

**FIRST MEETING
FOR THE SIXTH REPLENISHMENT OF RESOURCES
OF THE GEF TRUST FUND
PARIS, FRANCE
APRIL 3-4, 2013**

SUMMARY OF THE CO-CHAIRS

1. The first meeting of participants for the GEF-6 Replenishment was held at the World Bank office in Paris, France on April 3-4, 2013, co-chaired by Mr. Joachim von Amsberg, Vice-President, Concessional Finance and Global Partnerships, World Bank, and Ms. Naoko Ishii, CEO and Chairperson, Global Environment Facility.
2. Contributing participants were joined by non-donor recipient country participants representing Africa, Asia, Eastern Europe, and Latin America and Caribbean, observers from the GEF Agencies, and two NGO/CSO observers representing donor and recipient country-based NGOs/CSOs respectively. Representatives from the four global environmental Conventions for which the GEF serves as a financial mechanism and from GEF Implementing Agencies also attended the meeting as observers.
3. In her opening remarks, Ms. Ishii reminded participants of the acceleration of negative global environmental trends, and that a business-as-usual approach for the GEF would be insufficient to reverse them. Ms. Ishii noted that the GEF-6 replenishment comes at a critical time for the global environment and the GEF needs to step up its focus on underlying drivers of environmental degradation to enhance its impact.
4. Participants engaged in interactive dialogue on their vision for the GEF of the future, noting the continued importance of the GEF and expressing a desire to explore new approaches. Referring to the rapidly evolving landscape for international climate and environment financing, participants noted the need for GEF to clearly articulate its unique value proposition.

Overall Performance of the GEF

5. The GEF Evaluation Office (GEFEO) presented the Fifth Overall Performance Study of the GEF, First Report: Cumulative Evidence on the Challenging Pathways to Impact, containing 10 key conclusions and a single recommendation that “the replenishment meeting should request the Secretariat to develop strategies for GEF-6 that would strengthen efforts towards broader adoption and would focus on more programmatic multifocal area approaches, within the guidance of the conventions.” The Secretariat, in its management response, agreed with the overall findings and recommendations, and emphasized that the draft strategy and programming documents presented for discussion at the meeting included elements that respond to the recommendation.
6. Participants expressed broad support for the recommendations in OPS5, and stressed the importance of: (i) further analysis on success and failure factors of projects, (ii) greater clarity on the concept of ‘broader adoption’, (iii) a review of the

System for Transparent Allocation of Resources (STAR) and the National Portfolio Formulation Exercise (NPFE); (iv) greater detail regarding multi-focal projects, (v) analysis of trends in funding to Africa, (vi) quantification of outcome indicators, (vii) performance data on fees and the project cycle, and (viii) a review of the implementation of gender mainstreaming policies. Participants requested that the GEFEO provide indicative findings at the second replenishment meeting.

Strategy and Programming

7. The Secretariat presented draft documents on (i) strategic positioning; and (ii) programming directions. Participants appreciated that the GEF-6 strategic positioning and programming is being developed in the context of a longer-term strategy.

8. Indicating support for the idea of integrated programmatic approaches that aim for synergetic impacts or “signature programs,” participants requested the Secretariat to further develop such programs for discussion at the next meeting, with a focus on how these programs can be operationalized and on their implications for the STAR envelope and allocations. Participants noted the importance of the GEF continuing to conform to guidance of the conventions and of country ownership.

9. In developing the focal area strategies further, participants noted the importance of taking into account the results of the negotiations for a mercury convention, the guidance received from the Convention on Biological Diversity (CBD), and the evolution of the Green Climate Fund (GCF). In this context, participants requested that the Secretariat present costed scenarios for the focal area strategies at the second replenishment meeting. Many participants noted the trend towards a higher share of multifocal projects in the GEF portfolio, illustrating the GEF's ability to generate synergies across environmental domains.

10. Many participants raised the need to develop an approach to enhance GEF's involvement with the private sector. Participants also expressed a need for clear documentation of results in terms of both outputs and outcomes, and a robust knowledge management system to capture lessons learned to inform future policy and programming decisions.

11. Some participants suggested that the resource allocation in the GEF be adjusted to reflect the enhanced economic capacities of middle-income countries. Participants noted also the need for further analysis of the possibility of introducing greater differentiation of the terms of support to recipient countries. Participants requested the Secretariat to work closely with the Trustee to explore these issues further and present a paper for discussion at the second meeting.

Financial Issues

12. Participants considered financial issues for further discussion at the second and subsequent meetings, expressing a diversity of views on the minimum contribution to participate in replenishment discussions, the pro-rata rights to defer commitments, and clearance of contribution arrears. The Trustee will continue to consult broadly and prepare a paper for the second meeting containing an analysis of possible options, as well as tradeoffs and incentives.

13. The Trustee introduced a paper on effective exchange rates to be used for determining GEF-6 contributions. Participants agreed that the reference time period would be six months, beginning April 1, 2013 and ending September 30, 2013, to ensure that the final exchange rates would be known by the time of the third meeting, when indicative pledges are expected to be made by participants. They also agreed that countries experiencing annual average inflation rates of over 10% during the period 2009 to 2011 would denominate their GEF-6 contributions in Special Drawing Rights (SDRs) or US dollars (the operating currency of the GEF trust fund).

Next steps:

14. Participants agreed that additional written comments on the strategy and programming issues should be provided to the Secretariat no later than April 30, 2013.

15. Finally, participants confirmed their agreement to a schedule of replenishment meetings: a second meeting will be held on September 10-12; a third meeting on December 10-12, 2013; and a fourth meeting in February 2014. The Trustee will confirm the location of the second meeting in the coming weeks.