send any comments directly to the Secretariat. The Secretariat makes sure that comments are addressed in a satisfactory manner.³⁴ On that basis, the CEO can convey Council approval of the proposed project as amended with an endorsement/re-endorsement letter.

³⁰ See Stakeholder Comments icon in the Portal

³¹ If requested by the Secretariat, the Agency communicates directly with the Council Member to clarify or resolve any issues, with a copy to the Secretariat.

³² See guidelines on Project Amendment, Drop, Suspension and Cancellation.

³³ This is defined in the Policy as a change in project design or implementation that has a significant impact on the project's objectives, core indicators results or scope, the request of the GEF Agency for the dual role of implementation and execution, or an increase of the GEF Project Financing of more than 5%.

³⁴ If requested by the Secretariat, the Agency communicates directly with the Council member to clarify or resolve any issues, with a copy to the Secretariat.

14. Council Objection to the Amendment. At the end of the four-week circulation period for the major amendment, if four or more Council Members raise an objection because in their view the proposed project with the proposed amendments is not consistent with the GEF Instrument or GEF policies or procedures, the CEO endorsement/re-endorsement will be withheld, and the project may be resubmitted to a subsequent Council meeting.³⁵

VI. GUIDELINES ON GEF SECRETARIAT'S COMMENTS

ADDRESSING SECRETARIAT'S COMMENTS AT CONCEPT AND ENDORSEMENT/APPROVAL STAGES

15. The Secretariat, on behalf of the Council, provides the proper and adequate review of projects and work program proposals³⁶ within ten business days. The Secretariat provides comments on FSPs, MSPs, EAs and Programs through the Review Sheet. The Secretariat's comments are provided both at the concept stage and at the CEO Endorsement/Approval stage.³⁷ Engagement and continued consultations with the GEF Secretariat are encouraged.

16. Depending on the extent of the Secretariat's comments, Agencies are expected to consult with the national project stakeholders, respond to these comments adequately, provide replies and address changes made in the review sheet. This requires a resubmission of the Project/Program (at concept stage) or the Request for CEO Endorsement/Approval template (at endorsement/approval stage). Satisfactory responses and revisions from the Agency allow the Secretariat to recommend for clearance/approval of the Project/Program for inclusion in a work program for Council approval or to recommend for CEO Endorsement/Approval on FSPs/MSPs.

17. For Enabling Activities above USD 1 million, the procedures are similar to a one-step MSP modality. However, the Secretariat's comments are conveyed using the GEF Secretariat Review for Enabling Activity Proposal Template in the Portal. For Enabling Activities above USD 5 million, the procedures are similar to an FSP modality. However, the Secretariat's comments are conveyed using the GEF Secretariat Review for Enabling Activity Proposal Template in the Portal.

VII. RELATED REFERENCES

- *GEF Project and Programmatic Approach Cycles*, GEF/C.39/Inf.3, November 2010
- *GEF Project Cycle*, GEF/C.31/7, June 2007

³⁵ *GEF Project and Programmatic Approach Cycles*, GEF/C.39/Inf.3, November 2010, page 19, para. 79

³⁶ Instrument for the Establishment of the Restructured Global Environment Facility, October 2011, para 21c

³⁷ For one-step MSPs and Enabling Activities, the Secretariat provides any comments at MSP/EA Approval Request.

ANNEX 5: ENABLING ACTIVITIES

I. INTRODUCTION

1. Enabling Activities are projects to fulfill essential communication requirements to a Convention. The GEF currently finances Enabling Activities related to five conventions, namely: Convention on Biological Diversity (CBD), United Nations Framework Convention on Climate Change (UNFCCC), Stockholm Convention on Persistent Organic Pollutants (POPs), UN Convention to Combat Desertification (UNCCD) and Minamata Convention on Mercury. This guideline clarifies established procedures for Enabling Activities considering the different types and processing modalities.

II. GUIDELINES FOR SUBMISSION AND APPROVAL OF ENABLING ACTIVITIES

2. Funding Requirements for Enabling Activities by focal area: Enabling Activities qualify for full cost funding from the GEF - i.e. there is no co-finance requirement. Similarly, PPGs and additional M&E costs are not applicable. Countries may also exercise their option to contribute additional funds from their STAR allocation in biodiversity, climate change mitigation and land degradation focal areas as they deem necessary. GEF funds can be requested by focal area as indicated below, or as established in GEF Replenishments. In addition, eligible countries may request GEF funding for new Enabling Activities that may be identified in future Convention guidance to the GEF.

- (a) *Biodiversity*: Eligible countries can request GEF funding for the preparation and revisions of National Biodiversity Strategies and Action Plans, Biodiversity Finance Plans, as well as national reporting obligations under the CBD, the Cartagena Protocol, and the Nagoya Protocol.
- (b) *Climate Change*: Eligible countries can request GEF funding to finance activities related to the preparation of the National Communication report to the United Nations Framework Convention on Climate Change (UNFCCC); the Biennial Transparency Reports (BTR); the National Adaptation Plan of Action (NAPA); ³⁸ Technology Needs Assessments (TNAs); and Technology Action Plans (TAPs).
- (c) *Land Degradation*: Eligible countries can request GEF funding to finance activities related to alignment of National Action Programs (NAPs) with the respective UNCCD Strategy and reporting process, as per obligations to the UNCCD. The financing will also take into account emerging needs to facilitate countries planning, monitoring and reporting requirements in response to UNCCD COP decisions.

³⁸ Under the Least Developed Countries Fund (LDCF)

- (d) *Chemicals and Waste*: Eligible countries can request GEF funding for the preparation of National Implementation Plans (NIPs)³⁹ on Persistent Organic Pollutants in support of the Stockholm Convention and to update their NIPs as the list of Stockholm Convention banned chemicals expands. GEF resources may also support Minamata Initial Assessment (MIA)⁴⁰, the Reviews for the Implementation of Article 7 of the Minamata Convention⁴¹, and, for countries confirming in writing at the ministerial level that Artisanal and Small-scale Gold Mining (ASGM) is a significant issue, National Action Plans — both in support of the Minamata Convention on Mercury.

3. Modalities for Processing Enabling Activities:

- (a) *By size*: (i) expedited Enabling Activity: single country enabling activity project up to USD 5 million is processed under the CEO expedited approval authority procedures, either as an expedited Enabling Activity up to USD 1 million or as an MSP above USD 1 million but up to USD 5 million; or (ii) non-expedited Enabling Activity: single country enabling activity projects beyond USD 5 million follow the project cycle procedures for FSPs.⁴² In both cases, the Enabling Activity Template has to be utilized and submitted through the GEF Portal.
- (b) *By country processing option*:⁴³ (i) the country can submit Enabling Activity through a GEF Agency using the Request for [focal area] Enabling Activity Template⁴⁴; or (ii) the country can use the Direct Access modality to submit Enabling Activity directly to the Secretariat.⁴⁵

4. Procedures for Umbrella Enabling Activities (UEAs) processed as FSPs and /or MSPs: in those cases where several countries make a similar request for Enabling Activity proposals in one focal area, such proposals can be consolidated into one umbrella enabling activity for economies of scale. UEAs are processed following the same procedures as an MSP or FSP, depending on their size⁴⁶ using an Enabling Activity template. The steps to follow for an Enabling Activity processed as FSP are:

³⁹ Guidelines for Reviewing and Updating the NIP under the Stockholm Convention on POPs GEF/C.39/Inf.5

⁴⁰ Initial Guidelines for Enabling Activities for the Minamata Convention on Mercury GEF/C.45/Inf.05/Rev.01

⁴¹ Council Decision 32/2024.

⁴² Project and Program Cycle Policy, Policy OP/PL/ 01.

⁴³ GEF Project and Program Cycle Policy.

⁴⁴ Templates are generally submitted through the GEF Portal. Examples of templates are also available at <https://www.thegef.org/documents/templates>

⁴⁵ For procedures and details on the Direct Access modality, please refer to the Council Approved document “Policies and Procedures for the Execution of Selected GEF Activities – National Portfolio Formulation Exercises and Convention Reports – With Direct Access by Recipient Countries” – GEF/C.38/6/Rev.01 – July, 2010

⁴⁶ Project and Program Cycle Policy, Policy OP/PL/ 01

(a) *Step 1: Work Program Inclusion Stage:*⁴⁷

- UEA proposals are submitted by a GEF Agency for Work Program inclusion as fully developed non-expedited Enabling Activity requesting more than USD 5 million⁴⁸ using the Enabling Activity template.
- UEA proposals are submitted with: (i) the list of all countries included in the project; (ii) details of the Enabling Activity to be supported in each of these countries; and (iii) the OFP endorsement letters from participating countries.⁴⁹
- The Secretariat reviews the proposal. The CEO decides whether to include the proposal in the work program.
- If included, the Council reviews the proposal as part of the work program and approves it at a Council meeting or inter-sessionally.

(b) *Step 2: CEO Endorsement stage:* Two weeks after Council approval, the GEF Agency can request the CEO endorsement for the UEA. If no Council comments are received, the CEO can issue an endorsement letter. If Council comments are received, the Secretariat makes sure that comments are addressed in a satisfactory manner. On that basis, the CEO can issue an endorsement letter.

5. Procedures for Umbrella Enabling Activities (UEAs) processed as two-step MSPs: The steps to follow for an EA processed as two-step MSPs are:

(a) *Step 1: MSP Concept Stage:*⁵⁰

- UEA proposals are submitted by a GEF Agency for CEO approval as fully developed expedited EA requesting more than USD 1 million but up to USD 5 million using the EA template.
- UEA proposals are submitted with: (i) the list of all countries included in the project; (ii) details of the enabling activity to be supported in each of these countries; and (iii) the OFP endorsement letters from participating countries.⁵¹

⁴⁷ Use the Request for [focal area] Enabling Activity Template at <https://www.thegef.org/documents/templates>.

⁴⁸ See GEF/ C.66/08/Rev.03, Streamlining the Project Cycle.

⁴⁹ Though UEAs follow the same procedure as FSPs, they do not require submission of co-financing letters. Also, the Letter of Endorsement for all participant countries needs to be submitted at CEO Endorsement request at the latest.

⁵⁰ Use the Request for [focal area] Enabling Activity Template at <https://www.thegef.org/documents/templates>.

⁵¹ Though UEAs follow the same procedure as MSPs, they do not require submission of co-financing letters. Also, the Letter of Endorsement for all participant countries needs to be submitted at CEO Approval request at the latest.

- The Secretariat reviews the proposal. The CEO decides whether to approve the Enabling Activity.

(b) *Step 2: CEO Approval stage:* after the approval of the Enabling Activity at concept stage, the GEF Agency can request the CEO approval for the UEA. The CEO decides to approve it, then an approval letter will be issued.

6. Procedures for Umbrella Enabling Activities (UEAs) processed as one-step MSPs: The steps to follow for an EA processed as MSP one step are:

- UEA proposals are submitted by a GEF Agency for CEO approval as fully developed expedited Enabling Activity requesting more than USD 1 million but up to USD 5 million using the Enabling Activity template.
- UEA proposals are submitted with: (i) the list of all countries included in the project; (ii) details of the Enabling Activity to be supported in each of these countries; and (iii) the OFP endorsement letters from participating countries.⁵²
- The Secretariat reviews the proposal. The CEO decides whether to approve the Enabling Activity.

7. Procedures for Single Country EA Proposal:⁵³ Where a Convention requires more than one type of reporting within the same focal area, a request for combined funding can be made in a single Enabling Activity proposal.⁵⁴ If GEF project funding up to USD 1 million is requested, it will be processed through the expedited procedures.⁵⁵ If GEF project funding greater than USD 1 million is requested, it will follow the MSP or FSP project cycle depending on its size.⁵⁶

III. RELATED REFERENCES

- *Progress Report on the GEF Project Cycle Streamlining Measures*, GEF/C.45/04, November 2013
- *Decision 19/2013, Joint Summary of the Chairs – 45th Council meeting*, November 2013
- *Streamlining of Project Cycle*, GEF/C.43/06, November 2012
- *GEF Project and Programmatic Approach Cycles*, GEF/C.39/Inf.3, November 2010

⁵² Though UEA follow the same procedure as MSPs, they do not require submission of co-financing letters. Also, the Letter of Endorsement for all participant countries needs to be submitted at CEO Approval request at the latest.

⁵³ Progress Report on the GEF Project Cycle Streamlining Measures, GEF/C.45/04, November 2013

⁵⁴ A good example is combining a National Communications (NC) and a Biennial Update Report (BUR) to the UNFCCC into one EA project.

⁵⁵ See paragraph 3. a) above.

⁵⁶ Following the procedures described in paragraph 4, 5 and 6 above.

- *Streamlining the Project Cycle & Refining the Programmatic Approach*, GEF/C.38/5/Rev.1, June-July 2010
- *GEF Project Cycle: An Update*, GEF/C.22/Inf.9, November 2003

ANNEX 6: PROGRAMS

I. INTRODUCTION

1. A Program is a strategic arrangement of individual yet interlinked projects that aim at achieving large-scale impacts on the global environment.⁵⁷ An Integrated Program is a type of Program. Programs are submitted for inclusion in a biannual work program by the Lead Agency⁵⁸ through a Program Framework Document Template (PFD)⁵⁹. The Lead Agency can submit an addendum to the approved PFD for Council approval prior to the Program Commitment Deadline⁶⁰ to allow either an increase in proposed utilization of country STAR allocations for Child Projects and/or an increase in GEF resources for the Program.⁶¹ This Guideline clarifies the procedures and requirements in the preparation and submission/re-submission of Programs.

