

**Proposed Decision on Agenda Item 9  
Evaluation of GEF Project Cycle and Modalities**

1. The Council, having reviewed document GEF/ME/C.30/6 *Evaluation of the GEF Activity Cycle and Modalities* and the management response (GEF/ME/C.30/7) takes note of the conclusions of the evaluation that:

- (a) the GEF activity cycle is not effective, nor efficient, and that the situation has grown worse over time; nor is it cost-effective; and
- (b) GEF modalities have not made full use of trends towards new forms of collaboration that serve to foster ownership and promote flexibility, efficiency and results.

2. The Council agrees with the management response that no gains would be achieved by streamlining the current project cycle at the margins. Therefore the Council requests the Secretariat, in consultation with all the GEF entities, to present for Council in June 2007 options for a new project cycle, with the objective of processing a proposal from identification to start of implementation in less than 22 months without compromising project quality or undermining financial accountability. This should address measures to:

- (a) focus the project identification phase on establishing project eligibility, resource availability, country endorsement and agreed agency comparative advantage;
- (b) move the work program from a project base to a program base in line with GEF strategies and policies;
- (c) allow projects to be endorsed by the CEO on a rolling basis; and
- (d) increase the expedition of the project cycle.

3. The Council requests the GEF Evaluation Office to report through the Management Action Record on the follow-up to this decision.