

GLOBAL
ENVIRONMENT
FACILITY

CONCLUSIONS OF THE
HEADS OF AGENCY MEETING

April, 17, 1995,
New York

GEF Council Meeting
Washington, D.C.
May 3 - 5, 1995

1. The first Heads of Agency meeting since the restructuring of the GEF took place at UNDP Headquarters in New York on April 17, 1995. Mr. James Gustave Speth (Administrator, UNDP), Ms. Elizabeth Dowdeswell (Executive Director, UNEP), Mr. Sven Sandstrom (Acting President, World Bank), and Mr. Mohamed El-Ashry (Chairman/Chief Executive Officer, GEF) were accompanied by senior agency and Secretariat staff.
2. The Heads of Agency welcomed the progress made, since the establishment of the "new" GEF, towards an institutional framework for the Council and its Secretariat and towards an agreed policy and strategic work program for the GEF as a whole. They also welcomed the gains made with the Conference of the Parties of both the Biodiversity and Climate Change Conventions, and the increased support for the GEF, both politically and financially.
3. The agenda for the meeting is attached. Emphasis was placed upon: (i) the strategic direction of the GEF and the roles of the respective partners; (ii) the opportunities for further inter-agency collaboration at the country level; and (iii) the central importance of accelerating implementation of Pilot Phase projects and disbursement of its funds.
4. The Heads of Agency and the GEF CEO/Chairman emphasized their commitment to consolidate a flexible innovative partnership and to build a GEF on the basis of the three Implementing Agencies, with a strong Secretariat serving the Council and facilitating and coordinating the work of the Implementing Agencies. In this evolving relationship, the issues and challenges that are raised will be addressed through a sustained dialogue so as to ensure the building of a strong GEF partnership.
5. On the **strategic direction of the GEF** the Heads of Agency endorsed the need for better integration of GEF funded activities with their agencies' own development and environment activities. In endorsing the "leveraging" aspects of the GEF, it was felt that GEF's success ultimately lies in carrying out its activities within a framework of sustainable development. This necessitates "mainstreaming," "upstreaming," and cofinancing of GEF actions and Implementing Agencies own activities so as to produce both domestic and global benefits at the country level. In this regard, the GEF CEO noted with satisfaction the steps being taken by the Implementing Agencies in the development of the GEF portfolio.
6. The nature and content of the long term operational strategy for the GEF was emphasized by the Heads of Agency. The Heads of Agency recognize that the direction of the long term operational strategy will provide a clear framework for the agencies to position themselves to best serve operationally the objectives of the GEF; allow for a clearer definition of agencies roles and modalities; facilitate further efficient deployment and allocation of resources within each agencies, and provide insight for better synergy between GEF policies and actions and Implementing Agencies own initiatives.
7. While cooperation at the agency level continues to improve, the Heads of Agency recognized the need for greater emphasis on **collaboration at the country and regional levels**. The Heads of Agency have agreed that six countries will be selected in which to test how the three agencies, each with its comparative advantage, can best cooperate to provide a cohesive and consistent GEF program. Furthermore, the regional dimension of the GEF's work is important, especially in the

international waters focal area. UNEP, through its regular work program in Regional Seas, has a comparative advantage in terms of assisting the GEF to develop high quality regional programs in the international waters area.

8. While the Heads of Agency recognize the need for preparing high quality GEF programs and projects, they also stressed the need to ensure the **timely completion of the Pilot Phase**. The Heads of Agency agreed to take the necessary actions to accelerate disbursements, undertake periodic implementation reviews to ensure both the quality and timeliness of Pilot Phase projects, and to undertake any needed mid-course corrections.

9. The Heads of Agency recognized that this is an important year for the GEF as it establishes its internal procedures; working modalities between the Secretariat, the agencies, the environmental conventions and others; and operational strategy. It was felt useful that in addition to discussions at the Heads of Agency and CEO level, a sustained dialogue should be pursued at the GEF Coordinator level, particularly prior to Council meetings. Such dialogue would be geared to demonstrating the collective partnership within the GEF, and ensuring that positions are mutually supportive and actions are taken in a timely and effective manner.

10. Finally, it was agreed that Heads of Agency meetings, at least for the next year or two, would be convened semi-annually, preferably prior to Council Meetings. The GEF CEO will continue to consult bilaterally with the Heads of Agency between meetings as needed.

Attachment

HEADS OF AGENCY MEETING

APRIL 17, 1995 (MONDAY) - UNDP, NEW YORK

AGENDA

1. Strategic Direction of GEF
 - Role of Implementing Agencies and Secretariat, Budgets, etc.
 - Complementarity of GEF and Implementing Agencies Global Environment Work
 - Cofinancing with GEF
2. Inter-Agency Collaboration at Country and Regional Levels
3. Implementation of Pilot Phase and Accelerating Disbursements
4. Other Business