

50<sup>th</sup> GEF Council Meeting  
June 07 – 09, 2016  
Washington, D.C.

Agenda Item 16

## **GEF BUSINESS PLAN AND CORPORATE BUDGET FOR FY17**

**RECOMMENDED COUNCIL DECISION**

The Council, having reviewed document GEF/C.50/10, *GEF Business Plan and Corporate Budget for FY17*, takes note of the business plan, and approves a FY17 corporate budget from the GEF Trust Fund of \$25.586 million, comprised of:

- (a) \$19.979 million for the GEF Secretariat,
- (b) \$2.620 million for STAP, and
- (c) \$2.987 million for the Trustee,

The Council also approves a total FY17 administrative budget for the Nagoya Protocol Implementation Fund (NPIF) of \$31,000, comprised of the following allocations from the NPIF to cover the Secretariat's and Trustee's expenses for NPIF administration and implementation:

- (a) \$20,000 for the GEF Secretariat; and
- (b) \$11,000 for the Trustee

The Council requests the Secretariat, in consultation with STAP and the Trustee, to present a combined FY18 corporate budget and business plan for discussion at its 2017 spring meeting.

## EXECUTIVE SUMMARY

1. This document presents the update of the GEF Business Plan for GEF-6 and FY17 budget request to cover expenses of three of the central GEF entities for their activities under the GEF Trust Fund: the Secretariat; the Scientific and Technical Advisory Panel (STAP); and the Trustee. It also includes budget requests for the Secretariat and Trustee for their activities under the Nagoya Protocol Implementation Fund (NPIF).<sup>1</sup>
2. The document first sets out the combined FY17 corporate budget request, and the explanations supporting this request. The total FY17 budget request from the GEF Trust Fund for the three GEF entities amounts to \$25.586 million. As set out in Table 1 in the text, this is comprised of:
  1. Secretariat: \$19.979 million
  2. STAP: \$2.620 million; and
  3. Trustee: \$2.987 million.
3. The budget request section also includes the administrative budget request of \$31,000 to cover the expenses of the Secretariat and the Trustee for the administration and implementation of the Nagoya Protocol Implementation Fund during FY17:<sup>2</sup> (i) \$20,000 for the Secretariat; and (ii) \$11,000 for the Trustee.
4. The document then sets out the second annual update of the GEF Business Plan. This update describes key priorities and tasks that the entities of the GEF network will undertake during FY17, for which the budget request resources are needed and will be used. A core emphasis of the Secretariat, as reflected in the Business Plan, continues to be to act effectively and efficiently with its partners and stakeholders to fully deliver GEF-6, in line with the strategic directions, priorities, and policies adopted and approved by Council, and the mandate and unique assets of the GEF.
5. The document also reports on the use of GEF resources and key accomplishments in FY16 of the GEF Secretariat, STAP and the Trustee. This includes multiple actions supported by the Secretariat to program resources and to implement the recommendations from the GEF-6 replenishment negotiations.

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<sup>1</sup> Beginning last fiscal year, the budget request of the Independent Evaluation Office (IEO) is presented separately from those of the other three GEF entities. Please refer to GEF/ME/C.48/01, *Four-Year Work Program and Budget of the GEF Independent Evaluation Office*, for details. The FY17 budget for the LDCF and SCCF Trust Funds also are presented separately to the LDCF/SCCF Council. In addition, during this Council meeting the Secretariat is presenting a separate paper to Council seeking approval of a new small Trust Fund to support projects to implement the Capacity Building Initiative for Transparency (CBIT) that was part of the 2015 Paris Agreement on Climate Change. See Council Document *Establishment of a New Trust Fund for Capacity-building Initiative for Transparency*, GEF.C.50/05. This topic is not addressed in the present document.

<sup>2</sup> Resources are requested from the Nagoya Protocol Implementation Fund.

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## FY17 GEF TRUST FUND CORPORATE BUDGET REQUEST

1. This document presents the GEF corporate budget request for FY17, which is the second of the four year GEF-6 budget period. The GEF corporate budget finances the administrative costs of three of the central entities of the GEF – the Secretariat, STAP, and the Trustee - under the GEF Trust Fund (the budget for the IEO is presented separately).
2. As shown in Table 1 below, \$25.586 million is requested from GEF Trust Fund for FY17 budget. This consists of the following:
  - (a) A core budget request of \$19.979 million by the GEF Secretariat, which is an increase of \$148,000 or 0.8 percent from the FY16 approved budget
  - (b) A core budget request of \$2.620 million by STAP, which is an increase of \$80,000 or 3.1 percent from the FY16 approved budget
  - (c) A core budget request of \$2.987 million by the Trustee, which is a decrease of \$50,000 or 1.6 percent from the FY16 approved budget
  - (d) No additional request for “Special Initiatives” (see Annex 1)
3. As noted in the Business Plan and Budget paper presented to Council last year, it was agreed under the GEF-6 replenishment negotiation that the budgetary envelope for the GEF Trust Fund for the Secretariat, STAP and the Trustee will be \$106 million for four years (FY16-19).<sup>3</sup> In presenting FY17 budget request, the Secretariat, STAP and the Trustee ensure that the overall budget remains within the agreed four year budgetary envelope.

**Table 1: GEF Trust Fund Corporate Budget Projections for FY16-FY19 (\$ Million)**

GEF Entities	FY16 Approved Budget	FY16 Estimated Expenses	FY17 Projection	FY18 Projection	FY19 Projection	FY16-19 TOTAL
Secretariat Core Budget	19.831	19.539	19.979	20.288	20.823	80.630
Refund from FY15*		(0.532)				(0.532)
		19.007				80.098
Secretariat Special Initiative	0.000	0.000	0.000	1.825	0.000	1.825
<b>Secretariat Total</b>	<b>19.831</b>	<b>19.007</b>	<b>19.979</b>	<b>22.113</b>	<b>20.823</b>	<b>81.923</b>
<b>STAP Total</b>	<b>2.540</b>	<b>2.540</b>	<b>2.620</b>	<b>2.698</b>	<b>2.753</b>	<b>10.611</b>
Trustee Core Budget	3.037	3.008	2.987	3.483	3.638	13.115
Trustee Special Initiative	0.000	0.000	0.000	0.351	0.000	0.351
<b>Trustee Total</b>	<b>3.037</b>	<b>3.008</b>	<b>2.987</b>	<b>3.834</b>	<b>3.638</b>	<b>13.466</b>
<b>Total Corporate Budget</b>	<b>25.408</b>	<b>24.555</b>	<b>25.586</b>	<b>28.645</b>	<b>27.213</b>	<b>106.000</b>

\* Reflects a refund of \$0.532m from host institution (World Bank) due to adjustment downward in Indirect Rate charge on GEF for office and IT expenses during FY15

<sup>3</sup> GEF Business Plan and Corporate Budget for FY16, GEF/C.48.05, paragraph 26 and Table 1, reflecting the agreed allocations in the Summary of Negotiations of the Sixth Replenishment of the GEF Trust Fund, Table 1, GEF/C.46/07/Rev.01.

