



GEF/C.38/4
June 04, 2010

GEF Council Meeting
June 29 – July 2, 2010
Washington D.C

Agenda Item 10

ANNUAL MONITORING REPORT (AMR) FY2009

Recommended Council Decision

The Council, after reviewing document GEF/C.38/4, *Annual Monitoring Report (AMR) FY2009*, approves document GEF/C.38/4 and welcomes the progress the GEF has made in reporting portfolio level results.

The Council further affirms the Secretariat's role in performance measurement and portfolio monitoring, and encourages the Secretariat to systematically track results and learn from the portfolio on an ongoing basis.

The Council also requests the Secretariat to continue to strengthen its role in portfolio monitoring and to enhance the tools it employs to track cohorts of projects in a given fiscal year and over the different GEF replenishment periods. The Secretariat, in its portfolio monitoring role, can, at its discretion and in collaboration with GEF Agencies, visit projects to review specific monitoring issues as well as for learning purposes. The Agencies will support the Secretariat's monitoring and learning roles by facilitating the missions and reviews.

The Council requests the Secretariat, in collaboration with the Agencies, to strengthen measuring and reporting portfolio level results and to better track co-financing and projects at risk.

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ACRONYMS AND ABBREVIATIONS

ADB	Asian Development Bank	MNA	Middle East and North Africa Region
AFR	Africa Region	MSP	Medium-size projects
BD	Biodiversity	MTR	Mid-term Review/Evaluation
CBD	Convention on Biological Diversity	OD	Ozone Depletion
CC	Climate Change	OPS	Overall Performance Study
COP	Conference of Parties	PIF	Project Identification Form
DO	Development Objectives	PIR	Project Implementation Report
EA	Enabling Activities	PMIS	Project Management Information System
EAP	East Asia and Pacific Region	POPs	Persistent Organic Pollutants
EBRD	European Bank for Reconstruction and Development	PPG	Project Preparation Grant
ECA	Europe and Central Asia	RAF	Resource Allocation Framework
FAO	Food and Agriculture Organization	RBM	Results-Based Management
FSP	Full-size projects	SAP	Strategic Action Program
GEF	10 Implementing Agencies	SAR	South Asia Region
Agencies			
IADB	Inter-American Development Bank	SIDS	Small Island Developing States
IBRD	International Bank for Reconstruction and Development (The World Bank)	SLM	Sustainable Land Management
IEM	Integrated Ecosystem Management	SP	Strategic Priority
IFAD	International Fund for Agricultural Development	TDA	Trans-boundary Diagnostic Analysis
IP	Implementation Progress	TE	Project Terminal Evaluation
IW	International Waters	TT	Tracking Tools
LCR	Latin America and the Caribbean Region	UNDP	United Nations Development Programme
LD	Land Degradation	UNEP	United Nations Environment Programme
LDC	Least Developed Countries	UNIDO	United Nations Industrial Development Programme
M&E	Monitoring and Evaluation	WB	World Bank
MFA	Multi-focal Area		

EXECUTIVE SUMMARY

1. The Annual Monitoring Review (AMR) Report is the principal reporting instrument of the GEF Secretariat's monitoring system and provides a snap shot of the overall health of the GEF's active portfolio of projects each fiscal year. As a key part of the GEF's Results-based Management (RBM) Policy, AMR monitors project implementation progress, progress towards achieving global environmental objectives, and baseline identification and tracking.

2. This report provides an overview of key findings arising out of the AMR 2009 process, which covers the GEF's portfolio of projects presented as: 1) an overview of the GEF portfolio since inception, 2) performance information of GEF projects under implementation, which are projects that began implementation on or before June 30, 2008 and were under implementation for at least part of FY 2009., and 3) achievement of focal area results at a portfolio level.

3. The majority of projects included in this AMR were approved in GEF-3, with a few remaining under implementation from GEF-2 and GEF-1. Several projects approved under GEF-4 are included in this reporting period but most are in the early stages of implementation and therefore cannot yet report on progress toward GEF-4 programming goals. The report does however report on achievements towards GEF-3 targets.

Key Findings

4. As of June 30, 2009, the total GEF project approvals amounted to US\$ 8,313 million. During FY 2009, 178 full-sized projects, 51 medium-sized projects, and four enabling activities were approved. The total allocation approved for FY 2009 was US\$ 873.4 million for 233 projects in GEF funding. Both the number of approvals and the value of approvals during FY2009 as compared to previous years demonstrate a steady growth in the GEF portfolio.

5. The 2009 AMR highlights achievements in 169 countries, for 552 projects and programs that began implementation on or before July 1, 2008, compared to 464 projects under implementation in 2007. Biodiversity remains the focal area with the largest share of funds in dollar value at 43%.

6. Reporting on actual co-financing remains difficult for the GEF as the quality, format and completeness of the data provided by Agencies for co-financing vary widely among agencies. The GEF Secretariat will work with GEF Agencies to improve co-financing reporting.

7. Based on all Project Implementation Reports (PIRs) submitted by the GEF Agencies, the GEF portfolio under implementation has performed satisfactorily across all focal areas, with 89% of projects rated as moderately satisfactory or above.

Results Based Management

8. This year's AMR introduces a number of management indicators with the aim of tracking organization effectiveness as part of its GEF-5 programming document. The indicators were not applicable during the reporting period of FY2009, however, they provide a general picture of how well the GEF currently mobilizes and uses its resources, the visibility of the GEF as a global environmental leader, the efficiency of the GEF partnership in meeting service standards and project cycle efficiency, the GEF Secretariat's commitment to gender and diversity in its hiring practices, Agency compliance in reporting (PIRs), and effectiveness of collaboration with partners.

9. The M&E policy is scheduled for revision at the November 2010 Council meeting, and will be carried out in collaboration with the GEF Evaluation Office and the Agencies. This revision will provide a valuable opportunity to structure portfolio monitoring around the GEF results framework and clearly define the Secretariat's and Agencies' responsibilities for portfolio monitoring. The Secretariat will also emphasize the establishment of the IT infrastructure that will allow for analysis of data collected through the tracking tools.

INTRODUCTION

1. The GEF's support of country-led investments contributes to national and global environmental benefits, and assists countries in progressing towards the global environmental conventions for Biodiversity, Climate Change and Land Degradation, as well as the International Waters and Persistent Organic Pollutant objectives supported by the GEF. The Annual Monitoring Report (AMR) is an important accountability tool that helps the GEF progress towards these commitments by tracking two categories of results: progress towards outcome results and implementation and management performance.
2. As outlined in the GEF Results-Based Management Policy (RBM), the AMR is designed to provide performance information regarding the overall health of GEF's portfolio of active projects. The report provides an overview on the GEF's active portfolio of projects, an assessment of portfolio achievements, and progress towards results targets.
3. The 2009 AMR highlights achievements in 169 countries, for 552 projects and programs that began implementation on or before July 1, 2008. Specifically, the 2009 report includes all projects under implementation, for at least part of the period July 1, 2008 – June 30, 2009, as part of the GEF's active portfolio. The AMR includes: 1) an overview of the GEF portfolio since inception, 2) performance information on GEF projects under implementation, and 3) achievement of focal area results at a portfolio level. The majority of projects reported in the 2009 AMR were approved in GEF-3, with a few remaining under implementation from GEF-2 and GEF-1, as well as a small number of projects under implementation in GEF-4.
4. GEF agencies are responsible for monitoring individual project progress towards results against a set of portfolio specific results indicators that align to GEF focal area indicators. As appropriate, results indicators are aggregated for each focal area portfolio. Each GEF Agency submits individual annual Project Implementation Reports (PIRs) on all active projects in its respective portfolio. The AMR 2009 includes performance ratings by focal area, agency, and region, based on Agency PIRs. The AMR also reflects Agency focal area reports and overview reports. These reports are available in their entirety at http://www.thegef.org/gef/council_meetings.
5. This year's AMR makes progress in incorporating RBM practice, with an emphasis on measuring progress using results frameworks that focus on outcomes. The report also includes, for the first time, management performance indicators. Furthermore, attention was given to tracking and reporting performance trends where possible.
6. During 2009, the GEF continued to identify ways to improve its approach to RBM and ensure that portfolio monitoring became a more consistent accountability tool. However, challenges to performance measurement and reporting still remain. In particular, there is a need for information systems to more efficiently and accurately collect the performance information in a manner that allows aggregation and trend analysis; there needs to be greater consistency in the measurement of core indicators

across all focal areas, tracking tools could better support monitoring and reporting on key performance indicators on an annual basis, and core indicator targets need to be consistently included in all project log frames and baselines as appropriate.

7. Table 1 provides a summary of key figures for project approvals and for projects under implementation.¹

Table 1: GEF at-a-Glance

<i>Cumulative – GEF Project Approvals</i>	
Number of Approvals	1552 (FSP and MSP)^{a/}
Value of Approvals	US\$ 7,976 million
Planned Co-financing	US\$ 36,029 million
Ratio of US\$ GEF : US\$ Planned Co-financing	1 : 4.5
<i>FY2009 – GEF Project Approvals</i>	
Number of Approvals	233
Value of Approvals	US\$ 873.4 million
Average Value for FSP Project	US\$ 4.66 million
Range of Value	US\$ 1.09 – US\$ 42.71 million
<i>FY2009 – GEF Projects Under Implementation</i>	
Number of Projects	552
GEF-1	15
GEF-2	106
GEF-3	367
GEF-4	64
Value of Projects	US\$ 3,078 million
Number of Closed Projects	56
Number of Cancelled Projects	4
<i>FY2009 – GEF Projects Development Outcome Ratings</i>	
Percentage of projects that have received a moderately satisfactory or better performance rating	89%
Value of projects that have received a moderately satisfactory or better performance rating	US\$ 2,742 million
Percentage of projects that have received a satisfactory or better performance rating	72%
Value of projects that have received a satisfactory or better performance rating	US\$ 1,911 million

a/ EAs are excluded because PIRs are currently not required for this type of project.

¹ Throughout the AMR, data for projects under implementation are provided by the Agencies

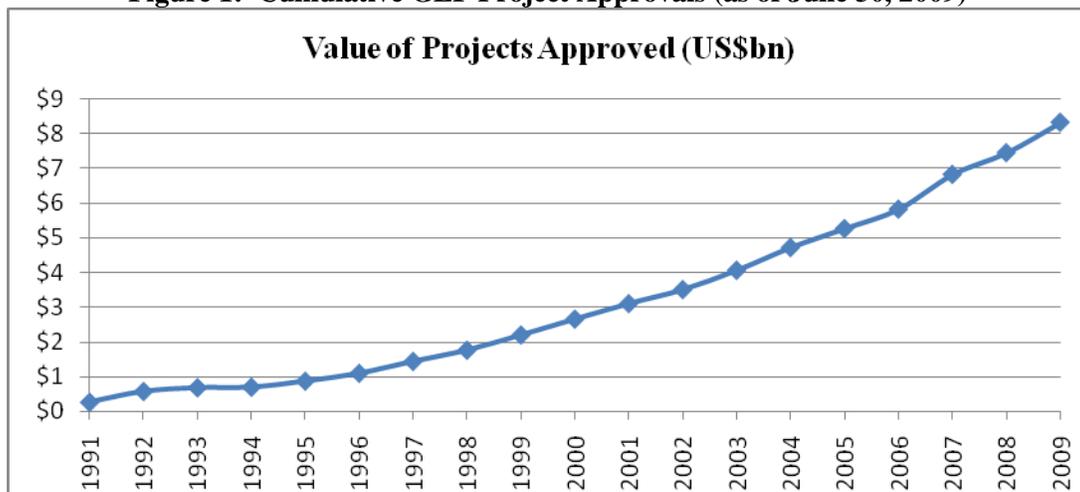
PORTFOLIO OVERVIEW

8. This section provides an overview of the cumulative GEF portfolio and identifies recent trends in projects currently under implementation (all projects that began implementation on or before June 30, 2008 and were under implementation for at least part of FY2009). The information and data presented were retrieved from annual PIRs submitted by the GEF agencies, the Secretariat's database (PMIS), and data provided by the Trustee.²

Approval of Projects

9. **Overall Trends.** On an overall basis, the GEF portfolio continues to grow steadily with cumulative approvals (including project preparation grants and EAs) as of FY2009 currently at US\$ 8,313 million, an increase of 12% over FY2008 (Figure 1). New projects approved during FY2009 amounted to US\$ 873.4 million for 233 projects compared to US\$ 623 million for 192 projects in FY2008.

Figure 1: Cumulative GEF Project Approvals (as of June 30, 2009)



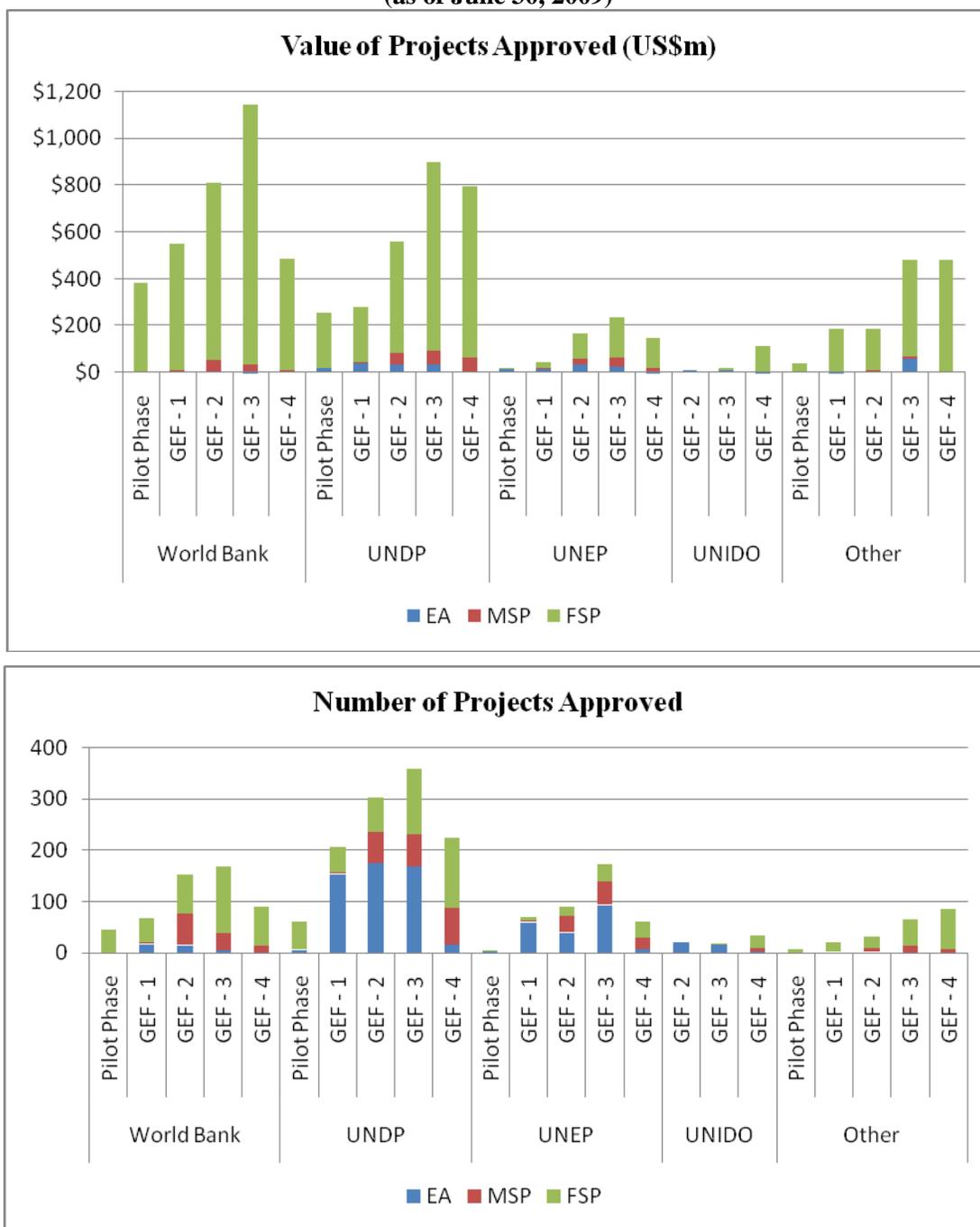
Source: PMIS

10. Figure 2 provides a snapshot view of all GEF projects broken down by GEF replenishment period and project type (FSP, MSP, and EA) for each Agency. The data shows that, historically, the World Bank had the largest value of approvals in financial terms, while the UNDP had the largest number of projects. In GEF-4, the trend has changed, with the UNDP receiving approvals for a higher value and maintaining the

² Some of the analysis presented may be incomplete or incorrect due to inconsistency in PIR submission and data from the PMIS.

largest number of project approvals.

Figure 2: Overview of GEF Approvals by Agency, Replenishment and Project Type (as of June 30, 2009)



Source: PMIS

11. **Approvals by Project Type.** Between the GEF's inception and June 30, 2009, a total of 1,552 full and medium sized projects were approved, compared to 1323 as of June 30, 2008. For GEF-4, more than half of the total FSP and MSP projects have been approved

in FY2009, showing a concentration of approvals in the final years of the GEF Replenishment (see Table 2).

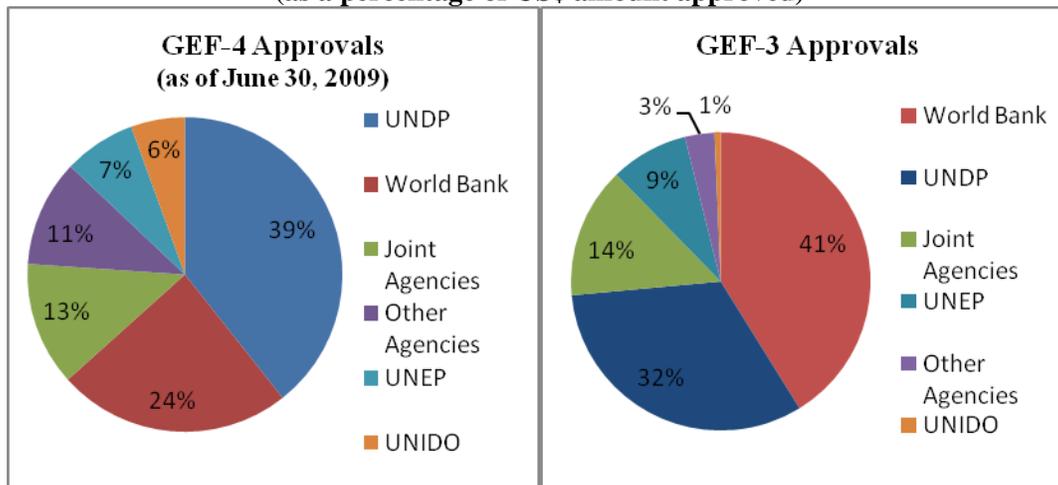
Table 2: Approvals by Project Type

Number of Approvals	FSP	MSP	EA
Cumulative (as of June 30, 2009)	1108	444	808
GEF-4	350	119	26
FY2009	178	51	4

Source: PMIS

12. **Approvals by Agency.** In GEF-4, the UNDP had projects approved to the value of US\$ 797 million, making it the largest recipient of GEF-4 funds to date; whereas, the World Bank was the largest recipient of total funds in GEF-3. Another significant change is the share of projects approved for other agencies and UNIDO. These changes were matched by a decrease in the World Bank and joint agencies' project shares (see Figure 3).

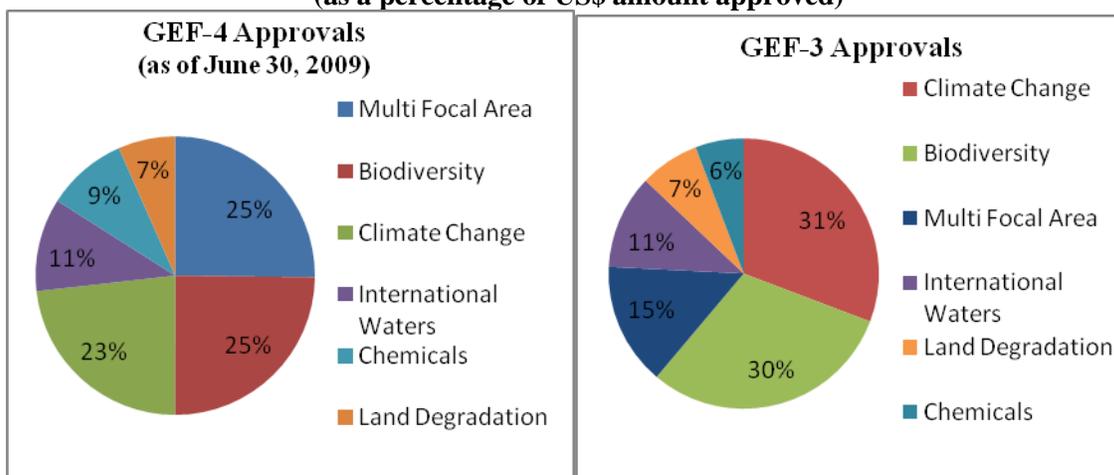
Figure 3: Agency Breakdown of Projects Approved: GEF-4 vs. GEF-3 (as a percentage of US\$ amount approved)



Source: PMIS

13. **Approvals by Focal Area.** Almost two-thirds of the total approved funds are divided equally between biodiversity and climate change at 33% and 30%, respectively (figure 4). The increase from 15 percent to 25 percent for MFA projects in GEF-4 is seen as a positive development, indicating a trend towards greater synergies between focal areas.

