

54th GEF Council Meeting
June 24 – 26, 2018
Da Nang, Viet Nam

Agenda Item 08

PRIVATE SECTOR ADVISORY GROUP TERMS OF REFERENCE

Recommended Council Decision

Having reviewed GEF/C.54/13, the Council approves the proposed TOR for the Private Sector Advisory Group and requests the Secretariat to present a proposal for a strategy on private sector engagement, with inputs from the Advisory Group, for consideration for Council in Spring 2019.

INTRODUCTION

1. Participants to the GEF-7 replenishment requested the Secretariat to present for Council consideration a proposal for a strategy on private sector engagement (GEF/R.7/18, *GEF-7 Replenishment Policy Recommendations*). In this respect, participants further recommended that a private sector advisory group is established to provide input and advice on the proposed strategy, and outreach to private sector partners.
2. This document proposes the terms of reference (TOR) and possible composition of the Advisory Group, and the schedule towards formulation of the private sector strategy, which is to be presented in the Council meeting in the spring of 2019.

Terms of Reference for the GEF Private Sector Advisory Group

3. The Private Sector Advisory Group will provide the Secretariat with input and advice when the Secretariat formulates the private sector engagement strategy, which is to be brought for consideration by the Council in its meeting of the Spring of 2019. In particular, the Advisory Group will advise the Secretariat how to best capture the role of the private sector in the implementation of the GEF-7 strategy.
4. The Advisory Group will become a sounding board for GEF-7 interventions as they relate to the private sector, including guidance to policy-related interventions and the enabling environment. Members of the Advisory Group may also serve as ambassadors who can bring greater understanding of the GEF and its mission to other private sector stakeholders. Finally, when requested, the Advisory Group will provide its view to the Council.
5. **Composition.** The Advisory Group will be composed of a broad representation of high-level corporate leaders and associations representing sectors that are most relevant to the GEF-7 strategy. This includes key sectors along value chain such as production, trade, finance and retailers of the food sector; infrastructure, energy and chemicals; private sector involved in natural resource management, and the financial sector, including the capital market. Overall, it will be critical to ensure representation of the global south and SMEs.
6. Between 8-12 high-level Advisors will be identified by the GEF Secretariat. The list of identified advisors will be circulated to the Council for a 2-weeks no-objection approval. Advisors will be sought to serve during the GEF-7 cycle, and will do so without remuneration.
7. **Structure.** Group meetings will be kept small to allow for active participation and discussion during the meetings, while at the same time specialists and experts on given agenda topics may be invited to stimulate the discussion. Advisory Group meetings will be conducted under Chatham House Rules to allow Advisors to provide succinct and unvarnished advice. The Secretariat will document and summarize the results of each meeting, without attribution to specific participants, for dissemination at GEF Council meetings.

8. Conflicts of Interest. The Advisory Group will not be asked to develop binding GEF policies or make recommendations on specific project proposals submitted to the GEF. Advisors will not be asked to discuss confidential information that could present a conflict of interest. Topics presented for discussion will be public-domain, and therefore the GEF will not require Advisors to sign non-disclosure agreements. By eliminating the potential for conflicts of interest, the Advisory Group can attract senior private sector leaders without creating complicated and time-consuming legal arrangements.

9. It should be noted that the Advisory Group is not directly responsible for the day to day execution of the NGI instruments which requires focused effort to strengthen the accountability and implementation capacity of the NGI instruments.

Schedule and Next Steps

10. With approval by the Council of the proposed terms of reference at the 55th Council meeting in June 2018, the Secretariat will immediately start composing the group, and will circulate a list of proposed advisors for council approval on a 2- weeks no-objection basis.