## SECRETARIAT FY17 BUDGET REQUEST, ACTIVITIES, AND OUTPUTS

### Secretariat FY17 Budget Request

4. For the Secretariat, an important feature of its budget planning in GEF-6 is the sequencing to implement key GEF-6 priorities and reforms. As explained in the Budget document presented to Council last year, the FY16 budget increase (this past fiscal year) was needed to kick-start implementation of these Council-agreed priorities.<sup>4</sup>
5. Moving into the second year of the GEF-6 budget cycle (FY17), and in line with the projections presented to Council last year, the Secretariat proposes to stay at a more steady-state trend for this upcoming year, FY17. Specifically, the Secretariat is requesting a core FY17 budget of \$19.979 million, compared to the FY16 estimated expense of \$19.539 million (see Table 2, below).
6. This FY17 Secretariat budget request, indicated in Table 2, is 0.8% increase in the approved budget of FY16, and it remains at the same level for FY17 as projected in the Business Plan and Budget document presented to Council last year (GEF/C.48.05). The budget is requested to support the core work and key actions of the Secretariat to deliver GEF-6 as set out in the Business Plan, including in respect to policies and priorities initiatives, country and stakeholder engagement and partnership, and strategic and effective programming of resources to programs and projects.
7. Table 2 also shows that the Secretariat estimates a nearly full use of budgeted funds in FY16, namely estimated \$19.539 million against approved \$19.831 million (99%).<sup>5</sup> This reflects, among other things, the use of FY16 resources to kick off the implementation of Council-agreed priority actions for GEF-6. In the case of RBM, KM and Gender, the Secretariat has reinforced its staff capacity and engaged in a series of activities to kick-start implementation of agreed action plans and initiatives. The Secretariat also has embarked on its overall IT upgrade, and has made good progress on updating its external website, internal intranet, Project Management Information System (PMIS) and other features. The actions and progress on these items in FY16 is described in more detail in the Business Plan presented later in this document.<sup>6</sup>

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<sup>4</sup> The priorities included: (1) implement the RBM and Gender Equality Action Plans, the proposed approach on KM, and new private sector initiatives, in response to requests by Council; and (2) upgrade the Secretariat's Information Technology systems to support these priority initiatives and GEF programming work.

<sup>5</sup> The estimated actual for FY16 in Table 2 reflects the amount of resources used, at \$19.539 million. This is 99% of the approved FY16 budget. The Table also notes that a refund from the World Bank has been applied, which brings the net estimated actual expenses to \$19.007 million.

<sup>6</sup> The Secretariat also has updated its internal budget tracking system in FY16 to fully align with these and other GEF-6 priorities. The updated system helps us to better track expenses in these priority items (and others), both in terms of fixed and variable costs.

**Table 2: FY17 GEF Secretariat Core Budget Request (\$ million)**

<b>Expense Category</b>	<b>FY16 Approved Budget</b>	<b>FY16 Estimated Expenses</b>	<b>FY17 Requested</b>
<b>Staff Costs</b>	<b>15.197</b>	<b>15.233</b>	<b>15.177</b>
Salaries and Benefits	13.247	13.169	13.170
Travel	1.850	1.964	1.907
Training	0.100	0.100	0.100
<b>Consultant Costs</b>	<b>0.700</b>	<b>0.702</b>	<b>0.700</b>
<b>Council Costs</b>	<b>0.721</b>	<b>0.721</b>	<b>0.721</b>
<b>Cross Support from World Bank</b>	<b>0.123</b>	<b>0.123</b>	<b>0.557</b>
<b>External Outreach, Publications, Media, and Web</b>	<b>0.950</b>	<b>0.982</b>	<b>1.000</b>
<b>General Operations Costs</b>	<b>2.140</b>	<b>1.780</b>	<b>1.824</b>
Office, Equipment, Supplies, Communications & Internal Computing	2.080	1.722	1.764
Representation and Hospitality	0.060	0.057	0.060
<b>TOTAL</b>	<b>19.831</b>	<b>19.539</b>	<b>19.979</b>
Refund from FY15*		(0.532)	
<b>Grand total</b>	<b>19.831</b>	<b>19.007</b>	<b>19.979</b>

\* Reflects a refund of \$0.532m from host institution (World Bank) due to adjustment downward in Indirect Rate charge on GEF for office and IT expenses during FY15

8. The FY16 approved budget also contained a small allocation of \$50,000 in order to cover the potential relocation of the offices of the Secretariat and IEO due to planned major construction on the previous GEF's building facilities (that renders it unusable for a period of some 18 months). This Office re-location has taken place in a satisfactory manner and within the GEF budget envelope. In fact, in this start-up year under the new lease the Secretariat (along with the co-located Independent Evaluation Office and Secretariat of the Adaptation Fund) received a rebate of three months in rent (from its new lessor) as an incentive to make the move. This is one reason that the estimated actual expenses in the Office line item is \$1.722 million and much lower than the approved \$2.080 million.<sup>7</sup>

9. The FY16 estimated expenses in Table 2 also reflects a refund of \$0.532 million from the host institution, the World Bank, due to an adjustment downward in indirect rate charge by the World Bank for office and IT expenses during FY15.

10. Within the overall FY17 request, the specific line items indicated in Table 2 are updated to reflect the latest trends and anticipated needs. One big change from the FY16 estimated is

<sup>7</sup> In addition, certain capital costs associated with the physical office move are spread into subsequent years on advice from GSD and according to the generally accepted accounting principles.

that the line item on Cross Support from the World Bank has increased by \$0.434 million, due to the fact that information technology (IT) staff support from the World Bank is now accounted for under this line item. The line item on Salaries and Benefits, correspondingly, is reduced by this amount.

11. The line item on Office and Equipment in Table 2 is less than the FY16 approved budget. This adjusted figure reflects actual new lease costs and the latest costs for IT support from the host institution, the World Bank. For other items, the FY17 request reflects no change from the FY16 Council approved budget last year. This includes training, consultants, Council costs, and representation and hospitality, as trends and anticipated needs have confirmed projections to date.

12. In sum, the FY17 request is required to meet core business needs and stay within the four year budget envelope of \$80.098 million of the \$106 million overall budget envelope agreed during replenishment.

#### **STAP FY17 BUDGET REQUEST, ACTIVITIES, AND OUTPUTS**

##### *Maximizing STAP value to the GEF*

13. In the wake of the adoption of the Paris Agreement on Climate Change and the 2030 Agenda for Sustainable Development, new opportunities have emerged for the GEF to design and implement actions that are cognizant of our rapidly changing world. STAP will support the GEF to embrace these opportunities and strengthen its concerted actions on the environment and human well-being. STAP will continue, therefore, to greatly amplify the integrative nature of its work by addressing common drivers of environmental degradation – a pillar of the GEF’s 2020 strategy. Through its work on the science of integrated approaches, STAP will focus on “how to” achieve transformational change at a broader scale, drawing on global assessments and multi-stakeholder platforms. This work will contribute to identifying solutions for meeting the GEF’s actions on sustainability, and in particular on planning for resilience in GEF Programs. Additionally, STAP will continue working on the Integrated Approach Pilot programs by following-up on the metrics and indicators that assess progress on environmental sustainability and development.

14. The STAP budget request reflects the strategic support expected of STAP to the GEF while at the same time recognizing the need for budget constraint.