Figure 4: Focal Area Breakdown of Projects Approved: GEF-4 vs. GEF-3
(as a percentage of US\$ amount approved)

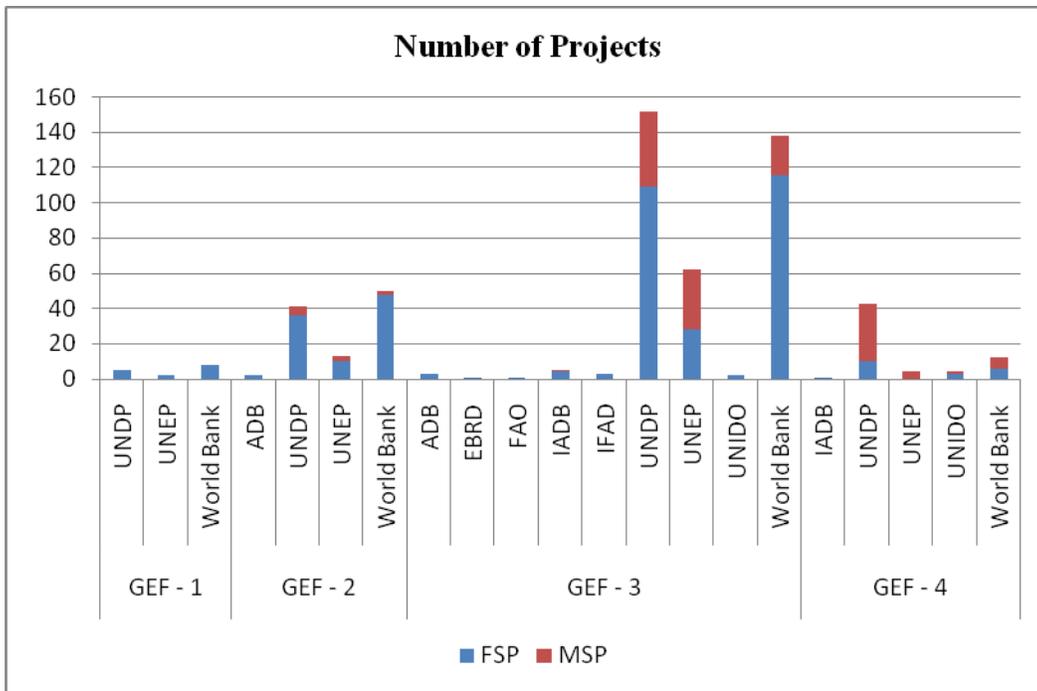
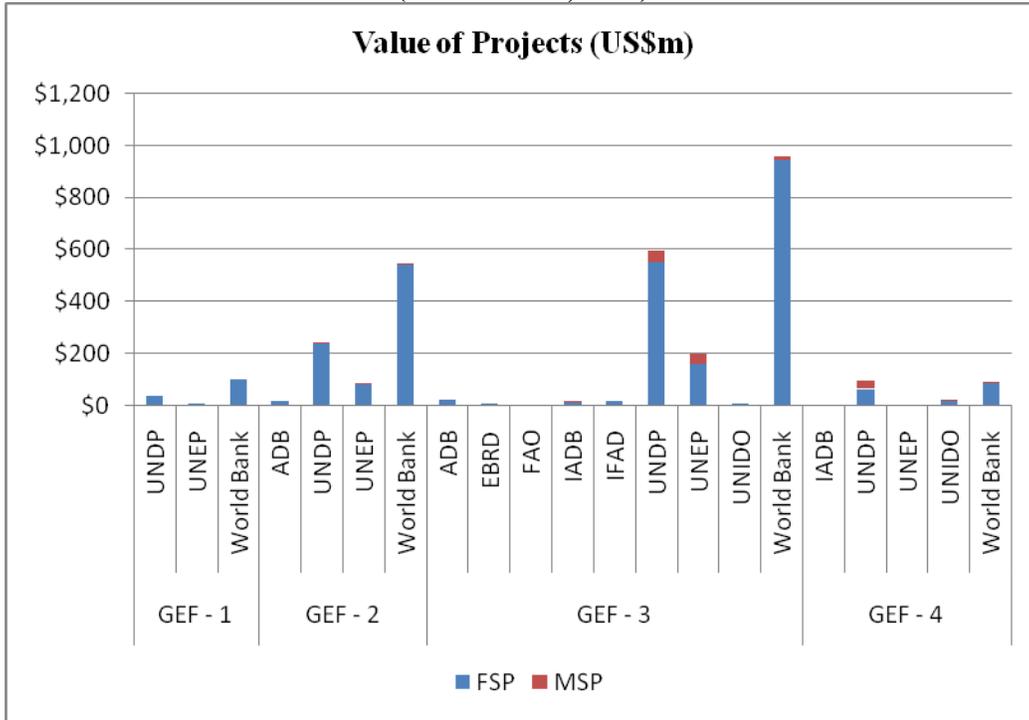


Source: PMIS

Projects under Implementation

14. **Overall Trends.** The GEF agencies submitted Project Implementation Reports (PIRs) for 552 projects – marginally up from 522 projects in FY2008 – including 398 FSPs and 154 MSPs that have been under implementation for at least one year as of June 30, 2009. Of those 552 projects, 15 (US\$ 142 million) are projects approved in GEF-1, 106 (US\$ 893 million) are GEF-2 projects, 367 (US\$ 1,828 million) are GEF-3 projects and 64 (US\$ 215 million) are GEF-4 projects (see Figure 5). In FY2009, the total value of projects under implementation across all GEF phases was US\$ 3,078.11 million (including PPG grants) compared to US\$ 2,765.20 million in FY2008.

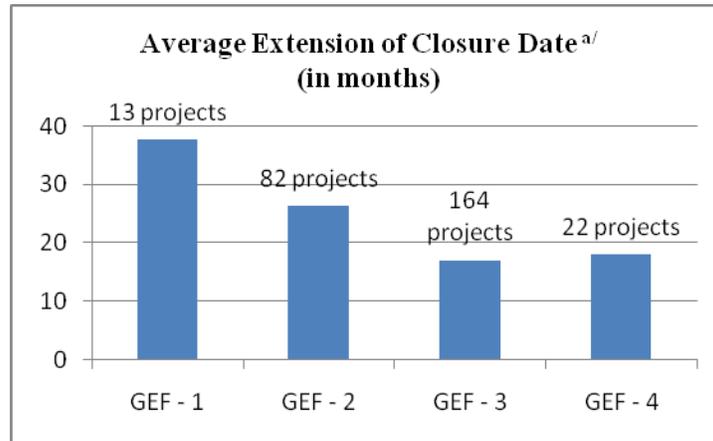
Figure 5: Overview of PIRs by Agency, Replenishment and Project Type (as of June 30, 2009)



Source: PMIS

15. Figure 6 shows that towards the end of their lives, GEF-1 projects were extended for an average period of over three years (38 months) whereas GEF-4 projects have been extended for 18 months to date. More investigation into why some GEF-1 projects have been delayed and are still under implementation in FY2009 should be conducted.

Figure 6: Extension and Duration of Projects under Implementation



Source: Agency Submissions

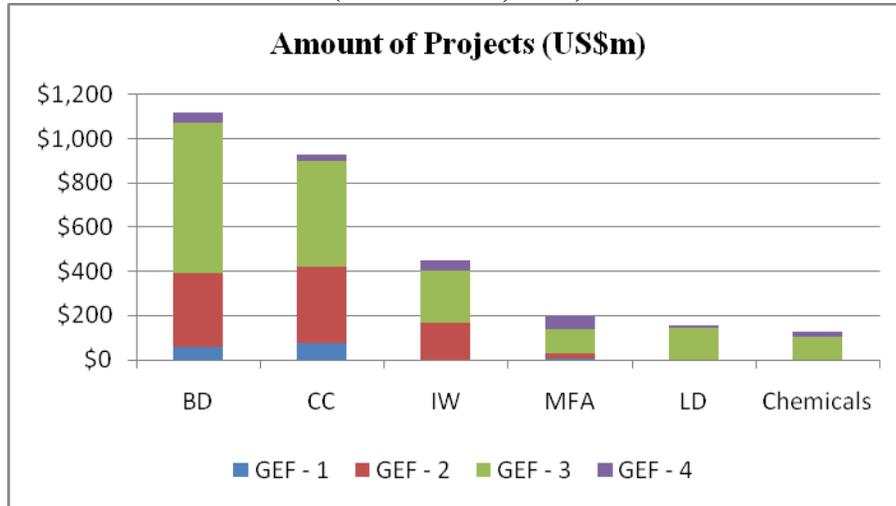
a/ Excluding projects that either closed early or on time

16. **Projects under Implementation by Agency.** The World Bank³ had the largest share of projects under implementation and its proportion of total GEF funding totaled 55%, followed by UNDP and UNEP, with 31% and 9% respectively. Since most of the projects currently under implementation belong to GEF replenishments prior to GEF-4, this result is consistent with the trend in project approvals whereby the bulk of projects approved belong to replenishments prior to GEF-4.

17. **Projects under Implementation by Focal Area.** As in previous years, BD projects under implementation represent the greatest portion of active projects at 43%, followed by CC projects at 28%. BD projects also comprised the largest share of total GEF allocations at 38%, with CC projects having the second largest share at 31% of total GEF allocations. There is an increase in the proportion of MFA projects and projects in the LD and POPs focal areas by approximately 2% (see Figure 7).

3 World Bank projects included 19 IFC projects.

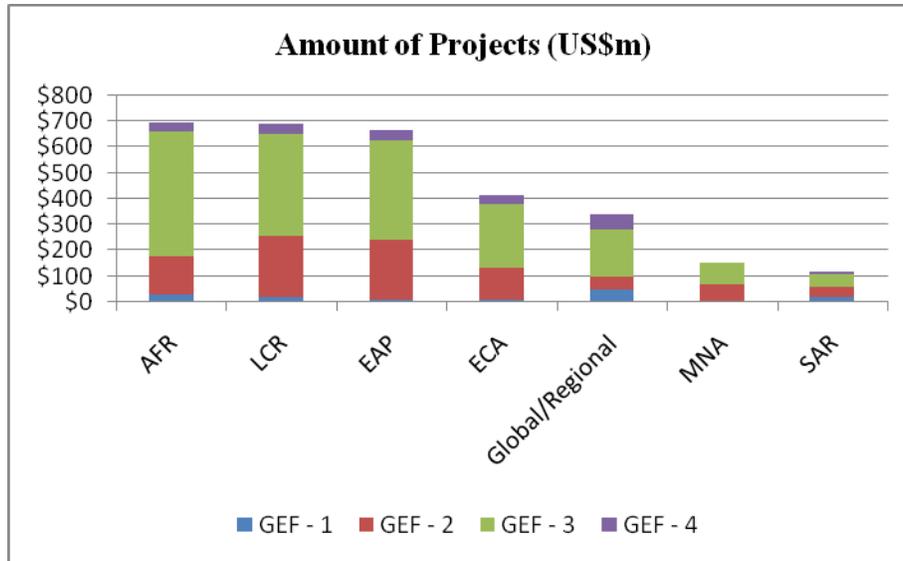
Figure 7: Breakdown of Projects under Implementation by Focal Area and by Replenishment (as of June 30, 2009)



Source: Agency Submissions

18. Projects under Implementation by Region. Figure 8 presents the geographic distribution of projects for FY2009 in terms of the value of projects under implementation. The Africa, Latin America & the Caribbean, and East Asia & Pacific regions have the largest share of projects currently under implementation. All regions with the exception of MNA have begun to implement projects approved during GEF-4. The LCR, AFR, EAP and ECA regions still carry a large portfolio of GEF-2 and GEF-3 projects.

Figure 8: Breakdown of Projects under Implementation by Region and by Replenishment (as of June 30, 2009)



Source: Agency Submissions

Co-Financing

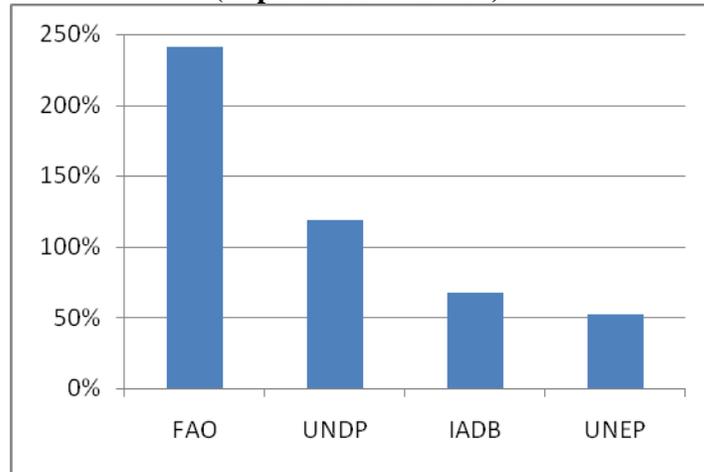
19. Reporting on actual co-financing remains difficult for the GEF, as the quality, format and completeness of the data provided by Agencies for co-financing vary widely among agencies. Not all agencies were able to provide data in a disaggregated format. Only those projects that have gone through a mid-term evaluation during FY2009 or that have been closed are required to report on co-financing and leveraged resources.

20. Several Agencies were able to provide data by project on ‘planned co-financing’ versus ‘actual co-financing’ in FY2009 (UNDP, UNEP, UNIDO, IADB, EBRD, and FAO)⁴. Data for actual co-financing was provided for 58 projects with mid-term reviews and for 15 projects that underwent a terminal evaluation during FY2009. Figure 9 shows the percentage of actual co-financing versus planned co-financing by Agency for projects that have gone through mid-term. Figure 10 shows the percentage of actual versus planned co-financing for projects that have closed.

21. Of the Agencies providing data, all appear to have their projects on-track to meet or surpass planned co-financing targets. In terms of projects that have closed, both UNEP and UNDP have exceeded planned co-financing targets. For the FY2010 AMR, the Secretariat, in collaboration with the Agencies, will ensure that there is consistent reporting on actual co-financing achieved against planned co-financing at agreed stages of the project.

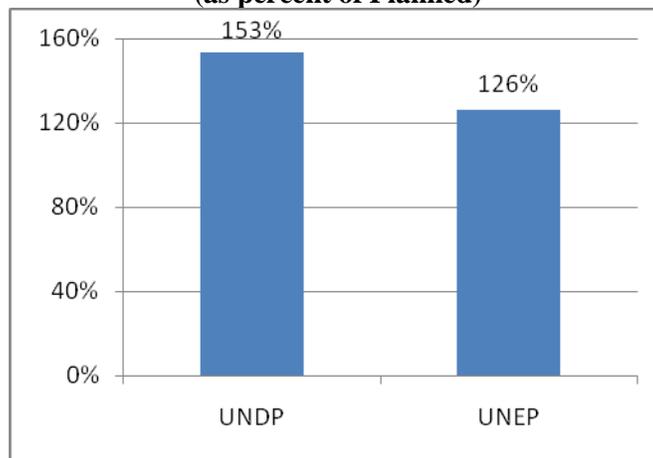
⁴ The World Bank presented data as a total percentage for FY2009. The Secretariat was therefore unable to breakdown this data in the same way it did for the other Agencies. From the World Bank overview report: “In FY09 the World Bank Group continued to demonstrate success in leveraging co-financing in support of its GEF portfolio, registering a cumulative average leveraging ratio of 1:5.4World Bank-GEF portfolio co-financing data for FY09 reveals that overall, 68% of projects are meeting or surpassing their projected co-financing targets” (WB AMR FY 09, p. 4).

Figure 9: Co-financing for Projects that have Undergone MTR (as percent of Planned)⁵



Source: Agency Submissions

Figure 10: Co-financing for Projects that have Undergone TE (as percent of Planned)



Source: Agency Submissions

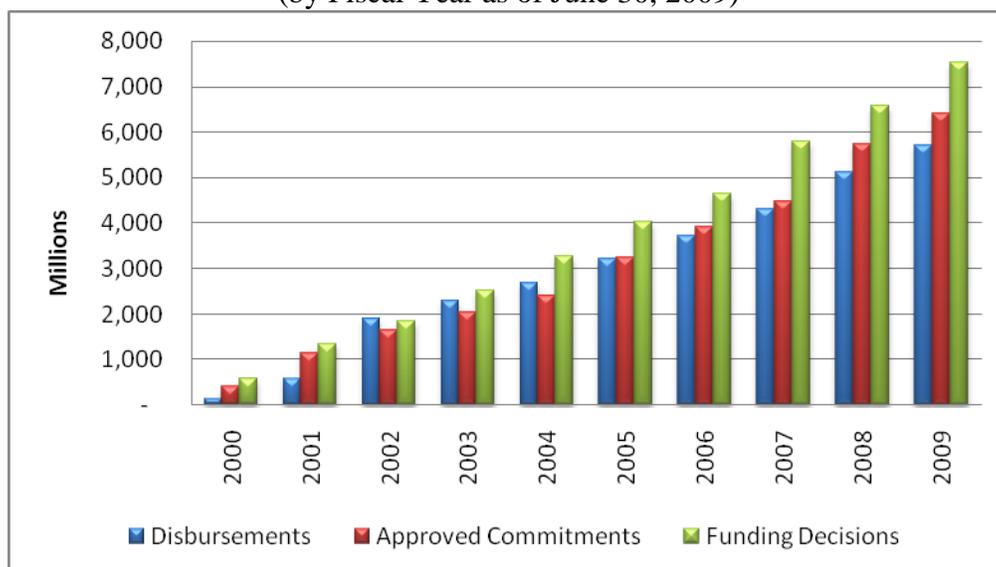
⁵ FAO had one project under implementation during FY2009.

GEF FUNDING

Approved Commitments, Funding Decisions, and Disbursements

22. Figure 11 shows GEF cumulative disbursements, commitments and funding decisions as of June 30, 2009.⁶ The cumulative funding decisions from the start of the GEF were US\$ 7,529 million. Cumulative disbursements increased during FY2009 to US\$ 5,710 million, up from US\$ 5,117 million in FY2008.

Figure 11: Cumulative Disbursements, Commitments and Funding Decisions
(by Fiscal Year as of June 30, 2009)



Source: Trustee

23. Table 3 below shows funding decisions, commitments, and cash transfers to the GEF agencies as of June 30, 2009. Funding decisions for the GEF-4 period as of June 30, 2009 was US\$ 2.34 billion. During the GEF-4 period, US\$ 2,153 million was committed, of which US\$ 1.7 billion represented commitments for GEF-4 projects. The remaining commitments related to projects funded under previous replenishments. Cash transfer to the agencies during the GEF-4 period amounted to US\$ 1.0 billion.

⁶The data presented in this figure may have shifted across years due to data reconciliation.

Table 3: GEF-4 Period Funding Decisions, Commitments and Cash Transfers
(as of June 30, 2009 in US\$ millions)

	<u>GEF-4 Period</u>	
<u>Funding Decisions</u>		2,341
- Projects and Project Preparation Activities	1,354	
- Fees	123	
- Projects, PPGs, and Fees for Umbrellas	792	
- Admin. Budget	72	
<u>Commitments</u>		2,153
- Projects and Project Preparation Activities	1,983	
- Fees	106	
- Admin. Budget	64	
<u>Cash Transfers</u>		1,713
- Projects and Project Preparation Activities	1,544	
- Fees	131	
- Admin. Budget	38	

Source: Trustee

Summary of programmed resources for Biodiversity and Climate Change focal areas

24. The *Progress Report on the Implementation of the RAF* (GEF/C.38/Inf.14) provides a complete picture of how GEF-4 resources were allocated under the RAF for 2009. The RAF allocates resources to biodiversity and climate change and these two focal areas are summarized in the tables below (Tables 4 and 5). In the biodiversity focal area, from May 12, 2009 to May 12, 2010, about \$274 million were programmed, representing 31 percent of the total biodiversity GEF-4 allocation. In the climate change focal area, about \$530 million were programmed, representing 63 percent of the total GEF-4 Climate Change mitigation allocation.

Table 4: FY 2009 Programmed Funds for Biodiversity

Biodiversity Category	Allocations	Total Project Programmed		Annual Programming	Share of Annual Programmed over the Total
		5/12/2009	5/12/2010		
Group Allocation	132,057,000	88,776,476	139,127,717	50,351,241	36.2%
Individual Allocation	698,323,000	485,206,773	698,403,406	213,196,633	30.5%
Global Regional Exclusion	50,000,000	33,863,393	44,273,892	10,410,499	23.5%
Total	880,380,000	607,846,641	881,805,015	273,958,374	31%

Source: PMIS

Note: 1. All numbers are in US dollars, the GEF agency fees are included, and the cleared PIFs only include full-sized projects.

Table 5: FY 2009 Programmed Funds for Climate Change

Climate Change	Allocations	Total Project Programmed		Annual Programming	Share of Annual Programmed over the Total
		5/12/2009	5/12/2010		
Group Allocation	104,557,000	41,214,783	101,395,359	60,180,576	59.4%
Individual Allocation	698,323,000	244,398,662	650,183,638	405,784,976	62.4%
Global Regional Exclusion	94,500,000	28,109,963	91,435,213	63,325,250	69.3%
Total	897,380,000	313,723,408	843,014,211	529,290,802	63%

Source: PMIS

- Notes: 1. All numbers are in US dollars, the GEF agency fees are included, and the cleared PIFs only include full-sized projects.
- 2: Additional US\$ 17 million has been made available to Global Regional Exclusion (GRE) for Climate Change, based on June 2009 council decision to cover Technology Transfer projects. This amount was from the pool of the GEF4, not only from climate change and biodiversity focal areas.
- 3: Funding for National Communications for Climate Change of US\$ 27.5 million has been reallocated from Group Allocation Countries based on June 2009 council decision. Countries requesting more than US\$550,000 (including Agency Fees) would have to use their individual allocations.

ACHIEVING AND MEASURING RESULTS

25. The strategic focus of the GEF portfolio is to support countries to adopt policy, institutional and financial solutions that are required to meet their commitments to global environmental conventions and national development priorities. The 2009 GEF portfolio of active projects has helped countries progress towards the achievement of global environmental benefits, national environment and sustainable development priorities.

26. The GEF results contribute to outcomes related to: sustainable management of protected areas and production landscapes; market transformation in support of less carbon intensive paths; catalyzing environmental financing; expanding capacity, enabling environments and learning to support environmental priorities.

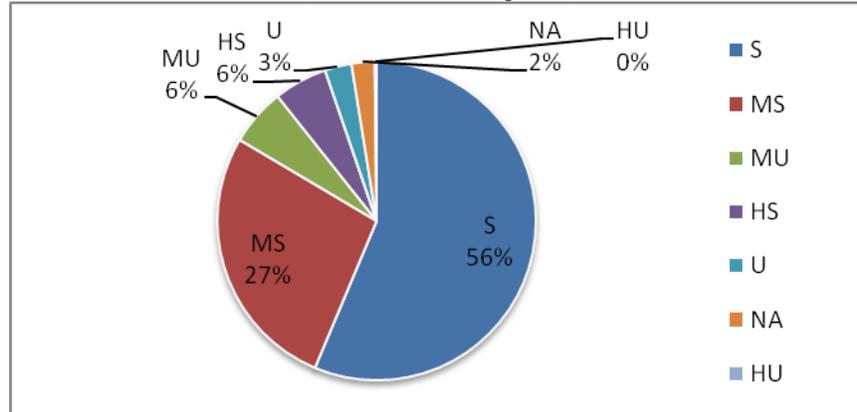
27. This section reports progress towards meeting objectives at the portfolio and focal area levels. The development objective ratings, implementation progress ratings and risk ratings are self-ratings provided by the Agencies. This year's AMR includes an analysis of focal area progress toward agreed targets, an analysis of portfolio risk indicators, and an analysis of focal area performance measurement challenges.

Overview of the GEF Portfolio

28. Every year, GEF agencies rate their projects based on the likelihood of attaining developmental/global environment objectives.⁷ Based on all PIRs submitted by the GEF agencies, the GEF portfolio under implementation has performed satisfactorily, with 56% of projects receiving a satisfactory rating and 89% of projects rated as moderately satisfactory or above. Figure 12 provides the distribution of agency ratings for the likelihood of attaining development/global environment objectives (DO) for the 552 projects under implementation in FY2009. There was a slight increase in the number of projects rated moderately satisfactory or above (2% increase over FY2008). Only 3% of the portfolio performed unsatisfactorily, an increase from 2% in FY2008. Further investigation of the risk ratings and measures taken by Agencies to counteract unsatisfactory ratings needs to be conducted by the GEF Secretariat to assess whether systemic issues are involved.

