



# Global Environment Facility

GEF/C.15/9  
April 3, 2000

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GEF Council  
May 9-11, 2000  
Agenda Item 13

THIRD PROGRESS REPORT  
ON  
ACTIONS TO IMPLEMENT THE RECOMMENDATIONS OF  
THE STUDY OF GEF'S OVERALL PERFORMANCE AND  
THE POLICY RECOMMENDATIONS FOR  
THE SECOND REPLENISHMENT PERIOD

***Recommended Council Decision***

The Council, having reviewed document GEF/C.15/9, *Third Progress Report on Actions to Implement the Recommendations of the Study of GEF's Overall Performance and the Policy Recommendations for the Second Replenishment period*, takes note of the actions that the Secretariat and Implementing Agencies have undertaken. The Council requests the Secretariat and the Implementing Agencies to continue their efforts to address the recommendations and to report to the Council meeting in May 2001 on additional progress made in this regard.

1. The *Study of GEF's Overall Performance*, completed in February 1998, made 19 recommendations, of which seven were labeled "priority recommendations" by the study team. At its March 1998 meeting, the GEF Council requested the Secretariat, in consultation with the Implementing Agencies, to prepare for Council review and approval at its meeting in October 1998, an action plan and time-table for responding to the recommendations of the *Study* and other evaluation reports as appropriate. In addition, the Council endorsed the six policy recommendations for the second replenishment period, most of which relate to the recommendations of the *Study of GEF's Overall Performance*.

2. In response to Council request, the Secretariat presented document *GEF/C.12/7, Actions to Implement the Recommendations of the Study of GEF's Overall Performance and the Policy Recommendations for the Second Replenishment Period*, for Council discussion at the October 1998 meeting. The Council approved the proposed actions,<sup>1</sup> and requested the Secretariat and the Implementing Agencies to take the necessary steps to carry out the approved actions and to report to the Council at its meetings on progress made in implementing such steps<sup>2</sup>. A *Second Progress Report on Actions to Implement the Recommendations of the Study of GEF's Overall Performance and the Policy Recommendations for the Second Replenishment Period (GEF/C.14/10)* was presented to the Council at its meeting in December, 1999.

3. This document is an updated progress report on how the actions have been or are being carried out. It discusses the status of actions taken to implement:

- (a) the seven priority recommendations;
- (b) the other 12 recommendations from the *Study of GEF's Overall Performance*; and
- (c) the two policy recommendations for the second replenishment period that are not otherwise reflected in follow-up to the *Study of GEF's Overall Performance*.

The status of actions to address many of the recommendations are discussed in separate Council working documents or information papers. In such instances, reference is made here to those papers. In other cases, the status is described more fully in this document.

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<sup>1</sup> Subject to the comments made at the meeting and consistent with its decisions on other relevant agenda items before the meeting.

<sup>2</sup> *Joint Summary of the Chairs*, GEF Council meeting, October 14-16, 1998. Paragraph 9.

### **PRIORITY RECOMMENDATION 1: THE FOCAL POINT SYSTEM**

*In order to enable Operational Focal Points to be more effective advocates for GEF issues in their country, the GEF Secretariat and Implementing Agencies should broaden the existing Project Development Workshop format by involving the Operational Focal Points as much as possible in planning and execution and by focusing more on the coordination and information dissemination functions of the Operational Focal Points.*

*The GEF should provide resources for translation of basic GEF documents into the local languages of those countries requiring such translated documents.*

4. **Progress.** At its May 1999 meeting, the Council approved a series of proposed activities and associated financial resources to strengthen country level coordination, as spelled out in document GEF/C.13/13, Constituencies and Assistance for Council Level Coordination.
5. As follow-up, the GEF Secretariat organized a workshop on Good Practice in Country Level Coordination in Washington, DC, on March 14 and 15, 2000. The workshop was attended by GEF focal points from China, India, Jordan, Latvia, Mauritius, Mexico, Peru, Poland, Senegal, South Africa and Vietnam. Representatives of the Implementing Agencies and UNFCCC secretariat also attended the meeting. The presentations by the focal points provided interesting information and insight on how these countries have structured their coordination mechanisms, what the strengths and weaknesses are and roles and responsibilities of different actors. Both country participants and representatives from the agencies believed this workshop was a very useful exercise in view of strengthening national coordination. The proceedings will be published to disseminate the good practice once the focal points return their final written presentations to the GEF Secretariat.
6. Concerning the support to focal points, the GEF Secretariat presented to the Council meeting a progress report on assistance provided to focal points and Council Members through the Implementing Agencies' field offices (GEF/C.15/Inf.8).