II. GUIDELINES ON PROCEDURES FOR SUBMITTING PROGRAMS

PROCEDURES FOR PFD SUBMISSION AND CHILD PROJECT SUBMISSION FOR CEO ENDORSEMENT/APPROVAL

2. The submission of the PFD needs to include: (i) clear and measurable criteria for the identification of Child Projects;⁶² (ii) a list of anticipated Child Projects; (iii) Concept Notes for Child Projects; (iv) GEF Operational Focal Point (GEF OFP) letters of endorsement (LoE) for expected use of STAR and non-STAR allocations in the program;⁶³ and (v) a Program Commitment Deadline not exceeding 18 months, before which Child Projects need to receive CEO Endorsement/approval. Considering the need for flexibility for Programs during the preparation stage, when the PFD is submitted, GEF Agencies are to follow the guidance below:

At the time of PFD submission

- (a) Indicative Focal Area Elements Table presents the GEF financing allocation for Focal Area Objectives/Focal Area Programs and, if applicable, for set-aside or incentive funds.

⁵⁷ Project and Program Cycle Policy, Policy OP/PL/ 01, December 2018

⁵⁸ Is the Agency that coordinates all activities under a Program - Project and Program Cycle Policy, Policy– page 4. Any GEF Agency can be a Lead Agency. For the eight recently accredited GEF Agencies, some restrictions apply as specified in the Memorandum of Understanding with the GEF Secretariat

⁵⁹ Access templates at <http://www.thegef.org/documents/templates>.

⁶⁰ Program Commitment Deadline means the date included in a Program Framework Document before which Agencies participating in a Program are required to submit all Child Project documents for Secretariat review for CEO endorsement (for FSPs) or approval (for MPs).

⁶¹ Project and Program Cycle Policy, Policy OP/PL/ 01– page 13

⁶² Countries select their GEF Agency of choice to develop and submit Child Projects in the same way as any other stand-alone project.

⁶³ See Guidelines for GEF Operational Focal Point Endorsement letter. Global/Regional Coordination child projects do not require Letters of Endorsement.

- (b) GEF Financing and Project Preparation Grant Tables must reflect exactly what countries endorsed⁶⁴ for their respective STAR and non-STAR contribution, if applicable. Total set-asides in GEF Financing Table must be within the budget approved by Council in the Programming Targets included in the Programming Directions Document, net of amounts assigned for PPGs.
- (c) Sources of Funds for Country STAR Allocation Table must reflect the total allocated STAR resources contribution per country, which must match the totals per Focal Area with the sum of the respective figures per country in the combined GEF Financing and Project Preparation Grant Tables.
- (d) The breakdown of GEF financing between the above Tables may differ to allow flexibility in selecting Focal Area Objectives/Focal Area Programs and, if applicable, set-aside or incentive funds. However, the total envelope of GEF financing needs to be the same between the two tables.

At the time of Child Project submission for CEO Endorsement/Approval

- (e) The same principles as in (a) apply.
- (f) The selected Focal Area Objectives/Focal Area Programs and, if applicable, set-asides or incentive funds in Tables Indicative Focal Area Elements and GEF Financing of the CEO Endorsement/approval request template must be aligned with what was presented in the PFD Table Indicative Focal Area Elements. However, the child project *financing amounts* by Focal Area Objectives/Focal Area Programs and, if applicable, set-aside or incentive funds, do not necessarily need to match with the PFD financing amounts presented in Table Indicative Focal Area Elements.
- (g) Table GEF Financing of the CEO endorsement/approval request template must exactly match with PFD's table GEF Financing by country and by focal area as approved by Council.

3. After PFD approval by Council, the GEF CEO will issue a PPG approval letter for child projects under the PFD as requested at PFD submission to the GEF Secretariat.

4. Ten (10) months before the Program Commitment Deadline, if there are still program funds awaiting submission of Child Projects for CEO endorsement/approval, the Secretariat sends a notification to the Lead Agency notifying it of the upcoming cancellation of such Program funds. If there are still program funds that are awaiting submission of Child Projects (with the required documentation) for CEO endorsement/approval six (6) months before the Program Commitment Deadline, the country Operational Focal Point (or the Partner Agency for global and regional Child

⁶⁴ As per the GEF OFP Letter of Endorsement, except for Global/Regional Coordination child project.

Projects) sends a notice to the CEO to confirm this. If such notification is not received six (6) months before the Program Commitment Deadline, the CEO notifies the Partner Agency, the recipient country Operational Focal Point and the Trustee, informing them of the cancellation of the Child Project(s), stating an effective date for the cancellation. After the passing of the Program Commitment Deadline, if the Child Project has not been CEO endorsed/approved, the CEO notifies the relevant Lead Agency and the Trustee in writing of the cancellation of the remaining Program funds stating an effective date for the cancellation. The Lead Agency informs all relevant stakeholders engaged in the Program of the cancellation.

CONDITIONS FOR SUBMISSION OF ADDENDUM TO THE PFD

5. After Council approval of a PFD, but at least 6 months⁶⁵ before the Program Commitment Deadline when all Child Projects must be endorsed/approved, the Lead Agency may submit an Addendum to the PFD for Council approval prior to the end of the Replenishment period if the following are requested:

- an increase in proposed utilization of country STAR allocations for Child Projects through addition of new countries and/or.
- an increase in GEF resources for the Program.

6. The Addendum to the approved PFD should include the following information: (i) the contribution of the new Child Project(s) to the Program's objective and results; (ii) the increased financing resources for Child Projects except for the Global/Regional Coordination Child Project⁶⁶, supported by the OFP Letter(s) of Endorsement; (iii) the list of new Child Projects with their corresponding co-financing amounts; and (iv) an explanation, if any, of the process through which the Child Projects were included in Program.

7. The Program Commitment Deadline of the submitted addendum to the PFD can differ from the original to allow the proper preparation of new Child Projects that have been added to the program.⁶⁷

PROCEDURES FOR SUBMISSION OF THE ADDENDUM TO THE PFD AND CHILD PROJECT SUBMISSION FOR CEO ENDORSEMENT/APPROVAL

8. The Lead GEF Agency submits to the Secretariat via the Portal:

- (a) An addendum to PFD using the Program Framework Document Template;
- (b) New or revised GEF OFP Letters of Endorsement as needed;

⁶⁵ Policy Measures to Enhance Operational Efficiency, Accountability and Transparency (GEF/C.55/04/Rev.01), December 20, 2018

⁶⁶ The GEF Financing for Global/Regional coordination child project is set at the submission of the original PFD.

⁶⁷ Original Child Projects are subject to the original Program Commitment Deadline.

9. When the Lead Agency submits the addendum to the PFD or the participating GEF Agencies submit the Child Projects for CEO Endorsement/Approval, the breakdown of GEF resources follows the steps in paragraph 2 above. If approved,⁶⁸ the Lead Agency, the other participating Agencies, the Trustee and the concerned OFPs are notified accordingly.

10. Unspent/uncommitted balances under a Program will be cancelled and released to the GEF Trust Fund immediately after: (i) a Child Project is cancelled; (ii) a Child Project is financially closed with the Trustee; or (iii) the Program Commitment Deadline.

PROCEDURES FOR THE AGENCY FEE TRANCHING FOR CHILD PROJECTS UNDER PROGRAMS, INCLUDING INTEGRATED PROGRAMS

11. Set-aside and commitment for Programs: The Trustee sets aside the amount of Total GEF Resources requested under a PFD once the Work Program is approved by the Council, subject to the availability of resources. The Trustee commits 20% of the Agency Fees for each Child Project listed in a PFD at the time of PFD approval. This is subject to the 20% fee commitment being returned if the Child Project is dropped/cancelled prior to the respective Program Commitment Deadline, with no exceptions. If the Child Project is not submitted for CEO endorsement/approval by the time of the respective Program Commitment Deadline, the 20% fee commitment will be cancelled and returned to the GEF Trust Fund, with no exceptions.

12. The decision on tranching of the Agency Fee⁶⁹ covers all GEF-7 and subsequent Programs approved by the Council and their respective Child Projects. In order to operationalize this provision, the Secretariat, the GEF Agencies and the Trustee will follow the procedure below:

- (a) After approval by Council of the Annex on funding approvals (in the Joint Summary of the Chairs), the Secretariat will indicate: (i) the participating Agencies in the Program and/or the addendum to the PFD; and (ii) the 20% Agency fee to be committed by the Trustee for each participating GEF Agency. This 20% Agency fee tranching will be based on the total PFD envelope, as well as on the indicative list of Child Projects and participating Agencies.
- (b) Because the 20% Agency fee tranching is based on the total Agency's allocation out of the total PFD envelope, only when Child Projects (both FSPs and MSPs⁷⁰) reach first disbursement and/or MTR, would the remaining Agency fee tranching be applied accordingly.

⁶⁸ Council approves the PDF and reviews Child Projects while the CEO endorses/approves Child Projects.

⁶⁹ GEF/C.55/04/Rev.01, Policy Measures to Enhance Operational Efficiency, Accountability and Transparency

⁷⁰ For stand-alone MSPs up to US\$2 million, the Trustee commits 100% of Agency Fee at MSP CEO Approval. For MSPs from US\$ 2 million up to US\$ 5 million, the Trustee commits 50% of the Agency Fee at first disbursement and 20% at Mid-Ter Review submission.

- (c) Any changes in Child Projects (which include both GEF project financing and related Agency fee and/or Agency transfer including the participation of a new Agency⁷¹) must be agreed among Agencies and follow the project Transfer procedures presented in Annex 10 of this document.

III. RELATED POLICY DOCUMENTS

- *GEF Project and Program Cycle Policy*, OP/PL/01, July 2025
- *Policy Measures to Enhance Operational Efficiency, Accountability and Transparency*, GEF/C.55/04/Rev.01, December 2018

IV. RELATED REFERENCES

- *Request for PPG Template for Child Project* –September 2015 on the GEF website
- *The GEF Programmatic Approach Modality –Guidelines for Implementation*, January 26, 2015 (a GEF internal document)
- *Improving the Project Cycle*, GEF/C.47/07/Rev.01, October 2014
- *Business Plan*, GEF/C.39/4/Rev.1, November 2010
- *GEF Project and Programmatic Approach Cycles*, GEF/C.39/Inf.03, November 2010
- *Streamlining the Project Cycle & Refining the Programmatic Approach*, GEF/38/5/Rev.01, July 2009
- *Management of the GEF Project Cycle Operations: A Review*, GEF/C.34/Inf.4, November 2008
- *From Projects to Program: Clarifying the Programmatic Approach in the GEF Portfolio*, GEF/C.33/6, April 2008

⁷¹ This occurs whether it is the remaining or the already received Agency fee in cases where a new Agency takes over an already existent Child Project.

ANNEX 7: PROJECT BUDGET AND IMPLEMENTATION & EXECUTION FUNCTIONS

I. INTRODUCTION

1. The separation of implementation functions performed by GEF Agencies and execution functions performed by Project Executing Entities (EAs)⁷² is a key feature of the governance of the GEF Partnership and an important aspect of the GEF Minimum Fiduciary Standards.⁷³ GEF Agencies are the only legal entities accountable to the GEF Council for the operational use of GEF financing. Their exercise of such legal personality in the supervision and oversight of execution activities is, therefore, critical to the operations of the GEF Partnership. This Guideline clarifies the differences between these two functions and provides guidance on project budgets.

II. PROJECT BUDGET

2. The Budget Template in Appendix A should be completed by the Agency and submitted at the time of CEO Endorsement/Approval as an annex in the Portal. The indicative project budget should present a clear distinction between: i) PMC activities, ii) Monitoring and Evaluation activities and iii) project activities (“project budget”) mapped to the project components. The same Budget Template in should be uploaded in the Portal - section “Documents” and included in the CEO Endorsement/Approval Request.

3. Any information not subject to public disclosure should be marked confidential and will be treated as such by the Secretariat. The purpose of the template is to promote a level playing field across GEF Agencies, facilitate consistent review, increase transparency, reduce the need for follow-up requests and improve reporting on project costs. The budget detail is considered indicative, within the Council-approved totals.

4. If project staff and consultants are charged to both PMC and/or project components (i.e. not only to PMC), clear Terms of Reference describing unique outputs linked to the respective components are required at the time of CEO Endorsement/Approval, for review by the Secretariat. Project staff refers to the personnel of the Executing Entity carrying out long-lasting tasks⁷⁴ funded with GEF resources.

5. Procurement and disposition of assets acquired with GEF funding follows GEF Agency policies and procedures. Any residual assets should be assigned for the benefit of the recipient organization(s) or institutions(s), or proceeds from disposition returned to the GEF Trustee.

⁷² “Project Executing Entity” is a defined term in the Project and Program Cycle Policy, however the acronym “EA” (denoting Executing Agency) is sometimes also used to denote these entities.

⁷³ Section II.2 (h) - Policy on Minimum Fiduciary Standards GA/PL/02, June 2025.

⁷⁴ As opposed to a consultant whose expertise is provided on a temporary basis, carries out a detailed task, and delivers a specific output linked to the nature and purpose of the task.

