

**HIGHLIGHTS OF THE COUNCIL'S DISCUSSIONS  
58<sup>TH</sup> GEF COUNCIL MEETING  
JUNE 2-3, 2020, VIRTUAL MEETING**

The following is a record prepared by the GEF Secretariat of comments, understandings, and clarifications made by Council Members. These points are supplemental to the Joint Summary of the Chair, which records the decisions agreed by the Council.

***Agenda Item 1      Opening of the Meeting***

1. The CEO and Chairperson of the GEF, Naoko Ishii, opened the 58<sup>th</sup> GEF Council meeting

***Agenda Item 2      Adoption of the Agenda***

2. One Council Member indicated that the decision on PSES was not mature enough for adoption. The Secretariat recalled the consultations held in the lead up to the Council meeting and suggested further discussion under the corresponding agenda item.
3. A Council Member requested that the issue of the COVID-19, and harmonization on rules and requirements for GEF agencies be brought up under other business. The Council Member recalled that Agencies had been requested to report to the Secretariat by June 2020 and then to Council by fall 2020. An update was requested.
4. Another Council Member requested an update on the outstanding safeguard and fiduciary cases be provided under other business.
5. The Agenda was adopted.

***Agency Item 5      Work Program for GEF Trust Fund***

6. The Secretariat highlighted the main characteristics of the work program, recalling that at half-way point in GEF-7 more than 60% of STAR has been allocated. The work program covers

five programs, 63 Full Size Projects and one multi-trust fund project. The high level of co-financing ratio and investment mobilized ratio were also stressed.

7. Council members welcomed the work program and positively noted many of its characteristics including: good balance across the board; high co-financing; that GEF is on track to meet its targets; that the resources are being used effectively; that biodiversity and global fisheries are better represented; that Minamata Convention is addressed through the GOLD program; that a healthy number of SIDS projects are included; that demand for NGI remains strong; that the majority of Agencies are represented; that more gender information and indicators were present.

8. Most Council Members expressed concern over the impact of COVID-19 on the current and future work of the GEF and requested the Secretariat to monitor the situation and keep the Council informed. Other ideas expressed included: that the number of projects on climate change is relatively smaller; that the work program should be circulated early and completely to allow Council Members sufficient time to analyze the many projects; that one agency received the most projects; that too few agencies are active in some parts of the world; that middle income countries require continued support as GDP numbers do not adequately reflect environmental challenges.

9. Some Council Members expressed gratitude for the extensions granted for the preparation of project documents that was delayed by the pandemic and would have been subject to automatic cancellation had there been no extension.

10. The work program was adopted.

***Agenda Item 3            GEF Business Plan and Corporate Budget for FY21***

11. The Secretariat introduced the business plan and budget stressing that it is tight and efficient with a 0.3% reduction compared to the previous year. The budget shows zero growth in staff, savings on the rental of Secretariat premises and reductions in travel and Council costs. The initiation of the GEF-8 replenishment process as well as remaining uncertainties related to the impact of the COVID-19 pandemic were also considered.

12. The Council members welcomed the budget and made several comments, including praise for the savings; the need for continued improvements in the Portal; concern at the increase in the Trustee cost; support for the Country Support Program; continued impact of the pandemic; request for some financing for CSO Network; and that the GEF-8 process should be inclusive of all voices and regions.

13. The budget was approved.

***Agenda Item 4            Work Program and Budget of the Independent Evaluation Office: May 2020***

14. The GEF IEO presented to the council the work plan and budget report for the fiscal year 2021. The Council thanked the Independent Evaluation Office (IEO) for the evaluations and welcomed document noting the progress made by the IEO in its work program and that the budget is in line with the 4-year approved budget of the GEF IEO. The Council commended the IEO for its participation in the peer review exercise and took note of results of the peer review and the positive response from the IEO.

15. The Council requested the IEO to look into issues of good governance and human rights, socio-economic benefits, gender, and disability. The IEO responded that these will be paid more attention to in the work program. The Council noted the positive trend on sustainability and showed concern over the level of compliance with TE guidelines and requests the GEF Secretariat to look at this issue more closely. The GEF SEC indicated that a framework on project sustainability was presented to the council which additionally provides for reporting to be of higher quality at terminal evaluations and will need the cooperation of agencies to improve of that front.

16. The decision was adopted.

***Agenda Item 8            Report of the Selection and Review Committee on the Selection of the new CEO***

17. The Chair of SRC reported on the selection process as approved by the Council in 2019. The SRI executive search firm was engaged and was supported by World Bank HR services team. The aim was for an open, fair, and merit-based recruitment process consistent with the Terms of Reference approved by Council. The initial Field of 106 candidates was narrowed down to three finalists. The Council in executive session interviewed all three and decided by consensus to select Mr. Carlos Manuel Rodriguez.