### **PRIORITY RECOMMENDATION 2: COMMUNICATIONS AND OUTREACH**

*The GEF Council should authorize and adequately fund the development of a GEF outreach and communications strategy that targets GEF's multiple constituencies, including the Focal Points and relevant government agencies, NGOs and civil society, the media and the private sector. The strategy should rely on simple, user-friendly materials about the GEF and its operations, and should include provision of basic GEF documents in local languages. This strategy should be coordinated with the broadening of the Project Development Workshops.*

7. **Progress.** The work program approved by the Council in October 1998 (GEF/C.12/3) included a global project entitled "GEF Country Dialogue Workshops", which was prepared in response to these recommendations. UNDP and the GEF Secretariat have launched the first Country Dialogue Workshop in South Africa on April 4 to 9, 2000. Workshops in the pipeline will include Vietnam (April 25 to 28),

Uzbekistan (June 6 to 9), Egypt (June 26 to 29), Nigeria (July 18 to 21), Philippines (August 22-25) and Malawi (October 3-6).

8. The Corporate Budget for FY00 made provision to fund the outreach and communications strategy, and continued support for the strategy is envisioned in the *Corporate Business Plan FY01-03 (GEF/C.14/9)* and is budgeted for in the GEF Corporate Budget FY01 (*GEF/C.15/5*). A brief report on FY00 outreach and communications activities is included in the *GEF Corporate Budget FY01*.

### **Priority Recommendation 3: Mainstreaming by the Implementing Agencies**

*The World Bank should adopt public, measurable goals for the integration of global environmental objectives into its regular operations, including goals related to: 1) staff incentives, 2) funding level and/or number of GEF associated projects, 3) funding level and/or number of projects for the global environment in its regular lending portfolio, and 4) integration into its sector work and the Country Assistance Strategy (CAS) process. It should report regularly to GEF and to the public on its progress in achieving these objectives.*

*The World Bank should begin a transition from its role in financing conventional power loans to a new role in financing sustainable energy technologies.*

*The World Bank should allocate increased financial resources to the Global Overlays Program in order to ensure adequate staffing for a substantially higher level of integration of global environment into sector work and the CAS process.*

*The IFC should maintain a database of its projects with global environmental benefits, so that its mainstreaming of global environment can be assessed in the future.*

*UNDP should establish a system of tracking projects and components that are relevant to the GEF focal areas and set public, measurable targets related to: 1) funding levels and/or number of core-funded projects for biodiversity conservation, alternative energy and international waters, 2) funding level and/or number of GEF-associated projects, and 3) the Country Cooperation Frameworks (CCFs). It should report regularly to GEF and to the public on its progress in achieving those targets. It should also consider making linkages between potential GEF projects and potential core budget project an explicit objective of the process of preparing the Country Cooperation Frameworks.*

*UNEP should devise a system of staff incentives, involving at least a revision of staff evaluation criteria, to give adequate consideration to GEF work.*

*The GEF Secretariat and UNEP should devote more staff time and resources to upstream consultation not only in Washington but in Nairobi to ensure that all relevant UNEP program staff have adequate guidance in formulating GEF proposals.*

9. **Progress.** The Corporate Business Plan presented to the Council meeting in December 1999 (GEF/C.14/9) identified indicators that would be used regularly to assess the depth of the Implementing Agencies' commitment to GEF. Such indicators would include:

- (a) Direct co-financing of GEF projects, leverage and mobilization of co-financing for GEF projects, foundational support for GEF projects from the regular work program, replication of their own successful GEF innovations, follow up to the recommendations and opportunities from GEF projects in the regular work program, policies incorporating global environmental considerations in the regular work program, and a regular program of non-GEF financed activities linked to global environmental priorities – all of which increase impact;
- (b) Stewardship of partner agencies for joint management of the project cycle, expanded opportunities for executing agencies, and collaboration with other Implementing Agencies – all of which expand partnership;
- (c) Use of institutional comparative advantage in GEF activities, participation in strategic partnerships with GEF, staff familiarization efforts, extent to which knowledge of GEF and the global environment is spread through the operational units, and staff incentives and budgetary measures to promote global environmental action – all of which promote institutional effectiveness of GEF.

**PRIORITY RECOMMENDATION 4: IMPLEMENTING AGENCY MONOPOLY**

*The GEF Council should undertake a study of the advantages and disadvantages of various approaches to permitting additional organizations to propose GEF projects directly to the Secretariat and assume direct responsibility for GEF projects.*

10. **Progress.** At the May 1999 meeting, the Council approved the approach proposed in document *GEF/C.13/3, Expanded Opportunities for Executing Agencies*, for participation of Regional Development Banks in preparing and executing GEF projects. A Progress Report on Expanded Opportunities for Executing Agencies is presented to the Council (GEF/C.15/4).

**PRIORITY RECOMMENDATION 5: INCREMENTAL COSTS**

*A working group representing the GEF Secretariat and the Implementing Agencies should, in consultation with the convention secretariats, develop simpler, more straightforward guidance and communication for recipient country officials on the calculation of incremental costs and a strategy for increasing their involvement in the process of estimating those costs.*

11. **Progress.** A progress report on implementation of the above recommendation was presented in document *GEF/C.14/5* for the December 1999 Council meeting. The matter is kept under review.

#### **PRIORITY RECOMMENDATION 6: PRIVATE SECTOR**

*The GEF Secretariat and Implementing Agencies should engage business and banking associations and mobilize financing from individual private financial sector companies, such as banks, insurance companies and pension funds. To interest the financial sector in GEF projects, the GEF should use the “incremental risk” of a potential private sector GEF project as a way of determining the size of the GEF grant.*

*GEF should identify and apply techniques for reducing the risk of the private investors of participating in GEF projects, such as using GEF funds to provide loan guarantees.*

12. **Progress.** Document *GEF/13/Inf.5* on modalities for engaging the private sector was discussed by the Council at its May 1999 meeting. The Secretariat and the Implementing Agencies are continuing to develop projects in the portfolio that increasingly involve the private sector as described in that paper. A summary of projects has been prepared that demonstrates the broad diversity of private sector activity in all four GEF focal areas. Work has also begun on a strategy review of private sector investment funds to identify emerging lessons and best practice. GEF is also renewing its efforts to identify opportunities to work with and develop private sector operations in the recipient countries, and will report more fully on its operations there. GEF will also investigate broader and more creative opportunities to work directly with the private sector.

#### **PRIORITY RECOMMENDATION 7: GEF COUNCIL REVIEW**

*The GEF Council should seriously consider delegating the second review of project proposals to the GEF Secretariat.*

13. **Progress.** At the October 1998 Council meeting, document *GEF/C.12/9*, *Streamlining the Project Cycle*, was discussed by the Council. In order to further expedite the project cycle, the Council agreed that in approving work programs, with the exception of certain agreed projects, it would authorize the CEO to endorse final project documents without awaiting a four-week review by Council Members.<sup>3</sup> This recommendation is closed.

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<sup>3</sup> *Joint Summary of the Chairs*, GEF Council meeting, October 14-16, 1998. Paragraph 13.