7 Six ratings are used by agencies: Highly Satisfactory (HS), Satisfactory (S), Moderately Satisfactory (MS), Moderately Unsatisfactory (MU), Unsatisfactory (U) and Highly Unsatisfactory (HU).

Figure 12: Portfolio Development/Global Environment Objectives (DO) Ratings (Percent of Projects)



Source: Agency Submissions

29. An analysis of DO ratings by Focal Area shows that the larger Focal Areas, Climate Change⁸ and Biodiversity, are progressing well towards their objectives with DO ratings of 88% and 92% respectively for projects rated as moderately satisfactory or above. Using DO ratings of moderately successful and higher, POPs projects show only 60% of projects rated at MS or higher; however, more than a quarter of POPs projects are not rated due to non reporting by one of the Agencies.

Table 6: FY2009 Development Objective Ratings – Number of Projects by FA

Focal Area	HS	S	MS	MU	U	HU	NA	Total
OD	1	0	1	0	0	0	0	2
BD	10	152	58	9	6	0	3	238
IW	4	40	18	6	1	0	0	69
CC	12	76	46	10	5	1	2	152
LD	1	21	11	4	0	0	1	38
MFA	0	16	12	2	2	0	1	33
POPs	2	6	4	1	1	0	6	20
Total	30	311	150	32	15	1	13	552

Source: Agency Submissions

⁸ Climate Change ratings include projects for mitigation, SPA, LDCF and SCCF.

Focal Area Results – Summary of Progress towards Targets

30. In line with the focus on RBM and measuring results, this section analyzes progress towards Focal Area results. The GEF is able to report on outcome and output level results achieved against expected targets as specified in the Focal Area results frameworks developed for GEF-3 and GEF-4. It is important to note that this type of analysis is at an early stage and reported results are uneven and are likely to under-report current progress. It is however, an important step in being able to present a more comprehensive picture of how each focal area is progressing towards its objectives.

31. Key results are tracked using different approaches and methodologies for each Focal Area, and this is expected to be the case in the future because of the large differences among focal areas. For Biodiversity, results are presented for GEF-3 projects. The results for Land Degradation, Chemicals, and International Waters are expected to be captured on an annual basis and are presented for FY2009. The results for Climate Change mitigation are presented against the carbon dioxide emission reduction targets, as set out in the final and approved project documents of all projects under implementation. For Climate Change adaptation, the reporting is done against the targets set for GEF-4. Full details of the Focal Area results are presented in Annexes 1-5.

Biodiversity

32. The Biodiversity portfolio is on track for the Strategic Priorities that were in force under GEF-3. Focal Area Coverage targets for GEF-3 are presented in Table 7 and progress on the Outcomes to date for GEF-3 projects are presented in (Annex 3). Similar processes are also in place to track outputs and outcomes at the portfolio level for GEF-4 and GEF-5.

33. In GEF-3, the Biodiversity focal area began applying a set of tracking tools to measure progress in achieving the targets and indicators established at the portfolio level. The tools are applied at work program inclusion (establishing the baseline), and at the mid-term and final evaluations. The indicators and targets were agreed in the GEF-3 business plan and are being tracked for all GEF-3 projects. Data from the GEF-3 project cohort will be aggregated for analysis of directional trends and patterns at a portfolio-wide level to both inform the GEF biodiversity strategy and to report to GEF Council on portfolio-level performance in the biodiversity focal area.

34. For the FY2009 PIR, a total of 33 tracking tool reports were due, and 25 were submitted by the Agencies, signifying a compliance rate of 76%. UNDP was the only agency to achieve 100% compliance, submitting all 18 of the tracking tools required.

Table 7: FY2003-06 Project Contributions to the Coverage Targets in the Business Plan for GEF-3

Strategic Priority One for GEF-3: Catalyzing Sustainability of Protected Area Systems at National Levels		
Coverage Targets for Entire GEF-3	Coverage Targets Programmed in GEF-3	Percent Achieved
1. At least 15 countries receive support for strengthening PA systems to ensure their long-term sustainability.	Forty-one (41) countries.	270%
2. At least 400 PAs supported (through about 80 projects) – of which at least 20% should be new additions.	566 Protected Areas supported; of which 63 protected areas are new totaling 20 million hectares. Total number of protected areas that are new is about 11 % in terms of total number of PAs supported. In terms of coverage this translates into 14.6 % of the total hectares covered.	140%
3. At least 70 million hectares of PAs supported.	137million hectares of PAs supported	196%
4. Number of protected areas and total hectares under any “global priority lists”.	10 World Heritage Sites (5 million hectares; about 4.4 % of total coverage.); 47 WWF 200 sites (41 million hectares; about 30 % of total coverage); 32 Biosphere Reserves (26million hectares; about 20 % of total coverage.); 40 Ramsar sites (3 million hectares about 2.3 % of total coverage.); <i>Total Hectares under global lists</i> : 76.6 million hectares or about 55.8 % of total coverage.	
Strategic Priority Two for GEF-3: Mainstreaming Biodiversity Conservation in Production Landscapes/Seascapes and Sectors		
Coverage Targets for Entire GEF-3	Coverage Targets Programmed in GEF-3	Percent Achieved
1. At least 5 projects in each of the targeted sectors (agriculture, forestry, fisheries, tourism) focused on mainstreaming.	Agriculture: 43 projects Fisheries: 21 projects Forestry: 26 projects Tourism: 23 projects Mining: 3 projects	
2. At least 20 million ha in production landscapes and seascapes that contribute to biodiversity conservation or the sustainable use of its components.	At least 98.6 million hectares in production landscapes and seascapes	493%
3. At least 5 countries promote conservation and sustainable use of wild species and landraces.	33 countries with projects on wild species and landraces conservation and sustainable use.	660%

Land Degradation

35. In Land Degradation for FY2009, the project cohort with PIRs reported up to six million hectares of land under sustainable management, equivalent to 30% of the GEF-3 targets for Strategic Priority 1. The six million hectares of land include areas under improved agricultural and rangeland practices, rehabilitation with tree-based systems, and improved forest management. These cover a range of production landscapes and watersheds, and extend across dry lands in Africa, Eastern and Central Asia, Latin America and Caribbean, Southeast Asia, and South Asia.

36. The FY2009 cohort includes at least 40 countries with outcomes related to planning for land degradation control. These include efforts to foster trans-boundary or multi-country cooperation on integrated ecosystem management (IEM), national or sub-national level legal and policy frameworks to enhance sustainable land management, targeted planning processes for improved use and management of production landscapes, and planning for increased investment in sustainable land management.

37. The LDC-SIDS project, involving 45 countries, is implementing a globally harmonized approach to national- and local-level SLM capacity development and mainstreaming. The FY2009 PIR notes that 38% of the MSPs are now entering or at the inception phase, while 57% are in their 1st or 2nd year of implementation. The remaining 5% are in their third or final year. The portfolio project continues to support technical assessments and capacity development, maintain a knowledge sharing platform, assess global indicators and M&E tools, and facilitate south-south cooperation and partnership development with relevant UN agencies and regional centers of excellence.

Table 8: Land Degradation GEF-3, Results in FY2009

Strategic Priorities	Key Expected Results and Targets under GEF-3	Results Achieved for FY2009	Equivalent Percent of Target
SP1: Sustainable Land Management (SLM) in the mainstream development policy and practices at the regional, national and local levels	20 million hectares of land area protected from degradation	6 million hectares	30%
SP2: To upscale SLM investments that generate mutual benefits for the global environment and local livelihoods	65 countries with land degradation control plans	40 countries	62%

International Waters

38. The IW Portfolio has exceeded the majority of its targets for GEF-3 and is on track to achieve its targets for Strategic Priority 2. In 2006/07, Tracking Tools were developed to be retrofitted to the GEF-3 projects to measure and report annually on progress in achieving the targets and indicators established at the portfolio level. For GEF-4, a

comparable process is in place to track the GEF-4 output and outcome indicators at the portfolio level. Data from the International Waters GEF-3 project portfolio has been aggregated and analyzed for directional trends and patterns at a portfolio-wide level.

39. During the 2008 PIR process, some GEF agencies reported for the first time individual project results associated with the GEF-3 Replenishment targets with the simplified GEF-3 International Waters Tracking Tool (TT). For the 2009 PIR/AMR, all agencies have submitted all the GEF-3 IW TT's that were due, 42 in total.

40. The results compiled from the tracking tools suggest that, for all three strategic priorities (SPs) in GEF-3, achieving results in reforms and investments at the national/local level is challenging with mixed results. It also suggests that some results such as effective national inter-ministry committees may be reported in an overly optimistic manner.

41. Thus far, projects have delivered four Strategic Action Programs (SAPs) agreed at ministerial levels, with the eight other projects projected to produce these agreed action programs reported to be on track toward intended results. The criteria used by agencies to fill in the GEF-3 and GEF-4 IW tracking tools are available at the GEF IW Knowledge Management and Learning website (www.iwlearn.net) -- key word "tracking tools".

Table 9: International Waters GEF-3, Results in FY2009

Strategic Priorities	Key Expected Results and Targets under GEF-3	Results Achieved for FY2009	Percent Achieved
IW-1: Catalyze financial resource mobilization for implementation of reforms and stress reduction measures agreed through Trans-boundary Diagnostic Analyses (TDAs) and Strategic Action Programs (SAPs)	At least 17 countries with national policies, investments regulations, institutions, etc re-aligned to be consistent with agreed joint management actions	28 Countries	165%
IW-2: Expand global coverage of foundational capacity building addressing the two key program gaps and support for targeted learning	•At least 11 Trans-boundary water bodies with management framework of priority actions for 20-30 countries	•4 water bodies in 66 countries	36%
	•At least 8 Regional Bodies and management authorities with strengthened capacities	•15 Regional Bodies/Organizations	188%
IW-3: Undertake innovative demonstrations for reducing contaminants and addressing water scarcity issues with a focus on engaging the private sector and testing public-private partnerships.	•At least 12 countries with demonstration technologies and management practices viable under local conditions	•28 National Demos	233%

Climate Change

42. Fiscal year 2009 is only the second time that the agencies have been asked to report on the climate change mitigation performance measuring indicators in the GEF-4 results framework. Measurement and reporting remain incomplete due to:

(i) The nature of climate change mitigation projects which is such that most of the quantitative results/targets (e.g. tons of carbon dioxide emissions reduced) are only achieved towards the end of projects' implementation and often well after completion of the GEF projects.

(ii) Non-reporting on requested indicators by the implementing agencies.

43. As a result, it is difficult to capture progress towards targets and the achievements to date of the overall GEF climate change mitigation portfolio.

44. The results presented in the climate change mitigation part of Table 10 are those reported by 72 out of 133 mitigation projects that were expected to report on CO₂ emissions reductions during fiscal year 2009. This means that only 54% of FY2009 project cohorts reported on the achieved cumulative greenhouse gas emissions reductions. The project cohort that reported on this indicator consisted mainly of GEF-2 and GEF-3 projects, with only three GEF-1 and two GEF-4 projects. The total reported number amounts to direct emissions reductions of 239 million tons of CO₂ equivalent. When compared to the total expected target that was set out in this project cohort's final and approved project documents, i.e. a target to reduce 421 million tons of CO₂ emissions, this shows that 57% of the target emission reductions has been achieved. This is a good overall achievement, as most of the projects that reported on their results are still under implementation and have not reached project closure, at which point more results are to be expected.

45. On the adaptation side, the SPA projects included more than eight sector interventions in 28 countries with an attempt to increase countries' adaptive capacities and reduce their vulnerability to climate change. This result corresponds with the target set out under GEF-4.

Table 10: Climate Change GEF-4 - Results in FY2009

	Cumulative Targets for FY2009 Project Cohort (aggregation of project targets as set out in approved project documents)	Cumulative Results Achieved by FY2009 Project Cohort Reporting on their Targets in PIRs	Percent Achieved
Mitigation	421 million tons of CO ₂ avoided	239 million tons of CO ₂ avoided	57%
	Key Expected Results and Targets under GEF-4	Results Achieved for FY2009	Percent Achieved
Adaptation	8 adaptation sector interventions piloted	Interventions piloted in over 8 sectors	100%

Persistent Organic Pollutants

46. This is the first year that a significant, but still small, number of POPs projects (20) are under implementation and reporting. It is, therefore, the first time that the tracking tool, now in its second version, has been applied and tested with more than a handful of projects.

47. There are a number of difficulties in reporting progress against key targets for this cohort of projects. The targets for GEF-3 and GEF-4, although roughly comparable, are different. The projects under implementation cover three GEF replenishment periods, GEF-2 (1 project), GEF-3 (10 projects), and GEF-4 (9 projects). Yet, some GEF-3 projects that would contribute to the cumulative impact of the GEF-3 replenishment period are already closed and do not appear here.

48. Therefore, it is impossible to compare the achievements of this particular cohort of FY2009 AMR projects with either the GEF-3 or GEF-4 targets in any meaningful way. Reporting achievements against replenishment targets is necessarily a different exercise. The Secretariat is working with the POPs task force to see how the tracking tool and the PIR process can be improved to lead to reporting achievements against both kinds of targets.

49. Meanwhile, Table 11 presents the Secretariat’s attempt to tease out the progress towards achievements of this particular cohort, using indicators of relevance for GEF-3 or GEF-4 and aligning them with GEF-4 strategic priorities.

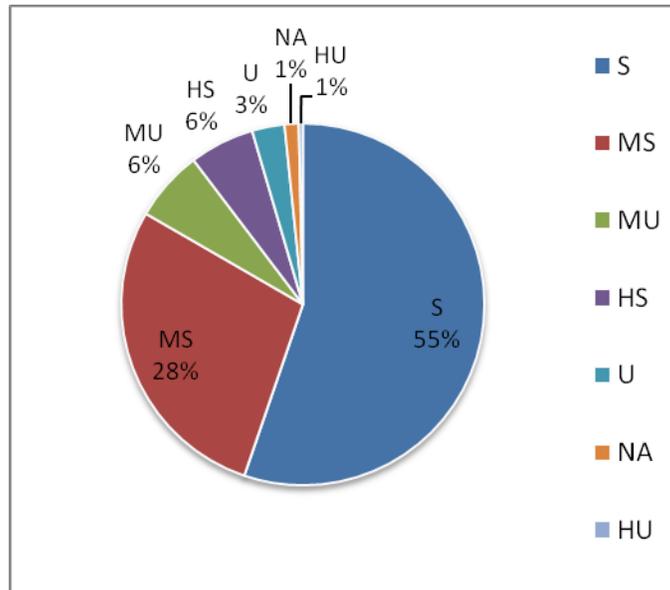
Table 11: Chemicals - Key Results in FY2009

Strategic Priority	Key Expected Results	Results Achieved by this Cohort of Projects by FY2009
Strengthening capacity for NIP implementation	Number of countries that receive support to strengthen capacity for POPs management	15 countries
Partnering in investments for NIP implementation	Environmentally sound destruction of PCB containing equipment and capacitors	2592 tons
	Environmentally sound destruction of obsolete pesticides, including POPs	1293 tons
	Number of countries that receive support to either: phase-out and destroy PCBs; phase out POPs pesticides; apply BAT/BEP; or destroy obsolete stocks of pesticides	18 countries
	Phased out production of DDT	250 tons
Demonstration of innovative technologies and practices	Number of alternative technologies/sets of practices demonstrated/under demonstration	9 “sets” (in 20 countries)

Portfolio Implementation and Risk

50. *Implementation Progress.* Close to 90% percent of the active portfolio has reported moderately satisfactory implementation progress or above.⁹ Ten percent of the portfolio received a moderately unsatisfactory rating or less. However, the percentage of projects that received no rating has decreased from 7% for FY 2008 to 2% for FY2009. The larger portfolios of Biodiversity and Climate Change are at 92% and 87% respectively for implementation progress ratings. Figure 13 shows the total portfolio ratings and Table 12 shows the breakdown of implementation progress ratings by Focal Area.

Figure 13: Portfolio Implementation Ratings for FY2009



Source: Agency Reports

⁹ The Implementation Progress (IP) ratings include: Highly Satisfactory (HS), Satisfactory (S), Moderately Satisfactory (MS), Moderately Unsatisfactory (MU), Unsatisfactory (U) and Highly Unsatisfactory (HU).

Table 12: FY2009 Implementation Progress Ratings – Number of Projects by Focal Area

Focal Area	HS	S	MS	MU	U	HU	NA	Total
OD	1	1	0	0	0	0	0	2
BD	13	146	61	9	6	0	3	238
LD	2	24	9	2	0	0	1	38
IW	6	34	20	6	3	0	0	69
CC	9	72	51	12	5	1	2	152
POPs	1	11	5	2	1	0	0	20
MFA	0	17	9	4	1	1	1	33
Total	32	305	155	35	16	2	7	552

Source: Agency Reports

51. *Risk in the GEF Portfolio.* Agencies adopt somewhat different definitions and approaches on how they operationalize risk management; therefore, from the standpoint of trying to monitor the GEF’s overall portfolio risk, there are basic problems of ensuring comparability. As this is an important portfolio indicator, the Secretariat will work with the Agencies to ensure the current rating systems can be utilized to better capture portfolio level risk. For detailed reports, please see the Agency overview reports (<http://www.thegef.org/gef/node/1440>) .

52. Specific issues that triggered risk flags across the GEF portfolio in projects during FY2009 included (taken from Agency Overview Reports):

- lower than expected co-financing due to the adverse effects of the 2008-2009 global financial crisis
- political instability and security related issues
- occurrence of natural disasters including prolonged drought caused delays in implementation
- capacity constraints with regard to institutional implementation and/or financial management.

53. *Focal Area Implementation Risks:* The following sections highlight aspects of the individual focal areas that contributed to projects being at substantial and high risks. These were taken directly from Agency Overview Reports.

54. Biodiversity portfolio issues in select projects included:

- Weak institutional conditions and high mobility of national staff resulted in implementation delays, and the need for extension of project timelines.
- Impediments to regional coordination caused by competing national interests.

55. Land Degradation issues in select projects included:

- Lack of scientific consensus on biophysical indicators (soil carbon for example) where there was the need to track progress of global environment impacts. Some indicators at the focal area level were found to be too broad for smaller scale project activities, potentially impacting project results ratings.
- Environmental risks have been noted in the LD portfolio, particularly in dry land areas exposed to spatial and temporal variability of rainfall in frequent and sometime prolonged periods of drought.

56. Climate Change Mitigation and Adaptation portfolio issues in select projects included:

- Issues with financial management and with securing co-financing, inability to achieve financial closure of such financial mechanisms as guarantee agreements, non-performance of financial mechanisms established under projects, and limited participation of local financial institutions.
- Environmental and extreme weather threats form of hurricanes and droughts have delayed renewable energy technology installations (e.g. wind turbine pilots), decreased agricultural yields resulting in less biomass to fuel co-generation systems, as well as caused power shortages in countries relying on hydropower.

57. Chemicals (Ozone Depletion and POPs) portfolio issues in select projects included:

- Ozone Depletion: There are only two projects under implementation, both with low overall risk ratings. Timely execution according to the work plan, particularly in the first year of the projects, was raised as an issue related to the capacity of the execution agency.
- POPs: The majority of projects in the POPs portfolio report low overall risk. One project reports a substantial risk. That case is too isolated to draw portfolio wide conclusions or recommendations; the GEF agencies are working with project partners to seek a satisfactory solution.
- On a few occasions, in different countries with different GEF agencies, bidding for equipment only attracted a limited number of bidders, or was invalidated because there was only one bidder. This problem will be kept under review by

the POPs task force as it has implications for the development of the portfolio as a whole.

- Two related issues were mentioned in Task Force discussions that are likely to drive up the costs of disposal of POPs related waste: the consolidation of the waste management sector in Europe, with fewer companies able to bid, and the decreasing number of shipping companies accepting the shipment of hazardous wastes because of increasing insurance costs.
- Most other “modest” risks in the POPs portfolio are linked to delays in project implementation. In some cases, POPs being a relatively new issue, the relevant executing agency department might not have worked with the GEF agencies before and needs to become familiar with agency rules and procedures.

MANAGEMENT EFFICIENCY AND EFFECTIVENESS

58. The GEF has introduced a number of management indicators with the aim of tracking organizational effectiveness as part of its GEF-5 programming document. The indicators were not applicable during the reporting period of FY2009; however, they provide a general picture of how well the GEF currently mobilizes and uses its resources, the visibility of the GEF as a global environmental leader, the efficiency of the GEF partnership in meeting service standards and project cycle efficiency, the GEF Secretariat's commitment to gender and diversity in its hiring practices, Agency compliance in reporting (PIRs), and effectiveness of collaboration with partners.

59. While the linkages between improved management efficiency and operational effectiveness are unspecified, taken together the selected indicators provide an indication of good management practice and commitment to meeting standards. As this is the first year that the GEF Secretariat has tracked these indicators, targets are not available for all indicators. In such cases, FY2009 will serve as the base year upon which future comparisons and trends will be measured. Not meeting a target may reflect a work in progress rather than a substandard performance.

A. Secure Financing and Financing Mechanisms

1.1 - Increased and diversified contributions	Actual	Target
1.1.1 – Total value of GEF-4 new donor contributions	US\$ 2,179.44 million (95%)	US\$ 2,298.93 million
1.1.2 – Number of GEF-4 donors	30	33
1.1.3 – Ratio of total GEF resources against planned co-financing	1 : 4.3	1 to 4
1.2 – More efficient cost structure		
1.2.1 – Agency fees against total GEF resources	GEF-4: 9.5% FY2009: 9.6%	10%
1.2.2 – GEF corporate expenses as % of total expenditures ¹⁰	3.42%	< 5%
1.2.3 – Total disbursements vs. committed	89%	95%

¹⁰ Corporate expenses includes all corporate expenses include those of the Secretariat, STAP, EO, and GEF Trustee. Total expenditures include all grants minus agency fees.