III. IMPLEMENTATION FUNCTIONS (GEF AGENCY)

6. GEF Agencies are responsible for the implementation of the project/program, which entails oversight of project execution to ensure that the project is being carried out in accordance with agreed standards and requirements.⁷⁵ GEF Agencies are accountable to the GEF Council for their GEF-financed activities⁷⁶ and are responsible for project cycle management services and corporate activities. GEF Agency Fees cover Agency costs for providing these services.

7. GEF Agencies perform Project Cycle Management Services that involve project identification, preparation of project concepts, preparation of detailed project documents, project approval and start-up, risk management and mitigation, project supervision and oversight, and project completion and evaluation⁷⁷ (for a detailed list, see Table A in Annex 9 GEF Agency Fee and Project Management Costs).

8. Each GEF Agency implements projects according to its internal guidelines and rules after approval of GEF-funded projects by its governing body, following GEF CEO Endorsement/Approval.

9. Additionally, GEF Agencies engage in corporate activities with the GEF Secretariat, GEF Trustee, GEF Independent Evaluation Office and the GEF Council on the formulation of policy and strategy. This includes, among others, policy support, periodic portfolio-level reporting, outreach and knowledge sharing, and support to the GEF Independent Evaluation Office.⁷⁸

IV. EXECUTION FUNCTIONS (PROJECT EXECUTING ENTITY)

10. A Project Executing Entity (EA) is an organization that executes a GEF Project or Program, or portions of it, under the supervision of a GEF Agency. EAs are generally (but not exclusively) national or sub-national government agencies, civil society organizations, private sector entities, or academic institutions, among others. Execution generally includes the management and administration of the day-to-day activities of projects in accordance with specific project requirements in an agreement with the GEF Partner Agency responsible for implementation. This is in accordance with specific project requirements outlined in the approved Project Document and the agreement with the GEF Agency responsible for implementation. Execution implies accountability for intended and appropriate use of funds, for procurement and contracting of goods and services, and for timely delivery of inputs and outputs.⁷⁹ Selection of the EA by the

⁷⁵ GEF Minimum Fiduciary Standards: Separation of Implementation and Execution Functions in GEF Partner Agencies - GEF/C.41/06/Rev.01, November 2011 – page 3

⁷⁶ GEF Instrument – March 2015 – page 20

⁷⁷ GEF Minimum Fiduciary Standards: Separation of Implementation and Execution Functions in GEF Partner Agencies - GEF/C.41/06/Rev.01, November 2011 – page 5

⁷⁸ Rules and Guidelines for Agency Fees and Project Management Costs GEF/C.39/9, October 2010 – page 2

⁷⁹ GEF Updated Minimum Fiduciary Standards: Financial Management and Control, Oversight of Executing Entities, GEF/C.57/04/Rev.02, December 2019

GEF Agency must therefore preserve this chain of accountability (i.e. from the EA to the GEF Agency to the GEF Council). The EA is selected by the beneficiary country/ies, in consultation with and with the concurrence of the GEF Agency⁸⁰, for review and approval by the GEF Secretariat.

11. The EA receives project-specific GEF funding from a GEF Agency to execute a GEF project, or parts thereof, under the supervision of the same GEF Agency. Thus, EAs undertake the execution of projects, which implies the ability to manage and administer the day-to-day activities of a project. Costs associated with the execution functions such as the salaries of the Project Management Unit's personnel, financial audits, operating costs, utilities, among others, are financed through Project Management Costs (PMC), which are funded partly by the GEF funding and partly by the counterpart funding of the beneficiary government or other co-financing resources. The EA "reports and is responsible to the agency that carries out project implementation".⁸¹

V. EXCEPTIONS FOR A GEF AGENCY PROVIDING EXECUTION SERVICES

12. The GEF Minimum Fiduciary Standards Policy establishes the responsibilities of the GEF Agencies to oversee EAs and ensure the latter have adequate capacities and controls in place. The GEF Agency Fee Policy also explicitly precludes the merging or crossing over of the implementing functions of the GEF Agencies and the execution functions undertaken by EAs. In exceptional cases, the GEF Council has approved five exceptions⁸² to the prohibition of Agencies performing dual implementation and execution roles. Per the request of the beneficiary country/countries, and with the appropriate justification, the same GEF Agency may carry out both functions. Exceptions are limited to the following:

- (a) Due to legislative or regulatory restrictions in the country, executing entities are prohibited from receiving GEF funds.⁸³
- (b) Per the capacity assessment carried out by the GEF Agency, there is a limited or inadequate fiduciary and/or procurement capacities in potential executing partners, as assessed by the GEF Agency.
- (c) Fragile and Conflict-affected Situations (FCS) and/or post-natural disaster situations.

⁸⁰ The final selection of the EA is subject to the capacity assessment carried out by the GEF Agency.

⁸¹ GEF Minimum Fiduciary Standards: Separation of Implementation and Execution Functions in GEF Partner Agencies - GEF/C.41/06/Rev.01, November 2011 – page 3

⁸² See Decision 17, GEF/Council.Decisions/2025, *GEF Council Decisions 2025*, 10 June 2025.

⁸³ For instance, due to legislative or regulatory restrictions in the country, executing entities are subject to financial and/or legal limitations for receiving GEF funds.

(d) Global or regional coordination child projects for Programs, global or regional platforms for knowledge sharing and Umbrella Enabling Activities for a group of countries.

(e) NGI projects.

13. In cases (a) and (b) above, execution services are limited to administrative, financial and procurement support.

PROCESS FOR AGENCIES SEEKING AN EXCEPTION WAIVER FOR DUAL IMPLEMENTATION AND EXECUTION ROLES

14. Agencies that intend to undertake a dual implementation and execution role for a GEF project must abide by the following steps:

(a) The GEF Agency must consult with the relevant GEF Secretariat program manager in writing before seeking OFP support. This consultation must occur at least six months before CEO Endorsement/Approval.

(b) The formal written consultation for an exception waiver shall include the rationale for the Agency dual role with the following elements:

(i) A statement clarifying which of the five exception waivers the Agency is pursuing;

(ii) Specific execution activities to be performed by the Agency, along with the timeline for those execution activities;

(iii) A statement confirming that cost recovery for the Agency assuming a dual role shall not be recovered from GEF resources, recalling that any costs incurred by the Agency performing execution services, including capacity building of the EA, are to be covered by the co-financing resources allocated to the project management cost estimated as part of the total project cost;

(iv) A depiction of possible alternatives for EAs that have executed GEF projects in the participant country/countries, and an explanation why none of the alternatives are feasible, including for countries/contexts in which GEF Agencies have previously implemented projects with the nominated EA without a dual role; and

(v) Description of the governance, decision-making processes, and institutional arrangements for the Agency to safeguard a clear separation of implementation and execution duties and related authorizations.

- (c) Following GEF Secretariat trust fund manager approval in principle of the exception waiver, the details of the request must be included in a Letter of Support from the relevant OFP(s). The Agency must submit Letters of Support for any country in which GEF-financed activities will occur. The Agency must include the Letter of Support in the project documentation uploaded to the GEF by the time of CEO Endorsement submission at the latest. A [Letter of Support template](#) is available on the GEF website.⁸⁴
- (d) Exception waiver requests that are submitted after CEO Endorsement/Approval shall be treated as major amendments and processed accordingly. Agencies must follow the same steps described in this Annex for any dual role exception request that triggers a major amendment.

CRITERIA FOR EVALUATING EXCEPTION WAIVER REQUESTS.

15. Unless approved otherwise by the GEF Secretariat, the dual role of implementation and execution by a GEF Agency must be limited in time and carried out with the objective of supplementing and/or strengthening only the executing capacities that the potential executing agencies lack by using Agency expertise. GEF trust fund managers are empowered to approve any of the five dual role exception waivers authorized by the Council and contained in GEF Council Decision 17/2025.

16. For waiver requests based on exceptions (a), (b), and (c), Agencies must submit additional documentation to facilitate GEF Secretariat consideration of the request. The following section describes the evidentiary requirements for the approval of exception waivers based on these cases, which must also be submitted at least six months prior to CEO Endorsement/Approval.

17. For waiver requests based on **(a) legislative or regulatory restrictions** in the project country/ies that impact EA receipt and management of GEF funds, Agencies must provide the following to GEF Secretariat:

- (a) Copy of the legislation or regulation that restricts the potential EA from serving in an executing role;
- (b) A statement by the Agency describing the administrative, fiduciary, and/or procurement executing activities that cannot be performed by the EA;
- (c) Demonstration that the executing activities to be assumed by the Agency represent the minimum Agency execution coverage to ensure project success.

⁸⁴ As noted in Annex 1 (OFP Letter of Endorsement), the LoE should not include reference to an exception for implementation and execution by the same GEF Agency.

18. The GEF Secretariat will assess the submitted documentation to ensure that the scope of the waiver request from the Agency is aligned with the legislation or regulation that restricts potential EAs from conducting key administrative, financial and/or procurement activities.
19. For waiver requests based on ***(b) limited or inadequate fiduciary and/or procurement capacities in potential EAs***, Agencies must provide the following to the GEF Secretariat:
- (a) Copy of a valid EA capacity assessment report, conducted and/or updated within six months from the time of written Agency consultation with the GEF Secretariat regarding a dual role;
 - (b) Description of executing activities to be assumed by the Agency and justification for doing so, based on the capacity assessment results. This shall include a discussion of risk mitigation approaches employed by the Agency with respect to potential national EAs;
 - (c) Demonstration that the executing activities to be assumed by the Agency represent the minimum Agency execution coverage to ensure project success.
20. The GEF Secretariat will assess the submitted documentation to ensure that the scope of the waiver request from the Agency is focused only on the administrative, financial and/or procurement activities that potential EAs currently lack or do not have sufficient capacity to undertake at the required risk level.
21. In addition to the documentation required above, Agencies seeking a waiver based on the limited EA capacity exception must also demonstrate how the Agency will build the capacity of the national executing entities. By the time of CEO Endorsement/Approval submission, the Agency must present a capacity building plan in the specific executing tasks which the Agency is assuming in place of a national/regional EA. The capacity building plan must have clear indicators achievable during the period of the Agency performing the dual role, as well as an exit strategy, for review and approval by the Secretariat.
22. Such a capacity building plan may include, but is not limited to, the following areas:
- (a) Procurement procedures and best practices for works, goods, consultancy and contractual services (both company and individual);
 - (b) Financial management procedures and best practices including budgeting, funds management, disbursement, financial reporting, and internal controls;
 - (c) Administration including consultants and staff management, governance and implementation arrangements for the project; and
 - (d) Technical capacity development in the areas of expertise to execute the proposed projects with the country/ies.

23. For waiver requests based on ***(c) Fragile and Conflict-affected Situations (FCS) and/or post-natural disaster situations***, Agencies must provide the following to the GEF Secretariat:

- (a) Confirmation of the project country/ies appearing on the World Bank List of Fragile and Conflict-affected Situations for the current fiscal year;
- (b) Analysis of the conflict and fragility context – root causes, barriers, opportunities, and related risks, with stakeholder identification and assessment. The Agency shall review alternative entities to the affected EA(s) and must demonstrate that they are not viable for GEF project execution. If GEF Agencies have previously implemented projects without a dual role, the analysis shall include such projects and an explanation that the FCS precludes similar execution arrangements;
- (c) Demonstration that the executing activities to be assumed by the Agency represent the minimum Agency execution coverage to ensure project success.

24. The GEF Secretariat will assess the submitted documentation to ensure that the scope of the waiver request from the Agency is focused only on the administrative, financial and/or procurement activities that potential EAs cannot perform due to the FCS.

INSTITUTIONAL ARRANGEMENTS FOR PROJECTS WITH AGENCY DUAL ROLES

25. The GEF Agency must ensure satisfactory institutional arrangements throughout the life of the project. This arrangement must be described in the relevant sections of project documentation submitted to the GEF Secretariat, as well as in the TORs of project management staff or consultants and their respective lines in the budget table.

26. Clear lines of responsibility and accountability, including reporting, monitoring, and evaluation, must be maintained. Separation of duties between Agency implementation and execution personnel is required in areas such as settlement processing, procurement, risk management, reconciliations, and accounting.

27. Roles and duties of the separate responsible units within the Agency are subject to regular review by Agency management and action by the Agency can be requested by the GEF Secretariat when discrepancies are noted.

28. For projects that will be wholly executed by the Agency, the role of the national institution where the project will be hosted should be privileged with respect to decision-making, for example, as chair of the PSC. For projects that will be executed in part by the Agency and in part by an EA, the role of the EA in decision-making should be privileged vis-a-vis the Agency.

29. For both cases described in the paragraph above, the Agency must describe the institutional arrangements, including but not limited to the composition and terms of reference for the project steering committee (PSC), which should reflect this priority of executing agency

decision-making. For instance, the PSC should be chaired by the EA or a delegate/s from the participant country/ies, and to avoid conflicts of interest, the GEF Agency shall not assume a voting role in PSC proceedings.

30. For the avoidance of doubt, nothing in this Annex supersedes the roles and responsibilities of GEF Agencies as per the Minimum Fiduciary Standards Policy or the Fee Policy for GEF Partner Agencies. Agencies are responsible for ensuring GEF financing is executed according to the policies and standards established by the GEF and by those policies and standards of the Agency which formed the basis of its accreditation.