## OTHER RECOMMENDATIONS FROM THE STUDY OF GEF'S OVERALL PERFORMANCE:

### RECOMMENDATION 8

- (a) *The GEF Council should address the need for a clear definition of "new and additional" financing for the GEF, including the indicators that should be used in measuring additionality.*
- (b) *Donor countries should consider separating budget lines for global environmental measures in developing countries and for contributions to GEF from budget lines for development cooperation.*

14. **Progress.** In document *GEF/C.12/7* presented at the October 1998 Council meeting, the Council was invited to discuss this issue and make recommendations for possible follow up, at the individual donor country level and/or at the international level, including the UN General Assembly, ECOSOC and/or the OECD/DAC. No recommendations emerged from the Council discussion. No further action on this recommendation is currently planned.

### RECOMMENDATION 9

- (a) *GEF should regularly review and compare its own portfolio and project pipeline with those of other institutions to ensure that it is either providing significant additional resources or demonstrating a comparative advantage over other institutions involved in funding the same activities. In this regard, particular attention should be paid to GEF support for solar photovoltaics, energy-efficient lighting, and biodiversity trust funds.*
- (b) *GEF should work with the OECD and other appropriate international institutions to ensure that reliable, comparable data on financing measures to protect the global environment, including data on different types of projects, is compiled and made available to the public.*

15. **Progress.** With respect to recommendation 9 (a), GEF has prepared a comprehensive report of its pipeline of new proposals. This report is being shared with other donors. In addition, other donor agencies will be invited to share pipeline information with GEF. An evaluation of biodiversity trust funds was completed last year, which included a review of the comparative roles of GEF and other donors in supporting these mechanisms.<sup>4</sup> A review of experience with solar photovoltaics projects, including activities supported by key multilateral and bilateral agencies, will be made available in May 2000. The results of the review will be presented to an external expert audience at a seminar, to be held in Marrakech, Morocco, in September 2000, to discuss GEF potential to make a difference in emerging renewable energy markets. It is expected

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<sup>4</sup> Global Environment Facility, *Experience with Conservation Trust Funds*, Evaluation Report #1-99, January 1999.



that feedback from the senior executives expected to attend the meeting will help the GEF to optimize strategies to promote renewable energy.

16. With respect to recommendation 9 (b), the GEF Secretariat has consulted with various bilateral donor agencies as well as the European Commission concerning possibilities for cofinancing, execution of GEF projects, coordination and complementarity of portfolios, replication of innovative GEF projects, and staff and policy cooperation.

#### RECOMMENDATION 10

- (a) *The GEF should adopt a rigorous definition of “leveraging” that includes only funding that is additional to existing funding patterns and that is expected to create global environmental benefits. It should apply this definition in the Quarterly Operational Report and other relevant GEF documents. Implementing Agencies should apply this more rigorous definition in their own databases and reports on cofinancing of GEF projects.*
- (b) *When there is sufficient experience with implementation of GEF projects, the GEF’s Senior Monitoring and Evaluation Coordinator should commission a study of the replicability of projects in the GEF portfolio.*

17. **Progress.** A main recommendation of the 1998 PIR was that GEF should adopt a broader definition of leveraging for its programs and projects that reflects financial resources – both during design and implementation – and actions catalyzed by GEF activities. Upon a fuller consideration of this question, the Secretariat concluded that “leverage” should be retained as a term to denote additional financial resources. However, GEF will focus more attentively on its catalytic role, through “demonstration effects” and “replication”.

18. With respect to recommendation 10 (b), an evaluation of replicability of GEF projects is included in the Secretariat’s indicative monitoring and evaluation work program for FY00-02. This aspect will be covered as part of the planned Program Studies that will assess the performance of GEF focal area programs.

#### RECOMMENDATION 11

*The GEF Council should adopt a policy, paralleling that for stakeholder participation, aimed at promoting the greater use of local and regional consultants in projects; encouraging an appropriate mix of local and foreign experts in GEF projects; and securing greater recipient government participation in the screening, short-listing and selection of project consultants.*

19. **Progress.** The follow-up to this recommendation is closely linked to follow-up indicated for Recommendation 2 above. In addition, through the strategic partnership with UNEP to mobilize the scientific and technical community, GEF will be able to stimulate greater involvement of local and regional experts in projects. Also through the

expanded partnerships, it is expected that national and regional competence will be increasingly used in GEF.