15. Specific activities proposed in FY 17 and beyond include:

- (a) Screening: The STAP screening function will be more strategic at portfolio level, with an integrated approach to screening of full sized projects focusing on multi-focal initiatives of a particularly challenging and innovative nature (GEF/C.46/Inf. 01), and initiate reviews at mid-term and project conclusion to evaluate the impact;



- (b) Science of integrated approaches: This activity aims to provide support in defining the future direction of the GEF with regard to the Sustainable Development Goals and Paris Agreement, and also in preparation of the GEF's Global Commons Conference.
- (c) Knowledge Management and RBM: STAP will help reshape the RBM and Knowledge Management functions across focal areas, refine indicators to include outcomes and impact, mine data from the current repository of completed or ongoing projects to develop lessons learned and best practices, ensure that data and information assets generated by new projects are available for future analysis, and advance the use of research and scientific methods in support of the integrated approach pilots and across the GEF Program (GEF/R.6/21, pg. 5).
- (d) Mercury: STAP will develop advice on appropriate technologies to eliminate and/or minimize the use of mercury across sectors.
- (e) Green Chemistry: The GEF is interested in exploring new approaches in the area of green chemistry during the GEF-6 period, considering the relevance of the issue of green chemistry for chemicals and waste, namely through removal of hazardous substances from the production and consumption chain, whilst seeking out and/or noting multiple benefits from greater environmentally friendly technologies in other focal areas such as climate change, biodiversity and international waters in the chemicals domain.
- (f) Environmental Security: STAP will target advice on the role of environmentally sustainable development, security, and stability to support the delivery of IAPs as well as GEB outcomes.
- (g) Metrics/Tools: Work closely with the Evaluation Office and other partners to improve metrics for success, screening tools, and indicators (GEF/STAP/C.43/Inf.02; GEF/C.41/Inf.18);
- (h) Outreach: Improve direct STAP engagement with the GEF Council and efficiencies in resource use within the GEF Partnership, in part through hosting of STAP Panel Meetings concurrent with the GEF Council Meetings and exploring mechanisms to raise the engagement of STAP with scientific bodies in recipient countries. Develop higher impact and more visible reports and workshops on key integrative topics.

16. These activities will improve GEF project impact today, assist in designing more effective multi-focal projects, and explore prospective new program areas beyond GEF-6

### **FY17 STAP Budget Request**

17. STAP's expected FY16 expenditures and requested FY17 corporate budget are summarized in the table below. STAP work program activities for FY 16 have been

implemented within the approved budget. STAP wishes to stress that FY 16 expenditures are estimates at this time, due to the differing GEF and UNEP fiscal years.

**Table 3: FY17 STAP Budget Request (\$ million)**

<b>STAP -- Secretariat</b>	<b>FY16 Approved Budget</b>	<b>FY16 Estimated Expenditures</b>	<b>FY17 Budget Request</b>
<b>Staff Costs</b>	<b><u>1.283</u></b>	<b><u>1.283</u></b>	<b><u>1.212</u></b>
Salaries and Benefits	1.170	1.170	1.097
Travel	0.107	0.107	0.110
Training	0.006	0.006	0.005
<b>Consultant Costs</b>	<b><u>0.325</u></b>	<b><u>0.325</u></b>	<b><u>0.378</u></b>
Fees (long-term)	0.250	0.250	0.283
Travel	0.075	0.075	0.095
<b>General Operations Costs</b>	<b><u>0.253</u></b>	<b><u>0.253</u></b>	<b><u>0.286</u></b>
Office Space, Equipment, and Supplies	0.125	0.125	0.158
Communications and Internal Computing	0.041	0.041	0.041
Corporate Services	0.085	0.085	0.085
Representation and Hospitality	0.002	0.002	0.002
<b>SUB-TOTAL</b>	<b><u>1.861</u></b>	<b><u>1.861</u></b>	<b><u>1.876</u></b>
<b>STAP -- Panel Member</b>			
Honoraria & Logistical/Secretarial Support	0.300	0.300	0.315
MOUs with Expert Institutions	0.100	0.100	0.135
STAP Meetings	0.240	0.240	0.247
STAP Publications	0.039	0.039	0.047
<b>SUB-TOTAL</b>	<b><u>0.679</u></b>	<b><u>0.679</u></b>	<b><u>0.744</u></b>
<b>TOTAL</b>	<b><u>2.540</u></b>	<b><u>2.540</u></b>	<b><u>2.620</u></b>

**TRUSTEE FY17 BUDGET REQUEST, ACTIVITIES, AND OUTPUTS**

18. The World Bank as Trustee provides a range of services, broadly defined in the Instrument, in the following categories: financial and risk management; investment and cash flow management; management of GEF partner relationships and transactions; accounting and reporting; legal services; commitment and disbursement of trust fund resources; systems infrastructure and maintenance; and resource mobilization.

19. According to Annex B of the Instrument for the Establishment of the Restructured Global Environment Facility (in paragraph 8), the “reasonable expenses incurred by the Trustee for the administration of the Fund and for expenses incurred in administratively supporting the Secretariat” are reimbursed annually, on the basis of estimated cost, subject to end-of-year

adjustment. At its June 2007 meeting, the GEF Council approved the methodology for reimbursement of the Trustee's costs and expenses as follows: The Trustee presents its projected budget for the coming fiscal year based on the expected work program and associated staff costs and expenses, and receives an allocation from the GEF trust fund; at the end of each fiscal year, the Trustee reports the actual staff costs and expenses incurred to the Council, and reconciles this amount against the allocation provided.

20. In June 2015, Council approved a core budget estimate of \$3.04 million for FY16 to cover Trustee's services and the cost of external audit of the GEF Trust Fund. The Trustee estimates that expenses for FY16 are expected to be \$3 million, reflecting a decrease of \$28,950 compared to the approved budget. The decrease was on account of the decreases in investment management costs as a result of the lower than expected level of liquidity (fund balance) in GEF, and accounting and reporting costs.

#### **Trustee FY17 GEF Trust Fund Budget Request**

21. In addition to standard trustee services, the FY17 work program will include the following items:

- (a) Implementation of the GEF-6 replenishment resolution, including working with donors to facilitate deposit of Instruments of Commitment, ensuring compliance with replenishment resolution policies;
- (b) On-going negotiations to revise and update the FPA with the existing GEF Agencies;
- (c) Ensure Agency's compliance under the FPA including periodic financial reports related to GEF financed activities implemented by the Agencies;
- (d) Administrative support to the GEF Secretariat in implementing policies approved by the Council;
- (e) Initial coordination and preparation for GEF-7.

22. The Trustee's budget estimate for FY17 amounts to \$2.99 million as shown in Table 4 below. This represents a decrease of \$20,300 from the FY16 estimated actuals. The decrease is mainly on account of efficiency gains in accounting and reporting services.

**Table 4: Proposed Trustee Budget for GEF Trust Fund FY17 (\$ million)**

GEF Entities and Budget Items	FY16 Approved Budget	FY16 Estimated Expenses	FY17 Budget Request
<b>Standard Services</b>			
Financial Management and Relationship Management	1.259	1.265	1.278
Investment Management /a	1.341	1.304	1.304
Accounting and Reporting	0.173	0.173	0.123
Legal Services	0.144	0.145	0.162
<b>Sub-total, Standard Services</b>	<b>2.917</b>	<b>2.887</b>	<b>2.867</b>
<b>Audit</b>			
External Audit of Trust Fund	0.120	0.121	0.120
<b>Total Core Budget</b>	<b>3.037</b>	<b>3.008</b>	<b>2.987</b>
Special Initiatives	-	-	-
<b>Total Costs, including Special Initiatives</b>	<b>3.037</b>	<b>3.008</b>	<b>2.987</b>

**FY17 NAGOYA PROTOCOL IMPLEMENTATION FUND BUDGET REQUEST, ACTIVITIES AND OUTPUTS**

23. The GEF Secretariat and Trustee request a total of \$31,000 from the NPIF to support their respective activities to administer the trust fund. The separate budget requests and the related background and justifications are presented in Table 5 below.