B.Enhance Visibility of GEF

2.1 - Increased advocacy and political awareness of GEF	Actual	Target
2.1.1 – Number of mentions of GEF in traditional media (print) in major countries	<ul style="list-style-type: none"> ○Post GEF Communications Strategy (11/2007): 78 hits/month ○Pre-Strategy: 13 hits/ month 	N/A
2.1.2 – Number of mentions of GEF in alternative media (online) in major countries	<ul style="list-style-type: none"> ○Twitter: 200% increase ○Other: 60% increase 	N/A
2.1.3 – Average number of hits on GEF website	23,000 /month	N/A
2.1.4 – Number of positive/ neutral/ negative stories	616 positive /stories, 67 neutral /4 negative (from 10/2006 – 9/2009)	687 positive (100% of references to the GEF)

60. The Secretariat, in close collaboration with GEF agencies and other partners in the public, private and non-profit sectors, has dramatically expanded its media outreach. Over the past two years, the GEF has directly planned, coordinated and executed media activities that boosted its image on the international stage and strengthened its relationship with network partners. In line with its communications strategy released in November 2007, key GEF activities included:

- Creating an “on-call” network of GEF experts across time zones to interested media and external audiences.
- Organizing brown bag events to showcase the GEF to key opinion shapers including major media outlets from print, radio, TV and electronic media.
- Engaging media through informal workshops and organized events to promote success stories and lessons learned about our portfolio and mission.
- Visiting editorial boards with top media in key donor and client countries to improve positive coverage and strengthen relationships with editors.
- Issuing a record number of official GEF publications across focal areas to meet the information needs of both general and technical audiences.

- Expanding the presence of GEF senior officials with major media outlets including CNBC, BBC, Wall Street Journal, Al Jazeera, Reuters, Le Monde, El Pais, The Nation, Radio Sarandi and others.
- Moving GEF into non-traditional multimedia sources to ensure the GEF fully leverages the communications value of new media technology and techniques including blogging, podcasts and social media.

C.Improve Efficiencies in Project Cycle

3.1 – Improved timeliness of program design	Actual	Target
3.1.1 – Average Secretariat response time on all requests for PIF/PPG processing for FSPs and MSPs	28 days (GEFSEC responded to 63% of projects within 10 days)	10 day GEF service standard per request
3.1.2 – Average time from first time of PIF submission to Council Approval for FSPs	43 days	40 days
3.1.3 – Average time from Council approval to endorsement for all-GEF phases Full Sized Projects (FSP) that have been endorsed in FY2009:	GEF-2: 1 project: 105 months GEF-3: 14 projects: 39 months GEF-4: 91projects: 16 months	Standard < 22 months
3.1.4 - Average time from Council approval to endorsement for all GEF-4 Full Sized Projects (FSP) that have been endorsed	10.5 months	Standard < 22 months
3.1.5 - Number of GEF-4 Full Sized Projects (FSP) that are over the standard 22 months at end of FY2009	31 projects	0
3.1.6 - Average time from first time of PIF submission to PIF Approval for MSPs	65 days	30 days
3.1.7 - Average time for Medium Sized Projects (MSP) to be CEO approved after PIF Approval , in FY2009:	9.5 months	Standard < 12 months
3.1.8. Average time for extension of project closure date	10.6 months	FY2009 to set the benchmark/target

61. The GEFSEC instituted a 10-day service standard for all proposals coming into the Secretariat since June 2006. In the last year, the percent of proposals getting responses within the 10 day service standard has increased to 63 percent. Further improvements are to be expected in the coming years.

62. The average time for projects to come back for endorsement was reduced significantly in GEF-4 from the standard of 22 months to a current average of 10.5 months. However, there are still 31 projects that, at the time of this report, had not yet been endorsed and are over the 22 month standard. A system has been set up to alert all Agencies of such delays to endorsement.

63. The statistics also show that more time is taken to achieve PIF endorsement for MSPs than FSPs. The GEF Secretariat is working with Agencies to improve this statistic.

D.Ensure Staff Representation Including Gender

4.1 - Gender sensibility and equality ensured	Female	Male	Target
4.1.1 - Percentage of international professional staff by gender	30%	70%	50% :50%
4.2 – Geographical distribution¹¹	Part I	Part II	Target
4.2.1. - Geographical distribution of staff	67%	33%	50% -50%
4.3 - Skilled and motivated staff hired and retained	2007	2009	Target
4.3.1 - Average staff satisfaction rating (%) based on WB survey results	67%	79%	2010 survey baseline
4.3.2 – Annual staff loss rate ¹²	4%		10 %
4.3.3 – Average time to fill professional vacancies – from advertisement to staff coming on board	90 days ¹³		90 days

64. Achieving a gender balance and a balance in the geographical distribution of staff is a challenge for the GEF Secretariat. The under representation for these two indicators is based on targets that are challenging to meet for most UN agencies and IFIs. The targets set are in line with United Nations targets, particularly “make progress towards gender equality in staffing, opportunities and duties, and ensure that human resource policies are gender sensitive and provide possibilities for staff members to combine their personal and professional priorities.”

65. At the end of FY2009, women composed 30 percent of total Secretariat professional staff and 33 percent of staff from developing countries. These figures are below those for

11 Part I countries, as defined by the World Bank, represent developed countries and Part II represent mostly developing countries.

12 Includes staff separation and retirement.

13 Does not include vacancies for staff on special assignment.

the World Bank Group as a whole, where 43 percent of professional staff is female and 45 percent of staff is from developing countries.

66. The average staff satisfaction rating for GEF Secretariat staff increased notably between 2007 and 2009. While the indicator used in the 2007 survey was phrased differently, the intent was comparable. The marked increase in staff satisfaction reflects the efforts of GEF Secretariat Senior Management to address the concerns raised in the 2007 survey.

E.Results Driven Implementation

5.1 – Grant performance rating	Actual	Target
5.1.1 - Percentage of projects on track to achieve stated objectives, with a DO rating of moderately satisfactory or above	89%	85%
5.1.2 – Percentage of projects on track to achieve stated objectives, with a DO rating of satisfactory or above	62%	75%
5.2 – Efficient reporting^{14/}	Actual	Target
5.2.1 - Percentage of PIRs that are submitted on a timely basis	52%	85%

67. Performance of GEF projects has exceeded the GEF target of 75 percent satisfactory progress towards outcomes, with 89 percent achieving a DO rating of moderately satisfactory or above. A challenge is to move to a higher percentage of projects with satisfactory ratings – 62 percent for FY2009.

68. Progress on improving and streamlining the reporting process for monitoring GEF’s active portfolio has been slow. For example, the Secretariat had originally proposed to begin submitting the AMR at the fall Council meeting in order to provide monitoring information closer to the completion of the fiscal year. More in-depth performance monitoring could then be undertaken and submitted to Council at its spring meetings. Initiating such a change will however require more work than originally anticipated, including coordination with agencies’ reporting timelines, automating the collection of data through the PIR, and reducing the amount of information collected through the PIR process. It will also require a shift in thinking about how much information can realistically be integrated into the report and which information might be better collected and analyzed through other reporting tools. The Secretariat will continue to work with GEF agencies and the EO to improve its performance monitoring and to provide more timely information as it relates to GEF’s active portfolio.

14/ Not all agencies have provided PIRs on time and of sufficient quality.

F. Effective Collaboration

6.1 – Conflicts and complaints resolved successfully on a timely basis ¹⁵	Actual	Target
6.1.1 – Percent of conflict cases reported to the CEO that are resolved successfully	85%	80 %
6.1.2 – Percent of complaint cases reported to the CEO that are successfully resolved	75%	100 %
6.2 – Conflict of Interest standards and a Public Disclosure Policy made available to GEF entities		
6.2.1 – Standards and Policy to be approved by Council	In progress	Nov. 2010
6.2.2 – Process for implementation to be put in place	In progress	June 2011

69. In the middle of GEF-4, a policy decision was made to formally address, in a systematic way, the handling of conflicts, complaints and disputes reported to the CEO's attention. The move was intended to open up new opportunities to strengthen the GEF, especially with regard to safeguarding its integrity, improving the perception and attitude of stakeholders toward the partnership, and providing a mediation platform on contentious issues.

70. In the past, the GEF has relied mostly on the policies and approaches of its implementing agencies to deal with such issues. The assumption was that dissatisfaction would be mainly about the execution of projects and their resolution and would be best handled by the entity that is implementing a given project. Initially, the three implementing agencies, the World Bank, UNEP and UNDP, used their internal mechanisms that are carefully structured. The addition of seven other agencies in 2007 did not alter the approach, all the new agencies being either UN entities or multilateral development banks with reputable dispute settlement policies and procedures.

¹⁵ **Number of Complaints and Conflicts**

Since the process of recording of the data started, about 150 cases have been documented. Some 45 serious cases required special attention. Complainants included government officials, GEF operational focal points, communities and private sector representatives. Although not officially recorded, there have been opportunities to hear grievances raised by Convention Focal Points.

Conflicts vs. Complaints

Conflicts and disputes are a state of opposition, disagreement or incompatibility between two or more people or groups of people. A conflict is generally a long-term disagreement between them, which usually takes longer to resolve until the solution is approved by one or all parties. A dispute is a short term disagreement that is relatively easy to resolve as the different parties try to find common grounds.

71. Over the years and as part of their drive to become more receptive, agencies have continuously worked to improve their internal procedures to respond to the overall challenges they face in providing assistance to the recipient countries. GEF matters were handled in this broader sense.

72. Despite these efforts, there are complaints about the GEF. As there was no clear framework to settle disputes among the GEF stakeholders and limited mediation facilitation, conflict resolution was introduced as an integral part of the GEF reform. The Conflict Resolution Commissioner is an independent voice who reports directly to the CEO. In this role, the incumbent works directly with member countries and agencies to help resolve disputes and address complaints and other issues of importance to GEF operations. Through the Commissioner, the CEO aims to expand feedback and interject a more timely response on GEF-funded projects. As to the Commissioner, his critical mission is to help create an atmosphere of trust and confidence in the GEF family.

Results for FY2009 show:

- among the conflict cases directed to the CEO's attention, about 85% were successfully resolved with approximately 15% still in progress.
- among the cases complaints directed to the CEO's attention, about 75% were successfully resolved with approximately 25% still in progress.
- the Conflict of Interests standards and the draft document of the public disclosure policy are both being completed.

LEARNING AND GOOD PRACTICES

73. Learning and knowledge uptake is a key component of RBM. The AMR is an important vehicle for sharing lessons and good practices across countries, regions, agencies and focal areas. This section provides portfolio lessons as well as insights with regards to projects' catalytic effect compiled from Agency Overview reports (<http://www.thegef.org/gef/node/1440>).

74. Insights on the *Catalytic Role of the GEF*

- The *GEF-Biodiversity portfolio* has supported inter-linkages with other focal areas, which expanded the scope of project impact to include environment and development results. Such interventions contribute to mitigation and adaptation to climate change, and support combating desertification and land degradation.
- The *GEF-Climate Change portfolio* has been instrumental in leveraging additional financing and catalyzing support to improve the efficiency of energy use, the scope of renewable energy generation, the advancement of low-carbon technologies and low-carbon transport, as well as to reduce developing countries' vulnerabilities to the adverse impacts of climate change and increase their adaptive capacities.
- The *GEF-International Waters portfolio* has been influential in the adoption of a comprehensive approach to shared water basin resource management and marine resources, and in incorporating communities and local organizations into project design and implementation.
- The *GEF-Land Degradation portfolio* demonstrates an increasing relevance and increased need for incremental financing to generate the multiple environmental benefits that can be gained from production landscapes. The Integrated Ecosystem Approach has played an important role in leveraging GEF's catalytic effect, including the use of multifocal area linkages for synergy and cost effectiveness.
- The *GEF-Persistent Organic Pollutants portfolio* plays a key role in helping partner countries address global environmental issues that would otherwise be largely overlooked and, in doing so, is helping these countries adopt new techniques and practices to protect also human health and the local environment.

Focal Area Implementation Lessons

75. A summary of **Biodiversity Diversity portfolio** implementation lessons include:

- Local capacity to facilitate the development of biodiversity markets is important. Projects introducing new financial instruments require realistic

approaches and planning, as they often entail complex procedures.

- Multi-country projects require additional management. Projects involving more than one country require more intensive management than single country projects with the same budget.
- Harnessing market forces – including for example environmental certification and fair trade systems -may provide an impetus for business engagement as international markets can be a potent agent for change. Ensuring financial sustainability for continued revenue generation and expansion is also important.
- It is a challenge is to identify ‘win-win’ solutions in which production enterprises benefit and biodiversity is maintained. It is important to continue allocating resources and encouraging leader organizations to facilitate training programs to capitalize on portfolio achievements to ensure longer-term impacts and sustainability.
- The process to empower local organizations requires time, often outside of the time period of the current project cycle. Economic support and technical assistance for both private and public sector organizations should be an on-going focus for future GEF projects.

76. A summary of **Chemicals (Ozone Depletion and Persistent Organic Pollutants)** portfolio lessons include:

- There are still too few POPs projects under implementation to draw portfolio-wide lessons, but some early observations can be made at this stage.
- As a general observation, there is a large disparity in the format, quantity, and detail of information provided by the different agencies. This complicates the analysis and monitoring of the portfolio across agencies.
- General lessons drawn from other focal areas, regarding for example political commitment or the capacity of the executing agency, fully apply.
- POPs are typically cross-sectoral issues that implicate a number of sectoral ministries. The portfolio includes a number of interesting instances where the ministry of health or agriculture, for example, is a key stakeholder.
- The private sector is active in a number of POPs projects but the PIRs themselves provide little information on these experiences since they typically fall outside the immediate responsibility of the agency completing the PIR.

77. A summary of **Climate Change Mitigation and Adaptation** portfolio implementation lessons include:

- Projects must focus on economic viability to ensure sustainability. In order to attract additional investment, gain the interest of international and local financial institutions, companies, and even the general public, there must be a focus on the economic viability of projects.

- Complete assessment of countries' financial markets should be conducted before integrating into project design financial components which might enhance risks due to limited participation from local financial institutions or existing national governance structures.
- It is important to create links with other country initiatives to promote and replicate environmentally sound technologies. In Mexico, such coordination with already ongoing initiatives has allowed for the development of technical norms, and an increase in the level of outreach and capacity building which ultimately resulted in more photovoltaic on-grid system installations.

78. A summary of **International Waters** portfolio implementation lessons include:

- Key factors that improve outcome sustainability include binding legal frameworks, Commissions, and other regional coordinating mechanisms, in addition to political will.
- It is critical to reduce the time between pipeline entry and project start-up to avoid loss of momentum.
- Project M&E design, including baselines, formulation and measurement of reliable indicators, requires considerable attention. M&E approaches should be designed in a participatory manner with agreement on specific M&E plan components, tools, and indicators. Training is necessary for project partners who are not familiar with M&E processes.

79. A summary of **Land Degradation** portfolio implementation lessons include:

- Best practices cover capacity building, stakeholder involvement and ownership, financial management and co-financing, institutional arrangements, including project governance and partnerships with key government departments and other organizations to achieve environmental benefits.
- It is essential to establish vertical linkages between local level actions and policy making processes. These linkages create enabling conditions for sustainable land management at both local and national levels.
- Working with non-traditional land management sectors, such as Planning, Finance and Transport, can help align conflicting land-use plans and raise more co-financing to support sustainable land management; this, in turn, will lead to greater impacts on-the-ground.
- Adaptive management should be encouraged as a tool to help meet new demands and emerging priorities – such as adaptation to climate change and variability of land-management systems -that arise during implementation.

Results Based Management Implementation Issues

80. The GEF is at an early stage of implementing RBM, and while a number of processes are in place, there still needs to be more clarity on how RBM tools can better support the work of the GEF. The following issues have been identified during the synthesis of

results from PIRs, the Agency Overview Reports and the Focal Area Tracking Tools for the 2009 annual monitoring exercise.

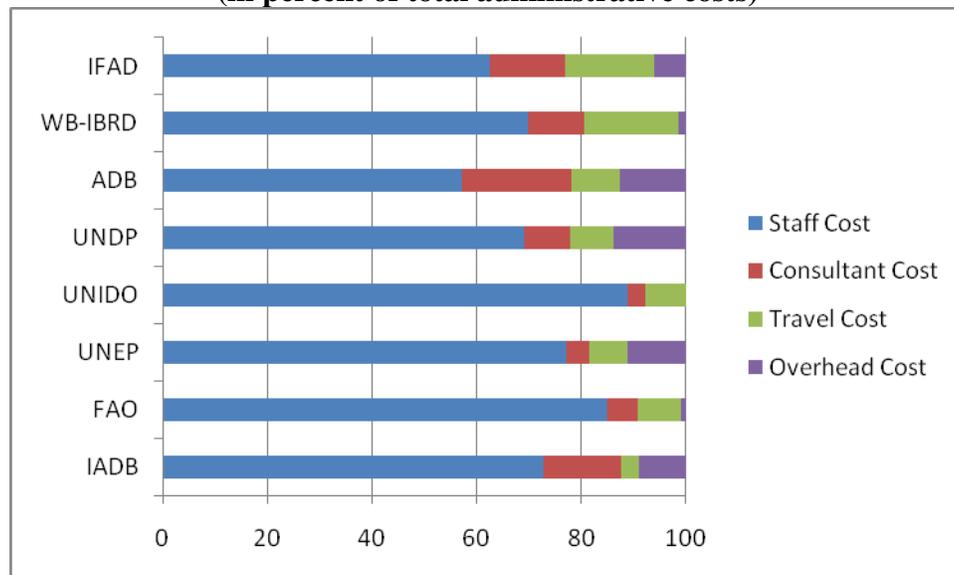
- (a) The role of the Secretariat in monitoring for accountability and management purposes requires better definition. Specifically, there needs to be more clarity in tracking performance at the portfolio level.
- (b) Efforts are still needed to define a simple set of core indicators by focal area, with clear targets in order to be able to consistently report meaningful progress towards objectives for different replenishment periods. There are a number of difficulties in reporting progress against key targets for the different GEF replenishment cohort of projects, including:
 - i. the targets for GEF-3 and GEF-4, although roughly comparable, are different;
 - ii. the projects currently under implementation cover four GEF replenishments;
 - iii. some GEF-3 projects that would contribute to the cumulative impact of a replenishment period (GEF-3 for examples), are already closed and therefore do not appear here.
- (c) PIRs do not always contain the data requested in the prescribed format (e.g. co-financing).
- (d) There tends to be an over-emphasis on self-reporting of results, with insufficient attention to reporting against standardized measurement norms. However, it is encouraging that the majority of GEF funded projects appear to be performing satisfactorily, with the overwhelming majority being rated MS or higher.

ADMINISTRATIVE EXPENSES

81. GEF Agencies agreed to start annual reporting of their administrative costs from July to June of each year, following the Fiscal Year. As presented in the Council document *Guidelines for Agencies' Reporting of Administrative Expenses* (November 2008, GEF/C.34/Inf.8), Agencies agreed to submit their first annual report covering FY2009 to the Secretariat together with their annual project implementation reports for FY2009. Each Agency's report is included in Annex 7.

82. Since this is the first year the Secretariat has collected data from Agencies on administrative costs, it is difficult to draw any definitive conclusions. From this first exercise the majority of costs (over 60%) in each agency go toward staffing. The amount spent in other categories differs by Agency (see Figure 14 below). In the future, the Secretariat may provide further analysis on these costs.

**Figure 14: FY2009 - Administrative Cost Breakdown by Agency
(in percent of total administrative costs)**



Source: Agency Submissions

MOVING FORWARD

83. As the GEF learns from its experience and continues to strengthen RBM and portfolio monitoring, it is important to ensure that the GEF policy framework supports an integrated approach to results measurement. A number of steps are underway to strengthen these accountability and management tools.

84. The revision of the M&E policy is scheduled for presentation at the November 2010 Council meeting, and will be carried out in collaboration with the GEF Evaluation Office and the Agencies. This revision will provide a valuable opportunity to structure portfolio monitoring around the GEF results framework and clearly define the Secretariat's and Agencies' responsibilities for portfolio monitoring.

85. Portfolio monitoring responsibilities inside the Secretariat should include:

- (a) Tracking the cohort of projects at risk in any given fiscal year and trends across years;
- (b) Updating tools and systems to capture standardized information. For example, the GEF Secretariat should consider undertaking:
 - i. a review of projects that are delayed after endorsement and are thus not captured by the current PIR system. It is suggested that the PIR guidelines should be adjusted to monitor the timely progress of the whole portfolio, including endorsed projects;
 - ii. an analysis of the reasons for delay in both starting and finishing endorsed projects is needed as projects are apparently slower to start and finish implementation and close than in the expected timelines;
- (c) Undertaking reviews to track monitoring and learning questions. The Secretariat is in the early stage of piloting a learning review process, which includes a desk review of issues leading to a small number of selected field missions. The review process aims to answer specific portfolio learning questions that would partly relate to monitoring issues. This would be expanded in GEF-5 if the pilot proves successful. These reviews would also support policy and strategy development.

86. Core indicators and targets must become a standard part of all project log frames, all focal area tracking tools and the annual PIR. For example, in biodiversity, all log frames include the key indicators that are part of the tracking tools as well as indicators specific to each project. The Secretariat will need to review these tools in partnership with GEF agencies providing specific guidance on how often and when to measure core results indicators. Updates to these tools will be put in place in time for GEF-5.

87. The Secretariat will emphasize the establishment of the IT infrastructure that will allow for analysis of data collected through the tracking tools.

88. The GEFSEC is hiring a consultant to develop results and implementation guidance for inclusion of socioeconomic benefits, including measurement of such benefits and with respect to gender. This work is a follow up to a recommendation coming from the OPS-4.

ANNEXES

Annex 1: Climate Change Focal Area Analysis

Introduction

Over the course of 2008, the GEF Climate Change focal area in collaboration with the Implementing Agencies developed the first set of monitoring indicators for tracking the performance of its energy efficiency, renewable energy, and sustainable transport projects. In 2009, a results based management framework and a set of indicators were developed to measure the achievements and the success of climate change adaptation projects. This framework will be applied to all adaptation projects starting with fiscal year (FY) 2010. The adaptation results-based management (RBM) system will allow the GEF to monitor its achievements in assisting developing countries to become climate resilient by promoting both immediate and longer-term adaptation measures.

During the last two annual monitoring exercises of 2008 and 2009, the agencies have applied the relevant indicators and measured the performance of the climate change mitigation projects. The metrics were reported to the GEF Secretariat as part of the project implementation reports (PIRs) on an annual basis and were then analyzed and aggregated at a portfolio level. Over the 2009 PIR period, the lessons learned from the AMR 2008 were taken into account in further enhancing the indicators and monitoring processes as part of the new RBM and Knowledge Management (KM) initiatives taking place at the GEF in preparation for GEF-5. This work was done in collaboration with the agencies and Scientific and Technical Advisory Panel (STAP). As part of this process the indicators and methodologies for assessing the sustainable transport and adaptation projects were given a strong emphasis.

GEF-4 Monitoring Indicators

The AMR 2009 submissions included data on projects' progress in achieving their targets on relevant indicators. However, data reported on climate change monitoring indicators remains incomplete for many individual projects due to:

- (i) The nature of climate change mitigation projects which is such that most of the quantitative results/targets (e.g. tons of carbon dioxide (CO₂) emissions reduced) are only achieved towards the end of projects' implementation and after projects' completion, and
- (ii) Non-reporting on requested indicators by the implementing agencies.