#### **RECOMMENDATION 12**

*The GEF Secretariat should work with Implementing Agencies to develop quantitative and qualitative indicators of successful stakeholder involvement at different stages of the GEF project cycle, and to document best practices of stakeholder participation by focal area.*

20. **Progress.** The corporate monitoring and evaluation team will identify indicators of stakeholder participation as part of the preparation and dissemination of the M&E Standards and Guidelines. The program studies to be undertaken in FY01 will also cover stakeholder participation.

21. The Secretariat and Implementing Agencies will collaborate to document and gather additional information on examples of best practices in stakeholder participation in GEF-financed projects, and possibly, covering cases from non-GEF community-based projects. Among other activities, an issue of *GEF Lessons Notes* is planned on this topic.

#### **RECOMMENDATION 13**

- (a) *The GEF project submission format's description of project risks should call for identification of any specific policies or sectoral economic activities that could negatively affect project success, as well as the steps that need to be taken to reduce the risks to project success from those policies and activities.*
- (b) *The GEF should adopt a policy requiring that Implementing Agencies obtain clear, formal commitments from recipient country governments regarding policies and sectoral activities identified as increasing the risk of project failure before proceeding with project implementation.*

22. **Progress.** As indicated in document *GEF/C.12/7*, no additional steps are necessary to carry out this recommendation. Implementing Agencies have been asked to make explicit reference in project briefs to such policies, activities, and steps. This recommendation is closed.

#### RECOMMENDATION 14

- (a) *The GEF Secretariat and Implementing Agencies should require that project proposals contain a more thorough assessment of options for achieving financial sustainability.*
- (b) *The GEF Secretariat and Implementing Agencies should encourage the broader use of biodiversity trust funds to help ensure the funding of biodiversity projects in perpetuity. The Implementing Agencies should continue to seek a high rate of leveraging of other sources of trust fund capital.*
- (c) *The Implementing Agencies should provide for longer project implementation periods--for example, five to seven years instead of three to five years--in cases in which project sponsors can show that extra time will be necessary to implement the project and demonstrate its viability for future funders.*

23. **Progress.** With respect to recommendation 14(a), financial sustainability is a key feature examined in the review of project proposals. The GEF Secretariat identifies, during work program preparation, examples of good project design that seek to ensure financial sustainability. Collective experience in this area will be shared with Implementing Agencies so that future project designs can incorporate identified good practice. In addition, the thematic review on achieving sustainability of biodiversity conservation carried out by the corporate monitoring and evaluation team has been completed and will be made available in the near future.

24. Regarding recommendation 14(b), the evaluation of experience with conservation trust funds provided recommendations to guide further GEF support of these funds.

25. With respect to recommendation 14 (c), a key conclusion of the 1998 PIR was the need for longer term and more flexible approaches to addressing global environmental problems than is accommodated in current project instruments. In many cases, this calls for a phased approach that sets out firm benchmarks for moving from one phase to the next, and provides assurance of support over ten years or longer if these benchmarks are met.

26. Project proposals currently being received generally have longer implementation periods than the 3-5 years typical of projects previously undertaken. In addition, the World Bank is now actively employing its new “Adaptable Program Loan” instrument – which provides funding on a long-term (10-15 years) – in its GEF portfolio. UNDP is also actively exploring similar approaches.

### RECOMMENDATION 15

- (a) *The GEF should play a more proactive role in its relations with the conventions and should, in consultation with Implementing Agencies, prepare more detailed requests for guidance on those issues on which guidance would be most helpful.*
- (b) *The GEF Secretariat, the Implementing Agencies, and the convention secretariats should undertake a comprehensive review of enabling activities before the end of 1998 to determine how successful the projects have been, analyze the reasons for those that have failed, and consider policy and programmatic responses to the problem.*

27. **Progress.** GEF continues to collaborate and interact on GEF's operational policies and operations, both between and during the Conferences of the Parties of both conventions, as well as their regional and subsidiary body meetings. GEF staff have also increased their organization of specific workshops and seminars at all these events. The GEF Secretariat now has regular meetings with the Convention Secretariats to discuss matters of mutual interest. The Convention Secretariats routinely participate in reviewing GEF project proposals and in the GEF Operations Committee meetings.