**Table 5: FY17 NPIF Budget Request**

(in USD)

GEF Entities and Budget Items	FY16 Approved Budget	FY16 Estimated Expenses	FY17 Budget Request
Secretariat - NPIF Administrative Budget	20,000	20,000	20,000
Trustee NPIF Budget	19,000	17,800	11,000
<b>Total – NPIF Budget Requests</b>	<b>39,000</b>	<b>37,800</b>	<b>31,000</b>

24. Since the inception of the NPIF in the summer of 2011, the GEF CEO has approved a total of 13 NPIF project proposals, totaling \$15.1 million (including Agency fee) and leveraging \$32.4 million in co-financing. These projects have benefited a total of 52 countries in support of Nagoya Protocol ratification and have included: 10 country-based projects (in Argentina,

Bhutan, Cameroon, Colombia, Cook Islands, Costa Rica, Fiji, Gabon, Kenya and Panama), two regional projects (one in Central Africa, for the 10 member states of the Central African Forest Commission (COMIFAC), and another in the Pacific region, for the 12 member countries of the Secretariat of the Pacific Regional Environment Programme (SPREP), and one global project (in 21 different countries).

### Secretariat NPIF Activities in FY16

25. The 46<sup>th</sup> GEF Council in May 2014 took note of the GEF Secretariat’s good progress in managing the NPIF. It decided to extend the operation of the NPIF to December 31, 2020 for operational reasons to allow continued project preparation and implementation of projects for which a Project Identification Form (PIF) had already been approved. Consistent with the GEF Council decision on the NPIF from May 2011, the Council has not approved new PIFs under the NPIF since June 30, 2014.

26. During FY16, the Secretariat staff have worked closely with and provided necessary guidance to the GEF Agencies on continued preparation of the PIF-approved projects. All 13 projects funded by the NPIF have been CEO endorsed to date.

### Secretariat NPIF Activities and Budget for FY17

27. The GEF Secretariat will continue to work with the GEF Agencies on final approval of PIF-approved projects, portfolio monitoring and reporting, and other necessary oversight functions. The GEF will also continue to report on the projects’ progress and results to the GEF Council, to the CBD COP13, and to the COP serving as the Meeting of the Parties to the Nagoya Protocol on Access and Benefit Sharing. To cover these minimum functions, and as reflected in Table 6 below, the GEF Secretariat requests an administrative budget of \$20,000, all of which will cover staff costs.

**Table 6: GEF Secretariat FY17 NPIF Budget Request**

(in USD)

Expense Category	FY16 Approved Budget	FY16 Estimated Expenses	FY17 Budget Request
Staff Costs (Salaries & Benefits)	20,000	20,000	20,000
<b>Total</b>	<b>20,000</b>	<b>20,000</b>	<b>20,000</b>

### Trustee NPIF Activities and Budget for FY17

28. As agreed with NPIF donors under the relevant Trust Administration Agreements, the Trustee receives an annual administrative fee to cover the reasonable actual expenses incurred by the Trustee in carrying out its function for the NPIF.

29. The core elements of the Trustee’s work program in FY17 include: (i) financial and investment management of resources, (ii) commitments and transfers to the Agencies, (iii) infrastructure and systems support, and (iv) accounting and reporting for the financial and operational activities of the NPIF. Table 7 below shows the breakdown of the Trustee fee by services provided to the NPIF

30. To cover its expenses for FY17, the Trustee requests a budget of \$11,000 as presented in Table 7 below. This represents an overall decrease of \$6,800 compared to the FY16 estimated actual cost of \$17,800. It is anticipated that FY17 requirements for Trustee services will be reduced compared to FY16 levels

**Table 7: Trustee FY17 NPIF Budget Request**

<b>FY 17 (in USD)</b>			
<b>Trustee Services</b>	<b>FY 16 Approved</b>	<b>FY 16 Expected Actual</b>	<b>FY 17 Proposed Budget</b>
Financial Management and Relationship Management	5,000	5,300	3,000
Investment Management a/	5,000	3,400	3,000
Accounting and Reporting	4,000	4,000	2,000
Legal Services	5,000	5,100	3,000
<b>Total Costs</b>	<b>19,000</b>	<b>17,800</b>	<b>11,000</b>
a/ Investment Management fees are calculated based on a cost of 3.5 basis points against the average annual balance of the portfolio.			

**BUSINESS PLAN OF GEF SECRETARIAT**

31. This section focuses on the Business Plan of the GEF Secretariat, and follows the separate section on the budget request for FY17 (above). The discussion provides an update of the GEF Business Plan of the Secretariat presented to Council at its 46<sup>th</sup> meeting in May 2014, which reflected the priorities agreed upon for GEF-6 and actions to implement those priorities.<sup>8</sup> As the GEF is now entering into the third year since the Replenishment, the discussion updates on progress and key areas of focus for the Business Plan for FY17, and provides additional detail and information to explain the basis and need for the budgetary resources requested above.

<sup>8</sup> The policy recommendations and programming priorities established for the GEF-6 Replenishment, which are included in the *Summary of Negotiations of the Sixth Replenishment of the GEF Trust Fund* (Council Document GEF/C.46/07). The Action Plan for implementing the *GEF-6 Policy Recommendations* is attached as Annex 1.

32. The Business Plan also reflects key elements of the *Long-Term Strategy for the GEF* (GEF 2020),<sup>9</sup> including integrated approaches, support for innovative and scalable interventions focused on the drivers of environmental degradation, enhancing country ownership, mobilizing stakeholders for solutions, and putting a focus on results and efficiency. A core continuing emphasis of the Secretariat is to work with partners and stakeholders to fully deliver GEF-6. In addition, and as noted further below, the Secretariat will begin steps in this upcoming year to help prepare for GEF-7 replenishment discussions.

### **Policies and Priority Initiatives**

33. The Secretariat will continue to focus efforts on the effective and efficient implementation of several policy and priority initiatives established for GEF-6, in consultation with the Agencies, Conventions, IEO, STAP and other stakeholders, and in line with priorities and decisions set by Council.

#### *Results-based Management (RBM)*

34. In respect to RBM, the Secretariat, in partnership with the Agencies, the Conventions and others, is continuing to implement the five key actions set out in the Progress Report presented to Council at its 48<sup>th</sup> Session (see GEF/C.48/Inf.07, *Progress Report on the Implementation of the Results-based Management Action Plan*).

35. Implementation of the RBM Action Plan has accelerated since September 2015, when a new RBM specialist was brought on board to spearhead the effort. In particular, there has been significant progress on: forming an updated corporate scorecard to enhance tracking of progress toward results; updating the Annual Monitoring Report (AMR) to focus on key indicators and align with GEF 6 priorities and the GEF 2020 Strategy; and discussing with the Independent Evaluation Office about an evaluation of RBM. The Secretariat also is engaged closely in the IT upgrade within the Secretariat (noted below) to ensure that the new platform supports RBM priority needs, and working to help ensure a focus on assessing relevant results in all aspects of GEF operations, policy and reporting (e.g., reports to Conventions).

