GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

GEF 2020 Update

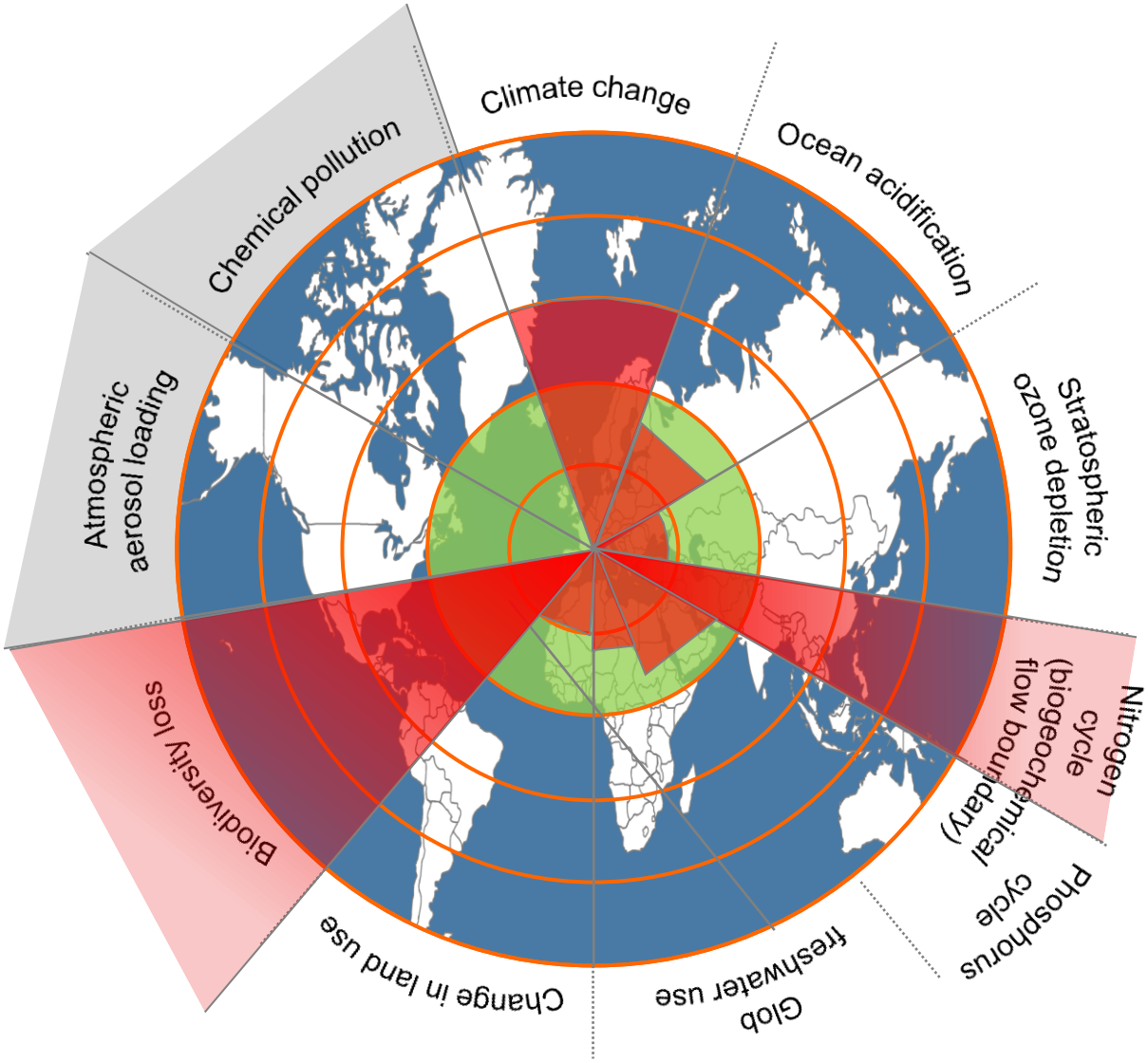
GEF Council meeting

June 18, 2013

Summary of the elements of GEF 2020

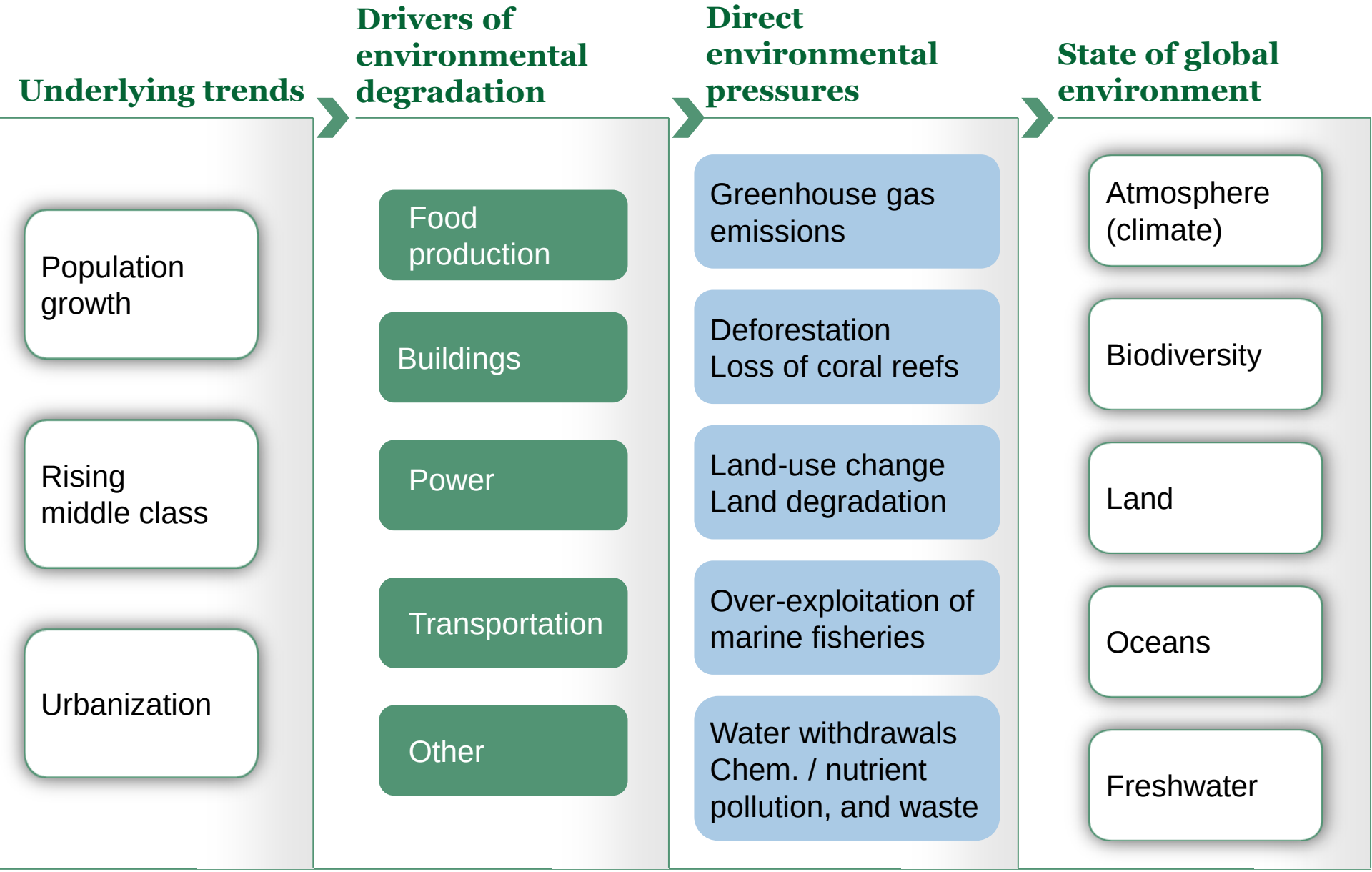
- Focus on the drivers of global environmental degradation based on the best available science
- Proactively build strategic relationships with partners
- Selectively identify the way it catalyzes impacts on enabling environments
- Strengthen GEF operations, including building a strong feedback loop for continuous learning
- Articulate addressing global environment is a necessary condition to sustainable development
- Remain consistent with GEF Instrument

Countdown for the global environment: Key Earth systems are near or beyond "tipping points"



Source: Rockstrom et al, "A Safe Operating Space for Humanity," Nature (2009)

