
Discussion note on the Sixth Replenishment of the GEF Trust Fund

GEF-6 REPLENISHMENT:

PARTICIPATION, PROPOSED TIMETABLE

AND

CORE REPLENISHMENT TOPICS

INITIATION OF THE REPLENISHMENT PROCESS

1. At the November 2012 meeting, the GEF Council requested the Trustee of the Global Environment Facility (“the GEF”), in cooperation with the Chief Executive Officer and Chairperson of the Facility, to initiate discussions on the sixth replenishment of resources of the GEF Trust Fund (“GEF-6”).¹

TIMING OF THE REPLENISHMENT

2. The GEF-5 funding period began in November 2010² and will end on June 30, 2014. To ensure uninterrupted funding of GEF operations and activities, donors should strive to conclude replenishment negotiations for the GEF-6 replenishment by early CY 2014. The GEF-6 replenishment is expected to fund four years of GEF operations and activities, beginning July 1, 2014 and ending June 30, 2018 (FY15-FY18).

PARTICIPATION IN THE REPLENISHMENT NEGOTIATIONS

3. In earlier replenishment negotiations, it was agreed that all contributing participants who indicated an intention to contribute the equivalent of at least SDR 4 million for that replenishment could participate in the replenishment discussions. It is proposed that the minimum contribution amount remain at SDR 4 million for the GEF-6 replenishment discussions.

4. Potential donors who do not intend to provide the agreed minimum contribution would be invited, as before, to attend replenishment meetings as observers.

5. As in the GEF-5 replenishment negotiations, it is proposed that four representatives from non-donor recipient countries, representing Africa, Asia, Eastern Europe, and Latin America and Caribbean be invited to participate in negotiations. Similarly, following the GEF-5 precedent, it is proposed that two NGO/CSO representatives, one representing a donor country-based NGO/CSO and another representing a recipient country-based NGO/CSO be also invited to participate in the process.

6. It is further proposed that representatives of Implementing and Executing Agencies and the global environmental conventions for which the GEF serves as a financial mechanism should be invited to attend the meetings as observers. It is proposed that comments be solicited from all

¹ Joint Summary of the Chairs, GEF Council Meeting, November 2012.

² The Advance Contribution Scheme for the GEF-5 became effective on November 2, 2010. The GEF-5 Replenishment Resolution provides that “in order to avoid an interruption in the GEF’s ability to make financing commitments pending the effectiveness of the Fifth Replenishment, and if the Trustee shall have received Instruments of Commitment or Qualified Instruments of Commitment from Contributing Participants whose contributions aggregate not less than twenty percent (20%) of the total contribution of all Contributing Participants, as set out in Attachment 1, the Trustee may deem, prior to the Effective Date, one quarter of the total amount of each contribution for which an Instrument of Commitment or Qualified Instrument of Commitment has been deposited with the Trustee as an advance contribution, unless the Contributing Participant specifies otherwise in its Instrument of Commitment or Qualified Instrument of Commitment.” The GEF-5 became effective on March 16, 2011.

GEF Council Members on policy and programming documents prepared for replenishment discussions.

PROPOSED MEETING SCHEDULE AND CORE REPLENISHMENT TOPICS

7. Replenishment meetings provide an opportunity for contributing participants to review GEF performance and evaluate progress, assess future funding needs, and agree on a financing framework. If the strategic and programming directions are set up as early as possible, the replenishment process can be accomplished in a series of four substantive meetings, including the pledging session. To ensure that GEF operations continue uninterrupted in future years, the GEF-6 replenishment discussions should be completed by early 2014. This should give Contributing Participants sufficient time to obtain the necessary parliamentary approvals in order to ensure continuation of contributions necessary to maintain the stability of GEF operations.³

8. The proposed meeting schedule and replenishment topics are outlined below. To the extent possible, the proposal takes into account other major meetings that GEF Contributing Participants may be required to attend so as to avoid scheduling conflicts.

