



GEF COUNCIL DECISIONS 1999

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Decision by Mail – February 1999

Decision 1/1999 Intersessional Work Program

1. The Council reviewed the proposed [work program](#) transmitted on December 16, 1998, and approves it subject to the Members' comments submitted to the Secretariat.
2. The Council finds that each project presented to it as part of the work program (i) is or would be consistent with the Instrument and GEF Policies and procedures and (ii) may be endorsed by the CEO for final approval by the Implementing Agency, provided that the CEO circulates to the Council Members, prior to endorsement, draft final project documents fully incorporating the [Council's comments on the work program](#) accompanied by a satisfactory explanation by the CEO of how such comments and comments of the STAP reviewer have been addressed and a confirmation by the CEO that the project continues to be consistent with the Instrument and GEF policies and procedures.

13th Council Meeting – May 1999

Decision 2/1999 Expanded Opportunities for Executing Agencies

1. The Council reviewed document GEF/C.13/3, [Expanded Opportunities for Executing Agencies](#). The Council notes the efforts being made to expand opportunities for Regional Development Banks and considers the proposals contained in the document as an important step forward. The Council approves the proposed approach for the participation of Regional Development Banks in preparing and executing GEF projects and their access to PDF-B resources. The Council urges the Implementing Agencies to make a greater effort to diversify and cooperate with a wider range of executing agencies, including in the implementation of the strategic partnerships. The Council requests the Secretariat to provide a report on progress made at its May/June 2000 meeting.

Decision 3/1999 Implementing Agencies' Action Plans for Integrating Global Environmental Objectives

1. The Council took note with appreciation of the document, [Integrating GEF-related Global Environmental Objectives into UNDP Managed Programmes and Operations: An Action Plan](#) (document GEF/C.13/4) and welcomes the strategic commitments made by UNDP to mainstream global environmental issues throughout UNDP-managed programs

and operations. The Council requests UNDP to take into account the comments made at this session and to report to it annually on progress made in its efforts to fulfill these commitments.

2. The Council took note with appreciation of the [Action Plan on Complementarity between the Activities undertaken by the United Nations Environment Programme under the GEF and its programme of work](#) (document GEF/C.13/5). The Council welcomes recognition of the three elements that would best contribute to promoting complementarity between UNEP's regular program of work and its role in the GEF: additionality, synergy and integration. The Council invites UNEP to continue its efforts to strengthen its partnerships with the GEF Secretariat and other Implementing Agencies, based on its comparative advantage. The Council requests UNEP to report to it annually on progress made in its efforts to strengthen the complementarity of UNEP's regular program of work with its activities under the GEF.
3. The Council took note with appreciation of the document, [World Bank Environment Strategy and Mainstreaming the Global Environment: Status Report](#) (document GEF/C.13/6). The Council welcomes the Bank's efforts to develop a comprehensive environmental strategy that includes global dimensions. The Council requests the World Bank to present to its next meeting the draft environment strategy paper as well as a summary setting out specific elements 3 that will have a direct bearing on integrating global environment concerns into Bank policies and programs.

Decision 4/1999 Incremental Costs

1. The Council reviewed document GEF/C.13/7, [Note on Incremental Costs](#), and approves the steps proposed to be undertaken to make the process of determining incremental costs more transparent and its application more pragmatic. The Council requests the Secretariat to keep it informed of progress made in completing the proposed activities and to identify specific actions to be implemented.

Decision 5/1999 Work Program

1. The Council reviewed the proposed [work program](#) submitted to Council in document GEF/C.13/8 and approves it subject to comments made during the Council meeting and additional comments that may be submitted to the Secretariat by May 28, 1999¹.

¹ In introducing the work program, the CEO noted that the project proposal entitled, *Regional: Reversing Degradation Trends in the South China Sea* had been withdrawn from consideration at the Council meeting, making the proposed total GEF allocation for the work program US\$ 219.23 million.

