



## **GEF COUNCIL DECISIONS 2001**

## GEF Council Decisions 2001

<b>Decision by Mail – March 2001 .....</b>	<b>1</b>
Decision 1/2001    Intersessional Work Program .....	1
<b>17<sup>th</sup> Council Meeting – May 2001 .....</b>	<b>1</b>
Decision 2/2001    Council review of relations with Conventions.....	1
Decision 3/2001    Guidelines for Initial Enabling Activities related to the Stockholm Convention on Persistent Organic Pollutants .....	2
Decision 4/2001    Options for enhancing support of GEF in assisting affected countries, especially those in Africa, to implement the CCD .....	2
Decision 5/2001    Elements of strategic collaboration and a framework for GEF action for capacity building for the global environment .....	2
Decision 6/2001    Work Program submitted for Council approval .....	3
Decision 7/2001    Monitoring and Evaluation.....	4
Decision 8/2001    CEO note on GEF activities related to the World Summit on Sustainable Development .....	5
Decision 9/2001    Note on the second GEF Assembly .....	5
Decision 10/2001    FY02 corporate budget .....	5
Decision 11/2001    Mechanisms and arrangements for expediting disbursements of GEF funds to small projects .....	6
Decision 12/2001    Criteria for the expansion of opportunities for executing agencies .....	6
<b>Decision by Mail – September 2001 .....</b>	<b>6</b>
Decision 13/2001    Development of National Biosafety Frameworks.....	6
<b>Decision by Mail – October 2001 .....</b>	<b>7</b>
Decision 14/2001    Report of the GEF to the 7 <sup>th</sup> CoP of the UNFCCC.....	7
<b>18<sup>th</sup> Council Meeting – December 2001 .....</b>	<b>7</b>
Decision 15/2001    Statement by the Chair of STAP .....	7
Decision 16/2001    Relations with Conventions.....	7
Decision 17/2001    Note on the Proposed Designation of Land Degradation as a Focal Area .....	9
Decision 18/2001    Work Program .....	9
Decision 19/2001    Overall Structure, Processes and Procedures of the GEF .....	10
Decision 20/2001    Budget Related Issues .....	10
Decision 21/2001    Monitoring and Evaluation/Second Overall Performance Study of the GEF .....	11



## Decision by Mail – March 2001

### Decision 1/2001      Intersessional Work Program

1. The Council reviewed the [Intersessional Work Program](#) submitted to Council in document GEF/IS/8 and approved the work program, subject to the submitted comments, with the exception of the project proposal entitled *Regional (Albania, Macedonia): Balkans Energy Efficiency Program (BEEP)*.
2. The Council finds that each project presented in the approved Intersessional Work Program was: (i) consistent with the Instrument and GEF Policies and procedures and (ii) may be endorsed by the CEO for final approval by the Implementing Agency, provided the CEO circulates to the Council Members, prior to endorsement, draft final project documents fully incorporating the Council's comments on the Intersessional Work Program accompanied by a satisfactory explanation by the CEO of how such comments and comments of the STAP reviewer have been addressed and a confirmation by the CEO that the project continues to be consistent with the Instrument and GEF policies and procedures.
3. With respect to the project proposal entitled, *Regional (Albania, Macedonia): Balkans Energy Efficiency Program (BEEP)*, one Council Member requested that the proposal be reviewed by the Council at a later session. We are seeking to clarify this comment with the Council Member before determining how best to proceed.
4. Please find attached [comments](#) received from France, Germany, Indonesia, Sweden, Switzerland, and the U.S.A.

## 17<sup>th</sup> Council Meeting – May 2001

### Decision 2/2001      Council review of relations with Conventions

1. The Council, having reviewed document GEF/C.17/3, [Relations with Conventions](#), takes note of the developments of relevance to the GEF within the various international environmental agreements and GEF action taken to respond to the decisions of the Conferences of the Parties.

