



Global Environment Facility

**POLICIES AND PROCEDURES CONCERNING CERTAIN APPOINTMENT,
REAPPOINTMENT AND PERFORMANCE OBJECTIVE REVIEWS PROCESSES**

GEF Policy Paper

June 23, 2009

Procedures Concerning Certain Appointment, Reappointment and Performance Objective Reviews Processes

Introduction

1. This paper describes the processes for the appointment and reappointment of the GEF CEO/Chairperson and the Director of the GEF Evaluation Office and performance objectives review processes for the CEO/Chairperson and the GEF Evaluation Office Director, as agreed by the GEF Council. It reflects all Council agreed revisions to GEF Council Document GEF/C.35/9 (Recommendations Concerning Certain Appointment, Reappointment and Performance Objective Reviews Processes), discussed by the Council in June 2009. It builds on builds upon Council Document GEF/C.27/7 (Process for selecting CEO/Chairman of the Facility)

2. Paragraph 21 of the GEF Instrument states: “The CEO shall be appointed to serve for three years on a full time basis by the Council on the joint recommendation of the Implementing Agencies. Such recommendation shall be made after consultation with the Council. The CEO may be reappointed by the Council. The CEO may be removed by the Council only for cause.” No specific process for appointing or reappointing the CEO/Chairperson is articulated, and the GEF currently lacks any formal process for reviewing the performance of the CEO/Chairperson. At the 34th meeting of the GEF Council, the *ad hoc* process used for reappointing the current CEO/Chairperson served as a reminder of this deficiency in the GEF Instrument. Therefore, the Council agreed to discuss, on the basis of a submission by the Secretariat, a CEO/Chairperson performance review process, as well as a process for the appointment/reappointment of the CEO/Chairperson.

3. On Monitoring and Evaluation, the GEF-3 policy recommendations included the following action to be undertaken: that the “GEF monitoring and evaluation unit, for purposes of evaluation, should be made independent, reporting directly to Council and its head proposed by the GEF CEO and appointed by the Council for a renewable term of five years.” This proposed action for GEF-3 was implemented by Council in 2003 when it decided to:

- “appoint the Monitoring and Evaluation Director upon nomination by the CEO/Chair, for a 5 year term, which may be renewed only once.
- The recruitment process will be conducted in a transparent way and in consultation with GEF Council.
- The M&E Director can be removed only by decision of the Council.”¹

¹ GEF/C.21/12.Rev.1 – Terms of Reference for an Independent Monitoring and Evaluation Unit, July 29, 2003. The GEF-3 Recommendations on Monitoring and Evaluation are provided as Annex III of Doc. GEF/C.21/12.Rev.1. The Monitoring and Evaluation Director changed to the Evaluation Director in the GEF M&E policy, when the final responsibility for monitoring was transferred to the GEF Secretariat.

4. These decisions were incorporated into the GEF Monitoring and Evaluation Policy that was approved by the GEF Council in February 2006.

5. Prior to June 2007, there was a lack of clarity regarding processes for appointing, renewing the appointment of, and conducting a performance assessment of the Director of Evaluation. The Terms of Reference for the Evaluation Office (“EO”), for example, provided that the Director of Evaluation be reappointed on the recommendation of the CEO/Chairperson, but there is a tension between the EO’s independence from the GEF CEO/Chairperson and Secretariat and this appointment process. Therefore, the Council also agreed to discuss new processes for the appointment, for the reappointment, and for an annual performance review of the Director of Evaluation.

6. To facilitate all of these processes, the Council agreed to establish a Selection and Review Committee comprised of 6 Council members, including three from contributing participants and three from recipient participants. Members from each group will recommend the members of the Committee, who will then be endorsed by the full Council. The Committee will report to the Council annually or as needed. To maintain confidentiality, this would be done via executive session.

CEO/Chairperson Appointment Process

7. As noted above, the GEF Instrument does not articulate a comprehensive process for the appointment or reappointment of the GEF CEO/Chairperson.

8. For the CEO/Chairperson appointment process, the following steps will be taken:

- (a) At the Council meeting at least six months prior to the expiration of the term of the CEO, Council decides either: (i) to reappoint the incumbent CEO, if another term is permitted; or (ii) to start the process for selection of a new CEO.
- (b) If a new CEO is to be selected, at the same Council meeting, the Council will approve a terms of reference for the position, the terms of reference for an independent consulting firm (executive search firm), and the budget to support the process. The Selection and Review Committee will oversee the recruitment process including the process for advertising the position.
- (c) An independent executive search firm will be selected by the Secretariat, using the terms of reference supplied by Council.
- (d) Position will be advertised. Furthermore, Council Members and participant governments may suggest candidates directly to the search firm.
- (e) Initial screening to prepare a list of all applicants meeting criteria/qualifications will be done by the outside consulting firm with advice of the Selection

Committee. The firm will screen all applicants and recommend those who meet the criteria/qualifications specified in the TOR.

