



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET



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GEF-8 STRATEGIC POSITIONING FRAMEWORK
(PREPARED BY THE GEF SECRETARIAT)

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I. STRATEGIC POSITIONING OF THE GEF IN A POST COVID-19 WORLD

A. Introduction

1. The Global Environment Facility (GEF) is the largest and most experienced multilateral fund dedicated to addressing environmental threats to the planet. Established on the eve of the 1992 Rio Earth Summit, GEF's core mission is to support developing countries protect and sustainably use nature, upon which all life depends. The GEF is the only entity whose mandate embraces all facets of a healthy environment: biodiversity, climate change, land degradation, international waters, and chemicals and waste.

2. The GEF operates in 4-year funding cycles. Since its inception, it has provided more than \$21.1 billion in grants and mobilized an additional \$114 billion in co-financing for more than 5,000 projects in 170 countries. Through its Small Grants Programme, the GEF has provided support to more than 25,000 civil society and community initiatives in 133 countries. Among the many achievements emerging from this portfolio, the GEF has supported the creation and/or management of over 3,300 protected areas totaling more than 860 million ha of land of global significance for biodiversity. GEF investments have also resulted in more than 8 billion tons of GHG emissions avoided. Finally, GEF investments have resulted in improved enabling policy and institutional environments in recipient countries and increased capacity to deal with the global environment.

3. The GEF-6 cycle (2014-2018) introduced the Integrated Approach Pilots (IAPs) and other larger-scale systemic investments through programmatic approaches. In GEF-7 (2018-2022), the GEF launched the Impact Programs to promote more robust, integrated, and impactful programs across many more relevant sectors while addressing multiple drivers of environmental change. These programs and the investments in GEF-8 are meant to be catalytic and lead to transformational change as defined by GEF's Scientific and Technical Advisory Panel (STAP) "...the GEF should require that a transformative investment involves a pathway to durable change at a sufficient scale to deliver a step improvement in one or more global environmental benefits (GEBs)".¹

4. Much learning is emerging that can be used to ensure the effective and efficient use of GEF resources while at the same time delivering longer-term and more durable global environmental outcomes (see Box 1). Also, emerging findings by the GEF Independent Evaluation Office (IEO) through their Overall Performance Study of the GEF-7 cycle (OPS-7) support the integrated approach as more conducive to the incorporation of innovation in multiple sectors as part of GEF's business model and as one of its comparative advantages.²

5. Environmental threats from climate change, biodiversity loss, chemical pollution, and pressure on forests, oceans, landscapes, and wildlife are negatively impacting human development, livelihoods, and social justice. As we have known for some time, the latest IPCC Report has now confirmed unequivocally that human-caused emissions, from burning fossil fuels and deforestation are responsible for the observed warming of the Earth's atmosphere, oceans

¹ <https://www.stapgef.org/resources/advisory-documents/achieving-transformation-through-gef-investments>

² GEF IEO, 2021 "Highlights: Evaluation Findings 2018-2021."

and land.³ These new findings clearly point to the absolutely essential and pressing nature of the mandate of the GEF, and its role in delivering on the Paris Agreement and halting the negative impact of climate change.

6. Against such mounting stressors, GEF-8 strategic planning also must address the challenges presented by the greatest health and economic crisis in a generation: the COVID-19 pandemic. The pandemic has been a stark reminder that the world is on the wrong track, with conflict between nature and economic systems causing a global zoonotic disease outbreak. The resulting toll on our society will inevitably influence how countries transform their economies over the coming decade. Hence, the GEF-8 cycle will seek to promote a green, blue, and resilient recovery, and to create pathways to a more equitable, nature-positive, and carbon neutral world.⁴

B. Context and background for the GEF-8 Replenishment

7. The proposed strategy for GEF-8 is framed against the backdrop of three inter-related challenges facing the global environment: the COVID-19 pandemic; mounting stressors on natural systems; and the urgency for robust financing and a transformative agenda. This section describes the nature of these challenges and implications for positioning the GEF as the financial mechanism for the global environment.