2. The Council finds that, with the exception of:
 - (a) Bolivia: Sustainability of the National System of Protected Areas
 - (b) Ethiopia: Conservation and Sustainable Use of Medicinal Plants
 - (c) Malawi: Barrier Removal to Malawi Renewable Energy
 - (d) Malaysia: Conservation and Sustainable Use of Tropical Peat Swamp; Forest and Associated Wetland Ecosystems
 - (e) Mekong River Basin Water Utilization Program
 - (f) Morocco: Solar-based Thermal Plant

each project presented to it as part of the work program (i) is or would be consistent with the Instrument and GEF policies and procedures and (ii) may be endorsed by the CEO for final approval by the Implementing Agency, provided that the CEO circulates to the Council Members for information, prior to endorsement, draft final project documents fully incorporating the Council's comments on the work program accompanied by a satisfactory explanation by the CEO of how such comments and comments of the STAP reviewer have been addressed and a confirmation by the CEO that the project continues to be consistent with the Instrument and GEF policies and procedures.

3. With respect to the projects listed in paragraph 13 above, Council requests the Secretariat to arrange for Council Members to receive project documents and within four weeks transmit to the CEO any concerns they may have prior to the CEO endorsing a project document for final approval by the Implementing Agency. Such projects may be reviewed at a further Council meeting at the request of at least four Council Members.

Decision 6/1999 Strategic Partnerships with GEF Implementing Agencies

1. The Council, having reviewed document GEF/C.13/9, [*Strategic Partnerships with Implementing Agencies*](#), supports the efforts of the Implementing Agencies and the Secretariat to design strategic partnerships that advance GEF objectives by building on the comparative advantages of each Implementing Agency and on their commitments to integrate global environmental activities in their regular work programs.

2. The Council takes note of the efforts made by UNDP to implement and promote the Small Grants Programme and welcomes a discussion at the next Council meeting when a request for replenishment would be made.
3. The Council supports the development of a Capacity Building Initiative with UNDP and the development of a partnership with UNEP on mobilizing the scientific and technical community, and approves resources up to the budget envelope under special initiatives in the Corporate Budget for these activities. Terms of reference, work programs, and task budgets of specific proposals under each of these partnerships will be circulated to Council for approval on a no objection basis. Recognizing the complementarity between GEF's and UNDP's efforts in capacity building, the Council requests UNDP to provide matching resources towards the strategic partnership.
4. The Council welcomes the efforts to develop a renewable energy partnership with the World Bank, and invites, at its next Council meeting, proposals on a pilot phase basis for country-driven renewable energy programs that build fully on current mainstreaming efforts in the Bank. The Bank is requested to mobilize co-financing for these proposals exceeding historic norms for climate change investment projects.
5. The Council welcomes the inter-agency partnership on land and water degradation and looks forward to progress.

Decision 7/1999 Corporate Budget for FY00 and Proposal for a Fee-Based System

Proposal for a Fee-Based System for Funding GEF Project Implementation

1. The Council having reviewed document GEF/C.13/11, [Proposal for a Fee-Based System for Funding GEF Project Implementation](#), approves the application of a fee-based system to determine Implementing Agencies' fees with respect to GEF projects, subject to the comments made by the Council. While recognizing the importance of initiating a fee-based system in order to gain experience which will allow the GEF to promote efficiency and implement cost savings, the Council requests the Secretariat, in consultation with the Implementing Agencies, to:
 - (a) Enhance the fee structure by identifying and defining common project variables and their respective impacts upon project implementation costs in order to establish standard fee premiums and discounts that would be applied to the referenced flat-fee.
 - (b) Prepare fee benchmarking and financial management reviews of the Implementing Agencies' costs.

- (c) Organize an independent audit of selected projects.
 - (d) Exchange best practices in project-implementation funding.
 - (e) Develop with the Trustee guidelines for a phased disbursement, based on planned resource requirements, of up to \$70.78 million to the Implementing Agencies, representing the outstanding implementation and supervision costs of the agencies' portfolios of GEF projects approved by the Council through June 1999.
2. The Council also requested the Secretariat to report on the first-year of operation of the fee-based system and on the outcome of the above actions at its first meeting in 2000. The Secretariat is also requested to propose preliminary performance indicators to identify clearly the relationship between project delivery performance and project grant/fee expenditures in order to facilitate fiduciary oversight of project costs.

