



Global Environment Facility

GEF/C.24/11/Rev.1
April 29, 2005

GEF Council
June 3-8, 2005

Agenda Item 12

PROCESS FOR SELECTING THE CEO/CHAIRPERSON OF THE FACILITY

Recommended Council Decision

The Council, having reviewed document GEF/C.24/11/Rev.1, *Process for Selecting the CEO/Chairperson of the Facility*, approves the following steps to be followed in selecting the CEO/Chairperson of the Facility:

- (i) At the Council meeting at least six months prior to the expiration of the term of the CEO, Council decides either: (a) to reappoint the incumbent CEO; or (b) to start the process for selection of a new CEO.
- (ii) If a new CEO is to be selected, at the same Council meeting, the Council will approve the Terms of Reference for the CEO, the process for advertising the position, the Terms of Reference for an independent consulting firm, and the budget to support the process.
- (iii) An independent firm will be selected by the Implementing Agencies to screen all applicants and to choose those who meet the criteria/qualifications specified in the TOR.
- (iv) Position is advertised.
- (v) Initial screening to prepare a list of all applicants meeting criteria/qualifications (done by outside consulting firm with advice of representatives of the human resource departments of the three Implementing Agencies).
- (vi) Committee comprising senior representatives designated by the three Heads of the Implementing Agency prepares preliminary short list of up to ten candidates.
- (vii) [Selection Committee comprised of the Heads of the Implementing Agencies or their representatives prepares a final short list of candidates to be interviewed, interviews candidates, and consults with Council Members.] [Selection Committee comprised of the Heads of the Implementing Agencies or their representatives and two Council Members (one chosen from recipient countries and one chose from donor countries) prepares a final short list, interviews candidates and consults with Council Members.]
- (viii) [Based on the conclusions of the Selection Committee, the Implementing Agencies jointly recommend one candidate to the Council for the Council's final consideration and decision.][Based on the conclusions of the Selection Committee, the Implementing Agencies jointly recommend three candidates to the Council for the Council's final consideration and decision.]
- (ix) The Council appoints the CEO at the Council meeting just prior to the expiration of the term of the incumbent CEO.

- (x) The Council notes that at its meeting in November 2005, the Council will decide:
 - (a) to extend the incumbent CEO for a new term; or
 - (b) start the process for selection of a new CEO.

I. INTRODUCTION

1. At its meeting in May 2003, the Council noted that the process of selecting the CEO could be improved with a view to ensuring greater transparency and communication, more time for reflection and consultation within constituencies, and fuller consultation with all Council Members throughout the process. To this end, the Secretariat was requested to prepare a note for Council's review exploring options to enhance the process for selecting the CEO. The Council also requested that an interim note should be presented for its review at its meeting in November 2003.

2. At its meeting in November 2003, the Council reviewed *Initial Proposals for the Process of Selecting CEO/Chairman of the Facility* (document GEF/C.22/14) prepared by the Secretariat. The note included as an annex a full accounting by the Implementing Agencies of the process that had been followed from October 2002 to April 2003 to nominate a candidate for the position of CEO and a number of concluding observations as to important lessons for the future.

3. At the November meeting, the Council underscored that the process for selecting the CEO should be built upon the principles of transparency of information throughout the process, objectivity in applying clear selection criteria approved by all and independence of the selection process. The Council requested the Secretariat to prepare a revised proposal on the basis of the discussions during the Council meeting. The Council requested the Secretariat to submit the revised proposal to the Council for its review and approval in May 2004.

4. While a paper was prepared for the Council meeting in May 2004 (document GEF/C.23/13), the Council was unable to review the document due to shortage of time. A revised paper was produced for the November 2004 Council meeting but it too was not formally discussed. It was, however, agreed that Council Members could submit written comments on the paper through March 2005, that these would be shared among Council Members for further comment and would provide the basis for further revisions to be incorporated in a paper for the GEF Council meeting in June 2005.

5. The attached paper has been revised to take into account the comments received from Council Members.

6. The proposals in this note take as a starting point paragraph 21 of the Instrument which provides:

“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.”