36. Looking ahead to FY17, priority attention will be put on bringing the actions noted above to completion, and continuing to strengthen a “results-based” culture within the partnership. A more detailed description of progress and next steps is set out in the Council document providing an update on the Corporate Scorecard and implementation of the RBM action plan (GEF.C.50.03).

#### *Knowledge Management (KM)*

37. In respect to KM, the Secretariat, working with the Agencies and other stakeholders, is pursuing two main objectives: first, to inform global, regional and national policy dialogues on

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<sup>9</sup> See *Long-Term Strategy for the GEF – GEF 2020*.

options and approaches to reverse the course of environmental degradation; and second, to improve the impact of GEF-supported projects and programs.<sup>10</sup>

38. The Secretariat has undertaken a number of initial actions to these ends. These include: (1) setting up a new KM team in the GEF Secretariat; (2) establishing an inter-agency KM Advisory Group (AG) to support the GEF KM agenda; (3) undertaking an internal GEFSEC staff survey on KM as well as country level surveys on KM needs/preferences of recipient countries, taking advantage of extended constituency workshops (ECW); (4) conducting a KM Audit and a knowledge asset analysis across the Partnership, and preparing a detailed KM implementation Road Map that builds on the initial KM actions; and (5) undertaking a pilot exercise to extract lessons learned from terminal evaluations of completed GEF multi-focal area projects for integration into PMIS.

39. Several other actions have been initiated and will continue into FY17. These include: (1) engaging with the upgrade for IT to ensure KM support tools (such as the pilot "KALEO Ask the GEF Expert" on-line tool) are part of the future vision and implementation, with the "open-access" approach to information fully embedded; (2) incorporating lessons/knowledge capture and sharing to ECWs and organizing GEF Knowledge Days at the ECWs to enable learning from GEF projects on the ground; and (3) engaging on the RBM action plan implementation to ensure strong synergy and support in these actions. A more detailed description of progress and next step is set out in the Council information document on Knowledge Management Progress Report (GEF.C.50.Inf.06).

#### *Enhancing Gender Mainstreaming*

40. The GEF is committed to strengthening its gender mainstreaming efforts and contributing to gender equality and women's empowerment through its operations in GEF-6. The Secretariat is working as a matter of priority to implement the [Gender Equality Action Plan](#), (GEAP) with support from a senior gender expert and its recently created Gender and Social Issues team. Building on the Action Plan, the GEF created a gender partnership platform in 2015 for partners to share knowledge and collaborate on implementing the Action Plan. The GEF Gender Partnership now engages gender focal points from all GEF's 18 Agencies, MEA Secretariats, and other partners. Together, with the Partnership, the Secretariat is focusing on the following actions:

- (a) Development of the GEF operational guidelines to mainstream, offering practical framework for GEF Agencies, staff and other partners to systematically and consistently address gender aspects across the GEF project cycle;
- (b) Strengthening the results-based monitoring (RBM) framework for gender mainstreaming across the corporate and GEF focal area levels, including design of a gender marker/categorization system to better monitor and report on progress and results;

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<sup>10</sup> See GEF/C.48/07, GEF Knowledge Management Approach Paper.



- (c) Advancing the knowledge base and communication on gender as related to GEF program and project portfolio, revamping GEF's gender webpage to create a more interactive interface to showcase best practices, and events and tools relevant to GEF work on gender and the environment;
- (d) Development and implementation of a GEFSEC staff capacity development plan based on the gender capacity staff assessment that was conducted at the GEFSEC in 2015, and awareness raising training modules to support capacity development of GEF Operational Focal points and other local partners.

41. A more detailed description of progress and next steps is set out in the Council document with the GEAP Progress Report (GEF.C.50.Inf.07).

*Revamped technology platform*

41. As indicated to Council last year, the Secretariat is taking several steps to revamp its technology platform in support of its priority work activities, in response to the recommendations from the Replenishment. Key actions include the following:

- (a) Document and Project Lifecycle Management. The Secretariat has made significant progress this year in re-tooling the GEF Project Management Information System (PMIS) to a more updated and user-friendly technology platform. The upgrade of this core operational system is ongoing, and will align with up-to-date policies and guidance from Council on the project cycle, and enable easier access and more efficient information flow among on project-cycle actions throughout the partnership.
- (b) Communication and Stakeholder Engagement. The Secretariat has undertaken several steps: (i) a major upgrade of its external website with a new, modern, look and feel, enhanced search function, resource mapping, live data from the project database and responsive design, while aligning the content with up-to-date policies, strategic directions and guidance from Council; (ii) a new GEF intranet to enhance internal communications and knowledge sharing among GEF staff; and (iii) improved social media channels and online communication material (including multimedia and e-publications) to strengthen the engagement with partners and key stakeholders, and promote GEF work with the general public.
- (c) Event Management. The Secretariat is enhancing its Event Management (including Council meetings, Expanded Constituency Workshops (ECWs), Constituency Meetings, Assembly) and Client Relationship Management (CRM) systems, which is based on the World Bank's Microsoft Dynamics CRM platform. This action should be completed in FY 2017, and will provide the GEF with a highly accessible system to manage partner relationships.
- (d) Data Analytics. In support of its work on RBM and KM in particular, the Secretariat is exploring the use of advanced data analytic methods to more

efficiently extract and utilize information and lessons from the GEF work portfolio. The RBM team, for example, is using these advanced methods to inform the 2016 Annual Portfolio Monitoring and Results Report, future strategic direction of data collection, and data use in GEF 7. The KM team is similarly applying the updated tools to inventory and share information among GEF partner agencies.

## **Country and Stakeholder Engagement and Partnership**

### *Civil Society and Indigenous Peoples Engagement*

42. The Secretariat and its partners recognize the positive and crucial roles played by Civil Society Organizations (CSOs), including indigenous peoples, in safeguarding the global environment and contributing to the work of the GEF. In support of this engagement, the Secretariat developed in FY15 new GEF Guidelines to better implement the GEF's [Public Involvement Policy](#). These guidelines include guidance and an action plan, and the Secretariat is working actively with stakeholders and partners to translate this into reality.

43. As part of this work, the Secretariat in partnership with civil society, agencies, a number of OFPs and members of Council, and the GEF IEO, has set up a Working Group (WG) to consider ways to support the implementation of the new Guidelines and, if needed, recommend an update to the GEF policy. The WG has met in advance of both of the last two Council meetings, and via videoconference three times this fiscal year.

44. To assist this effort, the Secretariat reviewed the policies, guidelines, and practices of the GEF Partner Agencies, and recommend a concrete action plan to enhance the implementation and clarity of the policy. The WG is planning to provide a report and recommendations to Council at the meeting either in Fall 2016 or Spring 2017.

45. The Secretariat will also continue and strengthen its engagement with Indigenous Peoples in its projects and operations. The GEF Indigenous Peoples Advisory Group (IPAG), consisting of members of Indigenous Peoples, Indigenous Peoples expert, GEF Agency, and GEF Secretariat representatives, will continue to play a key role in implementing the [GEF Principles and Guidelines on the Engagement with Indigenous Peoples](#) (2012). The GEF Secretariat, together with the IPAG, has participated in the 14th United Nations Permanent Forum on Indigenous Issues in April 2015 and made an official joint statement with the World Bank Group on its progress in engaging with Indigenous Peoples for GEF projects. The Secretariat will continue this participation and engagement going forward.