GEF Corporate Budget FY00

3. The Council reviewed document GEF/C.13/10, [*GEF Corporate Budget FY00*](#), and approves the proposed FY00 corporate budget of \$22.235 million, comprising:
- (a) an amount of \$17.666 million for the operational resource requirements of the six GEF organizational units (the three Implementing Agency coordination units, the GEF Secretariat; the Trustee and the Scientific and Technical Advisory Panel) in the provision of corporate management services; and
 - (b) an amount of \$4.569 million to support the implementation of the proposed strategic partnerships and special initiatives for strengthening country ownership of GEF projects and greater outreach and communications.
4. In approving the proposed corporate budget, Council requested that GEF Secretariat, in presenting future years' corporate budget proposals, to provide (i) more detailed analyses to substantiate the requested GEF corporate management budgets; and (ii) comparative budget data and statistics from previous fiscal year's budget for review purposes. Also, Council recognized that, as from FY00, budget management enhancements should enable and support continuing monitoring of budgets and expenditures by cost categories and standard corporate management activities among the Implementing Agencies and across fiscal years.

**Decision 8/1999 Relations with Conventions, Including the Intergovernmental
Negotiation Committee Concerning Certain Organic Pollutants**

1. The Council, having reviewed document GEF/C.13/12, [Relations with Conventions](#), takes note of the developments of relevance to the GEF within the various international global agreements, and encourages the Secretariat and the Implementing Agencies to continue their collaboration with the Parties to the Conventions and the Convention Secretariats. In particular, the Council welcomes the progress made by the Secretariat and the Implementing Agencies to operationalize the guidance approved by the Conference of the Parties to the Convention on Biological Diversity as well as the guidance adopted by the Conference of the Parties to the UN Framework Convention on Climate Change. The Council encourages recipient countries, the Implementing Agencies and the GEF Secretariat to continue their efforts to develop country driven projects consistent with the policies and program priorities identified in such guidance.
2. The Council welcomes the proposed initiative of the GEF Secretariat and UNDP, in collaboration with the other Implementing Agencies, the Convention Secretariats and STAP, to enter into a strategic partnership to assess capacity building needs, including those relating to land degradation and desertification, in a comprehensive and targeted fashion and requests the GEF Secretariat and UNDP to report to it regularly on the progress being made under this initiative.
3. Pending the results of this initiative, the Council authorizes the CEO to approve revisions to enabling activity projects to allow recipient countries to address immediate capacity building priorities consistent with the guidance of the conventions. GEF financing for enabling activities through expedited procedures, including revisions to initial projects, should not exceed US\$450,000 per country. The Secretariat, in cooperation with the Implementing Agencies and in consultation with the relevant Convention Secretariat, is requested to develop financing norms for such additional activities.
4. The Council requests the GEF Secretariat to submit to the next Council meeting the paper that it is preparing in consultation with the Secretariat of the UN Convention to Combat Desertification on defining better the linkages between land degradation, particularly desertification and deforestation, and the GEF focal areas.
5. The Council further requests the CEO to continue to observe the negotiations for an international legally binding instrument for implementing international action on certain organic pollutants and to advise the Council as to developments in the negotiations and their relevance to the mandate of the GEF.

Decision 9/1999 Constituencies and Assistance for Country Level Coordination

1. The Council, having reviewed the document GEF/C.13/13, [Constituencies and Assistance for Country Level Coordination](#), approves the proposal to amend the rules of procedure for the Council together with the proposed activities to strengthen country level coordination, subject to the comments made by the Council. Specifically, the Council:
 - (a) Agrees to amend the [Rules of Procedure for the GEF Council](#) by approving the annex proposed in the document to clarify matters related to the appointment/reappointment of Council Members and Alternates by a constituency and changes in constituency groupings; and
 - (b) Approves the proposed activities and associated financial resources to strengthen country level coordination and requests the GEF Secretariat to reach agreement as early as possible with the Implementing Agencies on the modalities for providing support to the national focal points and the Council Members as described in the document. The GEF Secretariat in cooperation with the Implementing Agencies are requested to report annually to the Council on the use of the resources provided for this purpose.