Appendix A: Indicative Project Budget Template

Expenditure Category	Detailed Description	Component (USDeq.)					Total (USD eq.)	Responsible Entity (Executing Entity receiving funds from the GEF Agency) ⁸⁵
		Component 1	Component 2	Component 3	M&E	PMC		
Works	...							
<i>Subtotal Works</i>								
Goods	Equipment 1							e.g. Ministry of Environment
<i>Subtotal Goods</i>								
Vehicles					xxx			
<i>Subtotal Vehicles</i>								
Grants/ Sub-grants	...							
<i>Subtotal Grants/ Sub-grants</i>								
Revolving funds/ Seed funds / Equity	...							
<i>Subtotal Revolving funds/ Seed funds / Equity</i>								
Sub-contract to executing partner/ entity								

Expenditure Category	Detailed Description	Component (USDeq.)					Total (USD eq.)	Responsible Entity (Executing Entity receiving funds from the GEF Agency) ⁸⁵
		Component 1	Component 2	Component 3	M&E	PMC		
<i>Subtotal Sub-contract to executing partner/entity</i>								
Contractual Services – Individual	Int'l consultant 1							
	Local consultant 1							
<i>Subtotal Contractual Services – Individual</i>								
Contractual Services – Company	Company 1							
<i>Subtotal Contractual Services – Company</i>								
Salary and benefits / Staff costs	e.g. Project Manager							
	e.g. Financial / Admin Assistant							
<i>Subtotal Salary and benefits / Staff costs</i>								

Expenditure Category	Detailed Description	Component (USDeq.)					Total (USD eq.)	Responsible Entity (Executing Entity receiving funds from the GEF Agency) ⁸⁵
		Component 1	Component 2	Component 3	M&E	PMC		
Trainings, Workshops, Meetings	e.g. Inception Workshop							
<i>Subtotal Trainings, Workshops, Meetings</i>								
Travel	...							
<i>Subtotal Travel</i>								
Office Supplies	...							
<i>Subtotal Office Supplies</i>								
Other Operating Costs	...							
<i>Subtotal Other Operating Costs</i>								
Grand Total								

ANNEX 8: GEF AGENCY FEE AND PROJECT MANAGEMENT COSTS

I. AGENCY FEE

1. GEF Agencies are provided with a fee (which is separate from and additional to the GEF project financing) to cover their costs in delivering GEF-specific project cycle management services and corporate activities as defined in GEF policies and procedures (see Table A).⁸⁶ All Agency costs for project/program implementation, including items in Table A, are to be covered by the GEF Agency Fee, within the determined caps below.
2. The fee structure as a percentage of the GEF project financing differs by GEF Agency⁸⁷:
 - (a) For the ten GEF Agencies⁸⁸ that have been working in the GEF partnership before the Pilot Program on Accrediting GEF Agencies, the fee structure is as follows:
 - 9.5%: for GEF project/program financing up to and including USD 10 million⁸⁹;
 - 9.0%: for GEF project/program financing above USD 10 million;
 - 9.0%: for GEF Small Grants Programme (SGP).⁹⁰
 - (b) For the eight GEF Agencies⁹¹ accredited through the Pilot Program on Accrediting GEF Agencies, the fee structure is 9.0% for all types and sizes of projects and programs irrespective of the GEF project financing size.⁹²
3. First disbursement triggers the commitment of the Agency Fee.⁹³ Agencies would make efforts to disburse at least 10%, to provide executing partners with meaningful resources to

⁸⁶ Updated Policy on Minimum Fiduciary Standards, GEF/C.57/04/Rev.02 December 2019, among others

⁸⁷ Fee Policy for GEF Partner Agencies – Policy: FI/PL/03, June 2025.

⁸⁸ The International Bank for Reconstruction and Development (World Bank), United Nations Development Programme (UNDP), United Nations Environment Programme (UNEP), the African Development Bank (AfDB), the Asian Development Bank (ADB), the European Bank for Reconstruction and Development (EBRD), the Food and Agriculture Organization of the United Nations (FAO), the Inter-American Development Bank (IADB), the International Fund for Agricultural Development (IFAD) and the United Nations Industrial Development Organization (UNIDO).

⁸⁹ For Child Projects under a Program, the Agency fee is calculated based on the Program Financing irrespective of the Child Project's financing.

⁹⁰ See document GEF/C.63/06/Rev.01, GEF Small Grants Programme 2.0 Implementation Arrangements for GEF-8

⁹¹ Conservation International (CI), Development Bank of Latin America (CAF), Development Bank of Southern Africa (DBSA), Foreign Economic Cooperation Office, Ministry of Environmental Protection of China (FECO), Brazilian Biodiversity Fund (FUNBIO), International Union for Conservation of Nature (IUCN), West African Development Bank (BOAD), World Wildlife Fund Inc. (WWF-US).

⁹² These GEF Agencies accredited through the Pilot Program on Accrediting GEF Agencies are not obliged to perform GEF corporate activities. However, they are welcomed and encouraged to participate in these activities.

⁹³ For FSPs and FSPs Child, as well as MSPs and MSPs Child above US\$2 million up to US\$ 5 million, 50% of the Agency Fee is committed at First Disbursement, and the remaining 30% is committed at Mid-Term review submission; for MSPs Child up to US\$2 million, 80% of the Agency Fee is committed at First Disbursement; for MSPs up to US\$2 million, 100% of the Agency e is committed at First Disbursement.

initiate project activities. However, if the expected 10% threshold cannot be disbursed, Agencies are requested to include an explanation with the reasons for a lower first disbursement, supported by formal documents agreed among the Agency and the respective executing entity regarding the schedule of disbursements for review by the GEF Secretariat. Upon review of such documents, a lower first disbursement trigger may be accepted.

4. When a project/program is cancelled before CEO Endorsement/Approval or completion, the unutilized fees specific to that project are returned to the respective trust fund as the full set of GEF-specific services will not be delivered. For projects approved after March 1, 2019, the return of unutilized Agency fees (i.e. cancellation of fee set-aside or commitment by the Trustee) is determined as follows, and in accordance with Agency Financial Procedures Agreements:⁹⁴

- (a) For any Council- or CEO-Approved project that is cancelled by the GEF Agency or GEF Secretariat⁹⁵ before CEO Endorsement/Approval, 80% of the fee set aside by the Trustee for FSPs⁹⁶ and 100% of the fee for MSPs would be cancelled.
- (b) For any Council-approved PFD whose Child Project is cancelled by the GEF Agency or GEF Secretariat⁹⁷ before CEO Endorsement/Approval, 100% of the fee for the Child Project would be cancelled.⁹⁸
- (c) For any FSP, FSP Child Project and MSP Child Project cancelled after CEO Endorsement/Approval, 80% of fee cancellation would be prorated based on the actual implementation period relative to the planned/expected project duration as stated in the project document endorsed by the CEO.⁹⁹
- (d) For any MSP/EA cancelled after CEO Approval, 100% of fee cancellation would be prorated based on the actual implementation period relative to the planned/expected project duration as stated in the project document approved by the CEO.¹⁰⁰

⁹⁴ Proposal for Revising the Fee System, GEF/C.23/8/Rev.1, June 2005 – page 8.

⁹⁵ As per the Cancellation Policy. For projects approved before 1 March 2019, the relevant percentage in (a) and (c) is 60%.

⁹⁶ As 20% of the fee for FSPs is already committed at PIF/PFD approval (change from 40% under old fee policy).

⁹⁷ Following the Cancellation Policy.

⁹⁸ As per the GEF Project and Program Cycle Policy – see Project and Program Cycle Policy/Policy OP/PL/ 01, June 2025.

⁹⁹ For example, if a project with a five-year implementation period is cancelled in year two of implementation, 48% of the total fee set-aside would be cancelled (i.e. Agency would retain 20% for the period up to Agency- approval and the remaining 80% cancelled on a pro-rata basis i.e. $80\% \times 3/5 = 48\%$) For MSPs and EAs, 100% of the fee is prorated and cancelled accordingly, i.e. $100\% \times 3/5 = 60\%$.

¹⁰⁰ The fee for MSP and EA is committed only after CEO Approval as stated in the Project and Program Cycle Policy in paragraphs 39 and 40 of OP/PL/01 (for many years this applied to all the GEF modalities as stated in the Council-approved document GEF/C.31/Rev.1, June 2007 - see paragraph 17). However, the Council approved tranche payment of fees exclusively for FSP in 2012 (see annex I GEF/C.43/6, November 2012).

II. GEF PROJECT MANAGEMENT COSTS

5. Project Management Costs (PMC) represent the actual costs associated with the unit executing the project on the ground (i.e. project executing entity – EA) – see Table B. PMC are usually financed from the GEF financing¹⁰¹ and co-financing sources. In accordance with Council decision GEF/C.39.9, there should be “proportionality” between the PMC covered by co-financing amounts and the PMC covered by the GEF funding.¹⁰² The spirit of this decision is that the GEF trust funds should not bear a disproportionate burden of the total management costs for GEF-financed projects, when co-financing is included. Recognizing that each GEF-funded project will have unique characteristics, the Council decision also provides that: “Depending on the nature of the project, special cases will be reviewed and discussed with the GEF Secretariat on a case-by-case basis.” Agencies are therefore encouraged to consult with the GEF Secretariat on this in instances where this spirit of proportionality is not observed.

6. Details on the component PMC costs are included in the individual project budgets, submitted at the time of CEO Endorsement/Approval.¹⁰³

7. During the identification of a potential project or program, the GEF Agency (working with the EA, if already identified) provides an indicative cost estimate of the PMC budget that appears in the PIF and PFD templates, as follows:¹⁰⁴

- For GEF financing amount above USD 2 million: PMCs should not exceed 5% of GEF project financing.
- For GEF financing amount up to USD 2 million: PMCs shall not exceed 10% of GEF project financing.

8. PMC (and M&E, see Annex 3) thresholds are calculated as a percentage of the project financing amount minus PMC itself, i.e. the sub-total of the project financing amount before PMC, as per GEF project templates with example below:

¹⁰¹ See activities not covered by the GEF funding in Table C.

¹⁰² C.39/9. Para 23.c

¹⁰³ Rules and Guidelines for Agency Fees and Project Management Costs GEF/C.39/9, October 2010 – page 6

¹⁰⁴ The procedures apply to all modalities: FSPs, MSPs, EAs and Programs. Child Projects of Programs follow the same procedure as FSPs or MSPs. Hence, PMC for Programs is the total of the Project Management Costs of all Child Projects. PMCs should be charged proportionately to focal areas based on focal area project financing amount as indicated in the Table of the PIF/PFD template in GEF Portal

Project Description Overview

Project Objective*:	[Redacted]					
Project Components	Component Type	Project Outcomes	Project Outputs	Trust Fund	(in \$)	
					GEF Project Financing	Co-financing
[Redacted]	(select)	[Redacted]	[Redacted]		[Redacted]	[Redacted]
[Redacted]	(select)	[Redacted]	[Redacted]		[Redacted]	[Redacted]
....						
M&E**	(select)	[Redacted]	[Redacted]		[Redacted]	[Redacted]
Subtotal				(select)	[Redacted]	[Redacted]
Project Management Cost (PMC)*** (if this is an MTF project, please report separate PMC lines for each TF). ***If amount requested is above limits, a pop-up menu should open for the Agency to provide an explanation***				(select)	[Redacted]	[Redacted]
Total Project Cost					[Redacted]	[Redacted]

9. During project preparation, the GEF Agency and the EA refine the PMC information provided during the PIF stage. These refinements are reflected in the CEO Endorsement request for FSPs or the CEO Approval request for MSPs, and in the Enabling Activity Approval request. Any request above the thresholds indicated above requires justification.¹⁰⁵ The GEF Secretariat assesses the request for such increase and decides whether to approve it.

Table A - Activities Covered by the Agency Fee

Project Cycle Management Services¹⁰⁶

- (a) Project identification
 - (i) Consult with appropriate stakeholders in-country, including the GEF Operational Focal Point, identify opportunities for GEF financing, using country dialogue and country planning/sector strategy documents as a basis.
 - (ii) Assess the capacities of the Project Executing Entity (EA) selected by the beneficiary country/ies and review the proposed execution arrangements.
 - (iii) Together with the project proponent, review options for co-financing and partnerships.
 - (iv) Incorporate GEF opportunities in appropriate planning/country assistance strategy documents of the GEF Agency.
- (b) Preparation of project concept

¹⁰⁵ PMC shall not exceed 10% of the GEF Financing.

¹⁰⁶ Rules and Guidelines for Agency Fees and Project Management Costs, GEF C.39/9, page 4

- (i) Discuss GEF eligibility criteria with the recipient country's GEF Operational Focal Point and other stakeholders.
 - (ii) Undertake in-person country PIF-PPG preparation missions and activities including the participation of Agency staff.
 - (iii) Consult within the GEF Agency.
 - (iv) Assist project proponent to prepare PIF, in consultation with appropriate stakeholders, including the GEF operational focal point and the GEF Secretariat.
 - (v) Obtain endorsement letter(s) from the GEF operational focal point(s).
 - (vi) Address the GEF Secretariat comments to obtain the PIF clearance and PPG approval.
- (c) Preparation of the detailed Project Document
- (i) Prepare and execute legal agreements for PPG activities in coordination with the operational focal point.
 - (ii) Help the project proponent write terms of reference (TORs) for consultant(s), if required, to undertake PPG activities.
 - (iii) Assist the project proponent to identify and recruit consultants to assist with project preparation, if necessary.
 - (iv) Undertake in-person project preparation missions including the participation of Agency staff, in consultation with and the inputs from the operational focal point, as well as the involvement of all appropriate stakeholders, with particular focus on risk assessment, environmental and social safeguards, gender issues, governance issues, execution arrangements, co-financing, capacity development, partnership building and outreach.
 - (v) Negotiate and reach agreement on incremental cost with government and other relevant stakeholders.
 - (vi) Provide technical oversight of the preparation of GEF core indicators for different focal areas.
 - (vii) After identifying qualified local partners to execute the project, implement measures to strengthen local institutional capacities with the support of Agency specialists for a limited period.
 - (viii) Submit the Project Document (if applicable) with Request for CEO Endorsement/Approval template to the GEF Secretariat.