46. The GEF and partners have also organized a side event at the UNPFII and highlighted one of the key Indigenous Peoples led projects in Brazil on sustainable forest management in indigenous territories. The 4<sup>th</sup> Meeting of the IPAG was held back to back with the GEF Council in June 2015, which discussed financial windows, knowledge products, and outreach related to GEF projects that involve Indigenous Peoples. The IPAG members have also actively

participated in the CSO Consultation Meeting at the GEF Council, and provided constructive inputs to related GEF's work.

47. The Secretariat also is continuing its work in the Country Support Program (CSP) to convene regional meetings and activities to build awareness and advance implementation of new strategic directions, priorities, and programming activities for GEF-6. These include several Expanded Constituency Workshops (ECWs), and National Dialogues. Each year, the Secretariat updates and the format and content of the workshops to build upon past activities and make them more participative and engaging in order to maximize their relevance and effectiveness.

#### *Enhancing Engagement with the Private Sector*

48. The GEF has taken several steps to better mainstream private sector engagement in its projects and programs during GEF-6, including in the GEF focal areas and through the IAPs and projects accessing the Non-grants Instrument (NGI) Pilot window. GEF Partner Agencies continue to offer project proposals with strong private sector engagement across all focal areas, and are working actively with involved governments and other partners and stakeholders, including the private sector, to implement the IAPs.

49. For the Commodities IAP, for example, there has been an extensive outreach to multiple actors within the sustainable forestry sector and along the entire supply chain, including private sector companies. The implementation modalities of the NGI Pilot also include multiple communication and outreach channels to attract project proposals from public and private sector recipients through GEF Partner Agencies, and there has been strong progress in programming.

50. The Secretariat and the Partner Agencies also are supporting a number of energy efficiency accelerator programs with a significant role for the private sector, including the Energy Efficient Equipment and Appliances Accelerator (such as fans, lighting and motors, with UNEP); the Energy Efficiency Financing Facility (helping local banks in China, India, and Brazil, with EBRD); the Global Fuel Economy Initiative (for fuel efficient light duty vehicle, with UNEP); and the International Lighting Efficiency Facility (LED street lighting, with World Bank). With over \$5 million in direct investment, GEF partners are able to leverage at least \$500 million in co-financing. GEF's private sector engagement will continue to focus on cutting edge innovation and risk-taking, building on experience and lessons learned.

### **Strategic and Effective Resource Programming**

#### *Programming Activities*

51. The GEF programming work puts emphasis on supporting projects and programs that align with GEF programming strategies, address the drivers of environmental loss, ignite new and innovative approaches to achieving global environmental benefits, and provide opportunities to scale-up benefits. Through enhanced engagement with the private sector and

other stakeholders, the GEF will continue to pursue opportunities for cutting-edge practices and technologies to accelerate achievement of Global Environmental Benefits (GEBs).

52. As we approach the mid-point of GEF-6, and if the June 2016 Work Program is approved in its entirety, resource programming will reach approximately 47% of the replenishment target for focal areas and programs. This in essence reflects the fact that GEF and agencies are being able to program virtually all resources made available by GEF donors through the Trustee.<sup>11</sup> The Secretariat will continue its programming activities into FY17 and going forward as a core part of its business plan and responsibilities.

53. In this context, the Secretariat will continue to support core GEF work in supporting the Conventions for which GEF is a financial mechanism, and maintaining close engagement with other related intergovernmental arrangements and bodies. The year 2015 was a landmark year for the global environment, with various multilateral environmental agreements (MEAs) reaching key negotiation milestones.

54. Among these, the GEF is working as a matter of high priority to support implementation of the new commitments and priorities on climate change contained in the Paris Agreement and related decisions, in line with the GEF's role and mandate in this work. The last GEF Work Program and the proposed Work Program for the current Council meeting include several priority projects to address climate change, including those that support countries to address their contributions as highlighted in their Intended Nationally Determined Contributions (INDCs). The GEF also is working to carry out its new responsibility to help countries build capacity for transparency of action and of support, through the establishment and operation of the Capacity-building Initiative for Transparency (CBIT). The Secretariat is continuing discussions with the Green Climate Fund (GCF) and other climate funds to foster and help ensure complementarity and effectiveness in climate change financing going forward.

55. The GEF also is working actively within its mandate to facilitate the process and provide support to programs and projects that address the goals of other Conventions in a country-driven manner. The GEF Secretariat participated in key meetings, including: the UN Convention to Combat Desertification (UNCCD) COP 12 in Ankara, Turkey, in October 2015; the UNFCCC COP 21 in Paris, France in December 2015; the seventh session of the Intergovernmental Negotiating Committee on Mercury (INC 7) in Dead Sea, Jordan, in February 2016. In these meetings, Parties acknowledged the support provided by the GEF, re-affirmed GEF's role, and also provided guidance that articulated emerging areas of GEF's engagement. FY 17 is a crucial period where countries are moving into implementation of the Conventions and related agreements. GEF's role is described in detail in the separate Council Document (GEF.C.50.09,

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<sup>11</sup> With respect to the Integrated Approach Pilots (IAPs), for example, program design has progressed steadily since Council approval of the three IAPs: Food Security in Sub-Saharan Africa, Taking Deforestation out of Commodity Supply Chains, and Sustainable Cities. The lead agencies are working actively with involved governments and other partners and stakeholders to develop child projects and establish institutional frameworks for implementation of these IAP programs. The design phase for the IAPs is a major step toward delivering more impactful integrated finance packages

*Relations with Conventions and Other International Instruments*), which sets out GEF's actions in support of these agreements and its response to guidance of Parties to the Conventions.

#### *Efficiency of the Project Cycle*

56. The Secretariat and the Agencies are implementing the efficiency measures for the project cycle identified and developed in recent years, including the new Cancellation Policy of October 2014<sup>12</sup> to enhance predictability and reinforce incentives to speed up project preparation, and the Council approved *Expediting the Preparation of the Stock of Delayed Projects* in June 2015, (GEF/C.48/04) to address the existing stock of GEF-4 and GEF-5 overdue projects.

57. Pursuant to these decisions of the Council, the Secretariat has been, and will be, in close touch with Agencies and recipient governments to support and facilitate efficient processing of projects, and to inform them ahead of time of cancellation dates in case of a lack of movement forward. The Secretariat will continue implementing the Cancellation Policy by following the steps included in the above mentioned Council Documents aiming to encourage both countries and Agencies to submit on time their projects for CEO Endorsement / Approval as appropriate.

#### *Engaging in Global Policy Discussions*

58. The GEF aims to take part in shaping global policy dialogues, building on its accumulated knowledge, its convening power, and its mandate across a range of environmental domains. This requires a strong outreach and communication strategy that helps bring messages and knowledge from within the GEF to the right fora at the right time. There will be a number of opportunities in this regard in the coming year.

59. As part of a renewed strategic communications approach focused on “doing less better” and working more effectively with partners, in the upcoming months, the GEF is planning several activities to support dialogue on global environmental issues, and to help prepare for upcoming GEF-7 replenishment discussions. This includes communication and outreach activities for the GEF's 25<sup>th</sup> anniversary, a celebratory publication with contributions from participant countries, donors and partners, the launch of the new GEF web site, enhanced online and social media, as well as targeted communications on emerging priority issues like the global environmental commons, sustainable cities, food security, oceans, water, land and forests and for key events such as UNFCCC COP22 in Marrakesh and UNCBD COP13 in Cancun.<sup>13</sup>

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<sup>12</sup> Amended by Council in October 2014, this Policy (*Cancellation of Projects*) has been posted to the GEF's webpage at: [https://www.thegef.org/gef/policies\\_guidelines/project\\_cancellation](https://www.thegef.org/gef/policies_guidelines/project_cancellation).