28. The UNDP-GEF Secretariat Strategic Partnership on Capacity Development Initiative has an in-built mechanism whereby the Climate Change and Biodiversity Convention COPs and subsidiary bodies are regularly briefed on the progress. This interaction also serves to solicit the feedback from the Conventions to the CDI process.

29. The GEF corporate monitoring and evaluation team has completed a study of Biodiversity Enabling Activities<sup>5</sup>. The report of the assessment is document *GEF/C.14/11*. A similar exercise is underway for Climate Change Enabling Activities. The study is carried out in consultation with the Convention Secretariat.

### RECOMMENDATION 16

*The Council should provide a new, more sharply focused mandate for the STAP in light of the change in the GEF's needs and the experience of STAP during GEF 1.*

30. **Progress.** The work program of the recently reconstituted STAP has been sharply focused on priorities emerging in the context of GEF's Corporate Business Plan. As noted in document *GEF/C.12/7*, an amendment of the STAP's mandate is not regarded as necessary. This recommendation is closed.

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<sup>5</sup> The CBD Secretariat was closely consulted during the design and implementation of the Study.

### RECOMMENDATION 17

*In order to encourage continued adherence by the World Bank to its streamlined project cycle, the GEF Secretariat should allow the Implementing Agencies to submit a range of estimates when a project is first submitted, on the understanding that a firm estimate will be submitted for final approval.*

31. **Progress.** As noted in document *GEF/C.12/7*, current guidelines and practice are regarded as adequate. This recommendation is closed.

### RECOMMENDATION 18

*The GEF Council should authorize the GEF Secretariat and Implementing Agencies, in consultation with the Secretariat of the CBD, to undertake a formal exercise to identify the ecosystems and ecosystem types within each Operational Program in biodiversity that should be the highest priorities for GEF in terms of a set of agreed criteria, including those specified in the Operational Strategy.*

32. **Progress.** As noted in document *GEF/C.12/7*, responsibility for determining program priorities in the biodiversity focal area rests with the Conference of the Parties of the Convention on Biological Diversity. A formal exercise to identify priority ecosystems is not consistent with GEF's country-driven approach. This recommendation is closed.

### RECOMMENDATION 19

*The GEF Secretariat should compile information on successful projects in sustainable use from NGOs and other bilateral and multilateral agencies worldwide, and disseminate them to Implementing Agencies and recipient country Focal Points.*

33. **Progress.** Information on successful projects in sustainable use was compiled and distributed to a wide range of readers through a variety of communications vehicles, including monitoring and evaluation documents such as the Project Performance Report. *Early Impacts, Promising Futures*, the 1998 GEF special edition Annual Report, offered short descriptions of a number biodiversity projects providing insights into sustainable use as well as conservation. This publication was widely distributed in three languages. A follow-on effort to identify leading project examples for the United Nations Commission on Sustainable Development resulted in brief "success story" descriptions of seven GEF projects covering all four focal areas.

**OTHER RECOMMENDATIONS FROM THE POLICY RECOMMENDATIONS FOR THE SECOND REPLENISHMENT PERIOD:**

*In policy recommendation number 2, the Secretariat was called upon "...to further develop the GEF resource allocation strategy to maximize global impacts and effectiveness of operations, and to make the development of broad 'performance indicators' a high priority."*

*Policy recommendation number 4 called for "...the further strengthening of the Secretariat monitoring and evaluation function by providing additional capacity for independent evaluation and for the urgent development of performance indicators...."*

34. **Progress.** Development of performance indicators is the top priority in the work program of the GEF corporate M&E team (see *GEF/C.14/Inf.7*). Work is underway, in cooperation with the Implementing Agencies and STAP, to develop program-level performance indicators for the climate change and biodiversity operational programs.