(ix) For Programs: coordinate with relevant stakeholders in formulating programs; prepare a Program Framework Document (PFD) for submission to the GEF Secretariat for work program entry and Council approval; implement the programs; monitor and report on progress of the programs.

(d) Project Approval and Start-up

- (i) Appraise the project and finalize project implementation arrangements, including mission travel.
- (ii) Prepare legal and other documentation for approval by the GEF Agency approval authority.
- (iii) Advise the project proponent on the establishment of a project management structure in the recipient country/countries.
- (iv) Assist project management to draft TORs and advise on the selection of experts for implementation.
- (v) Advise on and participate in project start-up workshop.
- (vi) Negotiate and reach an agreement on the schedule of disbursements with the Executing Entity.

(e) Project implementation and supervision

- (i) Notify operational focal points in advance of supervision missions and conduct at least one in-person supervision mission per year, including the participation of and the views from operational focal points.
- (ii) Provide technical guidance, as necessary, for project implementation.
- (iii) As necessary, include Agency's technical staff or consultants during the in-person supervision missions to advise government officials on technical matters and provide technical assistance for the project as needed.
- (iv) Oversee procurement and financial management to ensure implementation is in line with Agency policies and timeline.
- (v) Disburse funds to the Executing Entity per the agreed schedule and review financial reports.
- (vi) Oversee the preparation of the required reports¹⁰⁷ for submission to the GEF Secretariat.
- (vii) Monitor and review project expenditure reports.

¹⁰⁷ See Guideline on Project Monitoring and Evaluation.

- (viii) Prepare periodic revisions to reflect changes in annual expense category budgets.
- (ix) Undertake the Mid-Term Review (MTR) and send a copy to the GEF Secretariat.
- (f) Project completion and evaluation
 - (i) Oversee the preparation of the Project Completion Report/Independent Terminal Evaluation; submit the report to the GEF IEO and send a copy to the GEF Secretariat.
 - (ii) Prepare project closing documents and inform the GEF Secretariat.
 - (iii) Prepare the financial closure of the project, submit it to the Trustee within 12 months of the submission of the Terminal Evaluation and inform the GEF Secretariat.

Corporate Activities¹⁰⁸

- (a) Policy support includes the development, revision and operationalization of GEF policies, strategies, business plans and guidelines. It also includes participation in the meetings of the GEF governing bodies.
- (b) Portfolio management includes pipeline and program management, financial management and data management. It includes participation in financial consultations organized by the Trustee. It also comprises preparation of the Annual Monitoring Report (AMR), the Annual Portfolio Review for the Evaluation Office (APR) and the overall management of the portfolio regardless of the number of projects undertaken.
- (c) Reporting includes all the reporting requirements as per the Guidelines.
- (d) Outreach and knowledge sharing includes participation in sub-regional consultations, Country Support Program (CSP) activities and STAP meetings.
- (e) Support to Independent Evaluation Office includes evaluations, reviews and studies initiated by the GEF Independent Evaluation Office.

¹⁰⁸ Rules and Guidelines for Agency Fees and Project Management Costs, GEF C.39/9, page 2

Table B - Execution Functions eligible for funding by the GEF portion of PMC¹⁰⁹

<p><u>Staffing costs, including:</u></p> <ul style="list-style-type: none">• Project manager;• Project assistant technical specialist(s);• Procurement specialist; and/or• Financial specialist. <p><u>Project-related activities of Executing Entity, including:</u></p> <ul style="list-style-type: none">• Preparation of procurement plans;• Terms of reference and procurement packages;• Management of consultant activities;• Management of output deliverables;• Maintenance of records of all project-related documentation;• Management and administration of the Knowledge Management Plan;• Preparation of progress reports and financial reports for the project;• Consultation with project stakeholders;• Financial auditing for the project.

Table C - Project Activities ineligible for GEF Funding under PMCs

<ol style="list-style-type: none">1. Government staff salaries, benefits, bonuses or other emoluments (not eligible for any GEF project funding);2. Salaries and fees for GEF Agency staff or consultants;3. Purchase of vehicles;¹¹⁰4. Monitoring of project indicators and periodic monitoring report (this should be budgeted under the M&E Budget and is a separate component of the project cost);

¹⁰⁹ Rules and Guidelines for Agency Fees and Project Management Costs, GEF C.39/9, page 6. Must also be consistent with Agency policy and procedure.

¹¹⁰ The use of GEF funds to purchase vehicles is strongly discouraged. Such costs are normally expected to be borne by the co-financed portion of PMCs. Any request to use GEF funding to purchase project vehicles must be justified by the exceptional specific circumstances of the project/program. The Secretariat assesses such requests and decides whether to approve them, based on following criteria: type of project, operating environment, contribution to achievement of project results, and share of costs covered by co-financing, type of vehicle (ICE, EV, etc.), among others.

5. Management or other fixed fees or overhead costs of executing entities in addition to itemized Project Management Costs.

III. RELATED POLICY DOCUMENTS

- *Project and Program Cycle Policy*, Policy OP/PL/ 01, July 2025
- *Fee Policy for GEF Partner Agencies – Policy*: FI/PL/03, July 2025
- *GEF Minimum Fiduciary Standards: Separation of Implementation and Execution Functions in GEF Partner Agencies*, GEF/C.41/06/Rev.01, November 2011
- *Rules and Guidelines for Agency Fees and Project Management Costs*, GEF C.39/9
- *Proposal for Revising the Fee System*, GEF/C.23/8/Rev.1, June 2005
- *Roles and Comparative Advantages of the GEF Implementing Agencies*, GEF/C.30/9, December 2006

III. RELATED REFERENCES

- *Clarifying the Responsibilities of the GEF's Key Actors with respect to the Use of GEF Resources*, GEF/C.42/04, June 2012
- *GEF Administrative Expenses - Fees and Project Management Costs: External Review*, GEF.C.41.07, November 2011
- *Broadening GEF Executing Entities*, GEF/C.38/Inf.10, June-July 2010
- *Recommended Minimum Fiduciary Standards for GEF Implementing and Executing Agencies*, GEF/C.31/6, June 2007

ANNEX 9: PROJECT AMENDMENT, DROP, SUSPENSION AND CANCELLATION

I. INTRODUCTION

1. At any stage of the project cycle, the country, the GEF Agencies, as well as the GEF Secretariat, may recommend amending/dropping/suspending/cancelling a project. Such decision could be based on changes in national priorities or operating environment, poor implementation performance leading to a conclusion that the project can no longer meet its objectives, and unmet benchmarks for project preparation, among others.¹¹¹ This guideline clarifies procedures for any of the circumstances mentioned.

II. GUIDELINES FOR PROJECT AMENDMENT

PROJECT AMENDMENT

2. During project preparation or implementation, changes to the project design, implementation modality, or timeline for the project may be required to allow the project to continue preparation or implementation. Such changes can either be a major or minor amendment.

3. Major amendment means a change in project design or implementation that has a significant impact on the project's objectives, core indicator results or scope, a request of the GEF Agency for the dual role of implementation and execution after CEO Endorsement/ Approval, or an increase of the GEF project financing of more than 5%.¹¹² Minor amendments are changes to the project design or implementation that do not have significant impact on the project objectives, core indicator results or scope, a change of Executing entity to a national/regional organization (that is not any GEF Agency) after CEO Endorsement/Approval, or an increase of the GEF project financing up to 5%.

4. If the reason for the amendment includes an increase in the GEF project financing¹¹³, the GEF Agency needs to confirm with the Secretariat whether the requested additional funds are available in the respective focal area(s).¹¹⁴ If funds are available, such an increase requires Secretariat approval. The increases in the GEF project financing can only be accessed within the same replenishment period. For focal areas subject to STAR, the involved country/countries need to: (i) ascertain if there are enough un-used resources in the respective focal area(s); and (ii) express their willingness to allocate the additional funds through a new Letter of Endorsement

¹¹¹ Rules, Procedures and Objective Criteria for Project Selection, Pipeline Management, Approval of Subprojects, and Cancellation Policy, GEF/C.30/3, December 2006. For cancellation of projects caused by non-compliance with the elapsed time allowed for project preparation, additional information is available on the GEF website, under the Cancellation Policy OP/PL/02, December 2018. The Policy covers also cases of force majeure (e.g. pandemics).

¹¹² GEF Project and Program Cycle Policy page 4

¹¹³ Regardless of whether this is a major or minor amendment.

¹¹⁴ Including STAR and non-STAR focal areas.

signed by the GEF Operational Focal Point(s). Also, the Trust Fund manager at the GEF Secretariat must approve any change in the executing entity and/or executing functions.

5. Procedures for Major Amendment for FSPs:

- If the amendment includes an increase of the GEF project financing, the Secretariat needs to confirm and approve resource availability.¹¹⁵ If the amendment includes the request of the GEF Agency for the dual role of implementation and execution after CEO Endorsement, the Trust Fund Manager at the GEF Secretariat assesses the request and decides whether to approve it.¹¹⁶ The GEF Agency then submits a project proposal and project document requests for CEO endorsement (or re-endorsement, if the project is under implementation). This must include the GEF Agency amended notification (see Attachment 1) justifying the changes.
- If the changes do not include an increase in GEF financing, but significant changes in project objectives, core indicator results or scope, the amendment follows the Agencies' policies before sending the amendment to the Secretariat.
- Once received, the Secretariat reviews the amended project proposal. If it concurs, it circulates the amended proposal to Council for four weeks for its comments and approval.
- If Council comments are received, the GEF Agency must respond directly to the Council member with a copy to the Secretariat. The Secretariat assesses whether the answers provided by the GEF Agency address the Council member's comments.¹¹⁷ On that basis, the CEO conveys the Council approval with an endorsement (or re-endorsement) letter.
- If four or more Council Members raise an objection because in their view the proposed amendment to the project is not consistent with the GEF Instrument or GEF policies or procedures, the CEO endorsement (or re-endorsement) will be withheld and the project will be resubmitted to a subsequent Council meeting.¹¹⁸ The CEO endorses/re-endorses the project if the Council finds that the project is consistent with the Instrument and GEF policies and procedures.
- If there are no Council comments, at the expiration of the circulation period the CEO conveys Council approval with an endorsement (or re-endorsement, if the project is

¹¹⁵ Countries need to express their willingness to allocate the additional funds through a new Letter of Endorsement signed by the GEF Operational Focal Point(s).

¹¹⁶ See procedural details in Annex 7.

¹¹⁷ If requested by the Secretariat, the Agency communicates directly with the Council Member to clarify or resolve any issues, with a copy to the Secretariat.

¹¹⁸ *GEF Project and Programmatic Approach Cycles*, GEF/C.39/Inf.3, November 2010, page 19, para. 79 (b)

under implementation) letter. If the reason for the amendment includes an increase of the GEF project financing, the Trustee will be informed through the CEO endorsement (or re-endorsement) letter.

6. Procedures for Major Amendment for MSPs and EAs:

- If the amendment includes an increase in the GEF project financing, the Secretariat needs to confirm and approve resource availability.¹¹⁹ If the amendment includes the request of the GEF Agency for the dual role of implementation and execution after CEO Approval, the Trust Fund Manager at the GEF Secretariat assesses the request and decides whether to approve it. Once approved, the GEF Agency resubmits an amended MSP or amended EA proposal for CEO approval (or re-approval, if under implementation). This must include a cover note¹²⁰ justifying the changes and reflecting these changes, with the associated documentation for CEO re-approval.¹²¹
- If the changes do not include an increase in GEF financing, but significant changes in project objectives, core indicator results or scope, the amendment follows the Agencies' policies before being submitted to the Secretariat.
- Once received, the Secretariat reviews the amended project proposal. If concurring, the Secretariat circulates the amended proposal to Council for four weeks for Council's comments and approval.
- If Council comments are received, the GEF Agency must respond directly to the Council member with a copy to the Secretariat. The Secretariat assesses whether the answers provided by the GEF Agency address the Council member's comments.¹²³ On that basis, the CEO conveys the Council approval with an approval (or re-approval) letter.
- If four or more Council Members raise an objection because in their view the proposed amendment to the project is not consistent with the GEF Instrument or GEF policies or procedures, the CEO approval (or re-approval) will be withheld and the project will be re-circulated to Council.¹²² The CEO approves/re-approves the project if the Council Members find that the project is consistent with the Instrument and GEF policies and procedures.

¹¹⁹ Countries need to express their willingness to allocate the additional funds through a new Letter of Endorsement signed by the GEF Operational Focal Point(s).

