



# Global Environment Facility

## Summary of Document GEF/C.28/11/Rev.1

### Review of the Fee Policy

#### Recommended Council Decision

The Council, having reviewed document, GEF/C/28/11 *Review of the New Fee Policy*, notes that no adverse programming impacts, particularly with respect to the number of quality medium-sized projects, have resulted during FY2006 from the introduction of the new fee system. Council requests the Secretariat and the agencies to continue to monitor the portfolio during FY2007, and report to the Council in June 2007 should there be any programming or operational concerns resulting from the continued application of the new fee system.

#### Executive Summary

1. At its June 2005 meeting, the Council reviewed document, GEF/C.23/8/Rev.1, *Proposal for Revising the Fee System*, and agreed to implement a flat fee of 9 percent of the GEF grant, with an understanding that the new system would be reviewed and discussed at the June 2006 Council meeting.
2. The Council requested the Secretariat, in collaboration with the Implementing and Executing Agencies, to closely monitor the configuration of projects entering the project pipeline with a view to determining whether the new fee system has any adverse impacts, with particular attention to the number of quality medium-sized projects being proposed for pipeline entry.
3. From the operational experience in fiscal year 2006, there is no evidence to date that the new fee policy has had any adverse impact, in terms of the share of medium-sized projects, both in numbers and resource allocations, in the portfolio.
4. The Secretariat and the Agencies will continue to monitor the portfolio during FY2007 and report any adverse impacts of the new fee system, should there be any, to the Council at its June 2007 meeting.