18. The Council adopted the decision.

***Agenda Item 6            GEF's Private Sector Engagement Strategy***

19. The CEO opened this session recalling that this item had been discussed at the previous Council and that since then a series of consultations had been held the results of which were included in this new draft that represented significant progress. She recognized that some pending issues can be handled in an implementation plan to be considered at the 59<sup>th</sup> Council and that other substantive concerns require more work. Therefore she proposed: 1) to discuss PSES at this council to further advance our understanding and thinking, but not submit it for approval; 2) create a working group to develop the Implementation Plan; and 3) to bring the PSES and Implementation Plan for approval at the December 2020 Council. The draft decision would be amended to have the Council note significant progress and request submission of

Implementation Plan and revised PSES at 59<sup>th</sup> Council meeting; and further request creation of a working group to advance both the PSES and Implementation Plan.

20. The Secretariat introduced the document based on the three core elements: 1) Working strategically with multi-stakeholder platforms; 2) supporting multiple entry points; 3) Systematic approach to crowding-in the private sector. The Implementation Plan will cover a two-year period -- 2020-2022 -- including a timeline, a calendar, reporting framework with defined metrics, workplan for agencies, and a management information system. A member of PSAG shared the context of private sector sustainability efforts and the formation of the PSAG as a dynamic group of private leaders who are passionate about the GEF and on contributing to global environmental benefits. She highlighted the key principles of the strategy and noted the rapid evolution in business that has led to a deeper understanding of the opportunities in enhancing sustainability and the “new nature economy.”

21. Many Council Members recognized the progress made, indicated a wish to participate in the working group and expressed support for the approach proposed by the CEO. Several Council members also stressed that action with the private sector should not erode fair allocation of resources through the STAR system.

22. Several additional issues were highlighted in interventions made by almost all Council Members. They include the need: for clarity in roles and participation of various private sector actors and engagement of countries, including timely sharing of information with OFPs; for a regulatory structure to support the initiative; for innovation and transparency; to address reputational issues and risks; to further develop links among the pillars; for more clarity on impacts and results reporting as well as on the process for selection, approval and accountability; for further development of additionality. The role of Indigenous Peoples, small holders, CSOs, women and girls was also mentioned by some Council Members.

23. The amended draft decision was circulated by email and adopted.

#### ***Agenda Item 7      Approach Paper of the 7th Comprehensive Evaluation of the GEF***

24. The GEF IEO presented to the Council the approach paper of the Seventh Comprehensive Evaluation of the GEF (OPS7). The Council welcomed the approach paper and stressed the importance of the OPS in the GEF replenishment process. The Council referenced the MOPAN report and the issues around transparency, governance and human rights as highlighted, and requested the GEF IEO to focus on these issues in OPS7. The Council additionally stressed the importance of issues of projects sustainability, impact programs, how the GEF addresses drivers of GEBs, country ownership, stakeholder engagement, and

responding to the conventions. The IEO assured the Council that these issues will all be covered at different levels in the evaluation and will be reflected in a revised OPS7 approach paper.

25. The Council additionally requested for OPS7 present concrete recommendations to how to address risks related to the ongoing COVID-19 crisis and a framework for green recovery.

26. The decision was adopted.

### **Agenda Item 9      Other business**

27. On the request for an update on governance and harmonization of rules of GEF agencies citing 55<sup>th</sup> Council decision, the Secretariat recalled that Agencies are required to report on their non-GEF portfolio on annual basis with a cut-off date of June 2020. The first compiled report is to be submitted to the Council in December 2020 and the Secretariat affirmed that preparation of the report is on track.

28. On the annual report to the Council on grievance cases, the Secretariat affirmed that its first report will be presented in December 2020 and annually thereafter. The Secretariat also recalled that the Council had received a report on all previous cases in March of 2020 and that a full list is maintained on the GEF website, consistent with privacy requirements

29. Another Council member, who was had not been able to intervene during the discussion of the work program for technical reasons, called on the Council to help approve resources for the SGP in Iran.

### **Agenda Item 10      Summary of the Chair**

30. The text of the Summary of the Chair enjoyed consensus. One Council Member proposed an amendment to Footnote 3. This amendment did not receive consensus. An alternative proposal was made that was accepted. The Summary of the Chair was adopted.

31. The Council Member for the China constituency requested that its view be reflected as follows: *“in light of the Sakteng Wildlife Sanctuary in the project ID 10561 is located in the China-Bhutan disputed areas which is on the agenda of China-Bhutan boundary talk, China opposes and does not join the Council decision on this project”*.

32. The Council Member for the Constituency of India, Bangladesh, Bhutan, Maldives and Sri Lanka requested that the views of Bhutan be reflected as follows: *“Bhutan totally rejects the claim made by the Council Member of China. Sakteng Wildlife Sanctuary is an integral and sovereign territory of Bhutan and at no point during the boundary discussions between Bhutan and China has it featured as a disputed area”*.

***Agenda Finale***

***Statement by elected CEO of the GEF***

33. Carlos Manuel Rodriguez of Costa Rica, newly elected CEO and Chairperson of the GEF addressed the Council. A Council Member from the developed country constituencies and a Council Member from the developing country Constituencies welcomed the new CEO on behalf of the Council and expressed their appreciation for the work and contributions to the GEF of the outgoing CEO. The Council Member from Japan spoke on behalf of his Government in recognition of the work of the outgoing CEO and the Council Member from Switzerland introduced a video that showed some of the highlights of the tenure of Naoko Ishii as the CEO and Chairperson of the GEF.