Decision 10/1999 Elements of an Operational Program on Carbon Sequestration

1. The Council reviewed document GEF/C.13/14, [Elements of an Operational Program on Carbon Sequestration](#), and approves the elements as a basis for preparing an operational program, subject to the comments made during the Council meeting and written comments to be submitted to the Secretariat by June 7, 1999 and on the understanding that this program will be fully consistent with the guidance provided by the Conference of the Parties to the Convention on Biological Diversity and the Conference of the Parties to the United Nations Framework Convention on Climate Change. The Council requests the Secretariat to conduct further consultations on the development of the operational program with concerned partners and stakeholders, including the Implementing Agencies, STAP and the Secretariats of the Convention on Biological Diversity, the UN Framework Convention on Climate Change and the Convention to Combat Desertification prior to the circulation of a draft program to Council Members for comments.

Decision 11/1999 Other Business

1. Having reviewed the information documents, [Actions to Implement the Recommendations of the Study of GEF's Overall Performance](#) and the [1998 Project Performance Report](#), the Council requests that an annual discussion of the Project

Performance Report, the recommendations of the [Study of GEF's Overall Performance](#) and the policy recommendations of the second replenishment be included in its agenda. The Council also recommends that the findings of the GEF evaluation reports and reviews be disseminated to the meetings of the Conferences of the Parties to the Conventions.

2. The Council also stresses the need for project quality both at entry into the work program and in implementation. The Council endorses actions by the monitoring and evaluation team to expedite the formulation of more precise monitoring and evaluation guidelines. This will entail working more closely with the monitoring and evaluation units of the Implementing Agencies to ascertain that: (a) there is consistency on adequate monitoring and evaluation plans in all projects; (b) that all projects upon completion have terminal evaluation reports; and (c) that the terminal evaluations are made public. The monitoring and evaluation unit is requested to include information on its efforts in this regard in its reporting to the Council.
3. The Council welcomes the document on [Engaging the Private Sector in GEF Activities](#) and requests the Secretariat and the Implementing Agencies to proceed in preparing projects that incorporate the approaches described in the document. The Secretariat is requested to keep the Council informed of progress made in collaborating with the private sector.

14th Council Meeting – December 1999

Decision 12/1999 World Bank Group Progress Report on the Preparation of an Environment Strategy

1. The Council, having reviewed document GEF/C.14/3, [World Bank Group Progress Report on the Preparation of an Environment Strategy](#), takes note of the progress that has been made by the World Bank Group in developing a strategy for addressing global environmental concerns in World Bank Group policies and programs as a part of a corporate strategy covering local, regional and global aspects of the environment as a whole.
2. The Council expresses its disappointment at the length of time it is taking to prepare the strategy and to clarify its relation to GEF work. The Bank is requested, in finalizing its strategy, to take into consideration the many substantive comments made by Council Members.

3. The World Bank Group informed the Council that it has adopted a schedule of extensive internal and external consultations leading to the completion of its Environment Strategy for presentation to the World Bank's Board of Executive Directors by October 2000. The Council requests the World Bank to submit its draft final report on the Environment Strategy to the Council for its November 2000 meeting and that a comprehensive report setting out the further development of issues addressed in the Strategy be presented to the Council at its meeting in May 2000.

**Decision 13/1999 Clarifying Linkages between Land Degradation and the GEF Focal Areas:
An Action Plan for Enhancing GEF Support**

1. The Council, having reviewed document GEF/C.14/4, [*Clarifying linkages between land degradation and the GEF focal areas: an action plan for enhancing GEF support*](#), approves the proposed action plan to enhance GEF support for land degradation activities as they relate to the GEF focal areas, subject to the comments made by the Council. The Council requests the Secretariat and the Implementing Agencies to help countries prepare project proposals in the GEF focal areas that include land degradation measures, consistent with the action plan. The Council also requests the Secretariat, in cooperation with the Implementing Agencies, to report regularly.

Decision 14/1999 Work Program Submitted for Council Approval

1. The Council reviewed the proposed [Work Program](#) submitted to Council in document GEF/C.14/6² and approves it³, subject to comments made during the Council meeting and additional comments that may be submitted to the Secretariat by December 31, 1999.