<sup>13</sup> During FY16, the GEF was present and made dedicated outreach efforts at numerous global meetings and events, including GEF-relevant COPs (in FY16: UNCCD COP 12, UNFCCC COP21, and Minamata INC7), and other high-profile events, for example the Third International Conference on Financing for Development in Addis, the Sustainable Development Goals in New York, the World Economic Forum in Davos, Climate Action 2016 in Washington DC and the UN Environment Assembly (UNEA-2) in Nairobi.

Through its KM efforts, the GEF intends to achieve greater information exchange and communication about key global environmental challenges and potential solutions, in light of the experience and lessons learned through its work.

60. The GEF also followed closely the development of the post-2015 development agenda, notably the Sustainable Development Goals (SDGs) adopted in New York in late 2015, and is in a position to contribute to the implementation of key elements of the SDGs. The GEF will stay apprised of the developments on SDG indicators, and will continue to cooperate with partners to articulate how the GEF support could enable countries to address MEA goals and objectives in synergy with the SDGs.

#### *GEF Secretariat Organization*

61. By the end of FY16, the Secretariat completed reorganizing its internal structure to ensure full alignment with new strategic directions and key priorities of GEF-6, and to enhance efficiency and effectiveness of delivery. A key objective of the reorganization has been to move away from a “silo-based” programming model toward a more integrated and region-oriented model, and to strengthen GEFSEC’s policy and partnership capabilities.

62. The Secretariat is now working under the new structure, consisting of two main units, each headed by a Director: a Programming unit responsible *inter alia* for work program development and relations with the Convention Secretariats and other multilateral agreements, and a Policy and Partnership unit responsible for policy and partnership activities including gender and social issues, RBM and KM, country and stakeholder partnerships and associated information technology needs. The new Secretariat structure also includes an enhanced team and capacity on effective communications and outreach in support of the delivery of GEF-6 priorities and strategic objectives.

## ANNEX 1: SPECIAL INITIATIVES

1. The discussion below reports on activities conducted in FY16 under Special Initiatives approved by Council in previous years, some of which were approved several years ago. Table 8 provides a summary of the originally approved amount in the Special Initiative account, estimated FY16 expenses in the respective accounts, where incurred, and the available balance remaining under these initiatives through end-March 2016. The text which follows provides additional information on the establishment and purpose of each Special Initiative, and on the amount of funds (if any) used in FY16 for the purposes indicated.

**Table 9: Special Initiatives**

<i>Special Initiative Name</i>	<i>Originally Approved Amount</i>	<i>Estimated FY16 Expenses</i>	<i>Estimated Available Balance for FY17</i>
Rio+20 Special Initiative	\$210,000	\$19,382	\$91,257
Performance Based Allocation System	\$1,356,000	-	\$222,229
GEF Management Information System	\$700,000	\$65,765	\$397,994
Results Based Management	\$408,000	-	\$13,233
GEF Fifth Assembly	\$2,118,528	-	\$265,359
<b>Total</b>	<b>\$4,792,528</b>	<b>\$85,147</b>	<b>\$990,072</b>

### ***Rio+20 – Special Initiative***

2. In May 2011, the GEF Council approved \$210,000 to support activities by the GEF Secretariat related to the GEF's participation in the Rio+20 Summit held in Rio de Janeiro in June 2012, including related publications. Since June 2012, the Secretariat has used funding from this special initiative to support follow-on work from the Rio+20 Conference, including staff travel to meetings relating to the SDGs and post-2015 sustainable development agenda. During FY16, \$19,382 were drawn from this account for these activities.

### ***Performance Based Allocation System***

3. Between FY04 and FY07, the GEF Council approved a total of \$1,356,000 to support either the development of a performance-based allocation system (which developed into the RAF) or to refine the RAF, including its potential application to other focal areas. As indicated to Council in its Business Plan and Budget document last year, May 2015 (GEF/C.48/05), the Secretariat is drawing on the available balance of this Special Initiative to support its overall IT upgrade, as described in the Business Plan, as part of further improvements to performance-based approaches to allocation of resources and programming. No resources were drawn from this account in FY16.

### ***Management Information System***

4. In November 2005, the Council approved \$700,000 to develop a management information system to enable the GEF and its partners to improve effectiveness across all areas of GEF business operations. As indicated to Council in its Business Plan and Budget document last year, May 2015 (GEF/C.48/05), the Secretariat is drawing on the available balance of this Special Initiative to help implement the actions mentioned in the main paper to upgrade the GEF's IT platform, together with resources from the previous initiative and the core budget. During FY16, \$65,765 were drawn from this account to support the upgrade of the GEF external website.

### ***Results-based Management***

5. In June 2006 (FY2007 budget) and June 2009 (FY2010 budget), the GEF Council approved two special initiatives to further strengthen the GEF's capacity for RBM and learning through specific activities and studies. As indicated to Council in its Business Plan and Budget document last year, May 2015 (GEF/C.48/05), the Secretariat is drawing on this account to support further strengthening of RBM. No resources were drawn from this account in FY16.

### ***GEF Fifth Assembly***

6. In June 2013, the Council approved \$750,000 to support initial work on planning the Fifth Assembly, to be held in Cancun, Mexico in May 2014. Based on Council Document GEF/C.45/7, Note on the Organization of the Fifth GEF Assembly, which included a detailed budget proposal, the Council approved an additional \$1,368,528, resulting in a total budget of \$2,118,528 million to support the organization of the Assembly. These costs supported, among other things, travel costs for representatives from GEF recipient countries, 15 travel for GEF Secretariat staff, hospitality, translation and interpretation, website development, exhibition costs, communications and general operations. No resources were drawn from this account in FY16.



## **ANNEX 2: STAP PUBLICATIONS AND DOCUMENTS, GEF-5 TO PRESENT**

STAP 2010. *Programming Approach for Utilization of the Resources Set-Aside Outside the STAR*. Global Environment Facility, Washington, DC. **GEF ID: GEF/C.39/Inf.10**

STAP 2010. *The Evidence Base for Community Forest Management as a Mechanism for Supplying Global Environmental Benefits and Improving Local Welfare*. A STAP advisory document. Global Environment Facility, Washington, DC. **GEF ID: GEF/C.39/Inf.14**

STAP 2010. *Environmental Certification and the Global Environmental Facility: A STAP advisory document*. Global Environment Facility, Washington, DC. **GEF ID: GEF/C.39/Inf.15**

Institute for Transportation and Development Policy (Prepared on behalf of STAP) 2010 Manual for Calculating Greenhouse Gas Benefits of Global Environmental Facility Transportation Projects. Global Environment Facility, Washington, DC. **GEF ID: GEF/C.39/Inf.16**

STAP 2010. *Advancing Sustainable Low-Carbon Transport through the GEF*. A STAP advisory document. Global Environment Facility, Washington, DC. **GEF ID: GEF/C. 39/Inf.17**

STAP 2010. *Enhancing Resilience to Reduce Climate Risks: Scientific Rationale for the Sustained Delivery of Global Environmental Benefits in GEF Focal Areas*. Global Environment Facility, Washington, DC. **GEF ID: GEF/C.39/Inf.18**

