Resource Allocation: Seeking Greater Impact and Country Ownership

**WHAT WE PROPOSE:**

- STAR retained
- full flexibility for countries
- downstream tracking of funds and results by focal area
STAR funding envelopes by focal area (see proposed financing scenarios)

STAR country allocations

WORK IN PROGRESS

Global Benefits Indices: Biodiversity, Climate Change, Land Degradation

Country Performance Index

Gross Domestic Product Index

STAR retained, input data is being updated
The case for flexibility

**Possible advantages**

- Eases constraints to integration and systemic impact
- Enhances country ownership
- Improves ability to engage with the private sector, MDBs

**Possible disadvantages**

- Reduced predictability in terms of resources programmed by focal area
1. Funds will be allocated by focal area (see proposed GEF-7 financing scenarios).

2. Countries will have full flexibility to decide on programming, seeking maximum relevance and impact.

3. The programming of funds, and the global environmental benefits sought, will be tracked downstream, with regular reporting to Council and MEA COPs.
Tracking funds by focal area: how it can be done

**Allocation**
- STAR Country Allocation to Focal Area 1 = $3
- STAR Country Allocation to Focal Area 2 = $2
- STAR Country Allocation to Focal Area 3 = $1

**Programming**
- Single-Focal Area Project = $1.5
- Integrated Project with Multiple Benefits = $4.5

**Tracking**
- Funds Programmed to Focal Area 1 = $2
- Funds Programmed to Focal Area 2 = $2.5
- Funds Programmed to Focal Area 3 = $1.5
Differentiation: Options to Adjust the Level and Terms of GEF Financing
Changes to STAR have shifted the distribution of funding in GEF-6

GEF-6 modifications to STAR brought greater levels of funding to LDCs and SIDS... (total, indicative country allocations) ...while reducing country allocations to the HICs and UMICs that are not LDCs or SIDS
Differentiated terms of funding

ANALYSIS: A broad-based shift from grants to non-grant instruments would have profound implications for the GEF’s comparative advantage.
Results: Setting Ambitious Targets, Continued Progress for Rigour and Transparency
Multiple benefits from integrated programs

GEF-6 Targets

GEF-7 Targets

Socio-economic co-benefits

Systemic impact

GEF-7: the case for higher ambition
GEF-6 targets

750
Million metric tons of CO2e mitigated

Possible GEF-7 targets (status quo financing scenario)

1,660

GEF-7 targets: early findings

120
Million hectares of landscapes under sustainable land management in production systems

553
Million hectares of landscapes and seascapes under improved management for biodiversity

170

Continuous improvement on results

- simplification of indicators, reporting;
- clarity, rigour and robustness of definitions, methodologies and data;
- enhanced availability, accessibility and timeliness of data.

(GEF-4) Early steps towards a GEF-wide approach to results

(GEF-5) Implementation of the GEF’s approach: tracking tools for all focal areas, annual monitoring reviews

(GEF-6) High-level, GEF indicators, with associated, replenishment-level targets as motivational stretch objectives
First Corporate Scorecard
Emerging lessons on tracking multiple benefits

(GEF-7) Results framework and core indicators
Strengthened due diligence
Systematic capture of results data in GEF Portal
Automated reporting, Management Dashboard
IATI compliance

(looking beyond GEF-7)
Harnessing data and information on results for evidence-based decision-making and learning
Partnership: Harnessing a Broad and Diverse Network of Agencies
The GEF’s network of 18 Agencies serves all countries and regions...

Share of countries in groups by number of Agencies used between GEF-3 and GEF-6
...and the Partnership is effectively deployed across all focal areas

<table>
<thead>
<tr>
<th>BD</th>
<th>C&amp;W</th>
<th>CC</th>
<th>IW</th>
<th>LD</th>
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<td>10%</td>
<td>20%</td>
<td>30%</td>
<td>40%</td>
<td>50%</td>
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Share of GEF project financing by focal area and Agency (GEF-3 to GEF-6)
The share of MDBs and IFIs remains low in GEF-6, but programmatic approaches have consistently been more conducive for MDB engagement.
Policy and Institutional Reform: Update on Progress

- Operational efficiency
- Leveraging knowledge and data for higher impact
- Core policies: gender, stakeholder engagement, disclosure, safeguards, fiduciary
<table>
<thead>
<tr>
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<th>FY14</th>
<th>FY15</th>
<th>FY15</th>
<th>FY11-14</th>
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<tbody>
<tr>
<td>% of FSPs submitted for CEO endorsement within 18 months from Council Approval (by year of Approval)</td>
<td>44%</td>
<td>100%</td>
<td>68%</td>
<td>69-82%</td>
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<td>% of FSPs that receive CEO endorsement within 18 months from Approval (by year of Approval)</td>
<td>19%</td>
<td>46%</td>
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<td>% of projects that reach 1st disbursement within 12 months from CEO endorsement/Approval (by year of Endorsement)</td>
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Some acceleration, but with room for improvement
The analysis carried out by the Secretariat and Agencies suggests the following key lessons:

(1) the operational efficiency of the GEF should be tackled in a comprehensive manner

(2) improving the flow of information on operational progress is a prerequisite for success

(3) there are several entry points for action, including monitoring and reporting, Agencies’ oversight of implementation, as well as GEF policy and rules

Of all projects that reached first disbursement in FY11 and FY12, more than 44% had not submitted a mid-term review after five years of implementation.
THE CHALLENGE:

The GEF’s needs to urgently improve the

- availability,
- accessibility,
- quality, and
- timeliness

of **data** on

- funding,
- operations, and
- results

for greater efficiency, effectiveness, accountability and transparency
THE GEF PORTAL:

Direct data entry
Automated aggregation, reporting
Real-time management dashboard
Modern search function

WILL CONTRIBUTE TO:

Smoother processing of funding proposals
Real-time portfolio-level monitoring and oversight on results, performance
Transparency (IATI)

coming 2018...
Strengthening Knowledge Management in GEF-7

PROGRESS IN GEF-6:

• KM Work Stream and Advisory Group
• Knowledge exchange in IAPs
• Regional and country-level knowledge sharing activities
• GEF KALEO, Art of Knowledge Exchange

UNFINISHED BUSINESS:

• Strengthening and expanding communities of practice, particularly in key GEF-7 programs
• More systematic knowledge capture, dissemination, learning in projects
• IT-based KM solutions
Final consultations underway – policies to be presented for Council review and Approval in NOVEMBER 2017

Secretariat to present, in November, plans to review policies
Gender equality: From Policy to Action

POLICY DIRECTIONS:
• Align with best practices
• Gender-responsive approach – beyond “do no harm”
• Clear requirements for project-level quality at entry, reporting
• Portfolio-level monitoring and reporting

LOOKING AHEAD:
• Seize concrete opportunities for a gender-responsive approach across relevant programs;
• KM, learning and communication:
• Monitoring and accountability
• Capacity development
Thank you