**Decision 3/2001      Guidelines for Initial Enabling Activities related to the Stockholm Convention on Persistent Organic Pollutants**

1. The Council, having reviewed document GEF/C.17/4, [\*Initial Guidelines for Enabling Activities of the Stockholm Convention on Persistent Organic Pollutants\*](#), approves, subject to the comments made at the Council meeting, the initial guidelines as an early response for assisting developing countries and countries with economies in transition to implement measures to fulfill their obligations under the Convention. The Council agrees to the country eligibility criteria, the eligible activities and their sequencing, and the expedited procedures for processing proposals for GEF assistance. The Council requests the GEF Secretariat to undertake efforts to inform recipient countries of the availability of this assistance, including through the appropriate dissemination of relevant information at the Diplomatic Conference that will be held in Stockholm in May 2001 for the adoption of the Convention.

**Decision 4/2001      Options for enhancing support of GEF in assisting affected countries, especially those in Africa, to implement the CCD**

1. The Council, having reviewed document GEF/C.17/5, [\*Options to Enhance GEF Support for the Implementation of the UN Convention to Combat Desertification\*](#), agrees that the designation of land degradation (desertification and deforestation) as a GEF focal area should be pursued as a means for enhancing GEF support for the successful implementation of the UN Convention to Combat Desertification (CCD). The Council requests the Secretariat, in collaboration with the Implementing Agencies, appropriate executing agencies, the Secretariat and the Global Mechanism of the CCD, to prepare a more detailed note elaborating upon the modalities for such designation for consideration at the Council meeting in December 2001. The note should also address the steps necessary for preparing an amendment to the Instrument for approval at the second GEF Assembly in October 2002.

**Decision 5/2001      Elements of strategic collaboration and a framework for GEF action for capacity building for the global environment**

1. The Council, having reviewed document GEF/C.17/6/Rev.1 ([\*Elements of Strategic Collaboration and a Framework for GEF Action for Capacity Building for the Global Environment\*](#)):
  - (a) takes note of the proposed strategic elements and framework for GEF action to guide a more focused, strategic approach to capacity building for the global environment;

- (b) requests the GEF Secretariat to present the proposed strategic elements and the framework to the Conference of the Parties to the Convention on Biological Diversity, the UN Framework Convention on Climate Change and the UN Convention to Combat Desertification and to consult with them on the proposed strategic elements and framework for GEF action;
- (c) requests the GEF Secretariat, in collaboration with the Implementing Agencies and Executing Agencies, to initiate processes so that the self-assessment of capacity building needs can begin immediately in countries that request such assistance. The Council agrees that country requests for financial assistance up to US\$200,000 should be developed, approved and implemented through expedited procedures and further agrees that such requests may be approved by the CEO. For countries requesting financial resources beyond US\$200,000 the project proposal should be developed, approved and implemented in accordance with the GEF project cycle. The GEF Secretariat is invited, in collaboration with the Implementing Agencies and Executing Agencies, to prepare and widely disseminate guidelines to assist countries to prepare project proposals for such assistance;
- (d) requests the GEF Secretariat to consult with intergovernmental and non-governmental organizations participating in capacity building activities related to the global environment and sustainable development on the proposed strategic elements and framework for GEF action; and
- (e) requests the GEF Secretariat to present to the Council at its meeting in April 2002 revised strategic elements and framework for GEF action that take into account the views expressed by the Conferences of the Parties and others consulted pursuant to this decision as well as lessons emerging from the national assessments.

#### **Decision 6/2001      Work Program submitted for Council approval**

1. The Council reviewed the proposed [Work Program](#) submitted to Council in document GEF/C.17/7 and approves it<sup>1</sup> subject to comments made during the Council meeting and additional comments that may be submitted to the Secretariat by May 25, 2001.
2. The Council finds that, with the exception of:
  - (a) Ecuador: National Protected Areas System,

---

<sup>1</sup> One Council Member, in light of national legislation regarding its country's voting position for development projects financed by certain development institutions, did not support the project proposals *India: Conservation and Sustainable Management of Dryland Biodiversity*, and *India: Fuel Cell Bus Development in India*.

