

Global Environment Facility

GEF/C.9/Inf.4

GEF Council

April 30 - May 1, 1997

## **PROCEDURES FOR GEF OPERATIONAL PROGRAMMING**

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### **PREFACE**

1. At its meeting in October 1996, the GEF CEO informed the Council that, as part of the efforts to streamline the project cycle, agreement had been reached in principle with the Executive Coordinators of the Implementing Agencies on operational procedures to facilitate and expedite consultation and coordination among the Secretariat, the Implementing Agencies, STAP and the Convention Secretariats with regard to project identification and preparation. The detailed procedures to implement the agreed approach are still to be worked out. The Council requested the CEO to keep it informed of the procedures that are agreed with all interested parties.

2. This information note describes the revised procedures for GEF operational programming. Although some revisions are introduced in the processing of proposals for GEF funding, the procedures as defined in "The GEF Project Cycle" still apply. Furthermore, processing of proposals will comply with other existing policies, such as the project preparation and development facility (PDF), public involvement, incremental costs, as well as consistency with the Operational Strategy and operational programs.

3. The procedures were tested over the period of August 1 to December 31, 1996 with the intent of streamlining previous processes. The first draft of written procedures was circulated among Implementing Agencies for comments, and the revised draft was included for discussion by the Implementing Agencies, the Convention Secretariats and STAP at the January 22, 1997 GEFOP meeting. At the GEFOP, Implementing Agencies, STAP, and Convention Secretariats discussed their experience and recommended fine tuning. These revised procedures were then circulated for review as part of the March 24, 1997 GEFOP, where all GEFOP participants expressed agreement with the procedures. The Executive Secretary of the Convention on Biological Diversity also indicated that he will be closely monitoring the implementation of these procedures over the next several work programs.

### **PROCEDURES FOR GEF OPERATIONAL PROGRAMMING**

#### **INTRODUCTION**

1. The procedures for operational programming of GEF resources are based on the following four principles:

(a) The CEO is responsible for determining the content of the work program;

(b)The work program would be based on ongoing consultations between the Secretariat and each of the Implementing Agencies;

(c)The Implementing Agencies should coordinate their activities related to project ideas and project pipeline; and

(d)Coordination and consultation should be institutionalized and should include the Convention secretariats and STAP.

## **UPSTREAM CONSULTATIONS**

2. Upstream discussions between the Secretariat and the Implementing Agencies will be held on project concepts together with regular consultations on the evolving pipeline and project proposals at various stages of preparation. These consultations will be initiated at semi-annual portfolio consultations (see paragraph 3) and continue through the CEO endorsement process to project completion and evaluation.

3. The Secretariat will have periodic, normally semi-annual, consultations with each of the Implementing Agencies to review the agency's portfolio and pipeline of GEF projects, including project concepts, PDF proposals, projects expected to be ready for inclusion in the proposed work program within six months, enabling activities and other pipeline developments. In the semi-annual consultation, a timetable of bilateral review meetings may be agreed upon. While proposals for medium sized projects are dealt with under special expedited procedures, the Implementing Agencies may choose to include proposals for such projects in the semi-annual consultations, particularly if they include policy issues, strategic concerns, or if GEF financing is expected to exceed \$750,000. The consultations will primarily address eligibility and programmatic aspects of activities proposed for funding in light of the GEF policies, operational strategy, and operational programs.

4. Each Implementing Agency will prepare a note prior to the semi-annual consultation outlining its on-going project preparation activities and a 2-3 page description of any project concepts to be discussed. This note will be distributed 10 working days before the consultation to the Secretariat, the other Implementing Agencies, STAP and the appropriate Convention secretariat. Written comments may be provided by any reviewer at least 2 days before the consultation to the Secretariat, which will be responsible for reviewing the comments with the Implementing Agency during the discussions. If the Secretariat identifies a key design issue or problem with proposals in the note, it should alert the implementing agency in writing before the portfolio consultation in order to sharpen the discussions.

5. A summary of the consultation will be prepared by the Secretariat and circulated to the Implementing Agencies, Convention Secretariats, and STAP. They may send comments on the record to the Secretariat. For project concepts, the summary should reflect eligibility and consistency with Operational Programs.

## **BILATERAL REVIEW MEETINGS**

6. The purpose of the bilateral review meeting is to review project concepts, PDF requests, and project proposals recommended for inclusion by the CEO in the work program to be proposed for Council approval. In order to avoid "bunching" of projects, Implementing Agencies should contact the Secretariat to schedule a bilateral when at least 2 projects or 3 PDF proposals (for normal circumstances) are to be discussed. The meeting date will then be placed in the 6-month calendar that is to be circulated monthly by the Secretariat.