- (f) Selection and Review Committee prepares preliminary short list of up to ten candidates.
- (g) Selection and Review Committee to consult with Council members on the preliminary short list.
- (h) Selection and Review Committee prepares a final short list of candidates to be interviewed, interviews candidates, and consults with Council members.
- (i) Based on its interviews and consultations, the Selection and Review Committee, makes a recommendation to the Council of three candidates, in order of preference, for the Council's final consideration and decision.
- (j) The Council appoints the CEO at the Council meeting just prior to the expiration of the term of the incumbent CEO."

9. The Council took note of Paragraph 21 of the GEF Instrument confers on the three GEF Implementing Agencies (IAs) a role in the appointment of the CEO. It states: "The CEO shall be appointed to serve for three years on a full time basis by the Council on the joint recommendation of the Implementing Agencies. Such recommendation shall be made after consultation with the Council." However, because staff from one or more of the Agencies, at times, is nominated for the CEO/Chairperson position, raising conflict of interest questions the Council decided to recommend to the GEF Assembly that this paragraph of the Instrument be amended to remove the role that the IAs currently play in the appointment of the CEO/Chairperson. The GEF Council recommended that CEO/Chairperson appointment should be undertaken solely by the Council. Specific recommended changes to the third through the fifth sentences of paragraph 21 of the Instrument are reflected below in paragraph 14 of this document.

CEO/Chairperson Reappointment Process

11. For the CEO reappointment consideration process, the following steps will be taken:

12. At the Council meeting at least 6 months prior to the end of the CEO/Chairperson's term, the Selection and Review Committee will put forth a recommendation to the Council on whether or not to reappoint the current CEO/Chairperson. The Committee will consult broadly among Council members and will consider the outcome of the CEO/Chairperson performance review in making its recommendation. At the same Council meeting, the Council will consider, in Executive Session, the recommendation of the Committee and take a decision on the reappointment of the CEO/Chairperson.

13. The Council also recommended to the Assembly that the Instrument be amended to limit the CEO/Chairperson term to one reappointment only, or in other words, a total of two consecutive terms and, at the same time, to provide for a four instead of a three year term. A term limit will help to keep the GEF a modern multilateral agency, which should not be controlled by any one person or viewpoint for too long of a time period. A four instead of a three year term will provide the CEO/Chairperson with more time to implement reforms and/or policy decisions in an effective manner. Three years is a relatively short period to see the results of reforms or new policies and is shorter than terms of the heads of other IFIs.²

14. To effectuate all of the above recommended changes, the Council recommended the following changes to Paragraph 21 of the GEF Instrument to the GEF Assembly:

“... The CEO shall be appointed to serve for four years on a full time basis by the Council. The CEO may be reappointed by the Council for one additional four year term.”

GEF CEO Performance Objectives Review:

15. The GEF Council agreed that the GEF and the CEO/Chairperson would benefit by instituting a process to provide an annual performance review during each year of the term of the GEF CEO/Chairperson, as described below.

16. The GEF Council Selection and Review Committee will manage the review. The Secretary of the GEF Council will support the activities of the Committee.

17. Directly following the appointment/reappointment of the CEO/Chairperson and at one year intervals after that, the Committee and the CEO/Chairperson will have an informal discussion to establish the expectations for the CEO/Chairperson and to jointly identify which objectives the CEO/Chairperson should pursue in the coming year. These objectives should be based on the core functions of the CEO/Chairperson set forth in the GEF Instrument, as well as on the terms of reference of the appointment announcement. Discussion points based on these objectives might include:

- Has the CEO/Chairperson facilitated Council efforts to shape policies, programs and projects that assist in the protection of the global environment, consistent with the objectives and priorities of the global environmental conventions and agreements?
- Has the Secretariat, under the direction of the CEO/Chairperson, effectively implemented the decisions of the Assembly and Council, including but not limited to the

² Terms for other heads of IFIs are generally four to five years; for example: World Bank (5 years); ADB (5 years); IADB (5 years); and IFAD (four years).

implementation of the adopted business plans and replenishment policy recommendations of the GEF?

- Has the Secretariat, under the direction of the CEO/Chairperson, coordinated the formulation and overseen the implementation of program activities pursuant to the joint work program?
- Has the Secretariat, under the direction of the CEO/Chairperson ensured the implementation of the operational policies adopted by the Council?
- Has the CEO/Chairperson provided leadership to help shape strategic thinking in the GEF Council?
- Has the CEO/Chairperson promoted collaboration within the GEF partnership of Implementing and Executing Agencies, and fostered the development of existing and new partnerships designed to advance the cause of the GEF, including those with the private sector and the NGO community?

18. A written summary of the discussion will be prepared and will be used as a basis for a subsequent discussion 12 months later, the end of the review period.

19. At the end of the review period, the Committee and the CEO/Chairperson will hold a discussion to consider the achievements and challenges since their last meeting. These discussions will include input from a self assessment by the CEO. The Committee and the CEO/Chairperson will talk about the overall CEO/Chairperson performance in relation to the objectives established during the first discussion and consider ways to build upon the strengths of the CEO/Chairperson, as well as ideas for improving performance. They will end the discussion by jointly agreeing on objectives for the next year using the process articulated in paragraph 17 and 18 above. A written summary of the discussion will be prepared and will be used as a basis for a subsequent discussion 12 months later.