- (b) Cambodia: Renewable Energy Promotion,
- (c) China: Renewable Energy Scale up Program
- (d) China: Demonstration of Fuel Cell Bus Commercialization in China, and
- (e) India: Fuel Cell Bus Development in India

each project presented to it as part of the Work Program (i) is or would be consistent with the Instrument and GEF policies and procedures and (ii) may be endorsed by the CEO for final approval by the Implementing Agency, provided that the CEO circulates to the Council Members, prior to endorsement, draft final project documents fully incorporating the Council's comments on the work program accompanied by a satisfactory explanation by the CEO of how such comments and comments of the STAP reviewer have been addressed and a confirmation by the CEO that the project continues to be consistent with the Instrument and GEF policies and procedures.

3. With respect to the projects listed in the paragraph above, the Council requests the Secretariat to arrange for Council Members to receive draft final project documents and transmit to the CEO within four weeks any concerns they may have prior to the CEO endorsing a project document for final approval by the Implementing Agency. Such projects may be reviewed at a further Council meeting at the request of at least four Council Members.
4. The Council, having reviewed the re-submitted project, *Regional (Albania, FYR Macedonia): Balkan Energy Efficiency Program*, approves it and requests the Secretariat to arrange for Council Members to receive the draft final project document and to transmit to the CEO within four weeks any concerns they may have prior to the CEO endorsing the project document for final approval by IFC. The project may be reviewed at a further Council meeting at the request of at least four Council Members.

#### **Decision 7/2001      Monitoring and Evaluation**

1. The GEF Council reviewed the [2000 Project Performance Report](#) (GEF/C.17/8) and supports the conclusions of the review, subject to the comments made at the meeting. The Council stressed in particular that the GEF should identify and monitor more systematically the risks to project success as well as the creation of framework conditions for project implementation. The Council also underlined the importance of promoting demonstration and replication effect of GEF projects.

**Decision 8/2001      CEO note on GEF activities related to the World Summit on Sustainable Development**

1. The Council, having reviewed the [\*CEO Note on GEF Activities related to the World Summit on Sustainable Development\*](#), document GEF/C.17/9, notes the significance of the World Summit to be held in Johannesburg, South Africa, in September 2002, and welcomes the proposals of the CEO aimed at ensuring that the GEF makes an important contribution to the preparations and deliberations of the Summit. The Council fully supports the active participation of the GEF in the Summit and its preparations, and approves the proposed budget to cover the costs of this special initiative. The budget of US\$1,398,918 should be included in the FY02 corporate budget of the GEF Secretariat. The CEO is invited to seek, in a spirit of partnership, the collaboration and contributions of the GEF family and other appropriate organizations and entities in organizing events leading to the World Summit, and is further encouraged to seek bilateral and other contributions to assist in offsetting the cost to the GEF corporate budget.

**Decision 9/2001      Note on the second GEF Assembly**

1. The Council reiterated its sincere appreciation for the generous offer of the Government of China to host the second GEF Assembly in Beijing in October 2002. The Council approves the organization and structure of the Assembly proposed in the [\*Note on the Second GEF Assembly\*](#), document GEF/C.17/10, subject to the comments made at the meeting. In this regard, the Council also approves the proposed budget of \$265,500 for FY02 to continue preparations for the Assembly and requests that these costs be incorporated in the GEF Secretariat's corporate budget for FY02. The Council also takes note of the tentative estimate of costs to be incurred in FY03 for the convening of the Assembly and requests the Secretariat to include these costs in the corporate budget for FY03 to be submitted for approval by the Council at its meeting in April 2002.

**Decision 10/2001      FY02 corporate budget**

1. The Council reviewed document GEF/C.17/11, [\*GEF FY02 Corporate Budget\*](#), and approves the proposed FY02 corporate budget of \$22.272 million, subject to the comments made during the Council meeting, comprising:
  - (a) an amount of \$20.019 million for the resource requirements of the six GEF units (the three Implementing Agencies, GEF Secretariat; Trustee and the Scientific and Technical Advisory Panel) in the provision of corporate management services; and
  - (b) an amount of \$2.253 million to support the proposed special initiatives of (i) the Second GEF Assembly; (ii) the World Summit on Sustainable Development; and (iii)

the final phase of the Country-Level Coordination and Country Ownership of GEF-Financed Activities.