The causal chain behind global environmental degradation

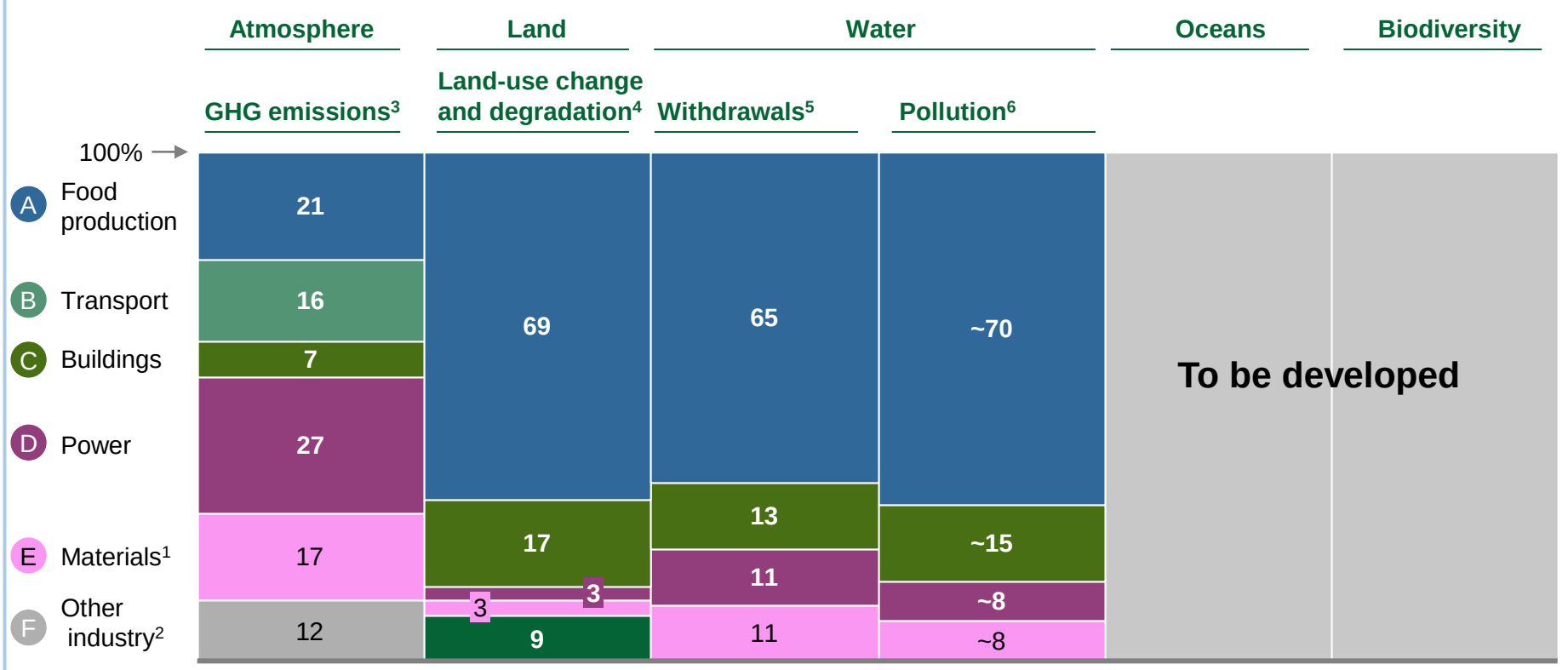


The key drivers of global environmental degradation

PRELIMINARY

Share of environmental impact by intermediate sectoral driver

% of total direct environmental driver



1. Steel, coal, and chemicals comprise the materials' water withdrawals from China. Iron, steel, chemicals, and concrete comprise materials' emissions
2. Textile are nearly half of the 'other' water withdrawals for China. Petroleum and gas represents 6% of 'other' emissions. Biofuels constitute the 'other' source of land-use change
3. Estimates for GHG emissions are for 2030 based on McKinsey report, 'Pathway to a Low Carbon Economy' (2009)
4. Based on estimated required increase of 175 mn hectares to satisfy food and energy needs in 2030. Sources: IIASA, FAO, IFPRI, IPCC, World Bank, WRI, and McKinsey. Deforestation is included as in land use change with 80% of deforestation occurring for agriculture and 15-20% for timber
5. Estimates for water withdrawals are for 2030 based on McKinsey report, 'Charting our Water Future' (2009)
6. Galloway et al (2008), 'Transformation of the nitrogen cycle: recent trends, questions, and potential solutions,' Science (2008)

Cities sit at the cross section of several drivers

PRELIMINARY

Sector	Key facts
 **Buildings**	▪ Most cities have control over building codes and can mandate energy efficient standards ▪ Urban expansion accounts for 2 million hectares per year, 80% of which is in cropland
 **Transport**	▪ Nearly 75% of cities have direct control of all or part of their transit system, and nearly 80% have control of roads
 **Waste**	▪ More than 80% of cities control residential waste collection
 **Water**	▪ Approximately 60% of cities control water supply and wastewater treatment
 **Electricity**	▪ Only 15% of cities exercise control over electricity supply in their city but 25% of those without control have piloted initiatives in distributed solar PV generation