2. The Council finds that, with the exception of:

- (a) Colombia, Conservation of Biodiversity in the Sierra Nevada de Santa Marta
- (b) Brazil, Hydrogen Fuel Cell Buses of Urban Transport
- (c) Mexico, Hybrid Solar Thermal Power Plant

each project presented to it as part of the Work Program (i) is or would be consistent with the Instrument and GEF policies and procedures and (ii) may be endorsed by the CEO for final approval by the Implementing Agency, provided that the CEO circulates to

² In introducing the work program, the CEO noted that UNDP had withdrawn the project proposal entitled, *Brazil, Promoting Biodiversity Conservation and Sustainable Use in the Frontier Forests of Northwestern Mato Grosso*, from consideration at the Council meeting, making the proposed total GEF allocation for the work program

³ A new version of the project proposal on biodiversity entitled *Costa Rica: Ecomarkets* was distributed to Council

the Council Members, prior to endorsement, draft final project documents fully incorporating the Council's comments on the Work Program accompanied by a satisfactory explanation by the CEO of how such comments and comments of the STAP reviewer have been addressed and a confirmation by the CEO that the project continues to be consistent with the Instrument and GEF policies and procedures.

3. With respect to the three projects listed in the above paragraph, the Council requests the Secretariat to arrange for Council Members to receive project documents and within four weeks transmit to the CEO any concerns they may have prior to the CEO endorsing a project document for final approval by the Implementing Agency.

Decision 15/1999 Draft Annual Report

1. The Council reviewed the draft [annual report](#) (Volumes I [and II](#)) covering the activities of the GEF during FY99, documents GEF/C.14/7 and GEF/C.14/8, and approves it subject to the comments made by the Council. The Council requests the Secretariat to publish the report and disseminate it widely.

Decision 16/1999 Corporate Business Plan FY01-03

1. The Council, having reviewed the [GEF Corporate Business Plan FY01-03](#) (document GEF/C.14/9), approves the business plan subject to comments made at the meeting. The Council requests the Secretariat and the Implementing Agencies to take into account the business plan and its decisions on other agenda items in carrying out GEF activities and in preparing the proposed FY01 budget for approval by the Council at its meeting in May 2000.
2. The Council supported in principle the proposed evolution of GEF support to recipient countries through a more programmatic approach, and requests the Secretariat to prepare, in consultation with the Implementing Agencies, a paper detailing the criteria and process for its implementation. The paper should be posted on the GEF Website for comment. The Council could consider at its May 2000 meeting a pilot program applying this approach if such a pilot has been adequately prepared in time for the meeting.

Decision 17/1999 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

1. The Council, having reviewed document GEF/C.14/10, [Actions to Implement the Recommendations of the Study of GEF's Overall Performance and the Policy Recommendations to the Second Replenishment](#), 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 next Council meeting on additional progress made in this regard.

Decision 18/1999 An Interim Assessment of Biodiversity Enabling Activities

1. The Council reviewed document GEF/C.14/11, [An Interim Assessment of Biodiversity Enabling Activities](#). The Council notes the recommendations contained in the evaluation, and requests the Secretariat and the Implementing Agencies to take the report into consideration in future enabling activity efforts. This applies particularly to the work of the Capacity Development Initiative, including the development of elements of a strategy and an action plan for capacity development in the area of biodiversity. The Council also invites the Secretariat to submit the collaboration with the Parties to the Conventions and the Convention Secretariats. The Council encourages recipient countries, the Implementing Agencies and the GEF Secretariat to continue their efforts to develop country-driven projects consistent with the policies and program priorities identified in the guidance from the Conferences of the Parties to the Convention on Biological Diversity and the UN Framework Convention on Climate Change.
2. The Council takes note of progress that has been made by the Secretariat and the Implementing Agencies in preparing revised operational criteria to guide revisions to enabling activities in light of the increased funding approved by the Council at its last meeting. Such increasing funding should respond to immediate capacity building priorities of countries consistent with the guidance on capacity building from the conventions pending the results of the Capacity Development Initiative.
3. The Council requests the CEO to continue to observe the negotiations for an international legally binding instrument for implementing international action on certain organic pollutants and to keep the Council informed of progress made in the negotiations.

Decision 19/1999 Draft Report of the GEF to the Fifth Meeting of the Conference of the Parties to the Convention on Biological Diversity

1. The Council having reviewed the *draft [Report of the GEF to the fifth meeting of the Conference of the Parties to the Convention on Biological Diversity](#)*, approves the report, subject to the comments made at the meeting, and requests the Secretariat to submit it to the fifth meeting of the Conference of the Parties to the Convention.