As a result, it is difficult to capture full progress towards targets and achievements to date of the overall GEF climate change mitigation portfolio. The GEF is currently working on

improving its monitoring and reporting standards which should enable more accurate measurement of results with respect to portfolio and project targets.

The AMR 2009 climate change mitigation and adaptation¹⁶ PIR project cohort was submitted by six agencies: World Bank, UNDP, UNEP, ADB, IADB, and IFC. All projects that have been under implementation for more than a year after project approval should complete a PIR.

The PIR project cohort comprised of 147 climate change adaptation and mitigation projects. The total GEF grant funding, including project preparation grants, for these projects is \$US 928 million with an additional co-financing commitments of \$US 5.97 billion – ratio of 1:6 - and a combined investment of \$US 6.89 billion.

The 2009 PIR cohort of projects has assisted countries in making progress towards achieving global environmental goals as outlined in climate change focal area objectives. However, due to incomplete reporting on the requested set of climate change indicators and the general nature of the climate change mitigation projects, the results reported by projects this year, especially those on CO₂ emissions reductions, *under-report the actual results achieved* by 2009 PIR cohort of projects. For example, out of 133 mitigation projects under implementation during fiscal year 2009 that were expected to generate reductions of CO₂ emissions, only 72 (54%) reported on the achieved cumulative greenhouse gas emissions reductions. The project cohort that reported on this indicator consisted mainly of GEF-2 and GEF-3 projects, with only 3 GEF-1 and 2 GEF-4 projects. The total reported number amounts to direct emissions reductions of 239 million tons of CO₂ equivalent. It is important to highlight that, as the older projects in this cohort move towards project completion and as the GEF investments begin to generate catalytic effect in the market, the CO₂ emission reductions achievements will increase. When compared to the total expected target on the amount of emission reductions that were set out in this project cohort's final and approved project documents, i.e. a target to reduce 421 million tons of CO₂ emissions, the achievement of reducing 239 million tons of CO₂ emissions shows that 57% of the target emission reductions have been accomplished. This achievement demonstrates that most of the projects that reported on their results have been effective in abating emissions. Furthermore, most of the projects are still under implementation. As mitigation projects are inherently heavy-tailed in producing results, more results are to be expected from these projects.

In addition to reporting on portfolio-level indicators of CO₂ emission reductions, the 2009 PIRs have reported on indicators that are relevant to the strategic program under which the projects are being implemented – the aggregated results are presented in the table below. It is important to note that, as is the case of results for CO₂ emission reductions, there is inconsistent reporting on the rest of the monitoring indicators. Although it is the case that some projects do not report on the required set of indicators due to the fact that they have not yet reached the stage of implementation at which the

¹⁶ Projects under the Strategic Priority on Adaptation (SPA). LDCF and SCCF adaptation projects are not examined here.

requested results can be provided, it is also true that many of the PIRs submitted lack any reference to the specific GEF climate change mitigation monitoring indicators. Such non-reporting makes it difficult to aggregate at portfolio level the actual results that the projects have achieved. Over the course of the next fiscal year and GEF-5 it will, therefore, be the objective of the GEF to make sure that project level reporting on the required monitoring indicators becomes more consistent.

On the adaptation side, the SPA projects included more than 8 sector interventions in 28 countries with an attempt to increase countries' adaptive capacities and reduce their vulnerability to climate change.

1.General Performance Overview

The majority of projects (37 projects) of the 2009 PIR cohort were located in East Asia and Pacific (EAP) region and represented 32% of GEF's total PIR 2009 project cohort financing (Figure 1). The EAP region was followed by Latin America and the Caribbean region (32 projects representing 17% of GEF financing) and the Africa region (28 projects representing 13% of GEF financing).

In terms of portfolio performance, the 2009 PIR cohort projects were rated on the performance towards meeting the project objective and making implementation progress. In 2009, 90% of the projects were rated marginally satisfactory or above in the likelihood of achieving project development objectives. Out of this, 50% were rated satisfactory (S), 32% marginally satisfactory (MS) and 8% highly satisfactory (HS) (Figure 2). This exceeds the GEF target of having 70% of projects rated as MS or above.

Table 1: Performance Indicator Results Reported for 2009 PIR Project Cohort

Performance Indicator	Value
<i>Portfolio-level</i>	
Cumulative direct CO₂ reduction :Emissions avoided since start of projects (million tons CO ₂) ¹⁷	239
Market transformations: Number of markets that the projects have influenced, developed or transformed	295
<i>GEF-4 SP 1: Promoting energy-efficient buildings and appliances</i>	
Enabling policy environment: Drafting, adoption and enforcement of policies and legislative measures contributing to enabling environments ¹⁸	3
Energy savings: Quantity of energy saved (million MWh saved)	378.9
<i>GEF-4 SP 2: Promoting industrial energy efficiency</i>	
Volume of investments: Volume of investments undertaken related to energy efficiency measures as a result of direct intervention of the GEF project (billion \$US invested)	1.04
Energy savings: Quantity of energy saved (million MWh saved)	47.4
<i>GEF-3 SP 2: Access to local sources of financing</i>	
Local financing leveraged: Number of financial institutions (lending for) or (expressing interest in lending for) renewable energy investments beyond those doing so at the time of project initiation.	88
Energy Savings: Quantity of energy produced (million MWh/year)	0.61

¹⁷ Estimations done by the implementing agencies using the *Manual For Calculating GHG Benefits of GEF Projects: Energy Efficiency and Renewable Energy Projects*, GEF/C.33/Inf.18, 2008

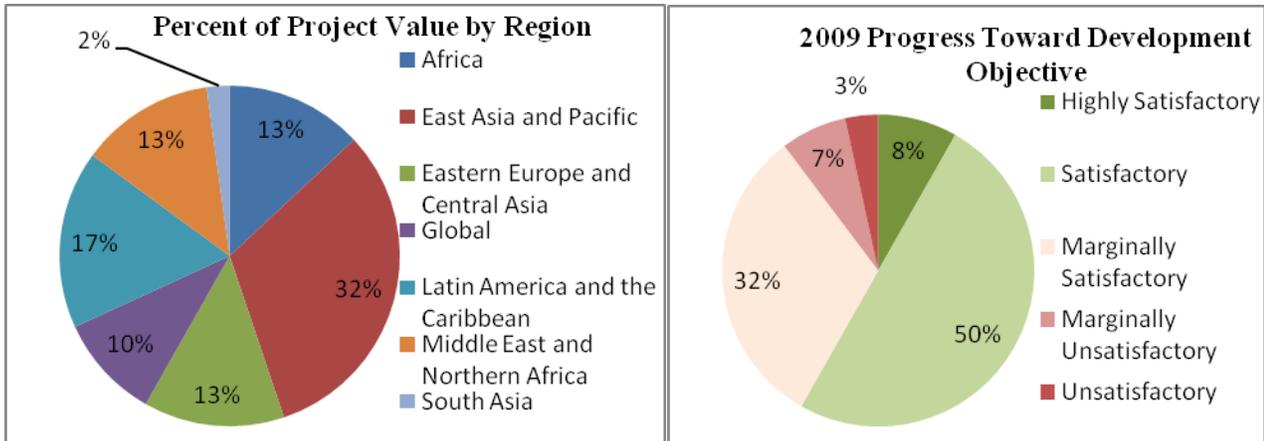
¹⁸ Rating is done on scale of 0 to 4, with “0” being no achievement of the outcome and “4” being complete achievement of all the steps. 0- No standards are in place – may have been discussed; 1- Standards may have been discussed and formally proposed; 2-Standards have been formally proposed but not adopted; 3-Standards have been formally adopted, but have no enforcement mechanism exists; 4-Standards are adopted and have enforcement mechanism.

<i>GEF-4 SP 3: Promoting on-grid renewable energy</i>	
Enabling policy environment: Adoption/creation/enactment/ of policy for on-grid renewable energy (scale of 0 to 4) ¹⁹	3
Electricity generated from on-grid renewable sources: Electricity production in the reporting period from grid-connected renewable energy installations installed under the influence of the project (million MWh /year)	165.7
<i>GEF-3 SP 4: Productive uses of renewable energy</i>	
Increased access to renewable energy: Number of businesses and households served by renewable energy beyond those receiving service at the time of project inception (million units)	1.2
Electricity generated from renewable sources: Electricity production in the reporting period from rural renewable energy installations installed under the influence of the project (million MWh / year)	0.48
<i>OP 7: Advanced low GHG emitting energy projects (GEF-3)</i>	
Stakeholder interest in new technology: Growth in interest in the selected technologies, as measured by the number of stakeholders (public or private enterprises) indicating interest in procuring or supplying the technology.	368
Electricity generated from on-grid renewable sources: Annual electricity production from grid-connected renewable energies that were installed under the influence of the project (million MWh / year)	0.0025
<i>GEF-4 SP 5: Promoting Sustainable Transport</i>	
Enabling policy environment: Adoption/creation/enactment/ of sustainable transport policy (scale 0 to 4) ²⁰	3
Annual person-trips on sustainable transport options: Number of annual person-trips taken on sustainable transport options promoted under project (million person-trips)	5.8

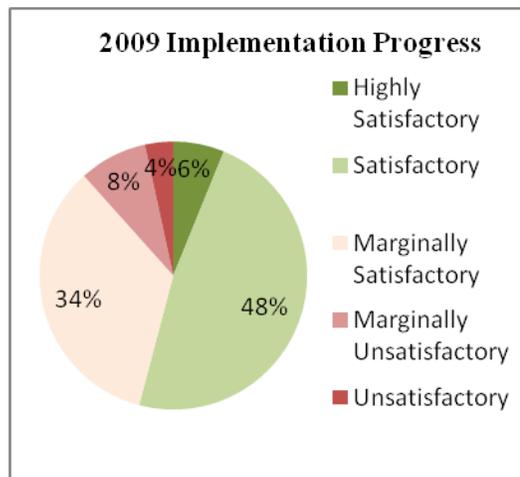
¹⁹ Ibid.

²⁰ Ibid.

**Figure 1 and Figure2
(by number of projects)**



**Figure 3
(by number of projects)**



On the progress towards implementation, 88% were ranked marginally satisfactory or above. With 48% rated as S, 34% as MS and 6% as HS (Figure 3). As in the case of development objectives progress ratings, they also exceed the GEF target of having 70% of the projects rated as MS or above.

Project Highlights: Best practice examples

The 2009 AMR exercise includes numerous climate change mitigation projects which provided good practice examples and lessons learned. A sample of these is presented below in accordance with GEF climate change focal area strategic programs.

Removal of Barriers Energy Efficiency and Energy Conservation

Efficient use of energy is essential to reducing greenhouse gas (GHG) emissions and stimulating further economic development. GEF promotes energy efficiency by enabling work with regulatory institutions on reforming policies and regulations, as well as by facilitating transfer of energy-efficient and cost-effective technologies and practices. In addition, GEF assists countries with market transformation of energy-efficient appliances and adoption of energy-efficient technologies in various economic sectors.

Removing Barriers to Improving Energy Efficiency of the Residential and Service Sectors in Croatia is an energy efficiency project implemented by UNDP. This project has been rated as successful in working with two thirds of the cities, counties and ministries in Croatia to (a) introduce systematic energy management in buildings; (b) educate civil servants; and (c) to establish systems for monitoring and reporting on energy consumption, end-use efficiency and GHG emissions reduction.

The project implementation has so far resulted in a 15% increase in household compact fluorescent lights (CFLs) use, nearly an 8% increase in energy efficient home appliance adoption and over a 10% increase in energy-efficient glass windows. In addition, the project has leveraged over \$US 23 million in new investments.

Another example is the IFC-implemented **Global Efficient Lighting Initiative Tranches I and II (ELI)**. The project's work with a number of countries to promote high quality compact fluorescent light bulbs resulted in a large-scale adoption of standards. Following this, countries began the process of phasing out of incandescent bulbs. As a result of this project, ELI logo and standards have provided the basis for higher quality CFLs being produced and marketed around the world.

Both the UNDP Croatia and the IFC ELI projects have also been exemplary during the FY2009 reporting period in terms of making progress on development objectives and implementation progress. Whereas the UNDP Croatia project has received a HS ranking on both of the criteria, the IFC ELI project was ranked as HS on achieving development objectives and as S on its implementation progress.

Finally, with US\$ 16.5 million of GEF support, the IFC China Utility-Based Energy Efficiency Finance Program (CHUEE) has been a successful project. CHUEE has recruited three partner banks and helped those banks disburse US\$ 540 million in energy efficiency loans to 107 energy efficiency projects, mobilizing US\$ 984 million in private and public investments for energy efficiency and renewable energy sector. The projects are expected to reduce 14.3 million tons of CO₂ equivalent on an annual basis. CHUEE trained over 1,200 existing partner banks' staff and provided 6 public trainings to more than 570 participants from energy service companies, equipment suppliers and other partner stakeholders. In addition, CHUEE helped the China Banking Regulatory Commission (CBRC) to promote capacity building activities and has contributed to five industrial and regional energy efficiency market studies targeted at bank partners and other potential investors. In reaching its project objectives, CHUEE has exceeded

its targets on facilitating financing and avoiding GHG emissions. Such results have contributed to the project's HS rating.

Promoting the Adoption of Renewable Energy by Removing Barriers and Reducing Implementation Costs

The renewable energy sector is the one energy sector that stands out for its ability to reduce GHG emissions and exploit local and decentralized energy sources – wind, solar, hydro-electric, tidal geothermal, and biomass. Through its investments, the GEF has not only helped developing countries remove barriers to establishing renewable energy markets, create enabling policy frameworks, and build capacity, but to also promote transfer of renewable energy technologies and establish financial mechanisms to make renewable energy more affordable.

The World Bank **Uganda Energy for Rural transformation(I)** project has been catalytic in creating enabling environment that allowed GEF investments to extend beyond the original expectations. The project went above the initially proposed targets for both renewable energy generation and photovoltaic (PV) dissemination. These achievements can be attributed to the early success in formulating and implementing renewable energy policy. In addition, use of appropriate adaptive management techniques, in response to the Ugandan power crisis, allowed for a purchase and dissemination of 800 thousand CFLs which, in turn, resulted in 40 MW load reduction from the electricity system as well as the related GHG emission reductions.

The UNDP **Uruguay Wind Energy Programme (UWEP)** has been highly successful in assisting the Government of Uruguay in its promotion of wind energy in the country. Through its capacity building activities the project has helped to hire trained engineers and economists to government positions. Through the project's investment component, a state owned 10 MW wind farm has been constructed and is already in operation. Furthermore, a bid for an additional 150 MW of renewable energy (of which 60 MW is wind) is under preparation with the support of the project. The project has also been essential in providing technical and political support for wind energy development in the country and has contributed to national capacity building.

Lastly, over FY2009, the UNDP Uruguay project has been exemplary in terms of making progress on its Development Objectives and Implementation Progress, receiving the respective rankings of HS and S.

Promoting Environmentally Sustainable Transport

The transport sector is the fastest growing global source for GHG emissions. As a result, in addressing climate change there needs to be a transformation of transportation policies and practices worldwide. GEF's support to the transport sector has, therefore, focused on technological solutions, planning, modal shifts to low-GHG-intensive transport modes, as well as promoting of better managed public transit systems.

The **Mexico Climate Measures in Transport** project of the World Bank has been seen as catalytic in leading towards the adoption of a climate action plan for Mexico City and systematic reform of Mexico City's public transport system. This initiative laid the foundation for the implementation of the Metrobus Bus, which operates over 50 km of dedicated bus lanes in Mexico City, resulting in significant reduction of GHG emissions. The project also provided a base for a much larger national program focusing on improving public transport in all Mexican

cities. Presently, this initiative represents one of the most impressive projects on improving mobility and reducing GHG emissions in the transport sector.

The UNDP *Demonstration for Fuel Cell Bus Commercialization in China* (Phase II) has reported success in allowing for 93,600 person trips per year on the sustainable transport options promoted under the project's Phase I. Although the project encountered a budgetary shortfall in late 2008 (under Phase II), when the financing available for the purchase of fuel cell buses (FCB) was only sufficient to cover the costs of 4 units, an agreement has now been reached with the Shanghai local government to provide capital for the purchase of two additional buses. Overall, the project implementation has been ranked as satisfactory delivering on its annual targets and expected outputs.

Adaptation

GEF climate change adaptation interventions under the SPA focus on supporting developing countries in reducing vulnerability and increasing the adaptive capacity to respond to the adverse impacts of climate change. The SPA has been a groundbreaking initiative because up until its establishment multilateral and bilateral organizations had mainly focused on research, assessments, and screening tools, rather than on-the-ground adaptation interventions. Through this program, the GEF has financed the first concrete adaptation projects.

Among successfully implemented SPA projects of the 2009 PIR cohort is the UNDP *Lake Balaton Integrated Vulnerability Assessment, Early Warning and Adaptation Strategies* project in **Hungary**. This project has been successful in producing a vulnerability assessment, climate scenarios, and models. The SWAT database and tool was presented to local water authorities and the adaptation indicators have been incorporated into environmental management programs and water management plans. To date, the elaboration of a municipal-level climate change strategy is still being developed. However, shoreline rehabilitation programs and sewage treatment projects have been granted, and adaptation aspects have been incorporated into the evaluation process of proposals through the scoring system of regional tourism development grants.

The World Bank **Columbia** *Integrated National Adaptation Plan: High Mountain Ecosystems, Colombia's Caribbean Insular Areas and Human Health (INAP)* project supports the country's efforts to define adaptation measures and policy options to meet the expected impacts of climate change. The project efforts have focused on high mountain ecosystems, insular areas and on health concerns related to the expansion of areas for vectors linked to malaria and dengue.

During 2009 PIR the project has undergone through a mid-term review and was rated satisfactorily on both reaching its development objectives and progress in its implementation. The project has made concrete progress in piloting adaptation activities. High degree of participation of entities and institutions throughout the country has been achieved and this is being translated into additional projects and counterpart funds provided by the National Government.

Several of the project's pilot activities have been successfully put to operation. For example, the climate stations have been installed and are working well, water and carbon cycle measurements are regularly being taken, the marine monitoring stations have been established to monitor changes in the coastal zone, and considerable progress has been reported in the development of the models underpinning the Early Warning Systems. In addition, a water supply system in San

Andres to address stressed aquifers has been established. Finally, monitoring stations have been established in the high altitude moorland near Chingaza. As such, this project is seen as the first GEF-supported project that will provide any evidence on the potential success of adaptation activities on the ground.

2. Conclusions

Major general observations and lessons learned highlighted through the 2009 PIR process are summarized below:

- Country commitment is critical to the success of a project. Beyond a simple “expression of interest” from the country, the project activities should be well choreographed and strategically linked, at the design stage, to national development and energy strategies. National entities, institutions, and other relevant counterparts should be involved and committed during the project design and implementation stages.
- Defining the right execution arrangements is very important for successful project implementation. The executing agency must be chosen carefully and the project management unit should be well-dimensioned. The inception phase is critical and affects overall implementation, thus an adequate inception report should be given full attention.
- Partnerships are pivotal to project success and to improve the project’s long-term impacts, but the agreements among all projects partners should be elaborated during the project preparation phase. Working with the private sector is key to insure market transformations but the needs, views and requirement of the private sector have to be taken into account carefully in developing project designs.
- Regional / multi-country projects face more risks and uncertainty due to the multiplication of stakeholders and difficulties in having the countries work together. Serious mitigation measures must be taken in these cases, especially to simplify the decision process and to choose the right executing partners.
- To secure continuity and sustainability of the projects’ achievements, project design and implementation should focus on economic viability, should include exit strategies and should build on lessons learned from former projects.
- Early formulation and implementation of energy efficiency, renewable energy, sustainable transport policies, regulations and plans through GEF projects have proven to be successful in creating enabling environments that allowed related GEF investments to extend far beyond original expectations, and thus being really catalytic.
- In the financial sector, in most cases a small amount of risk coverage provided with GEF funding allows banks in developing countries to enter into new lines of renewable and energy efficiency lending. However, assessment of countries’ financial market should be conducted before integrating into project design financial components which might result “at risk” due to limited participation from local financial institutions or existing national governance structures.

Overall, the 2009 AMR exercise demonstrated the existence of a number of successful stories and useful lessons learned from the project cohort. These lessons and the specific recommendations received from the Agencies will be used to inform and strengthen the design and review processes of future project proposals, the refinement of monitoring indicators for the Climate Change focal area, and the further development of the GEF’s knowledge management functions.

Annex 2: International Waters Focal Area Analysis

I. Replenishment Targets for GEF3 and GEF4

1. This section reports on progress toward focal area targets presented in the GEF-3 and GEF-4 Replenishments. Table 1 illustrates the GEF-3 programming results while Table 2 presents a similar framework for GEF-4 results. The tables present various coverage indicators included in the Replenishment documents in the first column while the second column shows the potential coverage based on Council approved projects during that Replenishment. The two tables show that agencies have committed to fully meet and actually exceed the Replenishment targets with Council-approved projects, and now there needs to be tracking year-by-year to see if the results are achieved on-the-ground.

2. Table 1 presents the results for GEF-3 projects. The bar charts of Attachment 1 show that for most of the indicators in Table 2 are on track for being met. For example, Strategic Action Programs for management frameworks for action were to be agreed for at least 11 transboundary waterbodies with GEF-3 funding.

Table 1: GEF-3 International Waters Replenishment Targets

Replenishment Targets for IW GEF-3 (coverage)		
TARGETS	Council Approved	Results achieved so far.
Co-finance ratio: 1:3	GEF US\$ 329.5 million / Co-finance US\$ 1.78 billion (178% of Target)	
Global Coverage: At least 11 Transboundary Waterbodies with management framework of priority actions agreed by riparian; 10-20 countries.	12 water bodies (109% of Target) 66 countries (330-660% of Target)	4 water bodies Rest on track based on GEF TTs
Agreed Joint Management Actions At least 17 countries with national policies, investments regulations, institutions, etc re-aligned to be consistent with agreed joint management actions	28 Countries with Joint Management Actions (165 % of Target) 9 single country investments towards management Actions. 19 countries with National Actions aligned with joint management actions	On track based on GEF-3 TTs
Regional Cooperation At least 8 Regional Bodies and management authorities with strengthened capacities	15 Regional Bodies/Organizations (188% of Target)	On track based on GEF TTs
Local Technological Development At least 12 countries with demonstration technologies and management practices viable under local conditions	28 National Demos (233% of Target)	Some demos on track, others unsure

3. So far, projects have delivered 4 SAPs agreed at ministerial levels with the 8 other projects projected to produce these agreed action programs reported to be on track toward intended results. The criteria used by agencies to fill in the GEF-3 and GEF-4 IW tracking tools are available at the GEF IW Knowledge Management and Learning website (www.iwlearn.net)--key word "tracking tools".