20. The Committee will provide an oral report of the process to Council in Executive Session, which will note any advice and recommendations provided.

21. Adjunct to and for the purposes of informing the performance appraisal process only, inputs from the WB staff survey, if performed, and a 360 degree feedback survey will be available. The 360 degree survey should be conducted as a means to enhance executive development and provide the Selection and Review Committee with greater information and input. The Council requests that the Selection and Review Committee work with the CEO to design a survey that incorporates or is consistent with the following:

- It would survey a *sample* of secretariat staff and key GEF stakeholders who work with the CEO on a regular basis and are able to provide meaningful feedback.
- The Committee and CEO would reach agreement on who would be surveyed.

- Such stakeholders could include: Implementing and Executing Agencies, heads of the Convention Secretariats, recipient and donor country governments (excluding those represented on the Committee), and NGOs.
- Questions should relate to observable concrete actions linked to core executive competencies (see below for some examples).
- Results from the survey should be confidential to the CEO and members of the Committee.

22. It will be important for the CEO and the Committee to have advice from human resource professionals in the design and implementation of the above, and also with regard to the similar processes for the EO Director (see paragraphs 26-28). The Committee should be empowered to work with the CEO to hire a third party contractor to advise the Selection and Review Committee and the CEO and EO Director on issues related to performance assessment and 360 degree feedback surveys. The cost for this shall be clearly reflected in GEF Secretariat budgets. Moreover, this third party professional could implement the 360 feedback survey, provide the CEO directly with the feedback, and provide the Committee with a summary of the responses received.

23. The Council recommended that a be found to ensure that the performance appraisal process links with the World Bank’s system for determining merit-based pay adjustments.

Possible Questions for a 360 Degree Survey—a narrative response to be provided for each question

Leadership & Vision

- Articulates a clear vision for the future of the GEF, including elaboration of short and long-term goals?
- Leads the GEF partnership in a strategic manner, facilitating difficult decisions that lead to increased impact and effectiveness?
- Facilitates Council effectively so that the Council adopts clear, actionable decisions?

Communication

- Communicates with partners clearly and effectively so they have a solid understanding of GEF priorities and goals?
- Provides clear guidance to partners so they have good understanding of GEF Secretariat expectations?

Management & Resource Oversight

- Ensures that GEF resources are used efficiently by holding Secretariat staff and partners accountable?
- Ensures that Secretariat decisions on the GEF work program and project pipeline are taken in a transparent manner according to clear criteria linked to the GEF's focal area strategies?
- Implements Council decisions fully and effectively?

Promotion of Collaboration

- Reaches out to stakeholders for input on key decisions impacting the GEF network?

Evaluation Director Appointment and Reappointment Processes

24. The Council noted that its decision of 2003 did not articulate a comprehensive process for the appointment or reappointment of the Evaluation Director, except to state that this process should be transparent and be established in consultation with the Council. The Council agreed to adopt the same process as that used for the GEF CEO/Chairperson for appointing and reappointing the Director of the GEF Evaluation Office.

Evaluation Director Performance Objectives Review:

25. The GEF and the Evaluation Director would benefit by instituting a process that mirrors the process outlined above for the performance objectives review of the CEO/Chairperson to provide an annual performance review during each of the five years of his or her term.

26. The specific objectives to be jointly agreed by the EO Director and the Committee should be based on the core functions of the Director set forth in his/her Terms of Reference, as well as in the GEF Monitoring and Evaluation Policy and the job description of the appointment announcement. Discussion points based on these objectives might include:

- Has the Director provided evaluative evidence to the Council, the CEO, the GEF Secretariat and Agencies to improve their efforts to assist in the protection of the global environment, consistent with the objectives and priorities of the global environmental conventions and agreements?
- Has the Evaluation Office, under the direction of the Director, effectively implemented the decisions of the Assembly and Council on evaluation and on the programming of evaluations, as incorporated in the four-year rolling work plan and budget of the Office?

- Has the Evaluation Office, under the direction of the Director, coordinated and overseen the implementation of monitoring and evaluation of GEF supported activities by the GEF Secretariat and Agencies?
- Has the Director promoted collaboration within the GEF partnership on monitoring and evaluation issues, including the professional international evaluation community, in order to ensure that the GEF follows best international practice on monitoring and evaluation in its policy and in its evaluation practices?

27. Adjunct to and for the purposes of informing the performance appraisal process only, inputs from the WB staff survey, if performed and a 360 degree feedback survey will be available. The 360 degree feedback survey will also be conducted of the EO Director as a means to enhance executive development and provide the Selection and Review Committee with greater information and input. The Council requests that the Selection and Review Committee work with the Director of EO, and any third-party professional hired per paragraph 23 above, to design a survey that incorporates or is consistent with the points listed in paragraph 21.