**Decision 11/2001      Mechanisms and arrangements for expediting disbursements of GEF funds to small projects**

1. The Council, having reviewed document GEF/C.17/12, [\*Mechanisms and Arrangements for Expediting Disbursement of Funds for Small Projects\*](#), welcomes the reports of the Implementing Agencies on steps that they have undertaken to streamline the processing and implementation of projects and disbursement of funds. The Council approves the procedures proposed in the document to expedite the disbursement of the first tranche of GEF financing for PDF grants, enabling activities and medium-sized projects. The Council requests the GEF Secretariat to work with the Implementing and Executing Agencies acting under expanded opportunities to prepare standard legal agreements that address project start up activities and to ensure that procedures are in place in each agency that will allow the timely release of start up funds for such projects and that promote maintenance of financial accountability together with decentralized financial management of funds at the country level.

**Decision 12/2001      Criteria for the expansion of opportunities for executing agencies**

1. The Council reviewed document GEF/C.17/13, [\*Criteria for the Expansion of Opportunities for Executing Agencies\*](#). The Council approves, taking into account the comments made at the meeting, the criteria proposed for the selection of executing agencies that may participate in the expanded opportunities approved by Council in May 1999 and as further defined by the Council in November 2000. On the basis of these criteria, the Council approves the selection of the International Fund for Agriculture and Development (IFAD) and requests the Secretariat to make the necessary legal and procedural arrangements with IFAD.

**Decision by Mail – September 2001**

**Decision 13/2001      Development of National Biosafety Frameworks**

1. With regard to the project entitled [\*Development of National Biosafety Frameworks\*](#), approved in the November 2000 work program, the Council agrees that the eligibility criteria for participation in the project may be expanded to include, in addition to countries that are signatories to the Cartagena Protocol on Biosafety, any Party to the Convention on Biological Diversity that provides the GEF Secretariat and the Secretariat

of the Convention on Biological Diversity a written assurance that it intends to become a Party to the Protocol no later than when it has completed the national activities foreseen in the project and the concrete steps have been initiated for this purpose.

## **Decision by Mail – October 2001**

### **Decision 14/2001      Report of the GEF to the 7<sup>th</sup> CoP of the UNFCCC**

1. The Council, having reviewed the draft [Report of the GEF to the seventh session of the Conference of the Parties to the United Nations Framework Convention on Climate Change](#), approves the report for submission to the seventh session of the Conference of the Parties to the Convention.

## **18<sup>th</sup> Council Meeting – December 2001**

### **Decision 15/2001      Statement by the Chair of STAP**

1. The Council, having reviewed the [Progress Report of the Executive Director of UNEP on the Reconstitution of STAP](#) (GEF/C.18/12), expresses its appreciation to UNEP for the efforts that it has made in establishing a Search Committee to recommend candidates to become members of STAP during its third term and for the progress achieved to date. The Council looks forward to receiving UNEP's recommendations as to the composition of STAP III for review and approval at the Council meeting in May 2002. In this regard, the Council agrees that the number of STAP members should be increased from twelve to fifteen to accommodate the new emerging areas being addressed by the GEF.
2. Taking into account the statement by the Chair of STAP as well as the recommendations of the Second Overall Performance Study concerning STAP, the Council requests the Chair of STAP to prepare for consideration by the Council at its next meeting a report on STAP's views, proposals and recommendations for improving STAP's efficiency, the greater use of experts from developing countries and countries with economies in transition and the role of STAP in the GEF.

### **Decision 16/2001      Relations with Conventions**

1. The Council reviewed [Relations with Conventions](#) documents GEF/C.18/3 and [GEF/.18/3/Add.1](#), takes note of the developments of relevance to the GEF within the various international agreements and welcomes the strong collaboration that is evident between the GEF and the Conventions. More specifically, the Council:

- (a) Requests the Secretariat, in preparing revised proposals on the follow-up to the Capacity Development Initiative (CDI) for consideration by the Council at its next meeting, to take into account the consultations carried out with Parties to the Conventions on the recommendations of the CDI as well as the decisions concerning capacity building taken by the Intergovernmental Committee for the Cartagena Protocol on Biosafety and the Stockholm Convention on Persistent Organic Pollutants.
  - (b) Takes note of the request by the Conference of Plenipotentiaries on the Stockholm Convention on Persistent Organic Pollutants to the CEO/Chairman of the GEF and Executive Director of UNEP to collaborate in developing the modalities for a Capacity Assistance Network.
  - (c) Requests the Secretariat to submit to the sixth meeting of the Conference of the Parties to the Convention on Biological Diversity the Second Study of the Overall Performance of the GEF as an additional input to the second review of the effectiveness of the financial mechanism which is to be discussed at that meeting.
  - (d) Requests the GEF Secretariat to prepare, for review and approval at the next Council meeting, recommendations concerning arrangements necessary for administration of the two new Convention funds under the UNFCCC (the special climate change fund and the least developed countries fund) and proposing how the GEF might most effectively and efficiently implement the new funds, taking into account relevant decisions of the Conference of the Parties to the UNFCCC at its seventh session as well as views expressed by the Council, including written views that may be submitted by Council Members by January 31, 2002.
  - (e) Requests the GEF Secretariat, in consultation with the Implementing Agencies, to undertake an accelerated process to prepare operational guidelines for expedited funding of the preparation of national adaptation programs of action. The Secretariat is requested to organize a consultation with experts from least developed countries and to circulate operational guidelines with a view to finalizing these guidelines by the end of March 2002 so as to allow funding from the LDC Fund to proceed thereafter. It is understood that the availability of resources to finance the preparation of NAPA's pursuant to the guidelines is contingent on donor contributions to the LDC Fund.
2. The Council requests the Secretariat, in consultation with the Implementing Agencies and the Trustee, to prepare proposed textual amendments to the Instrument concerning the designation of a GEF focal area relating to persistent organic pollutants

for consideration by the Council at its next meeting with a view to the Council recommending approval of such amendments by the Assembly at its meeting in October 2002.

**Decision 17/2001      Note on the Proposed Designation of Land Degradation as a Focal Area**

1. The Council, having reviewed the [Note on the Proposed Designation of Land Degradation as a GEF Focal Area](#), GEF/C.18/4, agrees to consider at its next meeting proposed amendments to the Instrument to designate land degradation, primarily desertification and deforestation, as a GEF focal area, as a means of enhancing GEF support for the successful implementation of the UN Convention to Combat Desertification. In this regard, the Secretariat, in consultation with the Implementing Agencies and the Trustee, is invited to prepare proposed textual amendments to the Instrument for consideration by the Council at its next meeting with a view to the Council recommending approval of such amendments by the Assembly at its meeting in October 2002.
2. The Secretariat, in consultation with the Implementing Agencies, appropriate executing agencies and the CCD Secretariat, is invited to prepare elements of an Operational Program on land degradation, primarily desertification and deforestation, pending approval of the focal area by the Assembly and taking into account the recommendation of OPS2 concerning the rationalization of GEF operational programs.

**Decision 18/2001      Work Program**

1. The Council reviewed the proposed [Work Program](#) submitted to Council in document GEF/C.18/6 and approves it<sup>2</sup> subject to comments made during the Council meeting and additional comments that may be submitted to the Secretariat by December 21, 2001.
2. The Council finds that with the exception of *Mali: Arid Rangeland Biodiversity Conservation*, each project presented to it as part of the Work Program (i) is or would be consistent with the Instrument and GEF policies and procedures and (ii) may be endorsed by the CEO for final approval by the Implementing Agency, provided that the CEO circulates to the Council Members, prior to endorsement, draft final project documents fully incorporating the Council's comments on the work program accompanied by a satisfactory explanation by the CEO of how such comments and

---

<sup>2</sup> One Council Member, in light of national legislation regarding its country's voting position for development projects financed by certain development institutions did not support the following project proposals: Cuba: Support to the Implementation of National Biosafety Framework, Regional: Capacity building for Stage II Adaptation to Climate Change (Central America, Mexico and Cuba), Regional: Nile Transboundary Environmental Action Project, Phase I, and Global, Removal of Barriers to the Introduction of Cleaner Artisanal Gold Mining and Extraction Technologies. The Council Member urged the GEF Secretariat and the implementing and executing agencies to take steps to ensure that GEF funds do not find their way to any terrorist organizations.

comments of the STAP reviewer have been addressed and a confirmation by the CEO that the project continues to be consistent with the Instrument and GEF policies and procedures.