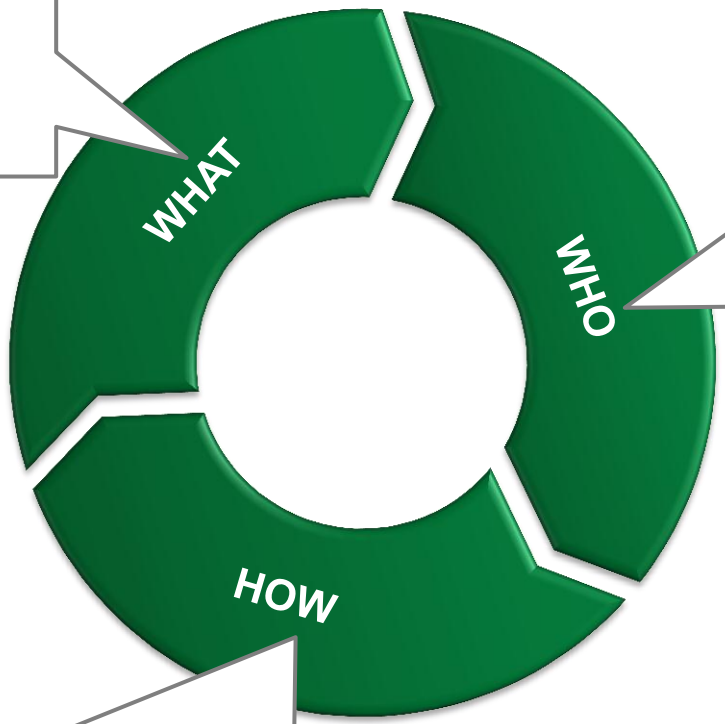
Cities, expected to have over 60% of the global population by 2030, can often move quickly on initiatives

A concerted focus on drivers has implications on the GEF's operating model

PRELIMINARY

1 **Must be more targeted in what the GEF invests in** both through focal area strategies and proposed signature programs

2 **Must be more strategic with whom the GEF works with,** including with the private sector, local governments and CSOs



3 **Must be more proactive in how GEF operates,** from strategically identifying models to catalyze systemic impacts. The GEF should focus on results and shares knowledge.

1 The "What": Tackling drivers through GEF-6

GEF-6 focal area strategies

Biodiversity:
Natural capital accounting

Climate change:
Energy efficiency policies

Chemicals:
Sound management of mercury

Int'l Waters:
Water / Food / Ecosystem Security Nexus

Land degradation:
SLM for ecosystem services

SFM:
Enhanced Forest Management

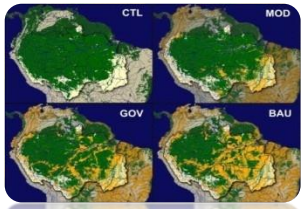
GEF-6 signature programs

Food security in Africa

Sustainable Cities

Taking Deforestation Out of the Supply Chain

Avoiding the Amazon Dieback



Oceans & Fisheries

2 The "Who": Key actions to strengthen GEF's partnerships

PRELIMINARY

Partner	Key GEF2020 actions
Recipient countries	▪ Identify models to engage with strategic government partners (e.g., line ministries, local government officials) ▪ Strengthen NPFE process to help countries more effectively develop a strategy for GEF funding
Implementing agencies	▪ Implement clear reporting procedures for monitoring and evaluation ▪ Engage with agencies for planning discussions
CSOs	▪ Proactively work with CSOs to develop knowledge that will have impact on key drivers ▪ Create a platform for actions for addressing drivers
Private sector	▪ Understand which private sector players to engage with and how best to provide appropriate signals ▪ Develop and mainstream private sector engagement strategy across portfolio.

3 The "How": GEF's influencing models strengthen enabling environments, a necessary condition for scale

PRELIMINARY

Influencing models	GEF case examples	Catalytic impact
Transform policy frameworks	REDP and CRESP	
Create a demonstration effect through innovation	GloBallast	
Mobilize diverse stakeholders	Benguela Current Commission	
Measure challenges & codify solutions	Millennium Ecosystem Assessment	
Set standards to shift markets	En.lighten	
Invest in green infrastructure		

GEF2020 recap of work done to date and next steps

	Phase I – Conduct diagnostic	Phase II – Develop key strategy elements	Phase III – Formulate strategy and develop action steps
	Kick off Feb 2013 → *First replenishment meeting Apr 2013*	*GEF Council Meeting Jun 2013*	*GEF Council Meeting Nov 2013*
KEY ACTIVITIES	▪ Completed external trend and internal organizational diagnostics ▪ Conducted ~130 interviews with GEF staff, implementing agencies, Convention secretariats and Council members ▪ Developed gallery walk of findings for first replenishment meeting	▪ Developed key strategy elements (e.g., mission & vision, RBM, knowledge management, private sector) ▪ Conducted working groups and engaged staff on key strategy elements ▪ Interviewed external experts on GEF's future role	▪ Engage key stakeholders on draft GEF2020 strategy ▪ Develop high level implementation plans for key strategy elements (e.g., private sector, results and knowledge)

GEF2020 is in response to the mandate of the GEF Instrument

*"ensure the **cost-effectiveness of our activities** in addressing the **targeted** global environmental issues,*

*shall fund programs and projects which are **country-driven** and based on national priorities designed to **support sustainable development** and*

***maintain sufficient flexibility to respond to changing circumstances**..."*

- GEF Instrument