7. At least 10 working days prior to a scheduled bilateral meeting, the Implementing Agency will distribute, normally by fax or electronic mail, any concept notes, PDF requests, or project proposals to the Secretariat, the other Implementing Agencies, STAP and the Convention secretariats for review and possible comment. Following receipt of the proposals, the Secretariat will circulate a draft agenda for the bilateral meeting to all organizations. Written comments by any reviewer should be received by the GEF Secretariat and the Implementing Agency sponsoring the proposal at least two days prior to the scheduled bilateral meeting. Reviewing organizations are urged to submit written comments to ensure that all views are considered.

8. At the bilateral meeting, the Secretariat will review each proposal and will discuss with the sponsoring Implementing Agency any modifications that may be needed in light of the written comments received, including those from STAP. Any of the reviewers may request in their written comments that a project be reviewed by GEFOP, if it raises major policy issues or strategic concerns for the GEF. Consistent with its role, STAP is invited to provide comments of a strategic scientific or technical nature that may be added to the GEFOP agenda for in-depth discussion. STAP may also, at its own discretion, provide other technical comments. Regarding PDF proposals, if an objection or request for further consideration is made, the Implementing Agency may discuss the issue with the Secretariat and other concerned entities with a view to reaching consensus. If consensus is not reached, the PDF proposal may be referred to the relevant GEF focal area task force for possible resolution.

9. The Implementing Agency will respond to major comments identified by reviewers that are discussed at the bilateral meeting in order to describe how the comments were taken into consideration. These comments will normally be reflected fully in the minutes to the meeting.

10. Within 4 days after the bilateral review meeting, the Secretariat will circulate to the Implementing Agency for comment the draft summary containing recommendations for each PDF and project proposal submitted for review (or concept note submitted for eligibility determination). The Implementing Agency may provide written comments within two days of submission of the draft summary. The Secretariat will then take into consideration any comments and within 4 days recommendations will be forwarded to the CEO, and his response regarding PDF approval or inclusion of project proposals in a work program will be circulated to the Implementing Agencies, Convention Secretariats and STAP.

## **BILATERAL REVIEW MEETING SUMMARY**

11. The standard format for the summary of the bilateral review meeting will include basic information on the proposal, including the sponsoring agency, type of activity, and proposed GEF financing. Recommendations on project proposals will be made in three areas:

1. requirements for inclusion in the work program to be submitted to Council;
2. requirements for CEO approval; this is to allow time for contingencies to be addressed such as ratifications, leveraging of resources, project issues needing consultations with stakeholders, etc.; and
3. other comments, including comments from partner reviewers raised at the bilateral and substantive technical comments.

For PDF proposals, recommendations will be as follows:

1. not recommended for CEO approval;
2. recommended for CEO approval; or
3. recommended for CEO approval with qualifications (significant revisions such as redundancy, social assessment and participation, and other project design issues).

For concept notes:

1. concept is appropriate for further development based on possible eligibility and consistency with Operational Programs;
2. concept is not appropriate for further development;

## **WORK PROGRAM**

12. Before distributing a proposed work program for Council review and approval, the CEO will convene a GEFOP, at an executive management level, to finalize the work program to be recommended to the CEO for Council approval (see annex A).

13. After the GEFOP meeting, the CEO will make a final determination of the content of the proposed work program and will circulate it to Council Members for review and approval. Council Members may, within three weeks of a Council meeting or five weeks of an intersessional work program, submit technical comments on projects. The Secretariat will consolidate Council's technical comments on project proposals for distribution to Council Members and Implementing Agencies within six weeks.

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Annex A

## **GEFOP**

1. The GEFOP will comprise the Assistant CEO (and, as necessary, the CEO), the Coordinator and Deputy Coordinator of each of the Implementing Agencies, the Executive Secretaries of the Convention on Biological Diversity and the Framework Convention on Climate Change and the Chairperson of STAP. The GEFOP will consider policy issues which arise from the operations of the GEF portfolio. It will take a long-term strategic view in examining the portfolio, developing common understandings among GEFOP members, discussing operational policy issues that arise from GEF operations, and identifying ways of addressing the issues. The GEFOP will also consider policy and strategic issues raised by proposed work programs. Normally, the GEFOP

will not undertake a project-by-project review of the proposed work program but will consider projects referred to it as a result of the review and comment process. Other staff of the Secretariat and the Implementing Agencies may be invited to participate in the GEFOP meeting when appropriate in light of the agenda of the meeting.