4. Table 2 illustrates the level of programming for GEF-4 projects toward GEF-4 Replenishment targets as of December 2009, with almost all GEF-4 IW funding having been utilized. All GEF-4 IW Replenishment Targets, according to Council approvals, should be met and in fact has been programmed to exceed targets by 107% to 220% for individual indicators. GEF-4 projects are still either in preparation in a few cases or in very early implementation for most projects with no reportable results yet. Confirmation of results will be reported in future PIR reports based on data reported by Agencies through GEF-4 IW Tracking Tool.

Table 2: GEF-4 International Waters Replenishment Targets

Replenishment Targets for IW GEF-4 (coverage)		
TARGETS	Council Approved	Results achieved so far.
Co-finance ratio:1:2	GEF US\$ 335 million / Co-finance US\$ 2.515 billion (375% of Target)	
Global Coverage: 6 New basins with agreed joint management program adopted, in 30 states	10 basins/aquifers (167%) 34 states (113%)	Too early
Implementation of Action Programs Measurable pollution reduction; water, fisheries improvements from implementing agreed joint action programs in 7 water bodies, 20 states and at least 2 strategic partnerships funded.	8 water bodies (114%) 38 countries (190%) 3 SP/IF (150%)	Too early
Agreed Joint Management Actions Water reforms adopted and measures implemented in at least 20 SIDS as part of demos for IWRA/GPA	20 SIDS (100%)	Too early
Local Technological Development At least 4 Groundwater, PTS, IWRM demo projects produce measurable results	11 demos (220%)	Too early
Adoption of Joint Management Programs Cumulative 15 LMEs (9 LMEs with joint programs adopted through GEF 3)	8 additional LMEs, with a Cumulative 17 LMEs	Too early

II. Program Level RBM--GEF IW Tracking Tool

5. Last year during the 2008 PIR process, some GEF agencies reported for the first time individual project results associated with the GEF-3 Replenishment targets with the simplified GEF-3 International Waters Tracking Tool (TT). This TT was developed and adopted by the GEF International Waters Task Force in order to support Results-based Management at the program level. During 2009, all agencies, have submitted the IW TT's, 42 in total, for GEF-3 projects and some GEF-4 projects. With GEF-4 projects just starting implementation, it is too soon to expect results that can be aggregated, so only the Replenishment targets are summarized for GEF-4 projects.

6. Attachment 1 contains bar charts summarizing program level reporting through the GEF-3 tracking tool. The general categories relate to the types of results included in the GEF-3 Replenishment and their targets. While the self-rating system that is used in the tracking tools can provide a general picture of whether the category of results is on track for achievement or not, the review of TT submissions shows that more information over the simplified TT is needed to track the specific type of result of each project and the status of that result versus the planned schedule for producing that result. This led to a discussion by the Task Force that an annex with more details on each project's progress toward ultimate results may need to be added to the GEF-3 and GEF-4 TTs, and some harmonization with new results expected for GEF 5 projects needs to be incorporated. This is a subject for Task Force discussion during 2010.

7. The results compiled from the tracking tools suggest that for all 3 SPs in GEF-3, achieving results in reforms and investments at the national/local level is challenging with mixed results. It also suggests that some results such as effective national inter-ministry committees may be reported in an overly optimistically manner. Adding an annex to the tracking tool can help provide more information on progress for each project toward concrete results so that these issues can be better understood during the 2010 PIR/AMR process. For 2009, the program level reporting on progress toward targets identified in the Replenishment documents and summarized in attachment 1 is used as a surrogate in the next section to determine progress toward expected results in the focal area. Section VI includes this analysis.

III. Agency Project Highlights

8. The GEF EBRD Environmental Credit Facility for Slovenia is highlighted as a successful project. GEF grant funding was accompanied by a loan to Slovenia and then off-lent through financial intermediaries to test the potential to leverage pollution reduction. The project funded more than 50 sub-projects (3 municipal Wastewater Treatment Plants (WWTP), 10 reconstructions of Industrial WWTPs, 14 new industrial WWTPs and 24 other industrial projects). The Credit Facility (US\$ 10 million GEF/US\$ 45 million co financing) was well planned, organized and carried out and offers a suite of good practices that can be applied in other regions. The mix of credit and grants made the Environmental Credit Facility appealing for smaller industries, municipalities and farmers to invest in water pollution reduction technologies. The Investments cumulatively annually treat 13 mil m³ wastewater; remove 2,800 tons of N and more than 30,700 tons of metals, just to mention a few of its direct outputs.

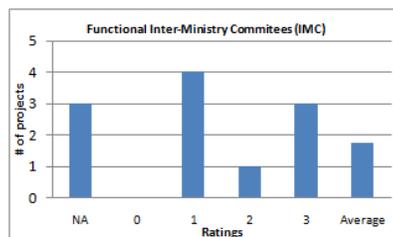
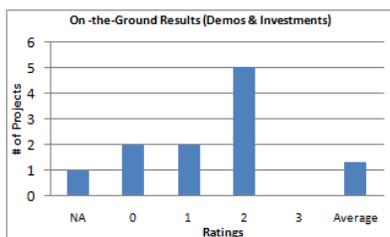
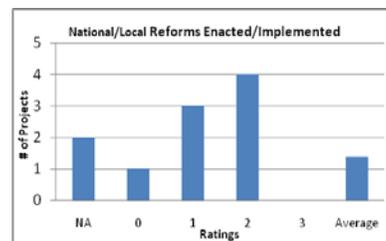
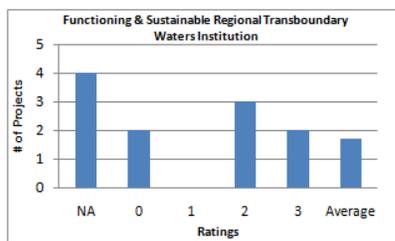
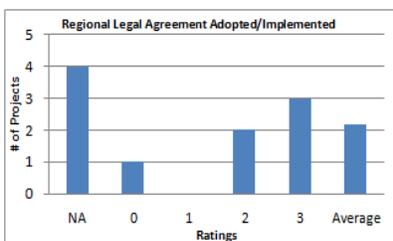
9. The GEF UNDP/World Bank project "Reversing Land and Water Degradation Trends in the Niger River Basin", which is reaching its final implementation stage in 9 countries of West and Central Africa, illustrates the catalytic role of the GEF to impact significant reforms at regional and national levels through implementation of national and local demonstration activities and the mobilization of other partners. The institutional results and the strong ownership at regional, national, and local levels have created a dynamic which no longer depends on the GEF project and has placed the transboundary water management institution and multi-state cooperative framework on a sustainable path. The Niger Basin Authority has deeply been reformed and mechanisms and tools have been implemented at regional and national levels (functioning national inter-ministry coordination committees, a new and ratified Niger Basin Water Charter, a Sustainable Development Action Plan--SDAP--adopted). The donor roundtable rose US\$ 1.378 billion in non-GEF funds to implement the SDAP for the next 20 years. The whole process is highly replicable for other basins and that two GEF agencies can work together according to comparative advantages to better serve countries.

10. The GEF UNEP project "Addressing Land-based Activities in the Western Indian Ocean" which has finalized negotiations on the new Protocol on Land-based Sources and Activities to the Nairobi Convention, finished its TDA and had it endorsed by the project Scientific Advisory Committee, and completed its SAP pending formal adoption by a combined Conference of Plenipotentiaries / Conference of Parties to the Nairobi Convention to be held in March 2010, illustrates good practice with regard to development of a more modern protocol of commitments to action for a regional cooperative framework (Nairobi Convention) as well as practical on-the-ground demonstration activities that have community pollution reduction and health benefits. Two demo examples are the low cost condominium system for community sewage collection in three wards of a town in Pemba, Tanzania diverting sewage to a wetland treatment system as well as a successful constructed wetland treatment system in Kenya.

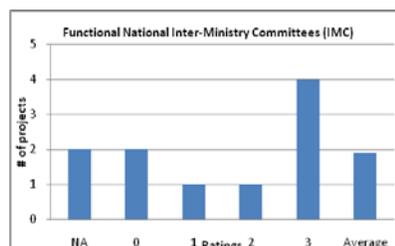
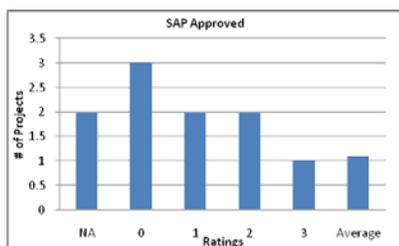
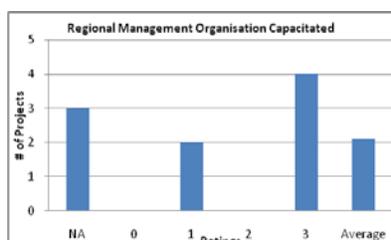
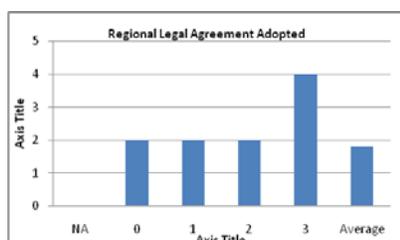
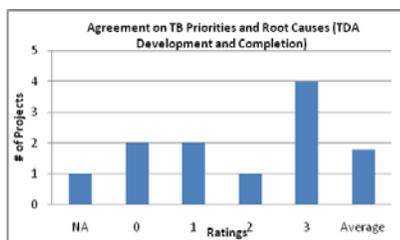
11. The GEF/World Bank "China: Hai Basin Integrated Water and Environmental Management" project has improved integrated water and environment management by building technical capacity and cooperation of the central, provincial and local governments in water and environment planning and management and by enhancing knowledge management skills of technical staff. As a result, the project has reduced pollution loads to the rivers (and to the Bohai Sea) and groundwater overdraft in the project areas of the North China Plain. The ratings for integrated water and environment management and knowledge management as well as project management components are "Highly Satisfactory" because of the substantial achievements made. Of particular note was the signing of the data-sharing agreement between the Ministry of Water Resources and the Ministry of Environment Protection, which was considered as a breakthrough in the history of cooperation between them. Also significant are the water savings from using satellite information to identify areas of over-irrigation of water and then targeting action to those areas. This new method of real water savings through management of evapo-transpiration will be applicable to all large countries with irrigation systems to improve environmental flows.

GEF-3 IW Tracking Tool analysis

Tracking Tool for Strategic Priority 1: Strategic Action Programme (SAP) Implementation (n=20)



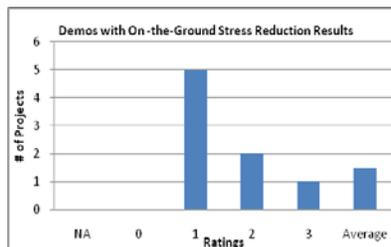
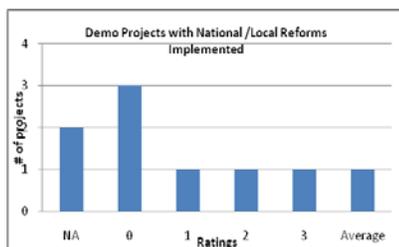
Tracking Tool for Strategic Priority 2: New Waters/Foundational Projects (n=11)



Tracking
Strategic

Tool for
Priority 3:

Innovative Demos (n=11)



Annex 3: Biodiversity Focal Area Analysis

I. Progress in Achieving Portfolio-level Outcomes from the PIR 2009 Project Cohort

1. As part of the GEF-3 document, *Strategic Business Planning: Direction and Targets* (GEF/C.21/Inf 11), a set of coverage and outcome indicators were agreed for the two primary biodiversity focal area strategic priorities during GEF-3: protected areas and sustainable use/biodiversity mainstreaming. At the end of GEF-3 programming, the coverage results achieved for GEF's primary strategic priorities in BD surpassed most targets.
2. In GEF-3, the biodiversity focal area began to apply a set of tracking tools to measure progress in achieving the targets and indicators established at the portfolio level. The tools are applied at work program inclusion (establishing the baseline), and at the mid-term and final evaluations. The indicators and targets were agreed in the GEF-3 business plan and are being tracked for all GEF-3 projects. A similar process is in place for tracking the GEF-4 output and outcome indicators at the portfolio level. Data from the GEF-3 project cohort will be aggregated for analysis of directional trends and patterns at a portfolio-wide level to both inform the strategic priorities of the GEF and to report to GEF Council on portfolio-level performance in the biodiversity focal area.
3. As part of the FY2009 PIR process the GEF Secretariat requested that GEF agencies submit the completed tracking tools for all projects undergoing a mid-term or final evaluation in FY2009. As part of the ongoing reporting to Council on the portfolio level results from GEF-3 for the FY2009 cohort are provided in Table 1 below.

Table 1: FY2009 Update on GEF-3 Project Cohort Contributions to the Biodiversity Outcome Targets in the Business Plan for GEF-3

Strategic Priority One For GEF-3: Catalyzing Sustainability of Protected Area Systems at National Levels	
Expected Impact: Improved management effectiveness of national PA system, and individual PAs which receive direct support over the long-term.	
Selected Performance indicators (outcomes) to be assessed at mid-term and final evaluation: X (Y %) ¹ of the PAs supported show improved management effectiveness against baseline scenarios	
Tracking Tool Results*	
<u>Mid-Term Evaluation</u> At the time of the FY2009 PIR, 57 protected areas were part of protected area projects that underwent a mid-term evaluation as reported by the GEF Agencies. This is 10 % of the number of protected areas supported in the GEF-3 cohort covering an area of 11,491,132 hectares, (8% of the GEF-3 cohort total in terms hectares covered). 50 (or 88%) of these protected areas demonstrated improved management effectiveness ² , two (or 4 %)	<u>Final Evaluation</u> At the time of the FY2009 PIR, 8 protected areas were part of protected area projects that underwent a final evaluation as reported by the GEF Agencies. This is slightly more than 1% of the number of protected areas being managed in the GEF-3 project cohort covering an area of 971,674 hectares, (slightly less than 1 % of the GEF-3 cohort in terms of hectares covered) Seven of these protected areas demonstrated improved management effectiveness. ³ One protected area did not establish

¹ During the GEF-3 replenishment no targets were set for any Focal Area outcomes

² A measured by Management Effectiveness Tracking Tool

showed no improvement, and 5 (or 8 %) regressed and demonstrated a negative trend.	an appropriate baseline value, and thus could not be judged.
The 50 sites that demonstrated improved management effectiveness covered an area of 11,199,815 hectares or 97 % of total coverage of the evaluated protected areas.	The seven sites that demonstrated improved management effectiveness covered an area of 811,674 hectares or 84% of total coverage of the evaluated protected areas.

***From Projects Submitting Mid-Term or Final Evaluations during FY2008 PIR Exercise**

Strategic Priority Two For GEF-3: Mainstreaming Biodiversity Conservation in Production Landscapes and Sectors

Expected Impact: (i) Produce biodiversity gains in production systems and buffer zones of protected areas and (ii) Biodiversity mainstreamed into sector programs of the IAs.

Selected Performance indicators (outcomes) to be assessed at mid-term and final evaluation: (i) X (Y %) projects supported in each sector have included incorporated biodiversity aspects into sector policies and plans at national and sub-national levels, adapted appropriate regulations and implement plans accordingly. (ii) X ha of production systems that contribute to biodiversity conservation or the sustainable use of its components against the baseline scenarios.

Tracking Tool Results*

<u>Mid-Term Evaluation</u>	<u>Final Evaluation</u>
<p>At the time of the FY2009 PIR, four mainstreaming projects underwent a mid-term evaluation as reported by the Agencies in the fiscal year.</p> <p>These four projects sought to mainstream BD into 20 production sector policies in 10 countries. The projects' progress on policy mainstreaming was assessed with the GEF tracking tool.⁴</p> <p>The projects have achieved a 75% success rate in supporting the development and implementation of regulations that incorporate biodiversity considerations into sectoral policy. In addition, the projects have achieved a success rate of 40% in having the enforcement of the regulations monitored independently.</p> <p>All four projects sought to change production systems with the following results thus far:</p> <ul style="list-style-type: none"> • Sustainable management of 222,300 hectares in Central Asia of agro-biodiversity (fruit and nut varieties and landraces, wild relatives of fruit and nuts). • Okavango Delta Management Plan developed and approved as overarching planning tool covering 1.5 million hectares. In addition, 	<p>At the time of the FY2009PIR, one mainstreaming project underwent a final evaluation as reported by the Agencies in the fiscal year.</p> <p>The project sought to mainstream BD into fisheries policy and as a result BD is mentioned in sector policy through specific legislation, regulations are in place to implement the legislation. In addition, 6,000 hectares of Siberian taimen habitat conserved (Mongolia)</p>

³ Ibid.

⁴ The tracking tool assesses progress on a scale from one to six. The progress that projects achieved in improving the 20 policies is: BD mentioned in sector policy-1 (two policies); BD mentioned in sector policy through specific legislation—2 (one policy); Regulations in place to implement the legislation—3 (two policies); Regulations under implementation—4 (six policies); Implementation of regulations enforced—5 (one policy); Enforcement of regulations is monitored independently—6 (eight policies).

***From Projects Submitting Mid-Term or Final Evaluations during FY2008 PIR Exercise**

4. For the FY2009 PIR, a total of 33 tools were due, and 25 were submitted by the Agencies making for a compliance rate of 76%. UNDP was the only agency to achieve 100% compliance, submitting all 18 of the tracking tools required. Table 2 below summarizes submission by Agency.

Table 2: Compliance by Agencies

Agency	Number of tracking Tools Due	Number Delivered and Percent Compliance
ADB	1	0 (0%)
UNEP	6	3 (50%)
UNDP	18	18 (100%)
WB	8	4 (50%)

5. Reporting each year will give Council small snapshots of progress to date with the GEF-3 cohort. The GEF will continue to provide these portfolio level summaries as part of the AMR process. Once 50% and 100% of the GEF-3 biodiversity project portfolio has undergone a mid-term review, portfolio outcomes will be summarized and presented to Council as part of the AMR process in order to provide a more substantial view of portfolio-level progress. This will be repeated once 50 and 100% of the GEF-3 project cohort has undergone a final evaluation.

II. Progress on Tracking Tool Development

6. Given changes in the GEF's biodiversity strategy for GEF-4, Tracking Tool for Strategic Objectives One and Two have been revised. Additions to the tracking tool for Strategic Objective One: Catalyzing Sustainability of Protected Area Systems include a scorecard to measure improvements in financial sustainability of a protected area system. The Tracking Tool for Strategic Objective Two has been streamlined to concentrate on key data collection relevant to the portfolio level outcomes. In addition, the GEF developed a new tracking tool to measure progress in Strategic Program 7: Building Capacity to Implement the Cartagena Protocol on biosafety and Strategic Program 8: Prevention, Control and Management of Invasive Alien Species under Strategic Objective Three: Safeguarding Biodiversity.

7. A tracking tool for GEF investments in capacity building in Access and Benefit Sharing will be developed to reflect outcomes of COP-10 and guidance provided to the GEF in terms of the request for GEF support to ABS implementation. This tool will then be applied in GEF-5.

III. Best Practice Example from Biodiversity PIR 2009**Using Private-Public Partnerships to Accelerate Biodiversity Mainstreaming**

8. The global conservation community has made enormous strides in advancing the conservation of biodiversity through a global network of protected areas, however, the sustainable use and mainstreaming of biodiversity conservation within production sectors remains an ongoing and difficult challenge. The GEF portfolio has evolved over the last five years to include an increasing percentage of projects that

address this challenge. In South Africa, a UNDP GEF project (National Grasslands Biodiversity Programme –NGBP) that is focusing on biodiversity mainstreaming in grasslands is an example of best practice in biodiversity mainstreaming. The NGBP is exploiting a favorable policy environment, a key prerequisite for successful mainstreaming, and strengthening public-private partnerships as a means to advance biodiversity mainstreaming.

9. The South Africa Grasslands biome is a repository of globally significant biodiversity. However, in common with other temperate grasslands across the globe, this rich ecosystem is threatened. About 30% of the total area is already irreversibly transformed by anthropogenic activities and only 2.8% is formally conserved within a protected area estate that is not wholly representative of biodiversity patterns. Much of the grasslands ecosystem presently lies in production landscapes allocated to livestock production, agriculture (mainly cereals), afforestation with exotic tree species, and coal mining. South Africa's largest urban and industrial centre is also located within the grasslands. As such, production activities of these sectors constitute the main threat to grasslands biodiversity. The high turnover of biodiversity across the ecological landscape and the nature of threats to the biota imply that the expansion of protected areas will not, in and of itself, be sufficient to protect this biological heritage. Thus, the project is mainstreaming biodiversity management objectives into the agriculture, forestry, urban development and coal mining sectors. The project has been implemented amidst an enabling environment for mainstreaming that is largely in place with a supportive policy and legal framework. The project aims to fill the existing gap between policy and implementation.

10. In this year's PIR, the project has reported that Forestry South Africa (FSA), the industry representative body for the forestry sector in South Africa, has provided a valuable platform for engaging the small, medium and large growers in South Africa's forestry sector. The Eastern Cape Chapter of the Accelerated and Shared Growth Initiative of South Africa (the country's National Development Programme), Forestry South Africa, and the National Grasslands Biodiversity Programme have partnered on the development of a biodiversity screening tool to help eliminate areas of biodiversity importance from future afforestation. This has helped to streamline and increase the efficiency of the forestry authorization process, and has been very well received by the forestry sector. Through FSA, the National Grasslands Programme has also partnered with a major forestry company (PG Bison) to develop a "Decision Support System" based on the principles of systematic biodiversity planning that has helped to align forestry company planning tools with the national biodiversity monitoring and reporting framework. This will enable biodiversity assets on forestry-owned land to be included in national reporting processes in the future. The pilot project for the conservation planning tool, which will improve management on unplanted land, was completed in November of 2008 and roll-out has begun. All 8 forestry companies have had the tool demonstrated to them and all agreed to implement it. The potentially affected land amounts to an area of approximately 430,000 hectares of unplanted land. Through FSA, the Grasslands Programme is also working to add significantly to the protected area estate in the grasslands biome through biodiversity stewardship on forestry-owned land.

Annex 4: Land Degradation Focal Area Analysis

I. Progress with Portfolio Outcomes

1. GEF-3 represented an important milestone in the advancement of sustainable land management as a global agenda. In particular, important steps were taken to globalize land degradation through inter-linkages with other GEF focal areas, mainly biodiversity, international waters and climate change. While a significant number of the projects financed by GEF were designed as multi-focal area projects, the focus on combating land degradation was quite apparent in the overall cohort. At least half of the 63 cohorts under implementation were designed as sustainable land management projects covering 24 countries. Furthermore, 15 of the projects used the integrated ecosystem management^{5/} approach to harness synergies between biodiversity, land and water resources for increased sustainability of ecosystem services. This holistic approach to natural resource management underpins all projects designed to combat land degradation in agricultural (crop-livestock), rangeland (including pastoral), and forest landscapes.