Meeting 1

Proposed meeting date: April 3-5, 2013
Location: World Bank Office, Paris

Core Replenishment Topics

For decision

- Reference Exchange Rates for Use in the GEF-6 Replenishment (GEF Trustee)

For discussion

- First report of the Fifth Overall Performance Study of the GEF (GEF Evaluation Office)
- Directions for GEF 2020 and draft Strategic Positioning for GEF-6 (GEF Secretariat)
- Draft GEF-6 Programming Directions (GEF Secretariat)
- Draft GEF-6 Replenishment Financing Modalities: Burden-sharing approach and Financial Components (GEF Trustee)

³ It is also proposed that the occasion of the replenishment negotiations for the GEF Trust Fund be used as opportunities to discuss programming and financing strategies for the GEF-managed Least Developed Countries Fund (LDCF) and Special Climate Change Fund (SCCF), taking note that the contributions to these funds are voluntary and do not follow the four-year replenishment cycle or a burden sharing framework. The meetings in this regard will be organized separately, but in concomitance with the GEF-6 replenishment process.

Meeting 2

Proposed meeting date: September 10-12, 2013
Location: TBD

Core Replenishment Topics

For decision

- GEF-6 Programming Document (GEF Secretariat)
- GEF-6 Financing Modalities: Burden-sharing approach and Financial Components (GEF Trustee)

For discussion⁴

- GEF 2020 and Strategic Positioning for GEF-6 (GEF Secretariat)
- Draft Policy Recommendations for GEF-6 (GEF Secretariat)

Meeting 3

Proposed meeting date: November 7-9, 2013, following the GEF Council meeting
Location: Washington, DC

Core Replenishment Topics

For decision

- Final report of the Fifth Overall Performance Study (GEF Evaluation Office)
- Policy Recommendations for GEF-6 (GEF Secretariat).

For discussion⁵

- Draft Summary of Replenishment report (GEF Trustee & GEF Secretariat)
- Draft Replenishment Resolution (GEF Trustee)
- Indicative donor pledges (Contribution Participants)

For information

- Average Exchange Rates (GEF Trustee)
- GEF-6 Discount Rate and Indicative Encashment Schedule (GEF Trustee)

⁴ It is proposed that LDCF and SCCF Financing documents be also discussed at this meeting.

⁵ It is proposed that LDCF and SCCF Financing documents be also discussed at this meeting.

Meeting 4

Proposed meeting date: February 11-13, 2014
Location: TBD

Core Replenishment Topics

For decision

- Finalize donor pledges and GEF Financing Framework (GEF Trustee)
- Finalize Summary of Replenishment report comprising (1) Summary of Negotiations; (2) Policy Recommendations; (3) Programming Document; and (4) Replenishment Resolution (GEF Trustee & GEF Secretariat)

Timing of GEF Assembly

9. It is expected that the Fifth GEF Assembly (*host country yet to be identified*) will be held during April/May 2014.

GEF-6 Replenishment Period

10. Once the replenishment negotiations are complete, the *Summary of Negotiations* and the core replenishment documents (Programming document, Policy recommendations and draft Replenishment Resolution) are transmitted to the GEF Council for endorsement. Council then requests the GEF CEO to transmit the *Summary of Negotiations* and the core replenishment documents to the World Bank's Executive Directors for consideration and adoption of the Replenishment Resolution. The financing period under GEF-6 Replenishment would begin when the World Bank Executive Directors adopt the GEF-6 Replenishment Resolution. Such resolution authorizes the World Bank to act as Trustee of the GEF Trust Fund. The Trustee informs Donors of the adoption of the resolution, and Donors work to formalize their pledges to the replenishment. When Donors have obtained the appropriate parliamentary authorization and/or budgetary approval to participate in the replenishment, they deposit an Instrument of Commitment with the Trustee. This initiates the implementation of the new replenishment.