

**November 05, 2009**

**COMMENTS RECEIVED FROM THE GEF IMPLEMENTING AGENCIES ON DOCUMENTS  
PREPARED FOR THE FOURTH MEETING FOR THE FIFTH REPLENISHMENT OF THE  
GEF TRUST FUND**

# Comments from the United Nations Environment Programme

for Nov 09 Meetings : Council, Replenishment and LDCF/SCCF

We thank the Secretariat and Trustee for the opportunity to comment on the revised Policy Recommendations for GEF-5. We appreciate the considerable improvements that are visible, in terms of focusing the papers on principles and policy, and leaving operational details to be sorted out in a collaborative manner within the Partnership for later stages. At this time, and with the very little time available to us to comment, we would like to bring your attention to our main remaining concerns. The following general comments draw upon our earlier comments, which we hope will further enhance the papers.

## Policy Recommendations Paper

We very much appreciate the renewed emphasis on CSO engagement, and the need for a review of the private sector strategy. The section on enhancing accountability to conventions is significantly improved and has taken into account council comments very well. We particularly appreciate that the section now focuses on GEF and not just GEFSec. In order to further reinforce this point, we suggest adding the term “Partnership” to the chapeau sentence in para 13, thus it would read : “In addition, the GEF Partnership is encouraged to .....”.

The text on the Voluntary National Business Plans has also considerably improved, but we do believe that it should go much further in inter-connecting three crucial issues : country-led planning; STAR and its allocations; and GEF-wide result based management. Furthermore, these all have to be tied to a far more fundamental reform of the project cycle. We look forward to working with the partnership to develop this modality further.

Annex 1 (Roles and Responsibilities) does not yet give a clear or consistent definition of ‘facilitation’ by GEFSec. We request that the para 42 be revised to show that further consultations will be sought from Agencies before submitting a final version to May/June Council 2010.

The section on Funding of national communications to conventions does not fully capture the richness of the Paris discussions, especially in terms of cost effectiveness and value added of the Secretariat having a role in executing these programs. Other streamlined options should be explored, such as programmatic procedures through the IAs. We would propose that : para 19 be simplified to : “Detailed proposals shall be prepared by the GEFSec, in collaboration with WB, UNDP and UNEP for Council review in May/June ...”

UNEP continues to support inclusion of new agencies for greater mainstreaming impact, however, the concern raised by Participants in the Paris meeting related to expanding agencies was primarily related to the cost of the effectiveness of the network and exploring other options/modalities of their inclusion, which could be better addressed in the revised paper. The text can lead to a continuing confusion and perhaps misunderstanding within the partnership of the real costs of doing GEF business (e.g. Footnote 3 on page 6). Several Participants (and OPS-4) requested a review of the cost structure of GEF, which UNEP fully endorses. Such a review, which should look at the entirety of transaction costs in the system and involve GEFSec, Trustee, EO, IAs and EAs, will help in reforming the system for reduced transaction costs. A proposal on expanding agencies therefore requires more careful consideration, and its decision should be deferred to Nov 2010.

Para 24 provides perhaps a slightly new vision on the role of the IAs, and we would welcome a discussion on this as soon as possible. For example, several terms are used inter-changeably (facilitate, coordinate, collaborate) which could merit from greater discussion and specification. We look forward to further clarification.

## Programming Document

While the paper continues to improve, it has yet to exhaustively tackle the issues of set asides (and in particular, the problem identified by Council members that too many items are being put under such set asides). We believe that global and regional projects (the original intention of such exclusions) should

continue to be the main component of such set asides so that the GEF can continue to foster global cooperation. While a set of criteria have been proposed for such projects, there is little clarity on how the pipeline of such projects can be transparently managed. Finally, we are not convinced that capacity building should be treated as a “corporate program” since such activities are normally country-led. The concept of a GEF “curriculum”, if retained, should be fully integrated into the CSP/NDI rather than be considered as a stand alone capacity building activity. We also suggest that the practice of GEF-4 be continued, whereby “stand alone capacity building” was reserved for projects to promote synergies across focal areas and thus across MEAs, and a certain funding level was allocated for them.

#### LDCF/SCCF

Since the LDCF/SCCF project cycle follows the same rules and procedures of the GEF Trust Fund, it is therefore important that this document acknowledge the work that will be underway in the next months to develop streamlined project cycle processes for Council approval.

The DANIDA evaluation makes a series of important recommendations that could be better captured in this paper. For example, there is a suggestion to set aside funds for helping countries improve their planning capacities, including inventories, monitoring, assessments, decision support systems, etc. UNEP fully agrees with this recommendation. We note that with the changes brought to the GEF Trust Fund (where no adaptation funding is envisaged) and with the eligibility requirements currently in place for LDCF/SCCF, there is a gap in financing for such normative activities and we request the Council to consider ways in which to address this gap. UNEP would be available to work with Agencies and STAP to further elaborate on this matter.