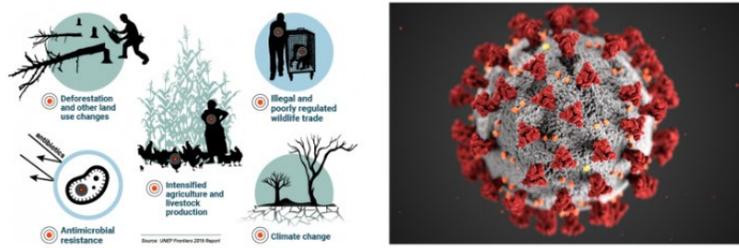
B.1 COVID-19 and the Not-So-Black Swan: Breakdown of the Human System-Natural Systems' Nexus

8. The past 18 months saw the emergence of the most serious pandemic in more than a century. The globalized nature of the existing market system helped to spread a highly contagious zoonotic disease that proved to have widespread impact on the structure of societies and economies, triggering dramatic losses of jobs and livelihoods, while being especially damaging to disadvantaged people, women, and girls. Still far from being contained, the pandemic is forcing humankind to confront the devastating effects of the unrelenting degradation of nature (Figure 1). Experts armed with a solid body of science-based evidence had long warned that an epidemic on the scale of COVID-19 was due to happen; it was a question not of “if” but of “when.” Hence, COVID-19 was not at all a Black Swan (an unforeseen event with significant consequences) but rather an expected outcome of growing exposure of people to wildlife.

³ IPCC, 2021: Summary for Policymakers. In: Climate Change 2021: The Physical Science Basis. Contribution of Working Group I to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change [Masson-Delmotte, V., P. Zhai, A. Pirani, S. L. Connors, C. Péan, S. Berger, N. Caud, Y. Chen, L. Goldfarb, M. I. Gomis, M. Huang, K. Leitzell, E. Lonnoy, J.B.R. Matthews, T. K. Maycock, T. Waterfield, O. Yelekçi, R. Yu and B. Zhou (eds.)]. Cambridge University Press. In Press.

⁴ Early findings from the IEO’s ongoing evaluation on “The GEF’s comparative advantage in supporting a greener future” highlight the GEF’s adaptability to emergent environmental challenges and trends. GEF IEO, 2021 “Highlights: Evaluation Findings 2018-2021.”

Figure 1. The emergence of SARS-CoV-2 and the pandemic have been a wake-up call



COVID-19 – A wake up call

9. We can say with confidence that COVID-19, at its core, is a result of the direct collision between natural systems and human systems. The remarkable economic growth experienced during the last half century has disrupted ecosystems through the expansion of human settlements and unplanned urbanization. Combined with the growth of intensive agriculture and infrastructure projects, this disruption has resulted in rampant deforestation and widespread land degradation and has also brought more people into close proximity to wildlife and livestock, thereby leading to the creation of zoonosis hotbeds greatly increasing the risk of zoonotic pathogen emergence. What we are experiencing should not have come as a surprise.

10. With the understanding that the fundamental root cause of novel zoonotic diseases resides in the weakening of the services that ecosystems have provided for humanity over thousands of years, transformational change to the human systems—energy, cities, food, and production/consumption—is needed to restore a balance between natural and human systems for the health of the planet.

11. The pandemic and societal response to it have also taught us that massive changes in human (as well as government and business) behavior are possible in short time frames. Entire countries instituted lockdowns and/or adopted social distancing measures. The crisis has also provided the world with an opportunity to consider how to apply sustainable policies and regulations in our social and economic systems and prompted businesses to rethink their operations with a special focus on green and sustainable supply chains.

12. Many countries have pledged to build back better as the world emerges from the COVID-19 pandemic by considering how economic and financial policies can support their objectives for cleaner energy, greener cities, and expanded marine protected areas, among many other measures. But the transitions leading to lasting transformation can only be achieved by the adoption of a sustainable, inclusive, resilient, low-carbon, low-polluting, nature-positive, and circular economy-based pathway for society, one that can reduce, prevent, and mitigate future

shocks coming from climate change, natural and manmade disasters, and other global challenges. Unfortunately, according to the Finance for Biodiversity Initiative,⁵ up to 70 percent of the economic stimulus packages studied are not building back greener.

13. The GEF recognized the seriousness of the pandemic to its work. Immediately after the onset of COVID-19, the GEF created a COVID-19 Task force to assess the impacts and the opportunities created by the pandemic on the work of the GEF.⁶ A report by the Task Force reinforced the central role of the GEF in ensuring a healthy planet that can help prevent future pandemics and other disruptions expected from the current environmental degradation.⁷ More specifically, by addressing factors underlying the increasing number of zoonotic diseases, such as the high-risk global wildlife trade and natural ecosystem degradation and destruction, the GEF can play an important role in restoring a better balance between people and nature. The Task Force Report noted that through programs like the Good Growth Platform, the Sustainable Cities Impact Program, the Food, Land Use, and Restoration Impact Program, and the Global Wildlife Program, the GEF is working to help build an economy and a society that will thrive despite the inevitable shocks that will come through climate change and future pandemics.