2. At the portfolio level, the FY2009 cohort of GEF-3 projects reflects major contributions toward established targets for combating land degradation (see Table 1). Of the 63 projects with PIRs, 36 are rated as satisfactory and 19 as moderately satisfactory on overall implementation progress. The UNDP lead project on *SLM in drought prone areas of Nicaragua* was rated as highly satisfactory for achieving significant progress toward objectives. The project approach has strengthened the decentralization process in Nicaragua and in particular capacity of the Ministerio del Ambiente y Recursos Naturales (MARENA) to effectively deliver at local levels. In addition, the project has engaged 1600 farmers in a range of sustainable production models covering 26,500 hectares, which already exceeds the original target of 22,500 hectares.

3. A second project also rated highly satisfactory is the *World Initiative for Sustainable Pastoralism (WISP)*, also lead by UNDP. A major impact of WISP has been reflected in the establishment of a global Drylands Program by the International Union for Conservation of Nature (IUCN), the lead Executing Agency for the GEF-financed project. This represents a major opportunity for influencing international policy on the need for holistic approaches to safeguard drylands and improve livelihoods of pastoralists. The success of WISP is also reflected in further commitment of funding through 2014 from a range of donors and partners, thereby ensuring sustainability and replicability.

4. Only one project in the FY2009 cohort was rated as highly unsatisfactory on implementation progress. The project – *Sustainable Environmental Management for the Sixaola River Basin* – lead by the IADB is a transboundary initiative involving Costa Rica and Panama. It is designed to foster sustainable use and conservation of biodiversity, water and soil resources through the creation of an enabling environment and inter-sectoral management between the two countries. The project was approved in September 2007, but a “plan of action” for implementation was only developed in February 2009. The PIR noted difficulties with Executing Partners and administrative pitfalls in finalizing a contract with the Funds Management Agency, which poses high risk for implementation of the project. The PIR indicates, however, that the problems are on track to being resolved.

5 Integrated Ecosystem Management (IEM) was originally GEF Operational Program #12 or “OP 12” (http://www.gefweb.org/Operational_Policies/Operational_Programs/OP_12_English.pdf). Operational Programs have now being replaced by Focal Areas in the GEF Instrument.

Table 1: GEF-3 Land Degradation Targets

Strategic Objectives	Indicators	Targets	FY2009 Progress Reported
<p>SO1 – To Develop an enabling environment that will place Sustainable Land Management (SLM) in the mainstream development policy and practices at the regional, national and local levels</p> <p>SO2 – To upscale SLM investments that generate mutual benefits for the global environment and local livelihoods</p>	<p>Land area protected from degradation*</p>	<p>About 10-20 million ha</p>	<p>The FY2009 cohort reported up to 6 (six) million hectares of land under sustainable management through improved agricultural and rangeland practices, rehabilitation with tree-based systems, and improved forest management. These cover a range of production landscapes and watersheds, and extend across drylands in Africa, Eastern and Central Asia, Latin America and Caribbean, Southeast Asia, and South Asia.</p> <p>The LDC-SIDS project involving 45 countries is implementing a globally harmonized approach to national- and local-level SLM capacity development and mainstreaming. The FY2009 PIR notes that 38% of the MSPs are now entering or at the inception phase, while 57% are in their 1st or 2nd year of implementation. The remaining 5% are in their 3rd or final year. The portfolio project continues to support technical assessments and capacity development, maintain a knowledge sharing platform, assess global indicators and M&E tools, and facilitate south-south cooperation and partnership development with relevant UN agencies and regional centers of excellence.</p>
	<p>Number of land degradation control plans** (<i>under implementation as an integral part of their sustainable development programs</i>).</p>	<p>About 50-65 countries</p>	<p>The FY2009 cohort includes at least 40 countries with outcomes related to planning for land degradation control. These include efforts to foster transboundary or multi-country cooperation on integrated ecosystem management (IEM), national or sub-national level legal and policy frameworks to enhance sustainable land management, targeted planning processes for improved use and management of production landscapes, and planning for increased investment in sustainable land management.</p> <p>The LDC-SIDS project has also played an important role in helping some of the participating countries to elaborate their National Actions Plans (NAPs) under the UNCCD.</p>

*This comprises: the protection resulting in the conservation of habitats of global significance; sequestration of carbon, particularly through land rehabilitation measures; and reduction in carbon emission through sustainable agricultural practices that would help to minimize the use of fire to clear land.

**These plans would form the basis for priority measures to prevent/control land degradation and its resulting adverse impacts on the national, regional, and global environment as well as sustainable development.

II. Progress on Tracking Tool Development

5. The LD FA is the GEF's window for incremental financing of projects in production systems – *agriculture, rangeland, and forest landscapes*. During FY2009, the LD FA strategy for GEF-5 was finalized with support of the Technical Advisory Group and full engagement by GEF agencies and STAP. The strategy was designed on a results-based management framework with outcomes, outputs and measureable indicators. Portfolio level monitoring of the LD FA is therefore crucial to ensure adequate accountability for the GEF's catalytic role in the context of generating global environmental benefits, transforming livelihoods, and implementing the UNCCD. This will also position the GEF to more effectively account for support to countries in implementation of the UNCCD, and reporting to the Conference of Parties on progress toward combating land degradation (desertification and deforestation) globally.

6. Based on strategic priorities for GEF-5, four elements are being considered for the LD monitoring tool: a) systematic baseline information that define and characterize the LD problem; b) project outcomes; c) environmental and development impacts, and d) approach to up-scaling and outreach. Two GEF-financed global projects are generating appropriate knowledge resources for development of the monitoring tool. First, the *Knowledge Management for Land (KM:Land)* project lead by UNDP (with United Nations University as Executing Agency) has identified and analyzed a set of indicators that are relevant at multiple scales, including options for measurement and monitoring. Second, the *Carbon Benefits Project* lead by UNEP is developing a consistent methodology to determine the global carbon benefits of natural resource interventions, included those targeted toward combating land degradation.

7. Building on the outcomes of these projects and existing efforts among the GEF Agencies, the LD FA monitoring tool will take into account the need for aggregation across projects with respect to global environmental benefits. For example, portfolio level monitoring of the protection and increase of carbon stocks and the reduction of GHG emissions from land-use activities and land cover changes is crucial for demonstrating GEF's value-added mitigating climate change through this focal area. These and other monitoring priorities will be evaluated for inclusion in the monitoring tool, which should be ready in time for the start of GEF-5 in July 2010.

III. Best Practices

8. The PRC-GEF Partnership project on Capacity Building to Combat Land Degradation lead by ADB has been instrumental in fostering the integrated ecosystem management approach to combating land degradation and desertification in China. The project approach has three key elements of best practices for advancing IEM:

- (i) *Innovativeness* – Combating land degradation through integrated ecosystem management meant that interventions could be designed to target multiple global environmental benefits. An international workshop was organized at start of the project to establish

scientific underpinning of the approach, and promote a common understanding within line government agencies and provincial governments.^{6/} From the GEF perspective, the IEM approach increases the potential for synergies across Focal Areas while at the same time facilitating cross-sector and multi-agency engagement in natural resource management.

(ii) *Institutional framework* – The project fully engaged the Central Government, Provincial/Regional Administration, and Communities as major stakeholders for the IEM approach to combating land degradation. As a result, the policy and legislative environment is influenced by grassroots realities in the regions affected by land degradation. This implies a high degree of ownership and accountability by relevant stakeholders, which is crucial for sustainability and scaling-up of successful interventions under the IEM approach.

(iii) *Knowledge management* – Application of the IEM approach is knowledge intensive, and this was recognized earlier on through the first international workshop. A second international workshop was organized during FY2009 to share experiences and synthesize lessons for on best practice interventions^{7/}. As a result, science has played a major role in defining targets, establishing baselines, and designing interventions. The project also reached out to other GEF-financed initiatives for synthesizing knowledge on best practices, tools for monitoring and assessment, and lessons from sustainable land management^{8/}.

9. Through the support of this project, the Government of China is effectively promoting the IEM concept and approach as paradigm for increasing sustainability of productive land use in the drylands. The FY2009 PIR and other recent report prepared by the PRC-GEF Partnership Coordination Office highlighted several major achievements of the project. For example, coordination of laws and regulations has been facilitated through formulation of a legal framework for combating land degradation at provincial and regional level, and the revision of relevant national laws and provincial policies. Land degradation issues have been integrated into the provincial plans, strategies and action plans for combating land degradation, and the participatory community development plans. Mechanisms for land degradation data sharing are now in place, and existing data resources from various sectors and in the provinces/autonomous regions have been consolidated. At the same time, implementation of on-the-ground activities at pilot sites has demonstrated opportunities for empowerment of local communities to combat land degradation.

6/ International workshop on Integrated Ecosystem Management (IEM), 1-2 November 2004, Beijing, the People's Republic of China; <http://www.adb.org/Documents/Events/2004/Eco-Management/default.asp>

7/ International Workshop on IEM Approaches and Applications; 6-7 November 2008, Beijing, People's Republic of China

8/ The PRC-GEF Partnership has benefitted from the GEF-financed Land Degradation Assessment in Drylands (LADA) initiative, which includes China as one of six Pilot Countries.

Annex 5: Persistent Organic Pollutants & Ozone Layer Depletion Focal Area Analysis

Table 1 - Distribution of POPs projects under implementation, by agency

Agency	# Projects	GEF US\$ (000's)	Co-financing US\$ (000's)
FAO	1	3,256	1,645
UNDP	6	35,271	39,292
UNEP	3	14,010	10,460
UNIDO	6	28,361	60,744
WB	4	63,747	58,917
Total	20	141,389	171,058

Table 2 - Distribution of POPs projects under implementation, by region

Region	# Projects	GEF US\$ (000's)	Co-financing US\$ (000's)
Africa	4	29,508	29,575
Asia/Pacific	7	68,696	96,541
ECA	4	20,426	20,413
LAC	2	954	1,099
Global	3	11,051	12,970

Table 3 – Project progress ratings, POPs projects under implementation

Development objective rating	# Projects
HS	2
S	12
MS	4
MU	2

Table 4 – Project risk ratings, POPs projects under implementation

Risk rating	# Projects
Low	8
Modest or medium	4
Substantial	1
None provided	7

1. In addition, there are two ODS projects implemented by UNEP in the ECA region, with “S” and “MS” development objective ratings and “Low” risk ratings.

Analysis

2. There are only twenty POPs projects under implementation that have submitted a PIR this year. This is significantly more than previous years, but remains a small number that reflects the relative youth of the portfolio. Contrary to the FY2008 exercise, however, the majority of the projects now under implementation are fairly typical of a “Stockholm Convention NIP implementation project”.

3. It is nevertheless not possible to make statistically significant data analysis or draw sweeping conclusions from the limited dataset at hand. Certainly, the data does not allow to generalize observations at the level of a particular region or agency.

4. Yet, a number of observations based on a qualitative analysis can point towards lessons or good practices of interest for the future development of the portfolio, as well as for the strengthening of the PIR/monitoring system as the portfolio grows and matures.
5. As a general observation, there is a large disparity in the format, quantity, and detail of information provided by the different agencies. This complicates the analysis and monitoring of the portfolio across agencies.
6. Progress towards development objective and implementation progress are reported differently, with some agencies providing component specific ratings rather than an overall rating, or providing only one “project performance” rating. Therefore the above table 3 reports only on “DO” (to which “project performance” is equated where necessary).
7. Fourteen out of the 20 projects have ratings of “S” or “HS” which is within expectations. The two projects rated as MU contain an appropriate elaboration in the PIR. In one case it is because of significant delays but now mostly addressed with the project expected to reach its objectives. In the other case the agency reports on the steps taken to address implementation issues.
8. Regarding risk, again there is considerable differences in reporting, with one Agency not reporting any assessment of risk. Most projects report low overall risks. One project (referred to in the preceding paragraph) reports a substantial risk. That latter case is too isolated to draw portfolio wide conclusions or recommendations. The particular risk can be characterized as due to a combination of political complexity with a large number of key stakeholders with varying commitment to the project, and technical complexities. The risk is well established and the GEF agencies are working with project partners to seek a satisfactory solution.
9. The two ODS projects under implementation both report low overall risk ratings, and both are rather atypical projects. Timely execution according to the work plan, particularly in the first year of the projects was raised as an issue related to the capacity of the execution agency, in the context of the ozone portfolio.
10. Regarding co-financing, the overall co-financing ratio is relatively low which reflects the fact that many of the projects under consideration were approved during GEF-3. This also explains why the co-financing for the World Bank projects is counter-intuitively low – as these are all stand-alone projects, and approved in earlier phases of the GEF.
11. Finally, there are only two projects under implementation in the LAC region. A number of projects in LAC have been approved recently and one would expect the situation to evolve in future AMRs.

Emerging lessons or good practices

12. There are still too few Persistent Organic Pollutants projects under implementation to draw portfolio-wide lessons. Some early remarks can be made at this stage, including:
13. General lessons drawn from other focal areas, regarding for example political commitment or the capacity of the executing agency, fully apply.
14. A risk that could be usefully systematically tracked would be the risk of the project not being fully sustainable at the end of project life. Such explicit consideration should assist the executing agency in taking steps early on to promote end of project sustainability.
15. On a few occasions, in different countries with different GEF agencies, bidding for equipment only attracted a limited number of bidders, or even was actually invalidated because there was only one bidder. This is a potentially more serious, systemic, problem that will be kept under review by the GEF POPs task force as it has implications for the development of the portfolio as a whole.

16. Two other issues were mentioned in Task Force discussions that are likely to drive up the costs of disposal of POPs related waste: the consolidation of the waste management sector in Europe, with fewer companies able to bid, and the decreasing number of shipping companies accepting the shipment of hazardous wastes to Europe because of increasing insurance costs.

17. Other “modest” risks in the POPs portfolio tend to be linked to delays in project implementation. In some cases, POPs being a relatively new issue, the relevant executing agency department might not have worked with the GEF agencies before and needs to become familiar with agency rules and procedures.

18. The portfolio includes interesting examples of technology transfer and diffusion (e.g. bait systems in China), or technology development (efforts under the Global Medical Waste Project). This serves to highlight that the POPs portfolio has the potential to become a source of good examples of successful transfers of technologies and practices.

19. POPs are typically cross-sectoral issues that implicate a number of sectoral ministries. The portfolio includes a number of interesting instances where the ministry of health, or agriculture, for example, is a key stakeholder.

20. One aspect of the portfolio that is not well described by the PIR process is the involvement of the private sector – which is active in a number of projects in particular but not only dealing with PCB management. However the PIRs themselves typically provide little information on these experiences.

Experience with the POPs “Tracking Tool” and reporting against key targets

21. This is the first year that a significant, albeit small, number of POPs projects – 20 – are under implementation. It is also therefore the first time that the tracking tool now in its second version has been applied and tested with more than a few projects.

22. There are a number of difficulties in reporting progress against key targets for this cohort of projects: the targets for GEF 3 and GEF-4, although roughly comparable, are different; the projects under implementation cover three GEF replenishment periods, GEF-2 (1 project), GEF-3 (10 projects), and GEF-4 (9 projects); yet, some GEF-3 projects that would contribute to the cumulative impact of a replenishment period (GEF-3 for examples) are already closed and therefore do not appear here.

23. Therefore, it is impossible to compare the achievements of this particular cohort of FY2009 AMR projects with either the GEF-3 or GEF-4 targets in any meaningful way. This is likely to remain a problem unless the PMIS can actually track the expected targets for the cohort of projects under implementation in a particular year, which is a problem that reaches beyond the only POPs focal area.

24. One option would be to track the expected results for each year for each project under implementation. Each project would then report on its percentage achievement for that annual target. This can be then aggregated, for example, in a measure of the percentage of projects in the particular cohort under the AMR meeting their target for the year.

25. Reporting achievements against replenishment targets is necessarily a different exercise. The POPs task force is working to see how the tracking tool and the PIR process could lead to reporting achievements against both kinds of targets.

26. Here in the meanwhile, we attempt to tease out the progress towards achievements of this particular cohort, using indicators of relevance for GEF-3 or GEF-4. The main results can also be tentatively assigned to GEF-4 strategic priorities as in the table that follows :

POPs

- Environmentally sound destruction of PCB containing equipment and capacitors: **2592 tons**

- Environmentally sound destruction of obsolete pesticides, including POPs: **1293 tons**
- Phased out production of DDT: **250 tons per year**
- Number of countries that receive support to strengthen capacity for POPs management: **15**
- Number of countries that receive support to either: phase-out and destroy PCBs; phase out POPs pesticides; apply BAT/BEP; or destroy obsolete stocks of pesticides: **18**
- Number of alternative technologies/sets of practices demonstrated: **1 “set” (in eight countries)**
- Number of alternative technologies/sets of practices under demonstration: **8 “sets” (in twelve countries)**

Strategic Priority	Key expected results	Results achieved by this cohort of projects by FY 2009
Persistent Organic Pollutants		
Strengthening capacity for NIP implementation	Number of countries that receive support to strengthen capacity for POPs management	15 countries
Partnering in investments for NIP implementation	Environmentally sound destruction of PCB containing equipment and capacitors	2592 tons
	Environmentally sound destruction of obsolete pesticides, including POPs	1293 tons
	Number of countries that receive support to either: phase-out and destroy PCBs; phase out POPs pesticides; apply BAT/BEP; or destroy obsolete stocks of pesticides	18 countries
	Phased out production of DDT	250 tons
Demonstration of innovative technologies and practices	Number of alternative technologies/sets of practices demonstrated/under demonstration	9 “sets” (in 20 countries)

ODS

- The cohort includes one project that directly contributed to consumption phase out of over 92 ODP tons of CFCs; and
- One project supporting institutional strengthening in four GEF eligible countries, contributing to the GEF indicator that these countries successfully meet their reporting obligations under the Montreal Protocol.

Looking ahead

27. There are mixed results with the use of the tracking tool. In some cases, the tracking tool is filled with the relevant information according to expectations. In some cases, the first version of the tracking tool is still used, whilst for some projects information is lacking or the intent of the tool has been clearly misunderstood. The GEF Secretariat is working with the agencies within the framework of the POPs task force to better understand the difficulties that task managers might have had in using the tool, and to

improve it and simplify it in view of the next PIR exercise. In this context, efforts will also be dedicated to improving where possible the set of key indicators and targets so as to improve the coherence and usefulness of the AMR. To the extent possible, the efficiency of the process would also be increased by the agencies directly entering PIR information in the PMIS, as well as integrating the tracking tool with the PMIS.

Annex 6: Cancelled GEF Projects in FY 2009

There were a total of three projects cancelled during FY09. The total GEF allocation for the cancelled projects amounted to US\$ 24.20 million, including PPG.

Table 1: Cancelled GEF Projects in FY 2009

Agency	Focal Area	Title	Country	Project Type	Cancellation Date	Total GEF Allocation
World Bank	IW	Red Sea-Dead Sea Water Conveyance Study Program	Regional (Jordan, Palestinian Authority)	FSP	12/10/2008	US\$ 3.5m
World Bank	CC	Heating Energy Efficiency	Mongolia	FSP	3/26/2009	US\$ 7.2m
World Bank/ IFC	CC	EFCC Advanced Technology Cogeneration Project for the Costa Pinto Sugar Refinery in Piracicaba SP Brazil	Brazil	FSP	4/20/2009	US\$ 3.5m

Annex 7: GEF Agencies' Administrative Expenses

GEF-WB(IBRD) Administrative Costs FY 2009							
Estimated Actual Administrative Costs ^{a/}	Staff Time (weeks)	Consultant Time (weeks)	Staff Cost (\$)	Consultant Cost (\$)	Travel Cost (\$)	Overhead Cost (\$)	Total Cost (\$)
1. Corporate Activities							
a) Policy Support	124	n/a	644,154		80,249	14,951	739,354
b) Portfolio Management	202	n/a	931,737		2,031	271,405	1,205,173
c) Reporting	35	n/a	170,033			40,515	210,548
d) Outreach & Knowledge Sharing	34	n/a	109,686	44,225	10,387	37,851	202,149
e) Support to the GEF Evaluation Office	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Subtotal	396	n/a	1,855,610	44,225	92,667	364,722	2,357,224
2. Project Cycle Management							
a) Project Preparation and Approval	1,724	n/a	7,149,759	1,219,991	1,888,571	14,235	10,272,556
b) Project Supervision, Monitoring and Evaluation	2,108	n/a	8,584,421	1,429,267	2,537,558	12,100	12,563,346
Subtotal	3,832	n/a	15,734,180	2,649,257	4,426,129	26,334	22,835,901
Total	4,228	n/a	17,589,790	2,693,482	4,518,796	391,056	25,193,125

Source: SAP and BW, except for IFC expenses which were obtained from IFC STAFF.

a/ GEF Secretariat defined activities

Notes:

- Amounts may not add up due to rounding
- The administrative expenses reflect only a portion of the expenditures for the delivery of the Bank's FY09 GEF work program. Because the Bank only charges its GEF budget for the incremental effort, the Bank's GEF expenditures do not reflect the actual costs of "doing business".
- There are no Bank staff who work full time on the GEF, nor are there any Bank staff who charge 100% of their time to the GEF, thus, such costs as mission travel are quite shared with non-GEF activities.
- Corporate activities include costs for the bank's central units (e.g. Legal, Accounting and disbursement) and audit fees. Preparation includes such non-project-specific costs as Regional Coordination, Thematic Specialists etc. These expenses are not easily allocated to a project.
- Consultant time is available but the Bank does not collect and track this data comprehensively. The data is available from each individual consultant's contract. It would however be a labor-intensive effort to collect this data for hundreds of consultants contracts.
- The Bank's systems report its expenses only by preparation and supervision components of the project cycle.
- The Bank does not track its expenditures with regard to "Support to the Evaluation Office." If the Bank participates in such activity, it is expected that such time and cost would not be significant.

GEF-UNDP Administrative Costs FY2009							
GEF-Estimated Actual Administrative Costs	Staff Time (days)	Consultant Time (days)	Staff cost (I) (\$)	Consultant cost (I) (\$)	Travel costs (II) (\$)	Overhead costs (III) (\$)	Total Cost (\$)
1. Corporate Activities							
a) Policy Support	1,786	0	1,082,194	0	45,304	236,197	1,363,695
b) Portfolio Management	810	0	427,434	0	25,611	119,115	572,160
c) Reporting	360	0	220,406	0	11,370	52,880	284,656
d) Outreach & Knowledge Sharing	1,331	52	637,724	14,866	102,299	114,092	868,981
e) Support to the GEF Evaluation Office	1,331	57	354,674	2,808	33,319	62,953	453,754
Subtotal	5,617	109	2,722,431	17,674	217,903	585,238	3,543,245
2. Project Cycle Management							
a) Project Preparation and Approval	16,958	4,671	6,971,909	1,516,888	1,124,434	1,346,769	10,960,000
b) Project Supervision, Monitoring and Evaluation	37,215	2,934	11,029,114	1,084,843	1,089,364	2,232,861	15,436,182
Subtotal	54,173	7,606	18,001,024	2,601,732	2,213,798	3,579,631	26,396,184
Total	59,790	7,715	20,723,455	2,619,405	2,431,701	4,164,868	29,939,429

Note: Amounts may not add up due to rounding

- (i) Staff time multiplied by total salary costs (per staff day) to the agency, excluding overhead costs (see column H), e.g. using average costs per category of staff.
- (ii) Including tickets and per diem.
- (iii) Overhead costs include office space, utilities, IT, HR, etc.