PROCESS FOR APPOINTMENT OF CEO

7. As noted in paragraph 21 of the Instrument, the Council may agree to reappoint an incumbent CEO. The Instrument does not specify, however, the process to be followed for reaching agreement on reappointment. It is difficult to prescribe a generic process for reappointment, since the relationship between an incumbent CEO and the Council will be very specific to the actual experience during the term of the CEO. However, it is proposed that at the Council meeting at least six months prior to the expiration of an incumbent's term, the Council decide either: (a) to extend the incumbent CEO for a new term; or (b) start the process for selection of a new CEO.

PROCESS FOR APPOINTMENT OF CEO

8. The objective of the CEO selection process should be to ensure that the appointment of the CEO is guided by the best interests of the GEF, competency of the candidates, respect for the dignity of the candidates and all Council Members, and transparency and inclusiveness at all stages.

9. Taking into account past experience in selecting the CEO and the comments received from the Council in the period to March 2005, the following recommendations and considerations can be highlighted. These have guided the proposals presented in this note:

- (a) need for sufficient time for the selection process
- (b) clear selection criteria agreed with the Council at the beginning of the process;
- (c) need to ensure adequate communication and sufficient time for consultation within constituencies; and
- (d) selection of CEO to be objective, transparent, inclusive and independent of any conflict of interest.

10. The GEF has only once replaced its CEO. In that instance, the search process for a new CEO was undertaken six months before a decision was required. This continues to be an appropriate time period for the selection process, given the CEO's three year term, but two significant modifications to the process are raised as possibilities in this paper, one with respect to the addition of Council Members to the Selection Committee, the other with respect to the number of candidates the Implementing Agencies present to the Council for its decision on appointment.

SETTING THE STAGE

11. At the Council meeting at least six months prior to the expiration of the CEO's term, if a decision is taken to select a new CEO, the following initial steps of the selection process would be taken.

12. **Terms of Reference:** The Council will be invited to review and approve terms of reference for the CEO. The terms of reference will emphasize the need for knowledge and experience in dealing with global environmental issues and the leadership, managerial and communication skills required of the CEO. A draft TOR will be prepared by the GEF Secretariat, in consultation with the Implementing Agencies, for consideration by the Council. Objectivity of the selection process should be enhanced by clear selection criteria set forth in the terms of reference.

13. **Advertising the position:** In advertising the position, the “net should be cast widely.” Advertisements will be based on an abbreviated version of the terms of reference approved by the Council, and the full terms of reference will be posted on the GEF website. A notification of the position will be disseminated to the political and operational focal points of states participating in the GEF, and advertisements will be placed in selected international journals, posted on the GEF website as well as the websites of the GEF Implementing and Executing Agencies, and disseminated through the recruitment offices of the World Bank and the United Nations. When the Council is invited to approve the terms of reference for the CEO, it will also be invited to approve the outlets through which the position will be advertised and a budget associated with such advertisements and other steps in the process.

14. **TOR for Independent Recruitment Firm:** The Council will also be invited to approve the terms of reference for an independent specialized recruitment services firm to assist in the selection process. The terms of reference will make clear the role and responsibilities of the independent firm. A draft TOR will be prepared by the Implementing Agencies for consideration by the Council.

The Selection Process- Phase 1

15. Once the application period is closed, the independent firm, assisted as necessary by senior representatives of the Human Resource Departments of the three Implementing Agencies will be requested to screen all applications to generate a list of all those who meet the qualification for the position.

16. A committee comprising senior representatives designated by the three Heads of the Implementing Agency will be established to oversee the initial steps of the selection process. The committee will be responsible for reviewing the applications of all qualified applicants and creating a preliminary short list of up to ten candidates. Council will be informed of the Implementing Agency representatives who will participate in the selection process.

17. The Implementing Agencies will appoint an Executive Secretary who will be responsible for ensuring that the selection process is followed in a timely manner and that necessary arrangements are in place for consultation with the Council Members and a regular flow of information.

The Interview Process

18. In accordance with the Instrument and past practice, a Selection Committee comprised of the Heads of the Implementing Agencies or their representatives will be responsible for preparing a final short list, interviewing the candidates, consulting with Council Members, and advising the Implementing Agencies on their recommendation to the Council. A number of Council Members have proposed that the selection committee include one to two Members of the GEF Council as a way of ensuring a more prominent role for the Council. The Council is invited to decide whether it wishes to support this expansion in membership on the Selection Committee. If two Council Members are to be added, it is recommended that the two Members be selected by the Council at the meeting when it initiates the selection process and that one be selected from Council Members from recipient countries while the other should be selected from Council Members from donor countries. The addition of two Council Members to the Selection Committee should provide greater opportunity for consultation with Council Members throughout the selection process.