3. With respect to the project proposal for *Mali: Arid Rangeland Biodiversity Conservation*, the Council requests the Secretariat to arrange for Council Members to receive the draft final project document and transmit to the CEO within four weeks any concerns they may have prior to the CEO endorsing the project document for final approval by the Implementing Agency. The project may be reviewed at a further Council meeting at the request of at least four Council Members.
4. With respect to those eight biosafety proposals in this Work Program for which the requested allocation is less than \$1 million, the Council agrees to the following expedited procedure. The CEO may endorse any of these proposals any time after the end of the period for technical comments on the Work Program (December 21, 2001) provided the final project document fully responds to the Council's comments.

#### **Decision 19/2001      Overall Structure, Processes and Procedures of the GEF**

1. The Council reviewed document GEF/C.18/8, [\*Overall Structure, Processes and Procedures of the GEF\*](#), and requests the Secretariat, in consultation with the Implementing Agencies, Executing Agencies and Trustee, to revise the note and the concepts, proposals and strategic directions contained in it for consideration by the Council at its meeting in May 2002, taking into account the comments made by the Council and with a view to facilitating discussion and agreement by the Council as it prepares for the Assembly in October 2002.
2. The Council agreed that Part I of the paper on strategic programming for maximizing results and impacts would be addressed in the Corporate Business Plan for FY03-05 that will be prepared for Council's consideration at the meeting in May.

#### **Decision 20/2001      Budget Related Issues**

1. The Council having reviewed document GEF/C.18/9, [\*A Proposal for an Independent Review of the Fee-Based System\*](#), approves the preparation of the proposed review, subject to the comments made during the Council meeting, and in accordance with the following:
  - (a) The Terms of Reference proposed in document GEF/C.18/9.

- (b) The appointment of the consulting firm of Deloitte & Touche to carry out the review noting that the firm was selected through a competitive bid process administered by the World Bank's General Services Department.
  - (c) The associated budget to cover the fees payable to the consulting firm and the travel costs of involved GEF staff.
2. The Council reviewed document GEF/C.18/10, [\*A Proposal for GEF Annual Corporate Budget Reporting Cycle and Report Formats\*](#), and approves, subject to the comments made during the Council meeting, the proposed corporate budget reporting cycle and report formats for each Fiscal Year comprising:
- (a) A proposed GEF Corporate Budget is to be prepared for each fiscal year and presented to Council for its review and approval at its May meeting preceding that fiscal year.
  - (b) A Corporate Budget Mid-Year Report is to be submitted for Council review in the third quarter of each fiscal year.
  - (c) An annual Corporate Budget Retrospective is to be provided to Council as an information document during its second regular meeting of each calendar year.
3. The Council, having reviewed the [\*Note on the Follow-up to the Capacity Development Initiative\*](#) (GEF/C.18/11), and recognizing its decision in May 2001 to include in the corporate budget for FY02 resources necessary to carry out the Council's decision on follow-up to the Capacity Development Initiative, approves the proposed budget of US\$289,800 to cover the activities described in the note.

**Decision 21/2001      Monitoring and Evaluation/Second Overall Performance Study of the GEF**

1. The Council reviewed and commented on document GEF/C.18/7, [\*Second Overall Performance Study of the GEF: Final Draft\*](#). The Council requested the independent team of evaluators to prepare the final report with a view to its publication in January 2002. Further comments on the final draft of OPS2 may be submitted to the Secretariat by December 20, 2001.
2. The Council requested the GEF Secretariat, in consultation with the Implementing Agencies, to prepare for Council review at its meeting in May 2002 a preliminary proposal for an action plan and timetable for responding to the recommendations of the Second Overall Performance and other evaluation reports as appropriate, taking into account comments made by the Council Members at this meeting. Council

Members are invited to submit to the Secretariat by January 15, 2002, additional comments and views on the findings and recommendations of the OPS2 with a view to the preparation of the preliminary action plan.