35. An additional staff member joined the GEF's corporate monitoring and evaluation team in May 1999. Resources continued to be provided to the Implementing Agencies in FY00 to allow them to participate actively in corporate monitoring and evaluation activities. This recommendation is closed.

**SUMMARY MATRIX**  
**ACTIONS TO IMPLEMENT THE RECOMMENDATIONS OF THE STUDY OF**  
**GEF'S OVERALL PERFORMANCE**

<b>7. RECOMMENDATION</b>	<b>8. ACTION</b>
(priority recommendations listed first)*	
1. Enable Operational Focal Points to be more effective advocates of GEF issues.	<b>Activities approved by Council in May 1999 are being carried out.</b>
2. Authorize and adequately fund GEF outreach and communications strategy.	<b>Strategy for greater outreach and communications approved by Council in October 1998. Country Dialogue Workshops have started.</b>
3. Mainstreaming by the Implementing Agencies.	<b>Indicators of Implementing Agencies' commitment to GEF have been developed.</b>
4. Study approaches to permit additional organizations to propose and carry out GEF projects directly. (Implementing Agency Monopoly)	<b>Council approved in May 1999 expanded participation of Regional Development Banks in preparing and executing GEF projects. Progress report in GEF/C.15/4.</b>
5. Develop simpler, more straightforward guidance on incremental costs.	<b>Progress report to Council in December 1999 (GEF/C.14/5).</b>
6. Expand participation of private sector.	<b>Summary of projects prepared demonstrating private sector activity in all four GEF focal areas.</b>
7. Council should consider delegating second review of project proposals to the GEF Secretariat.	<b>Approved by Council in October 1998. Recommendation closed.</b>
8. Council should address need for clear definition of "new and additional" financing for GEF.	<b>No further actions planned.</b>
9. GEF should regularly review its portfolio with other institutions. GEF should work with OECD to assure comparable data.	<b>Various bilateral donor agencies and EC consulted.</b>
10. Adopt and apply a rigorous definition of "leveraging", and evaluate the replicability of GEF projects.	<b>"Leverage" will be retained as a term to denote additional financial resources. However, GEF will focus more attentively on its catalytic role, through "demonstration effects" and "replication." Will be covered under planned Program Studies.</b>
11. Council should adopt a policy promoting greater use of local and regional consultants.	<b>Actions incorporated in approved outreach and communications strategy.</b>

12. Develop indicators of successful stakeholder involvement and document best practices.	<b>GEF will document and disseminate best practices as part of M&amp;E Standards and Guidelines. Will be covered under planned Program Studies.</b>
13. More specifically identify policies and sectoral activities that could negatively affect project success, and steps to reduce these risks.	<b>Recommendation closed.</b>
14. More thoroughly assess financial sustainability. Encourage broader use of biodiversity trust funds. Provide for longer project implementation periods.	<b>Financial sustainability is key feature examined in review of project proposals. A review of achieving sustainability of biodiversity conservation was conducted in 1999.</b>
15. GEF should play more proactive role in its relations with conventions. Conduct a comprehensive review of enabling activities.	<b>Regular meetings with Convention Secretariats carried out. CDI undertaken in close interaction with Convention COPs and subsidiary bodies. Studies of biodiversity and climate change enabling activities in FY99 and FY00, respectively.</b>
16. Provide new, more focused mandate for STAP.	<b>STAP work program is focused on priorities identified in Corporate Business Plan. Recommendation closed.</b>
17. Allow IAs to submit a range of estimates of incremental costs when projects are first submitted.	<b>Recommendation closed.</b>
18. Undertake a formal identification of ecosystems and ecosystem types that should be highest priorities for GEF.	<b>Recommendation closed.</b>
19. Compile and disseminate information on successful sustainable use projects.	<b>Information on successful projects in sustainable use was compiled and disseminated.</b>
Others: Make development of performance indicators and high priority. Strengthen GEF's M&E capacity.	<b>Identification of program indicators, led by corporate M&amp;E team in cooperation with IAs and STAP, is underway. GEF M&amp;E capacity has been increased.</b>

\* The order of the recommendations is not the same as in *the Study of GEF's Overall Performance*.