We hope these preliminary comments are of use, and look forward to working with the GEF Partnership to further refine and streamline the GEF.

## Comments from the United Nations Development Program

Thank you for the opportunity to comment on the revised Policy Recommendations for the Fifth Replenishment of the GEF Trust Fund (“Policy Paper”) and the GEF-5 Programming Document (“Programming Paper”) prepared by the GEF Secretariat (shouldn’t this be mentioned on the front of the Policy Paper as done with the Programming Paper?) UNDP appreciates your efforts to update the draft papers, and we look forward to working with you to finalise them.

With the limited time given to us to review these papers we would like to offer some preliminary comments and suggestions on the Policy Paper:

1. Voluntary national GEF business plans (paragraphs 10, 16 and 24)

· Paragraph 10(a) states that recipient countries may request GEF resources directly to prepare voluntary national GEF business plans and paragraph 16 states that the preparation of these plans will need to be “facilitated by the Secretariat, and coordinated by the GEF Agencies”. Paragraph 24 of the paper further proposes that “cooperation with the Secretariat” is the appropriate role for Agencies with respect to preparation of these business plans. UNDP fully supports the proposal for voluntary national GEF business plans. These should be tightly coordinated with the existing country led planning processes used by the GEF agencies. UNDP looks forward to working with the Secretariat and the other GEF agencies to clarify the mechanisms for facilitation and coordination of these plans and the division of labour between the agencies and the Secretariat.

· The proposed voluntary national business plans provide an opportunity for a dramatic streamlining of the project cycle. Upstream buy-in by the Secretariat to the projects and programmes in such country-led plans should enable a commensurate reduction in the later appraisal and approval of these projects and programmes by the Secretariat. UNDP is keen to work with the Secretariat and the other GEF partners to help develop such a streamlined cycle.

2. Broadening engagement with Agencies (paragraphs 22-27)

· Paragraph 24 proposes that the “World Bank facilitate the engagement of the regional development banks in the GEF partnership, and UNDP undertake similar coordination with respect to the UN Agencies...” We look forward to receiving further information on this proposal and to its discussion. These discussions should include all of the GEF agencies.

· Paragraph 26 states that “Participants acknowledge that there might be benefits from having more entities cooperate with the GEF partnership, including direct collaboration with the Secretariat and Trustee” and paragraph 27 states that a proposal should be developed for Council review in May/June 2010 “on which additional agencies referred to in paragraph 28 of the Instrument be allowed to cooperate with the Secretariat and Trustee directly...”. As noted by OPS 3 this could dramatically increase the transaction costs of managing the GEF partnership and ultimately change its nature. As per the guidance provided by participants in the Paris meeting, UNDP would be pleased to work with the Secretariat and the other GEF partners to further analyze both this proposal and other possible arrangements to bring to bear the experience of additional entities.

3. Clarifying the roles and responsibilities of the GEF entities (paragraph 42 and Annex 1)

· Paragraph 42 of the paper proposes that Annex 1, which explains the roles of the different GEF entities, be presented for approval by the Council in May/June 2010. UNDP is keen to work with you on this and we suggest amending paragraph 42 to state that the Secretariat will further consult with the GEF Agencies on Annex 1 before submitting a final version for Council review in May/June 2010.

4. Cooperation with Civil Society Organizations (paragraph 44)

· UNDP welcomes the proposal in paragraph 44 to further strengthen the role of Civil Society Organizations in the GEF. We would be pleased to offer the experience of UNDP in helping the Secretariat and other GEF entities to develop the proposal for enhancing such engagement.

We hope these comments and suggestions are helpful and in the meantime will further review these papers.

With best regards

John

John Hough

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## **Comments from the World Bank**

We have not been able to go through the documents in detail with my colleagues in the Bank. We would like to provide you with our initial comments:

Para. 24 It would be useful to develop a paper on this.

Para.26 We would agree with the Trustee that before we enlarge the partnership that the analysis on broadening engagement with agencies should explicitly take into account the comparative advantages of the agencies, cost implications, and the capacity of the GEF partnership to accommodate additional agencies, as per the guidance provided by Participants in the Paris meeting.

para.29 to 31 we support this trust with the idea of having a paper ready for June 2010.

Table 1: We would also support moving the project cycle document forward to June 2010 from the proposed date of Dec. 2010. .

Annex 1 It would be useful to have a discussion between the agencies and secretariat on this.

On the programming document, we would like to consult with our team before commenting on it.

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