19. The Selection Committee will be expected to prepare a final short list of candidates to be interviewed that reflects the North-South partnership on which the GEF is founded and takes into account principles of geographic and gender diversity. The Selection Committee may, beyond the identified preliminary short list of up to 10 candidates, identify other qualified candidates who may not have submitted a formal application, recognizing that senior potential candidates may require a more direct approach. The independent firm will also be available to assist this committee in its work and to review the applications of any candidates whose application is solicited by the committee in accordance with the same criteria applied to earlier applicants so as to ensure that such candidates receive the same scrutiny as others.

20. The list of candidates to be interviewed will be shared with the Council.

21. Interviews will be conducted by the Selection Committee.

22. After the interview process, Members of the Committee will consult with Council Members to share the Committee's views and to seek additional feedback.

23. In accordance with the Instrument, the Implementing Agencies are to make a joint recommendation to the Council on the basis of which the Council is to appoint the CEO. In the past, the Implementing Agencies have recommended one candidate to the Council for appointment. It appears that in drafting the Instrument the intention was to provide for the recommendation of one candidate supported by all three agencies and whom the Agencies believe, after consultation with the Council Members, would receive widespread support in the Council.

24. A number of Council Members in their comments, however, have proposed that the Implementing Agencies propose a list of three candidates for the Council's final consideration and decision. One Council Member proposed that the three candidates be interviewed by the Council. While the language of the Instrument appears to imply that one name should be presented to the Council, the proposal to present up to three candidates is not explicitly excluded by the Instrument, and therefore, it would be possible to request the Implementing Agencies to recommend three candidates if the Council were to agree on this proposal. However, proposing

a list of three candidates to the Council for its consideration at the Council meeting immediately prior to the end of the CEO's term increases the risk that a timely decision may not be taken. The Council may require more time to reach consensus on one of the three candidates. In this case, the Council may need to convene a special meeting or agree to make a decision by mail if a new CEO is to be appointed before the expiration of the incumbent's term.

25. Council may also wish to note that the practice in each of the three Implementing Agencies is for one candidate to be proposed to the governing body authorized to approve the appointment of the head of agency.

26. In either scenario, it is proposed that the recommendation of the Implementing Agencies be based on the views expressed by the Selection Committee.

27. The steps described above for appointment of a CEO can be summarized as follows:

- (i) At the Council meeting at least six months prior to the expiration of the term of the CEO, Council decides either: (a) to reappoint the incumbent CEO; or (b) to start the process for selection of a new CEO.
- (ii) If a new CEO is to be selected, at the same Council meeting, the Council will approve the Terms of Reference for the CEO, the process for advertising the position, the Terms of Reference for an independent consulting firm, and the budget to support the process.
- (iii) An independent firm will be selected by the Implementing Agencies to screen all applicants and to choose those who meet the criteria/qualifications specified in the TOR.
- (iv) Position is advertised.
- (v) Initial screening to prepare a list of all applicants meeting criteria/qualifications (done by outside consulting firm with advice of representatives of the human resource departments of the three Implementing Agencies).
- (vi) Committee comprising senior representatives designated by the three Heads of the Implementing Agency prepares preliminary short list of up to ten candidates.
- (vii) Selection Committee comprised of the Heads of the Implementing Agencies or their representatives prepares a final short list of candidates to be interviewed, interviews candidates, and consults with Council Members.

or

- (vii) Selection Committee comprised of the Heads of the Implementing Agencies or their representatives and two Council Members (one chosen from recipient countries and one chose from donor countries) prepares a final short list, interviews candidates and consults with Council Members.

(viii) Based on the conclusions of the Selection Committee, the Implementing Agencies jointly recommend a candidate to the Council for the Council's final consideration and decision.

or

(viii) Based on the conclusions of the Selection Committee, the Implementing Agencies jointly recommend three candidates to the Council for the Council's final consideration and decision.

(ix) The Council appoints the CEO at the Council meeting just prior to the expiration of the term of the incumbent CEO.

28. The Council is invited to review and agree on the procedures to be followed for the selection of the CEO.