¹²⁰ Via email or brief (e.g. one page) explanation

¹²¹ *GEF Project and Program Cycle Policy*, GEF/C.50/08/Rev.01, June 2016, page 13, para (a) vi.

¹²² If requested by the Secretariat, the Agency communicates directly with the Council Member to clarify or resolve any issues, with a copy to the Secretariat.

- If there are no Council comments, at the expiration of the circulation period the CEO conveys Council approval with an approval (or re-approval, if the project is under implementation) letter. If the reason for the amendment includes an increase in the GEF project financing, the Trustee will be informed through the CEO approval (or re-approval) letter.

7. Procedures for Minor Amendment for FSPs:

- If the changes occur *before* the CEO endorsement and include an increase of the GEF project financing up to 5%, the Secretariat needs to confirm and approve resource availability.¹²³ If the amendment includes a change of Executing Agency to a national/regional organization (that is not any GEF Agency), the Trust Fund Manager at the GEF Secretariat assesses the request and decides whether to approve it. Once approved, the GEF Agency submits the CEO endorsement request template reflecting the minor changes. The Secretariat reviews and if it concurs with the minor amendment, the CEO issues an endorsement letter to the GEF Agency with the revised project financing amount. The Trustee will be copied accordingly.
- If the changes occur *after* the CEO endorsement and *do not* include a change in the GEF project financing or significant changes in project scope, core indicator results or objectives, the Agencies act on the amendment at their discretion. However, it should be reported in the annual Project Implementation Review (PIR) submitted to the Secretariat after the Agency approves the project changes.
- If the changes occur *after* the CEO endorsement and *do* include an increase in the GEF project financing up to 5%, the Secretariat needs to confirm and approve resource availability.¹²⁴ Once approved, the GEF Agency submits the CEO endorsement request template reflecting the minor changes. Upon CEO concurrence, a CEO re-endorsement letter with the revised project financing amount will be issued to the GEF Agency and communicated to the Trustee accordingly.

8. Procedures for Minor Amendment for MSPs and EAs:

- If the changes do not include an increase in GEF project financing, except for changes in the Executing Partner, other changes for MSPs and EAs proposed *after* the CEO has approved a project are made at the discretion of the responsible GEF Agency. They

¹²³ Countries need to express their willingness to allocate the additional funds through a new Letter of Endorsement signed by the GEF Operational Focal Point(s).

¹²⁴ Countries need to express their willingness to allocate the additional funds through a new Letter of Endorsement signed by the GEF operational focal point(s).

are reported to the GEF Secretariat as part of the annual Project Implementation Review (PIR) after agency approval.

- If the changes involve an increase up to 5% in the GEF project financing amount, the Secretariat needs to confirm and approve resource availability.¹²⁵ If the amendment includes a change of Executing Agency to a national/regional organization (that is not any GEF Agency), the Secretariat assesses the request and decides whether to approve it. Once approved, the GEF Agency submits an amended MSP/EA approval request to the Secretariat. Upon CEO concurrence, a CEO re-approval letter with the revised project financing amount will be issued to the GEF Agency and communicated to the Trustee accordingly.

III. GUIDELINES FOR PROJECT DROP/SUSPENSION/ CANCELLATION¹²⁶

DROPPING A PROJECT¹²⁷

9. Dropping refers to the termination of further preparation of a project concept when no GEF project financing has been set-aside by the Trustee. Some criteria for dropping a project include, but are not limited to, the following:

- Country national priorities have changed;
- The problem/situation (e.g. threats, barriers removal, etc.) is removed, no longer relevant or expected to be fully addressed through another intervention;
- Corrupt or fraudulent practices;

10. Procedures for dropping a project:

- Any project modality can be dropped through a drop notification (see Attachment 1) submitted to the GEF Secretariat.
- In consultation with the country/countries Operational Focal Point(s)¹²⁸, the GEF Agency explores options for not dropping the project concept. If no option is feasible, the GEF Agency makes a final decision for dropping the project concept.
- The Secretariat updates the project status in the Portal accordingly.

¹²⁵ Countries need to express their willingness to allocate the additional funds through a new Letter of Endorsement signed by the GEF Operational Focal Point(s).

¹²⁶ For return of Agency Fees when appropriate, consult the Guideline on Implementing Function – Executing Functions and Agency Fee/Project Management Costs.

¹²⁷ GEF/C.24/Inf.5, Table 1, page 4

¹²⁸ All other relevant government agencies and partners, including co-financiers involved in project implementation, can be consulted as appropriate.

SUSPENDING A PROJECT

11. Suspending refers to a temporary stoppage or an interruption of project implementation or disbursement of funds, upon advice of the GEF Agency, the Secretariat or the country, and as warranted by special circumstances, such as:

- Conditions in the country that presented imminent danger for undertaking project activities by either the GEF Agency or local staff;
- Detection of corruption by government officials, project personnel or partners involved in the project;
- Need to review/assess implementation or execution arrangements;
- Circumstances that would result in project suspension according to the contractual conditions established between the GEF Agency and the Executing Entity.

12. Procedures for suspending a Project:

- Full-size projects, medium-size projects and enabling activities may be suspended after Council/CEO/Agency approval, but before project completion.
- If appropriate, in consultation with the country/countries Operational Focal Point(s)¹²⁹, the GEF Agency explores options to determine whether under the current circumstances it is still possible to continue to meet the project's objectives. If no other option is feasible than to suspend the project, the GEF Agency makes a final decision.
- If feasible, the GEF Agency needs to get the country's commitment to address the identified problems.¹³⁰ Once the commitment is received, the GEF Agency sends an official suspension notification (see Attachment 1) to the GEF Secretariat, copying the Operational Focal Point(s). The notification specifies the conditions under which the suspension can be lifted, as well as a reasonable maximum deadline after which the project will be cancelled.
- The Secretariat concurs with the project suspension with a letter to the GEF Agency, copying the Operational Focal Point(s)¹³¹ and the Trustee. It indicates the suspended project financing amount and the suspension period.

¹²⁹ As well as other relevant government agencies and partners, including co-financiers involved in the project implementation, as appropriate.

¹³⁰ As long as those problems are, to certain extent, under the control of the Government.

¹³¹ All other relevant government agencies and partners, including co-financiers involved in project implementation, can be consulted, as appropriate.

- The GEF Agency follows its own financial rules and procedures regarding the freezing of disbursements, in accordance with the Financial Procedures Agreement signed with the Trustee. It is expected that GEF Agencies will not incur any new commitment and/or expenditure with GEF resources during the period under which the project is suspended.
- The maximum period for a project's suspension is 12 months. If more time is requested, the GEF Agency must submit a new official suspension notification. If the conditions under which the suspension was granted don't change, the GEF Secretariat, in consultation with the GEF Agency, decides the period under which the suspension can reasonably be extended.
- The GEF Agency notifies the Secretariat whenever suspension is lifted providing that the conditions to lift the suspension included in the notification are met. The Secretariat assesses the lifting of the suspension. If it agrees, it issues a letter to the GEF Agency, copying Operational Focal Point(s) and the Trustee.
- If the conditions for lifting the suspension are not met by the deadline proposed by the GEF Agency or the Secretariat, the project is subject to cancellation.¹³² The suspension may also be extended depending on each case, for which the Secretariat will decide upon consultation with the GEF Agency.

CANCELLING A PROJECT

13. Cancelling refers to the cessation of project preparation or implementation. Some criteria for cancelling a project include, but are not limited to, the following:

- Poor implementation performance¹³³ leading to a conclusion that the project can no longer meet its objectives, and where restructuring is not likely or appropriate to address the issue;
- Changes in country national priorities;
- The problem/situation (e.g. threats, barriers removal, etc.) is removed or no longer relevant or expected to be fully addressed through another intervention;
- No baseline project supports the GEF-funded project;
- Corruption or fraudulent practices;

¹³² For cancellation, please follow the steps presented in the section Procedures for cancelling a project below.

¹³³ Lack of adequate performance can be captured through Project Implementation Reviews (PIR), Mid-term Review (MTR) and/or any other monitoring report/information coming from the GEF Secretariat, GEF Agencies and/or other stakeholders.

- Delays in endorsement/approval of a project due to protracted delays in the preparation stage.
- Delays in Agency's internal approval, or in negotiations with beneficiary country(ies), or in first disbursement.

14. The cancellation of any project prior to the last six months of the replenishment period (e.g. December 31, 2025, for GEF-8) will lead to those resources becoming available again to that same country (or focal area set-aside) and focal area. In the last six months, the cancellation of any project with STAR resources results in the associated resources becoming available to the same country, subject to any re-allocation of resources by the CEO.¹³⁴

CANCELLATION OF PROJECTS PRIOR TO CEO ENDORSEMENT/APPROVAL DUE TO PROTRACTED DELAYS IN THE PREPARATION STAGE¹³⁵

15. **Full-Sized Projects**

- After 8 months from the date of Council approval of a PIF, if a project has not been submitted for CEO Endorsement (with the required documentation), the Secretariat notifies the Agency and recipient country Operational Focal Points in writing of the Secretariat's expectation to receive the project for endorsement within the next four months.
- If the project (with the required documentation) cannot be submitted for CEO Endorsement within 12 months of the date of Council approval, the country Operational Focal Point (or the Agency for global and regional projects) notifies the CEO. If such notification is not received within 12 months of the date of Council approval, the CEO notifies the Agency, the recipient country Operational Focal Point, and the Trustee informing them of the cancellation of the project stating an effective date for the cancellation. If the notification is submitted, Agencies must submit the CEO Endorsement Request with the required documentation at least 8 weeks prior to the CEO Endorsement deadline for projects not requiring circulation to Council, and 12 weeks for projects requiring circulation to Council.
- After 18 months from the date of Council approval of the PIF, if the project has not been CEO endorsed, the CEO notifies the Agency, the recipient country Operational Focal Point, and the Trustee informing them of the cancellation of the project stating an effective date for the cancellation.

¹³⁴ GEF/C.62/04: Updating the System for Transparent Allocation of Resources (STAR), June 2022, paragraphs 16 and 17

¹³⁵ Project Cancellation Policy: OP/PL/02, December 2018.

- (d) Country Operational Focal Points (or the Agencies for global and regional projects) may request an exception from the CEO to the cancellation of a project before this 18-month deadline for CEO Endorsement only in cases of an extraordinary event or circumstances clearly beyond the control of the parties, such as a war, flood, earthquake or epidemic, or similar circumstances which prevents them from meeting the business standards. After consideration of the exception request and provided that the request is received prior to the last day of the 18th month, the CEO determines whether to grant a one-time exception for up to twelve months and communicates such decision in writing. The CEO communicates any exception decision to the Council for information and posts the information on the GEF website. If the Request for Extension is submitted, Agencies must submit the CEO Endorsement Request with the required documentation at least 8 weeks prior to the extended CEO Endorsement deadline for projects not requiring circulation to Council, and 12 weeks for projects requiring circulation to Council.
- (e) If a project is cancelled by the CEO in accordance with the paragraphs (a)-(c) above, parties may resubmit the project for CEO Endorsement within one year from the effective date of cancellation without resubmitting a PIF. Subject to availability of resources in the GEF Trust Fund (and in the country's STAR allocations), and the project meeting the required criteria for endorsement, the Secretariat circulates the project for a four-week review by the Council prior to CEO Endorsement.

16. Medium-Sized Projects

- (a) Six months after the date of CEO Approval of a PIF, if a project has not been submitted for CEO Approval (with the required documentation), the Secretariat notifies the Agency and recipient country Operational Focal Points in writing of the Secretariat's expectation to receive the project for approval within the next two months.
- (b) If the project (with the required documentation) cannot be submitted for CEO Approval within 8 months of the date of CEO Approval of the PIF, the country Operational Focal Point (or the Agency for global and regional projects) notifies the CEO. If such notification is not received within 8 months of the date of CEO Approval of the PIF, the CEO notifies the Agency, the recipient country Operational Focal Point, and the Trustee informing them of the cancellation of the project stating an effective date for the cancellation. If the notification is submitted, Agencies must submit the CEO Approval Request with the required documentation at least 12 weeks prior to CEO Approval deadline for all MSPs, considering that they require circulation to Council.

- (c) Twelve months after the date of CEO Approval of the MSP PIF, if the project has not been CEO approved, the CEO notifies the Agency, the recipient country Operational Focal Point, and the Trustee informing them of the cancellation of the project stating an effective date for the cancellation.
- (d) Country Operational Focal Points (or the Agencies for global and regional projects) may request an exception from the CEO to the cancellation of a project before this 12-month deadline for CEO Approval only in cases of an extraordinary event or circumstances clearly beyond the control of the parties, such as a war, flood, earthquake or epidemic, or similar circumstances which prevents them from meeting the business standards. After consideration of the exception request and provided that the request is received prior to the last day of the 12th month, the CEO determines whether to grant a one-time exception for up to six months and communicates such decision in writing. The CEO communicates any exception decision to the Council for information and posts the information on the GEF website. If the Request for Extension is submitted, Agencies must submit the CEO Endorsement Request with the required documentation at least 12 weeks prior to the extended CEO Approval deadline for all MSPs considering that they require circulation to Council.