UNDP's dedicated GEF Trust Fund unit directly records the staff time and costs associated with servicing GEF activity. However, UNDP does not use an agency-wide reporting system and therefore the staff time and costs of more than 1,000 staff in UNDP country and central office teams involved in delivering support to the GEF are more difficult to verify. While country offices were asked to provide their time and costs for the year, not all offices reported. In consequence, the total time and costs are calculated based on the proportion of country offices reporting.

GEF-UNEP Administrative Costs FY2009							
Estimated Actual Administrative Costs	Staff time (days)	Consultant time (days)	Staff cost (I) (\$)	Consultant cost (I) (\$)	Travel costs (II) (\$)	Overhead costs (III) (\$)	Total Cost (\$)
1. Corporate Activities							
a) Policy Support	2,284	86	1,149,102	34,350	189,372	166,600	1,539,424
b) Portfolio Management	1,374	164	691,086	65,736	90,978	73,058	920,858
c) Reporting	457		229,675			33,299	262,974
d) Outreach & Knowledge Sharing	595		299,567		43,029	43,432	386,028
e) Support to the GEF Evaluation Office	75		37,761		21,197	5,475	64,433
Subtotal	4,785	250	2,407,191	100,086	344,576	321,864	3,173,717
2. Project Cycle Management							
a) Project Preparation and Approval	3,700	191	1,861,624	76,378	125,781	280,320	2,344,103
b) Project Supervision, Monitoring and Evaluation	6,131	592	3,084,458	236,683	236,027	463,914	4,021,082
Subtotal	9,831	783	4,946,082	313,061	361,808	744,234	6,365,185
Total	14,616	1,033	7,353,273	413,147	706,384	1,066,098	9,538,902

Note: Amounts may not add up due to rounding

- (i) Staff time multiplied by total salary costs (per staff day) to the agency, excluding overhead costs (see column H), e.g. using average costs per category of staff. The agency may explain the used method here: **Staff and consultant costs reflect actual expenditures recorded in UNEP's project accounting system (IMIS). Consultants costs shown on line 2 b) are the actual costs paid to consultants to undertake project mid-term and final evaluations**
- (ii) Including tickets, per diem and hotel.
- (iii) Overhead costs include office space, utilities, IT, HR, etc
- 1a. Policy support includes the development, revision and operationalization of GEF policies, strategies, business plans and guidelines; also includes participation in meetings of GEF governing bodies.
- 1b. Portfolio management includes pipeline and program management, financial management and data management; also includes participation in financial consultations organized by Trustee.
- 1c. Reporting includes all the reporting requirements listed in Annex 4 to the GEF Operations Manual.
- 1d. Outreach and knowledge sharing include participation in sub-regional consultations, country dialogues, STAP meetings, etc.
- 1e. Support to evaluations, reviews and studies initiated by the GEF Evaluation Office.
- 2a. Project preparation and approval costs from preparation and clearance of the PIF until start of implementation, excluding costs covered by the PPG.
- 2b. Project supervision, monitoring and evaluation costs from start of implementation to project closure, excluding costs covered by the project's management budget.

NOTE (lessons learned on process from UNEP):

1. UNEP launched a time recording system in January 2009, which has helped to ground the statistics on reality. The report was prepared using the time recording data for Jan to June 2009, but was adjusted to include estimates for

major tasks such as PIR that occur mainly in the second half of the year. However, we believe that our data would benefit from a re-analysis after one full year of time recording (i.e. to review the situation again in January 2010).

2. The review only focuses on what we have used the 10% IA fee for. It does not reflect the true costs of doing GEF Business, which we believe are higher. UNEP is beginning to gather information on these additional costs, and would be happy to share them in due course.

GEF-UNIDO Administrative Costs FY 2009							
Estimated Actual Administrative Costs	Staff time (days)	Consultant time (days)	Staff cost (I) (\$)	Consultant cost (I) (\$)	Travel costs (II) (\$)	Overhead costs (III) (\$)	Total Cost (\$)
1. Corporate Activities							
a) Policy Support	50		71,484		20,855		92,339
b) Portfolio Management	78		51,562				51,562
c) Reporting	48		40,764				40,764
d) Outreach & Knowledge Sharing	81		83,509		40,834		124,343
e) Support to the GEF Evaluation Office	30		31,553				31,553
Subtotal	288	0	278,872	0	61,689	0	340,562
2. Project Cycle Management							
a) Project Preparation and Approval	1,003	153	1,039,018	49,587	91,316		1,179,921
b) Project Supervision, Monitoring and Evaluation	832	102	882,114	37,562	36,977		956,653
Subtotal	1,835	254	1,921,132	87,149	128,293	0	2,136,574
Total	2,123	254	2,200,004	87,149	189,982	0	2,477,136

Note: Amounts may not add up due to rounding

(i) Staff time multiplied by total salary costs (per staff week) to the agency, including overhead costs, e.g. using average costs per category of staff - please describe method used here: When calculating the cost of staff, the standard rates applied include salary, dependency and other allowances, hardship and mobility payments, contributions to medical insurance and pension fund, education grant, home leave and other entitlements, average cost of appointment, separation and similar charges. When developing standard rates a statistical analysis is being carried out based on the actual population and charges, at a grade-by-grade level. The results are then modulated to take into account expected changes in the profile of the population and any developments in the entitlement system. The standard rates are not fully loaded. Excluded are, for example, costs of the building; security expenses; telecommunication, IT and all other infrastructure costs and future costs arising from after-service health insurance liabilities.

(ii) Including tickets, per diem and hotel.

1a. Policy support includes the development, revision and operationalization of GEF policies, strategies, business plans and guidelines; also includes participation in meetings of GEF governing bodies.

1b. Portfolio management includes financial, pipeline management and data management; also includes participation in financial consultations organized by Trustee.

1c. Reporting includes all the reporting requirements listed in Annex 4 to the GEF Operations Manual.

1d. Outreach and knowledge sharing include participation in sub-regional consultations, country dialogues, STAP meetings, etc.

1e. Support to evaluations, reviews and studies initiated by the GEF Evaluation Office.

GEF-FAO Administrative Costs FY 2009							
Estimated Actual Administrative Costs	Staff Time (days)	Consultant Time (days)	Staff Cost (\$)	Consultant Cost (\$)	Travel Cost (\$)	Overhead Cost (\$)	Total Cost (\$)
1. Corporate Activities							
a) Policy Support	176	25	181,770	4,248	14,358		200,376
b) Portfolio Management	744	120	496,012	39,859			535,871
c) Reporting	19	12	17,213	3,876			21,089
d) Outreach & Knowledge Sharing	173		150,633		70,066		220,699
e) Support to the GEF Evaluation Office	10	1	9,103	117			9,220
Subtotal	1,121	158	854,731	48,100	84,424	10,570	997,825
2. Project Cycle Management							
a) Project Preparation and Approval	1,240	370	1,009,221	78,696	101,615		1,189,532
b) Project Supervision, Monitoring and Evaluation	124	58	127,143	13,232	4,153		144,528
Subtotal	1,364	428	1,136,364	91,928	105,768	14,798	1,348,858
Total	2,485	586	1,991,095	140,028	190,192	25,368	2,346,683

Note: Amounts may not add up due to rounding

GEF-IFAD Administrative Costs FY2009							
Estimated Actual Administrative Costs	Staff Time (days)	Consultant Time (days)	Staff cost (I) (\$)	Consultant cost (I) (\$)	Travel costs (II) (\$)	Overhead costs (III) (\$)	Total Cost (\$)
1. Corporate Activities							
a) Policy Support	70	10	12,429	1,554	26,914		40,897
b) Portfolio Management					3,674		3,674
c) Reporting					12,225	1,592	13,817
d) Outreach & Knowledge Sharing		8		1,356	2,793	478	4,627
e) Support to the GEF Evaluation Office							0
Subtotal	70	18	12,429	2,910	45,606	2,070	63,015
2. Project Cycle Management							
a) Project Preparation and Approval	450	320	470,283	58,898	77,744	45,652	652,577
b) Project Supervision, Monitoring and Evaluation	40	240	8,233	52,093	9,679		70,005
Subtotal	490	560	478,516	110,991	87,423	45,652	722,582
Total	560	578	490,945	113,901	133,029	47,722	785,597

Note: Amounts may not add up due to rounding

- (i) Staff time multiplied by total salary costs (per staff day) to the agency, excluding overhead costs (see column H), e.g. using average costs per category of staff.
- (ii) Including tickets, per diem and hotel.
- (iii) Overhead costs include office space, utilities, IT, HR, etc

GEF-IADB Administrative Costs FY2009							
Estimated Actual Administrative Costs	Staff Time (days)	Consultant Time (days)	Staff Cost (\$)	Consultant Cost (\$)	Travel Cost (\$)	Overhead Cost (\$)	Total Cost (\$)
1. Corporate Activities							
a) Policy Support	112	52	47,450	18,191	0	6,564	72,205
b) Portfolio Management	447	208	189,800	72,764	0	26,256	288,820
c) Reporting	351	95	159,900	33,178	0	19,308	212,386
d) Outreach & Knowledge Sharing	65	71	30,550	114	24,811	5,548	61,023
e) Support to the GEF Evaluation Office	91	60	42,900	20,901	0	6,380	70,181
Subtotal	1,066	485	470,600	145,148	24,811	64,056	704,615
2. Project Cycle Management							
a) Project Preparation and Approval	871	165	400,400	52,374	21,182	47,396	521,352
b) Project Supervision, Monitoring and Evaluation	1,287	273	550,550	95,523	18,456	66,453	730,982
Subtotal	2,158	438	950,950	147,897	39,638	113,849	1,252,334
Total	3,224	923	1,421,550	293,045	64,449	177,905	1,956,949

Note: Amounts may not add up due to rounding

GEF-ADB Administrative Costs FY2009							
Estimated Actual Administrative Costs	Staff Time (days)	Consultant Time (days)	Staff Cost (\$)	Consultant Cost (\$)	Travel Cost (\$)	Overhead Cost (\$)	Total Cost (\$)
1. Corporate Activities							
a) Policy Support	89	39	59,745	17,946	9,746	13,142	100,579
b) Portfolio Management							0
i) Pipeline and program management	41	12	5,776	5,896	0	1,393	13,065
ii) Financial and data management	115	7	45,548	2,906	0	10,296	58,750
c) Reporting	77	12	29,460	4,957	0	6,707	41,124
d) Outreach & Knowledge Sharing	33	10	16,836	5,282	10,159	3,712	35,989
e) Support to the GEF Evaluation Office	8	0	7,072	0	0	1,125	8,197
Subtotal	363	79	164,437	36,987	19,905	36,375	257,704
2. Project Cycle Management							
a) Project Preparation and Approval	569	554	367,022	230,558	90,431	80,956	768,967
b) Project Supervision, Monitoring and Evaluation	631	96	269,873	28,031	16,940	61,639	376,483
Subtotal	1,200	650	636,895	258,589	107,371	142,595	1,145,450
Total	1,562	729	801,332	295,576	127,276	178,970	1,403,154

Note 1: All numbers are rounded.

Note 2: Amounts may not add up due to rounding

Annex 8: Operationally Closed GEF Projects

During FY09, UNDP, UNEP, and the World Bank reported the closure of 56 projects; 17, 15, and 24 respectively. A total of 34 FSP and 22 MSP projects (24 BD, 17 CC, 8 IW, 3 multi-focal area, 2 LD, 1 ozone depletion and 1 POPs projects). A list of the operationally closed projects is listed in Table 1.

Table 1: Operationally Closed GEF Projects

Agency	Focal Area	Project Title	Project Size	Revised Closing Date
IBRD	BD	Wetlands Restoration and Pollution Reduction	FSP	12/15/2008
	BD	PROT AREAS DEV	FSP	12/31/2008
	BD	GEF BR Amazon Region Prot Areas (ARPA)	FSP	12/31/2008
	BD	NAT RES MGMT (GEF)	FSP	1/31/2009
	BD	GEF BR PARANA BD PROJECT	FSP	1/31/2009
	BD	Northern Savanna BD Conservation (NSBC) Project	FSP	02/28/09
	BD	Eg-Uur Watershed Conservation Initiative	MSP	10/22/2008
	BD	VN - GREEN CORRIDOR PROJECT	MSP	12/30/2008
	BD	ID Buton Island Forest Conservation	MSP	12/31/2008
	BD	Richtersveld Community BD Conservation Project	MSP	06/30/09
	BD	Community-Based BD Conservation in Ye'kuana Territory	MSP	6/30/2009
	BD	TZ-GEF Wildlife & Livestock Utiliz (FY05)	MSP	06/30/09
	CC	Energy and Water Sector Reform and Development	FSP	12/31/08
	CC	VILNIUS HEAT DEMAND MANAGEMENT	FSP	12/31/2008
	CC	Efficient Lighting Initiative Tranche I & II (ELI)	FSP	12/31/2008
	CC	Energy for Rural Transformation Project	FSP	02/28/09
	CC	GEF MACC 6R Mainstreaming Adapt to Clima	FSP	3/30/2009
	CC	GEF MX-Climate Measures in Transport	FSP	3/31/2009
	CC	Prototypes related to the Production and Use of Hydrogen Fuel	MSP	6/30/2009
	IW	Senegal River Basin Water and Environmental Management Program	FSP	07/31/08
	IW	Reversal of Land and Water Degradation Trends in the Lake Chad Basin Ecosystem	FSP	12/20/08
	IW	GEF 6L-Guarani Aquifer Project	FSP	1/31/2009
	LD	SUSTAINABLE INDIGENOUS COMMUNITIES IN HIGH VALLEYS NORTH OF IRUYA	MSP	4/15/2009
MFA	(IAASTD) INT'L ASSESS. OF AGRIC. SC. & TECH.	FSP	10/31/2008	
UNDP	BD	522 - Tropical peat swamp forest and wetlands	FSP	12/31/2008
	BD	520 - China: Wetlands biodiversity conservation and sustainable use	FSP	12/31/2008
	BD	1623 - Biodiversity Conservation and Management in the Barycz Valley	MSP	7/31/2008

	BD	294 - Conservation and Sustainable Use of Traditional Medicinal Plants in Zimbabwe	MSP	12/1/2008
	BD	1027 - Conservation of the Asiatic Cheetah, its Natural Habitat and Associated Biota in the I.R. of Iran	MSP	6/30/2009
	BD	1969 - Strengthening Romania's Protected Area System by Demonstrating Public-Private Partnership in Romania's Maramures Nature Park.	MSP	6/30/2009
	CC M	179 - Wind Energy Applications in Eritrea	FSP	12/31/2008
	CC M	744 - Coal bed Methane Recovery and Commercial Utilization	FSP	12/31/2008
	CC M	1175 - Morocco - Market Development for Solar Water Heaters –FULL	FSP	12/31/2008
	CC M	1645 - Polish Energy Efficient Motors Programme	FSP	2/2/2009
	CC M	2146 - Small Scale hydro-electricity for Productive Uses in Nicaragua	FSP	5/1/2009
	CC M	762 - Removal of Barriers to Biomass Power Generation and Co-generation in Thailand	FSP	6/19/2009
	CC M	739 - Community Micro Hydro for Sustainable Livelihood	MSP	6/30/2009
	IW	2196 - Strengthening capacity building for global knowledge sharing in International Waters – TRAIN-SEA-COAST Programme	FSP	6/30/2009
	IW	3153 - Distance Learning and Information Sharing Tool for the Benguela Coastal Areas (DLIST- Benguela)	MSP	9/30/2008
UNEP	IW	2711 - East Asian Seas Region: Development and Implementation of Public Private Partnerships in Environmental Investments	MSP	1/30/2009
	POPs	3320 - Environmentally Sound Disposal of PCBs containing equipment and waste in Latvia	MSP	4/1/2009
	BD	Building Scientific and Technical Capacity for Effective Management and Sustainable Use of Dryland Biodiversity in West African Biosphere Reserves	FSP	5/2009
	BD	Building capacity for effective participation in the Biosafety Clearing House (BCH) includes Add-on	FSP	3/2009
	BD	Conservation and Sustainable Management of Below Ground Biodiversity, Tranche 2	FSP	4/2009
	BD	Indigenous Peoples' Network for Change	MSP	12/2008
	BD	Dryland Livestock Wildlife Environment Interface Project (DLWEIP)	MSP	1/2009
	BD	Knowledge Base for Lessons Learned and Best Practices in the Management of Coral Reefs	MSP	1/2009
	CC	Energy Management and Performance Related Energy Savings Scheme (EMPRESS)	FSP	10/2008
	CC	Solar and Wind Energy Resource Assessment	FSP	12/2008
	CC	Assessment of Financial Risk Management Instruments for Renewable Energy Projects	MSP	12/2008
	IW	Reduction of Environmental Impact from Tropical Shrimp Trawling through Introduction of By-catch Technologies and	FSP	9/2008

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IW	Reversing Environmental Degradation Trends in the South China Sea and Gulf of Thailand	FSP	12/2008
LD	Development and Implementation of a Sustainable Resource Management Plan for Marsabit Mountain and its associated Watersheds	MSP	12/2008
MFA	Global Environmental Citizenship (GEC)	FSP	12/2008
MFA	Technology Transfer Networks (TTN) Phase II: Prototype Verification and Expansion at the Country Level -Phase 2	FSP	12/2008
OD	Programme for Phasing Out Ozone Depleting Substances	MSP	3/2009

Annex 9: Trustee Submissions for GEF Funding

1. Table 1 below shows that Funds Held in Trust as of June 30, 2009 was US\$ eq. 3.97 billion. This represents an increase of US\$ eq. 4 million as compared with the balance as of June 30, 2008. The change is a result of all the financial activity that occurred in the Trust Fund during the fiscal year: new donor payments; investment income; foreign currency exchange rate movements; new funding decisions made by the Council and the CEO; and disbursements.

Table 1: GEF Trust Fund – Schedule of Funds Available

Updated as of June 30, 2009 (in US\$ millions)

	<u>As of June 30, 2009</u>	<u>As of June 30, 2008</u>
	<u>USDeq. a/</u>	<u>USDeq. b/</u>
<u>1. Funds held in Trust</u>	3,967	3,963
a. Cash and investments	2,902	2,684
b. Unencashed Promissory notes	1,065	1,280
<u>2. Restricted Funds</u>	290	276
a. Deferred contributions in respect to the pro rata right	245	236
b. Reserve to cover foreign exchange rate fluctuations	45	40
<u>3. Funds held in Trust with no restrictions (3 = 1 - 2)</u>	3,677	3,632
<u>4. Approved amounts pending disbursement</u>	3,526	3,368
a. Trustee Committed	2,046	2,030
b. Approved by Council but not yet CEO Endorsed	1,480	1,225
c. Requested amounts for financing pending Council Decision c/	-	113
<u>5. Funds available to support Council or CEO funding decisions (5 = 3 - 4)</u>	151	265

a/ Valued on the basis of exchange rates of June 30, 2009
b/ Valued on the basis of exchange rates of June 30, 2008
c/ Represents either semiannual work program presented to Council or Intersessional work program.

2. Table 2 below depicts the GEF-4 Envelope projected value through June 30, 2010, using June 30, 2009 exchange rates. The projected GEF-4 Envelope as of June 30, 2009 was US\$ eq. 3.13 billion. Between FY2007 and FY2009 (GEF-4 funding period to date), the GEF Council and CEO approved a total US\$ eq. 2.33 billion to fund projects, fees, project preparation grants, and administrative budget. As shown in the table, based on June 30, 2009 exchange rates, the value of the GEF-4 replenishment exceeded the “as agreed” target replenishment level by US\$ eq. 27 million. It is important to note that if all the expected replenishment funds had been paid in or released during the GEF-4 period to date, the GEF-4 Envelope would have totaled US\$ eq. 3.6 billion, an excess of approximately US\$ eq. 500 million.

Table 2: GEF-4 Specific Funding Decisions
 Status as of June 30, 2009
 (in US\$ eq. millions)

1. Target Replenishment Funding a/			3,100
2. Projected Available Resources During Remaining GEF-4 Period			797
<u>Estimated Funds available to support Council or CEO Financing Decisions</u>			151
	Potential Amount Available	of which Projected to be Available	
<u>Receivables</u>			473
- Arrears	178	1 b/	
- Due within 6 months c/	328	328	
- Due between 7 and 12 months d/	144	144	
- Due between 13 and 18 months	-	-	
<u>Release of Deferred Contributions</u>			-
- Deferred Contributions	245	-	
<u>IoCs not yet Deposited with the Trustee e/</u>	135	128	128
<u>Projected Investment Income</u>	45	45	45
<u>Total</u>	1,075	647	
3. GEF-4 Specific Funding Decisions			2,330
<u>Approvals by Council</u>			2,194
- Projects + Fees		1,330	
- Admin. Budget		67	
- Special Initiatives		5	
- Programmatic Initiatives		792	
<u>Approvals by CEO</u>			148
- Projects + Fees (MSPs, EEAs)		128	
- Project Preparation Activities + Fees		20	
<u>Net Changes to Initial Approvals</u>			(11)
- Reductions (cancellations) on GEF-4 projects, Administrative Budget and Special Initiatives f/		(11)	
<u>Pending decisions on Intersessionals and Council meetings</u>			-
- Projects, Fees, Admin Budget, Special Initiatives, Programmatic Initiatives		-	
4. Projected GEF-4 "Envelope" as of June 30, 2009 (4 = 2 + 3)			3,127
5. Excess or (Shortfall) as Measured Against the Target in Line 1 (5 = 4 - 1)			27
<p>a/ Represents the target replenishment level as agreed, including new resources from Donors, projected investment income, and carryover of amounts from previous replenishments.</p> <p>b/ Represents the amounts that were due from United States on April 15, 2007 which are expected to be paid in full.</p> <p>c/ Represents the remaining amounts from third installment.</p> <p>d/ Represents amounts from fourth installment.</p> <p>e/ Represents IoCs not yet received by the Trustee from Italy (EUR 88 million), Nigeria (SDR 4 million), Pakistan (PKR 350 million). The amount projected to be available comprises of Italy (USD eq. 124 million) and Pakistan (USD eq. 4 million).</p> <p>f/ To fit the GEF Secretariat's RAF model, pre-GEF-4 project net changes were excluded from the calculation. The total reduction to initial approvals (including GEF-4 and pre-GEF-4 projects) is USD 235 million.</p>			