STAP 2010. *Recommendations of the GEF-STAP Cross-Focal Area Workshop: Approaches to Address Carbon Benefits in the context of Multiple Global Environmental Benefits in Implementing the SFM/REDD+ Program in GEF-5*. Global Environment Facility, Washington, DC. **GEF ID: GEF/C.39/Inf.19**

STAP 2011. *Marine Debris: Defining a Global Environmental Challenge*. Global Environment Facility, Washington, DC. **GEF ID: GEF/C.40/Inf.14**

STAP 2011. *Hypoxia and Nutrient Reduction in the Coastal Zone*. Global Environment Facility, Washington, DC. **GEF ID: GEF/C.40/Inf.15/Rev.1**

STAP 2011. *Selection of Persistent Organic Pollutant Disposal Technology for the Global Environment Facility*. Global Environment Facility, Washington, DC. **GEF ID: GEF/C.40/Inf.16**

STAP 2011. *Review of Tools and Methods to Increase Climate Resilience of GEF Project and Programs*. Global Environment Facility, Washington, DC. **GEF ID: GEF/C.41.Inf.16**

STAP 2011. *Biodiversity and Ecosystems Policy Brief to Inform the United Nations Conference on Sustainable Development (Rio+20)*. Global Environment Facility, Washington, DC. **GEF ID: GEF.C41.Inf.17**

STAP 2011. *Environmental Project Design in the GEF :Designing Projects to Create Evidence and Catalyze Investments to Secure Global Environmental Benefits*. Global Environment Facility, Washington, DC. **GEF ID: GEF.C.41.Inf.18**

STAP 2012. *Research within the GEF: Proposals for Revising the Targeted Research Modality*. Global Environment Facility, Washington, DC. **GEF ID: GEF/STAP/C.43/Inf.02**

STAP 2012. *Climate Change: Scientific Assessment for the GEF*. Global Environment Facility, Washington, DC. **GEF ID: GEF/STAP/C.43/inf.03**

Secretariat of the Convention on Biological Diversity and STAP 2012. *Impacts of Marine Debris on Biodiversity: Current Status and Potential Solutions*. Technical Series No. 67. Montreal, Canada. **GEF ID: GEF/STAP/C.43/Inf.04**

Secretariat of the Convention of Biological Diversity and STAP 2012. *Marine Spatial Planning in the Context of the Convention of Biological Diversity*. Technical Series No. 68. Montreal, Canada. **GEF ID: GEF/STAP/C.43/Inf.05**

STAP 2012. *GEF Guidance on Emerging Chemicals Management Issues in Developing Countries and Countries with Economies in Transition. A STAP Advisory Document*. Global Environment Facility, Washington, DC. **Retrieved from: <<http://www.stapgef.org/emerging-chemicals-management-issues-in-developing-countries-and-countries-with-economies-in-transition/>>**

STAP 2012. *Revised Methodology for Calculating Greenhouse Gas Benefits of GEF Energy Efficiency Projects (Version 1.0)*. Global Environment Facility, Washington, DC. **Retrieved from: <<http://www.stapgef.org/revised-methodology-for-calculating-green-house-gas-benefits-of-gef-energy-efficiency-projects-version-1-0/>>**

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STAP 2013. *Enhancing the GEF's contribution to Sustainable Development*. Global Environment Facility, Washington, DC. **GEF ID: GEF/R.6/Inf.03**

Yengoh, G., Dent, D., Olsson, L., Tengberg, A. and Tucker, C. 2014. *The use of the Normalized Difference Vegetation Index (NDVI) to assess land degradation at multiple scales: a review of*

*the current status, future trends, and practical considerations.* Lund University Center for Sustainability Studies (LUCSUS), Sweden and The Scientific and Technical Advisory Panel of the Global Environment Facility (STAP/GEF), Washington, DC.

O'Connell, D., Walker, B., Abel, N., Grigg, N. 2015. *The Resilience, Adaptation and Transformation Assessment Framework: from theory to application.* CSIRO, Australia.

STAP 2015. *Optimizing the Global Environmental Benefits of Transport Biofuels.* Scientific and Technical Advisory Panel of the Global Environment Facility, Washington, DC. Authored and edited by Bierbaum R., Cowie A., Gorsevski V., Simrs R. (STAP); Rack M., Strapasson A., Woods J. (Imperial College, London) and Ravindranath N. (Indian Institute of Science, Delhi).

**GEF/STAP/C.48/Inf.02**

Sims, R., Gorsevski, V., and Anenberg, S. 2015. *Black Carbon Mitigation and the Role of the Global Environment Facility: A STAP Advisory Document.* Global Environment Facility, Washington, D.C. **GEF/STAP/C.49/Inf.02**

O'Connell, D., Abel, N., , Grigg, N., Maru, Y., Butler, J., Cowie, A., Stone-Jovicich, S., Walker, B., Wise, R., Ruhweza, A., Pearson, L., Ryan, P., Stafford Smith, M. (2016). *Embedding resilience, adaptation and transformation into project design: Guidelines for application of RAPTA (1.0).* Global Environment Facility, Washington, D.C. **GEF/STAP/C.50/Inf.02**

Rasmussen, L., Agrawal, A., Oldekop, J. (2016). A review of indicators used to assess the sustainability of commodity agricultural production. Global Environment Facility, Washington, D.C. **GEF/STAP/C.50/Inf.04**

Henry, B. and Murphy, B. (2016). Sustainable land management and its relationship to global environmental benefits and food security: A synthesis report for the GEF. Global Environment Facility, Washington, D.C. **GEF/STAP/C.50/Inf.03**

### **ANNEX 3: TRUSTEE -- FY16 REVIEW OF ACTIVITIES AND ACHIEVEMENTS**

1. The World Bank as Trustee provides a range of services, broadly defined in the Instrument, in the following categories: financial and risk management; investment and cash flow management; management of GEF partner relationships and transactions; accounting and reporting; legal services; commitment and disbursement of trust fund resources; systems infrastructure and maintenance; and resource mobilization.

2. In addition to these services, additional activities supported by the Trustee in FY16 included: implementation of the GEF-6 Replenishment resolution, including working with donors to facilitate deposit of Instruments of Commitment, addressing donor inquiries regarding GEF-6 cash outlays, credits and discounts; enhancements to the internal control related to the preparation of financial statements; work with the Secretariat on policy initiatives, implementation of several Council approved policies in the context of streamlining procedures; negotiation of Financial Procedures Agreements (FPA) with the new GEF Agencies; and revisions to FPA with the existing GEF Agencies.

#### **FY16 Projected vs. Estimated Actual**

3. Based on the first nine-month period ended March 31, 2016 and projections for the remaining three months, the estimated actual expenditure for FY16 for Trustee services is \$3 million, reflecting a decrease of \$28,950 compared to the approved budget. The decrease was mainly due to lower investment management costs resulting from lower than anticipated liquidity in the GEF Trust Fund in FY16.

4. Liquidity levels are influenced by donor contributions and cash drawdown by Agencies. Investment management cost is a variable cost that is calculated based on 3.5 basis points against the average annual balance of the Trust Fund. The net cash inflows during FY16 resulted in decreased liquidity of the GEF from a projected average of \$3.41 billion to \$3.39 billion, thereby decreasing investment management costs.

#### **FY15 Actual expenses**

5. The actual amount of Trustee expenses incurred for FY15 was \$3.04 million including the cost of audit. This is consistent with the expected actual expenditure that was reported in the Council meeting in June 2015.