17. Programs

- (a) Ten months before the Program Commitment Deadline, if there are still program funds that are awaiting submission of Child Projects for CEO Endorsement/Approval, the Secretariat sends a notification to the Lead Agency notifying it of the upcoming cancellation of such Program funds.
- (b) If there are still program funds that are awaiting submission of Child Projects (with the required documentation) for CEO Endorsement/Approval six months before the Program Commitment Deadline, the country Operational Focal Point (or the Agency for global and regional Child Projects) notifies the CEO. If such notification is not received no later than six months before the Program Commitment Deadline, the CEO notifies the Agency, the recipient country Operational Focal Point, and the Trustee informing them of the cancellation of the Child Project stating an effective date for the cancellation. If the notification is submitted, Agencies must submit the CEO Endorsement/Approval Request with the required documentation at least 12 weeks prior to the extended CEO Endorsement/Approval for the Child Project, considering that all child projects require circulation to Council.
- (c) Country Operational Focal Points (or the Agencies for global and regional projects) may request an exception from the CEO to the cancellation of a project before the

Program Commitment Deadline only in cases of an extraordinary event or circumstances clearly beyond the control of the parties, such as a war, flood, earthquake or epidemic, or similar circumstances which prevents them from meeting the business standards in paragraph 3 (c). After consideration of the exception request and provided that the request is received prior to the last day of the Program Commitment Deadline, the CEO determines whether to grant a one-time exception for up to twelve months and communicates such decision in writing. The CEO communicates any exception decision to the Council for information and posts the information on the GEF website. If the Request for Extension is submitted, Agencies must submit the CEO Endorsement/Approval Request with the required documentation at least 12 weeks prior to the extended CEO Endorsement/Approval deadline for the Child Project considering that all child projects require circulation to Council.

When the CEO cancels a project proposal or remaining funds under a Program, the following actions are taken:

- (a) The Secretariat removes the proposal from the project pipeline, informs the recipient country and the Agency, and informs the Trustee of any project development funding that it has approved for the proposal.
- (b) For any return of GEF funds, including the first tranche of the Agency Fee, the Agency will comply with the provisions of Financial Procedures Agreement with the Trustee regarding the return of funds, with no exceptions.

CANCELLATION OF PROJECTS AFTER CEO ENDORSEMENT/APPROVAL

18. Procedures for cancelling a project:

- Full-sized projects may be cancelled after Council approval, but before project completion. Medium-sized projects and Enabling Activities may be cancelled after CEO approval, but before project completion.
- In consultation with the country/countries Operational Focal Point(s)¹³⁶, the GEF Agency explores options to ensure it is possible to either complete project preparation or for the project to meet its objectives. If no option is feasible, the GEF Agency makes a final decision about cancelling the project.

¹³⁶ All other relevant government agencies and partners, including co-financiers involved in project implementation, can be consulted, as appropriate.

- Though the final decision for cancelling a project lies with the GEF Agency, the GEF Secretariat can engage with GEF Agencies on cases that may merit a potential cancellation, should the Secretariat consider it appropriate.
- The GEF Agency notifies the Secretariat of project cancellation through submission of a cancellation notification (see Attachment 1). This indicates the reasons for cancellation, as well as the cancelled GEF project financing amount, PPG amount and Agency fee.
- The Secretariat reviews the notification. It acknowledges the Agency's recommendation to cancel the project with a CEO concurrence letter to the GEF Agency, copying the country/countries Operational Focal Point(s) and the Trustee.
- The GEF Agency returns the cancelled funds of the GEF project financing in accordance with the financial procedures agreement signed with the Trustee.
- Agency fees must be returned to the Trustee as follows:¹³⁷ (i) for FSP or MSP above US\$2 million, 80% of the Agency fee would be prorated based on actual implementation period over planned/expected project duration as stated in the project document endorsed by the CEO and the remaining unused prorated amount returned;¹³⁸ (ii) for any MSP up to US\$2 million/EA cancelled after CEO Approval, 100% of the Agency fee would be prorated based on actual implementation period over planned/expected project duration as stated in the project document approved by the CEO, and the remaining unused prorated amount returned.

REPORTING REQUIREMENTS ON PROJECT DROP/CANCELLATION/SUSPENSION¹³⁹

19. The GEF Agency is expected to report all project changes in its quarterly report to the Trustee and copy the Secretariat. The Trustee is expected to report to Council on a semi-annual basis on cumulative funding cancelled as of the reporting date in the GEF Trust Fund Financial Report.

IV. RELATED POLICY DOCUMENTS

- *Project Cancellation Policy – OP/PL/02, July 2025*
- *GEF Project and Program Cycle Policy – OP/PL/01, July 2025*

¹³⁷ As stated in the Guidelines for Implementation & Execution Functions, Agency Fee and Project Management Cost, paragraph 12 (c) and (d).

¹³⁸ For example, if a project with a five-year implementation period is cancelled in year two, the Agency would return 36% of the fee (retain 40% for the period up to Agency-approval plus 12% per year for the two years of implementation).

¹³⁹ Agency Notification Templates for reporting amendments, dropped or cancelled projects can be downloaded from the GEF website at <http://www.thegef.org/documents/templates>.

V. RELATED REFERENCES

- *Improving the Project Cycle*, GEF/C.47/07/Rev.01, October 2014
- *GEF Project and Programmatic Approach Cycles*, GEF/C.39/Inf.3, November 2010
- *Rules, Procedures and Objective Criteria for Project Selection, Pipeline Management, Approval of Subprojects and Cancellation Policy*, GEF/C.30/3, December 2006
- *GEF Project Cycle Update: Clarification of Policies and Procedures for Project Amendments and Drops/Cancellations*, GEF/C.24/Inf.5, November 2004
- *GEF Project Cycle: An Update*, GEF/C.22/Inf.9, November 2003



**AGENCY NOTIFICATION ON
(SELECT ACTION) (SELECT PROJECT TYPE)**

Add Date

PROJECT IDENTIFIER

Name of Project:

Country(ies):

GEF Agency:

GEF Project ID:

Agency Project ID:

Focal Area: (Select Focal Area)

Trust Fund: (Select Trust Fund)

PIF Approval Date:

PPG Approval Date:

Council Approval Date (for FSP):

CEO Approval Date (for MSP, EA):

CEO Endorsement Date (for FSP):

FINANCIAL STATUS

FSP/MSP/EA (select action) Date:

Project Financing Amount: (in exact dollar amount)

Agency Fee: (exact \$ amount)

PPG: (exact \$ amount)

PPG Agency Fee: (exact \$ amount)

Project Financing Amount to be returned: (exact \$ amount)

Agency Fee to be returned: (exact \$ amount)

PPG to be returned: (exact \$ amount)

PPG Fee to be returned: (exact \$ amount)

Explanation for (select action) project¹⁴⁰:

AGENCY CERTIFICATION

The **(Name of the Agency)** would like to inform the GEF Secretariat that it will **(select action)** the above-mentioned project after consultation with the Executing Entity and beneficiary country (as appropriate), particularly with the relevant government agencies involved in project preparation/implementation, and other partners including co-financiers.

(Name and Signature)

Project Contact Person

Agency Certifying Officer

Email Address:

Email Address:

Phone:

Phone:

ANNEX 10: PROJECT TRANSFER FROM ONE AGENCY TO ANOTHER

I. INTRODUCTION

1. GEF Agencies are responsible for implementation of the project, which “entails oversight of project execution to ensure that the project is being carried out in accordance with agreed standards and requirements”.¹⁴¹ However, during project preparation or implementation, circumstances may change that prompt the transfer of a project from one GEF Agency to another. The procedures for such transfer are described below.

II. GUIDELINES ON PROJECT TRANSFER

2. GEF Agency transferring the project and GEF Agency assuming implementation functions:

The GEF Agency transferring its implementation functions on a project to another GEF Agency performs the following:

- (a) Consults with the country/countries involved in the project;
- (b) Identifies and agrees with the GEF Agency willing to assume implementation functions of the continued preparation and/or implementation of a project, on both technical (e.g. existing baseline project, justification of alignment with the existing GEF-funded project) and financial terms of the transfer (e.g. transfer of any technical documentation available and of the GEF Project financing amount and Agency fee);¹⁴²
- (c) Obtains concurrence letter(s) from the GEF Operational Focal Point(s);¹⁴³
- (d) Coordinates with GEF Agency assuming the implementation functions to complete the notification to disclose whether any change in project design or implementation has a significant impact on the project’s objectives or scope.
- (e) Coordinates with GEF Agency assuming project implementation functions to complete the notification to include a new expected date for submission¹⁴⁴ of the project for CEO Endorsement/Approval by the GEF Agency assuming project implementation functions, if the project is under preparation (or project completion date, if the project is under implementation) and explicitly mentions

¹⁴¹ See Guidelines on Implementation & Execution Functions, Agency Fee, and Project Management Cost.

¹⁴² If applicable, Project Preparation Grant funds.

¹⁴³ All other relevant government agencies and partners, including co-financiers involved in project preparation, can be consulted, as appropriate.

¹⁴⁴ Unless agreed otherwise by the Secretariat, the project must continue to abide by the project cycle targets for CEO endorsement/approval.

the GEF Agency's agreement to take over the project and the country's/countries' agreement to such proposed transfer.

- (f) Submits the Agency Notification on Project Transfer Template (see Attachment 1) to the GEF CEO. It requests the transfer by providing the rationale, the justification for such transfer, the agreed GEF project financing and Agency fee to be transferred between the two Agencies; the GEF Agency transferring the project will also copy notification to the GEF Trustee. By signing the Notification, the receiving Agency explicitly agrees on the financial conditions under which they will implement the project.

3. GEF Secretariat's Role

- (a) The Secretariat reviews the request. It assesses if any change in project design or implementation has (i) a significant impact on the project's objectives or scope; and/or (ii) an increase of the GEF project financing of more than 5%. If so, the project must be processed as a major amendment.¹⁴⁵
- (b) If the Secretariat approves the request, the CEO issues an approval letter (see Attachment 2) addressed to the transferring GEF Agency. The letter is copied to the GEF Agency assuming the implementation functions, the GEF Operational Focal Point(s) and Trustee.
- (c) The Agency and Secretariat will modify the project information in the GEF Portal reflecting the GEF Agency assuming the implementation functions and revise the expected Agency approval date if needed.

4. Role of Trustee: Upon receiving the CEO approval letter, the Trustee will transfer the commitment of project financing amount and Agency fee to the GEF Agency assuming the implementation functions accordingly, consistent with the respective Financial Procedures Agreements with the Trustee.

5. GEF Agency assuming Project Implementation Functions: Upon receipt of the CEO approval letter, the GEF Agency assuming the implementation functions can continue project preparation or implementation, as the case may be. Unless agreed by the Secretariat, the GEF Agency assuming implementation functions should continue to abide by the project cycle targets and terms of the GEF Cancellation Policy. No new dates will be extended unless explicitly discussed with and approved by the Secretariat.

III. RELATED POLICY DOCUMENTS AND REFERENCES

- *GEF Project and Program Cycle Policy, OP/PL/01, December 2018*

¹⁴⁵ See Guidelines for GEF Project Amendment, Drop, Suspension and Cancellation.

- *GEF Secretariat Operations Manual*, August 2005



**AGENCY NOTIFICATION ON
PROJECT TRANSFER (SELECT PROJECT TYPE)**

ADD DATE

PROJECT IDENTIFIER

Name of Project:

Country(ies):

GEF Agency:

GEF Project ID:

Agency Project ID:

Focal Area: (Select Focal Area)

Trust Fund: (select trust fund)

PIF Approval Date:

PPG Approval Date:

Council Approval Date (for FSP):

CEO Approval Date (for MSP, EA):

CEO Endorsement Date (for FSP):

FINANCIAL STATUS

FSP/MSP/EA Transfer Date:

GEF Financing Amount: (in exact dollar amount)

Agency Fee: (exact \$ amount)

PPG Amount: (exact \$ amount)

PPG Agency Fee: (exact \$ amount)

GEF Financing Amount to be transferred: (exact \$ amount)

Agency Fee to be transferred: (exact \$ amount)

PPG Amount to be transferred: (exact \$ amount)

PPG Agency Fee to be transferred: (exact \$ amount)

Explanation for transferring project¹⁴⁶:

AGENCY CERTIFICATION

The transferring (Name of Agency) would like to inform the GEF Secretariat the transfer of the above-mentioned project to [Name of receiving Agency] after consultation with the beneficiary country/countries, particularly with the relevant government agencies involved in project preparation/implementation and other partners, including co-financiers.

(Name and Signature)

Project Contact Person

Certifying Officer Transferring Agency

Email Address:

Email Address:

Phone:

(Name and Signature)

Project Contact Person

Certifying Officer Receiving Agency

Email Address:

Email Address:

Phone:

¹⁴⁶ Attach concurrence letters from operational focal point(s).

CEO Approval of Project Transfer to another Agency

[Date]

GEF Executive Coordinator

GEF Agency

Dear _____,

Subject: Request for Project Transfer to [New Agency]

I refer to [transferring Agency's] notification dated xxx proposing transfer of Implementing Agency and to [receiving Agency's] concurrence letter dated xxx for the transfer of the full-sized project entitled: **"Country: Project Title"** – GEF ID xxx.

I have reviewed the circumstances that have led to this request for change of implementing agency. With [receiving Agency's] readiness to take over implementation of the project and with the concurrence of the country's Operational Focal Point and related Government Agencies, I find your justification acceptable and, therefore, approve the proposed project transfer. I expect continued close coordination among the concerned GEF Agencies and partners to implement this project.

Latest Project Status:	
GEFSEC ID:	
Transferring Agency:	
Receiving Agency:	
Focal Area:	
Project Type:	
Country(ies):	
Name of Project:	

Indicative GEF Project Grant:	
Indicative Agency Fee:	
PPG Grant:	
PPG Agency Fee:	
GEF Project Grant to be transferred to receiving Agency:	
Agency Fee to be transferred to receiving Agency:	
PPG Grant to be transferred to receiving Agency:	
PPG Agency Fee to be transferred to receiving Agency:	
Funding Source (GEF/SCCF/LCDF/CBIT):	

Sincerely,

Chief Executive Officer and Chairperson

Attachment:

Agency Notification Request on Project Transfer to [Agency assuming the implementation functions]

Receiving Agency's Letter of Concurrence

Operational Focal Point Letter of Concurrence

Copy:

[Agency assuming implementation functions]

GEF Secretariat

GEF Trustee

Operational Focal Point(s)

ANNEX 11: THE ROLE AND RESPONSIBILITIES OF STAP IN THE PROJECT CYCLE

1. The Scientific and Technical Advisory Panel's (STAP) mandate is to provide strategic scientific and technical advice to the Global Environment Facility (GEF). STAP's role is defined in the Terms of Reference (TOR) approved by the GEF Council in March 2012¹⁴⁷. STAP's role is unique among GEF corporate bodies, being to assist in assuring the scientific and technical quality of GEF investments and enhancing innovation.

2. STAP Guidelines are prepared independently and can be found at: <https://stapgef.org/resources/advisory-documents/stap-guidelines-screening-gef-projects>

¹⁴⁷ Refer to STAP Terms of Reference, <http://www.stapgef.org/sites/default/files/documents/STAP-TORs.pdf>

ANNEX 12: GUIDELINES FOR GEF AGENCIES IN CONDUCTING TERMINAL EVALUATIONS FOR FULL-SIZED PROJECTS¹⁴⁸

1. The GEF Policy on Monitoring (2019) and Evaluation Policy (2019) specifies that each GEF full-sized project will be evaluated at the end of implementation. The purpose of Guidelines for GEF Agencies in Conducting Terminal Evaluation for Full Sized Projects is to support GEF Agencies in conducting terminal evaluations in a consistent manner.
2. Guidelines on Terminal Evaluation are prepared independently by the IEO and can be found at: <https://www.gefio.org/evaluations/terminal-evaluations-2023>

ANNEX 13: POLICY ON GENDER EQUALITY

I. INTRODUCTION

1. The Guidelines on Gender Equality were approved and presented to Council in June 2018 (SD/GN/02). The implications for the Project and Program Cycle Policy are presented below.

AT PIF AND PFD STAGE

Agencies are required to provide the following in the PIF and PFD:

- (a) indicative information on gender considerations relevant to the proposed activity and any measures to address these, including the process to collect sex-disaggregated data and information on gender.
- (b) description of any consultations conducted during project development, information on how stakeholders will be engaged in the proposed activity and means of engagement throughout the project/ program cycle.

AT OR PRIOR TO CEO ENDORSEMENT STAGE

- (a) Gender analysis or equivalent socio-economic assessment that identifies and describes any gender differences, gender differentiated impacts and risks, and opportunities to address gender gaps and promote the empowerment of women that may be relevant to the proposed activity.
- (b) Any corresponding gender-responsive measures to address differences, identified impacts and risks, and opportunities through a gender action plan or equivalent.
- (c) If gender-responsive measures have been identified, the results framework or logical framework includes actions, gender-sensitive indicators, and sex-disaggregated targets.

DURING IMPLEMENTATION

- (a) Agencies oversee the implementation of gender-responsive measures as documented at CEO Endorsement/ Approval, and provide information in their annual project implementation reports, mid-term reviews and terminal evaluations on progress, Gender-Sensitive Indicators and results.

2. Additional guidance can be found in the stand-alone Guidelines on Gender Equality.¹⁴⁹

¹⁴⁹ SD/GN/02, https://www.thegef.org/sites/default/files/documents/Gender_Equality_Guidelines.pdf

ANNEX 14: CO-FINANCING

I. INTRODUCTION

1. It should be emphasised that co-financing targets are at the overall GEF Replenishment level, not at the level of individual projects. Co-financing is not required for Enabling Activities. In this respect, some projects may have co-financing that is higher or lower than the relevant Replenishment target.

2. The Co-Financing Policy Guidelines were approved and presented to Council in June 2018 (FI/GN/01).¹⁵⁰ The implications for the Project and Program Cycle are that Agencies provide a complete breakdown of Co-Financing by amount, name, source, and type throughout the GEF project cycle, in the PIF or PFDs, Requests for CEO Endorsement/ Approval, as well as mid-term reviews and terminal evaluations. Additional detail on sub-categories and definitions, including of in-kind co-financing can be found in Table 1 of the Co-Financing Guidelines (attached here as Appendix 1).

II. DEFINITIONS

3. GEF Agencies are to indicate whether amounts meet the definition of:

- Co-Financing - financing that is additional to GEF Project Financing, and that supports the implementation of a GEF-financed project or program and the achievement of its objective(s), and
- Investment Mobilized - Co-Financing that excludes recurrent expenditures.

4. It is recognized that different governments, companies, and organizations may use different terms to refer to “recurrent expenditures” (e.g. “current expenditures” or “operational/ operating expenditures”). In general, in-kind recurrent co-financing such as government staff salaries, office space, operating costs are considered recurrent expenditures, whereas capital investments and equipment purchase are considered investment mobilized. Agencies should include information on how the amounts are classified in accordance with their internal categorization practices, where possible.

III. REPORTING

5. At PIF and PFD Stage: At the concept stage, Agencies ensure that the indicative information provided reflects a realistic expectation of the co-financing and Investment Mobilized that would be available to support the achievement of the objectives of the project/ program. The Secretariat, in its review of PIFs and PFDs submitted for Work Program entry or CEO Approval, assesses whether the indicative, expected amounts, sources and types of Co-

¹⁵⁰ FI/GN/01, June 2018: https://www.thegef.org/sites/default/files/documents/Cofinancing_Guidelines.pdf

Financing and Investment Mobilized are adequately documented and consistent with the requirements of the Co-Financing Policy.

6. At CEO Endorsement/Approval Stage, supporting evidence should:
 - (a) confirm the information provided by the Agency, including the name of the entity that provides the Co-Financing, the type of Co-Financing provided, the amount of Co-Financing, and the timeframe over which the Co-Financing will be provided;
 - (b) confirm that the Co-Financing identified supports the implementation of the GEF-financed project or program for which GEF financing is sought, and the achievement of its objective(s); and
 - (c) be presented in English, where feasible, or be accompanied by an English translation of the original.

DURING PROJECT IMPLEMENTATION AND AT PROJECT COMPLETION

7. Agencies should:
 - (a) provide information on the actual amounts, sources and types of Co-Financing and Investment Mobilized in their mid-term reviews and terminal evaluations.
 - (b) supplement, where relevant, the information provided at CEO Endorsement/ Approval, including by identifying any entities that provide Co-Financing that were not known at the time of CEO Endorsement/ Approval.
 - (c) describe any changes from the expected amounts, sources and types of Co-Financing and Investment Mobilized provided at CEO Endorsement/ Approval
8. Additional guidance can be found in the stand-alone Guidelines on Co-financing. 151

¹⁵¹ FI/GN/01, June 2018: https://www.thegef.org/sites/default/files/documents/Cofinancing_Guidelines.pdf

Appendix 1:

Breakdown of Co-Financing in Project Identification Forms, Program Framework Documents, Requests for CEO Endorsement/ Approval, Mid-Term Reviews and Terminal Evaluations:

Category	Sub-Category	Definition
Amount		Amount of Co-Financing in US dollars
Name		Name of the entity that provides the Co-Financing
Source	GEF Agency	GEF Partner Agency that implements the project/ program
	Donor Agency	Multi-lateral or bilateral aid agency
	Recipient Country Government	National or sub-national governmental entity in a recipient country
	Private Sector	Commercial/ for-profit entity
	Civil Society Organization	Non-profit, non-governmental entity
	Beneficiaries	Individual or community that directly benefits from the project/ program
	Other	Other source of Co-Financing that does not match those defined above
Type	Grant	Resources provided without expectation of repayment
	Loan	Resources provided with an expectation of repayment
	Equity Investment	Investment into a company or asset with the possibility of financial returns
	Guarantee	Commitment to partially or fully reimburse a lender if the borrower fails to repay a loan
	In-Kind	Contributions in the form of goods or services other than money, including but not limited to salaries and wages, office space, and utilities ¹
	Public Investment	Contributions from Recipient Country Governments in types that do not match those defined above
	Other	Other type of Co-Financing that does not match those defined above
Investment Mobilized		Co-Financing that excludes recurrent expenditures

¹ The GEF will accept in kind Co-Financing provided that in-kind resources are accounted for with the same diligence as other Co-Financing. Agencies ensure that any in-kind Co-Financing has been valued as the lesser of the cost or market value of the required inputs they provide for the project.

ANNEX 15: ENVIRONMENTAL AND SOCIAL SAFEGUARDS

I. INTRODUCTION

1. The Policy on Environmental and Social Safeguards was approved at C.55 and Guidelines were approved and presented at C57 in December 2019. The implications for the Project and Program Cycle Policy are presented below.
2. Additional guidance can be found in the stand-alone Guidelines on GEF Policy on Environmental and Social Safeguards.¹⁵²

AT PIF AND PFD STAGE

3. In Project Identification Forms (PIFs) and Program Framework Documents (PFDs) submitted for Work Program entry or CEO Approval, Agencies provide indicative information regarding any Environmental and Social Risks and potential Impacts associated with the proposed project or program; and any measures to address such risks and impacts where available.

AT OR PRIOR TO CEO ENDORSEMENT AND APPROVAL STAGE:

4. Agencies provide additional information regarding the relevant Environmental and Social Risks and Impacts associated with the proposed project where available, and associated measures to address such risks and impacts, including any environmental and social assessments carried out, and any Environmental and Social Management Plans or the equivalent.

ENABLING ACTIVITIES

5. The ESS Policy requires that, if an ESS assessment is required by Agency policy and procedures, then such assessment is provided at the time of submission of the EA for approval. If an assessment is not required by Agency policy and procedures, the Agency confirms this to the GEF Secretariat at the time of submission of the EA for approval.

DURING IMPLEMENTATION

6. Agencies oversee the implementation as documented at CEO Endorsement/ Approval and provide information in their Mid-Term Reviews and Terminal Evaluations on progress, indicators, and results, where available.

¹⁵²

https://www.thegef.org/sites/default/files/documents/guidelines_gef_policy_environmental_social_safeguards.pdf

ANNEX 16: KNOWLEDGE MANAGEMENT

I. INTRODUCTION

1. This Annex provides guidance on information required at various stages in the GEF project cycle on knowledge management activities, consistent with polices on monitoring and evaluation, results-based management, and the GEF7 Replenishment decisions. Stand-alone guidance can also be found in the Approach Paper (GEF/C.48/07/Rev.01) and Status Report (GEF/C.52/Inf.08) from the May 2017 Council meeting.¹⁵³ Guidance on implications for the Project and Program Cycle Policy are presented below.

AT PIF AND PFD STAGE

2. GEF Agencies are required to outline a proposed Knowledge Management (KM) Approach for every project/program, in its PIF or PFD, including plans to learn from relevant projects, initiatives, evaluations and best practice during project/program preparation as well as proposed knowledge and learning outputs/deliverables, and to explain how the KM Approach will contribute to the project/program's overall impact. The proposed KM Approach will include processes to capture, assess and document and share, in a user-friendly manner, information, lessons, best practices, and expertise generated during implementation; plans for strategic communications; and an overview of existing lessons and best practice that inform the project concept.

AT OR PRIOR TO CEO ENDORSEMENT STAGE

3. GEF Agencies are required, at or prior to CEO Endorsement/Approval, to elaborate on the Knowledge Management (KM) Approach of the project/program, including a budget, timeline and specific knowledge and learning outputs/deliverables as well as plans to learn from relevant projects, initiatives, evaluations and best practice during project/program implementation, and to explain how the KM Approach will contribute to the project's overall impact. At this stage, the Knowledge Management Approach will include specific details on processes to capture, assess and document and share, in a user-friendly manner, information, lessons, best practices, and expertise generated during implementation; plans for strategic communications; and knowledge outputs to be produced and shared with stakeholders.

DURING IMPLEMENTATION AND PIR/MTR STAGE

4. GEF Agencies are required to provide progress on the implementation of the project/program's Knowledge Management (KM) Approach and on the delivery of planned knowledge and learning outputs, including knowledge products/events, lessons learned and

¹⁵³ https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.C.52.Inf_.08_Status_Report_on_KM.pdf

adaptive management actions, websites/platforms, trainings, etc. This information can be provided as it becomes available and/or as part of the annual PIR and MTR submissions.

AT PROJECT COMPLETION STAGE

5. GEF Agencies are required to provide information on the completion of the Knowledge Management (KM) Approach implementation and the evaluation of KM results and impacts, lessons learned, best practice, adaptive management action, portfolio and policy implications and dissemination and sharing to inform new GEF project/program design and scale up/replication.