B.2 Mounting Stressors on the Health of the Planet

14. Recent global assessments on the state of biodiversity, ecosystems, climate change, and oceans unfortunately all point to continued deteriorating trends, despite some improvement over the last few years. Syntheses of the latest scientific reports (“The State of the Planet”) by the STAP suggests that many indicators of planetary health are still going in the wrong direction. Extinction rates are now tens to hundreds of times higher than the average of the past 10 million years, resulting in a homogenization of ecosystems, with a reduction in resilience.⁸ GHG emissions that drive climate change are at their highest levels ever registered (Figure 2). Worrying trends are emerging with faster-than-expected increases in the frequency of attributable climate extremes, more Arctic warming than anticipated⁹ and repeated indications that icecap melting is accelerating irreversibly on human timeframes.¹⁰

⁵ Greenness of Stimulus Index, Finance for Biodiversity Initiative, Feb. 2021.

⁶ GEF/C.58/Inf.07/May 16, 2020.

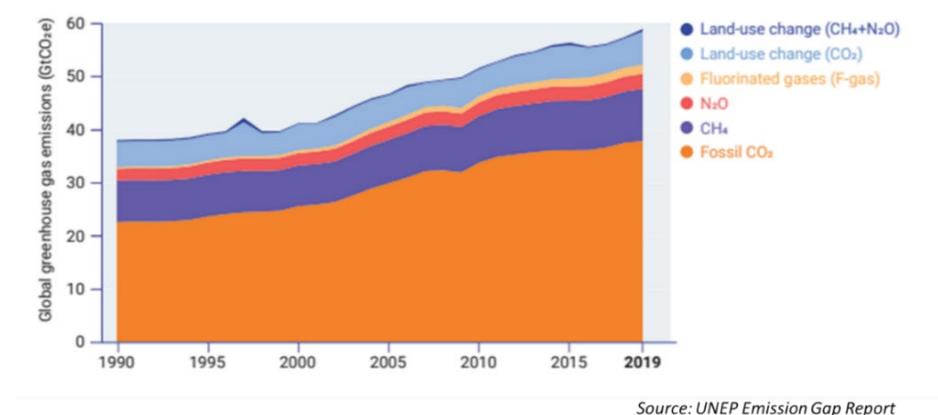
⁷ This is also underscored by early findings from the IEO’s ongoing evaluation on “The GEF’s comparative advantage in supporting a greener future”, which show that the GEF is well positioned to play a pivotal role in “building back greener” after the COVID-19 pandemic. GEF IEO, 2021 “Highlights: Evaluation Findings 2018-2021.”

⁸ Future Earth. Our Future on Earth 2020. www.futureearth.org/publications/our-future-on-earth.

⁹ J.E. Overland, E. Dunlea, J.E. Box, R. Corell, M. Forsius, V. Kattsov, et al. The urgency of Arctic change Polar Science (2019), 10.1016/j.polar.2018.11.008.

¹⁰ Briner, J.P., Cuzzone, J.K., Badgeley, J.A. et al. Rate of mass loss from the Greenland Ice Sheet will exceed Holocene values this century. Nature 586, 70–74 (2020). <https://doi.org/10.1038/s41586-020-2742-6>; Garbe, J., Albrecht, T., Levermann, A. et al. The hysteresis of the Antarctic Ice Sheet. Nature 585, 538–544 (2020).

Figure 2. Global GHG emissions are at the highest level ever recorded



15. Furthermore, approximately 20 percent of the Earth’s vegetated surface shows persistent declining trends in productivity, mainly as a result of land and water use and management practices.^{11,12} The loss of biodiversity (Figure 3) and its associated ecosystem services has not been reversed and threatens human well-being in many ways. The oceans are under increasing threat from climate change and associated acidification, loss of coral reefs, overfishing, and pollution, requiring more substantial efforts than have been deployed to date (Figure 4). Freshwater systems including transboundary freshwater systems that underpin and connect ecosystems, human health, and key economic sectors are being depleted rapidly, threatening livelihoods, and triggering conflicts. Global forest loss and possible tipping points in the Amazon can trigger unexpected and irreversible global damage to the environment.¹³ In addition, hazardous chemicals, including persistent organic pollutants, ozone depleting substances, mercury, and highly hazardous pesticides, remain a significant threat to human health, ecosystems, and biodiversity.

<https://doi.org/10.1038/s41586-020-2727-5>; The IMBIE Team., Shepherd, A., Ivins, E. et al. Mass balance of the Greenland Ice Sheet from 1992 to 2018. *Nature* 579, 233–239 (2020). <https://doi.org/10.1038/s41586-019-1855-2>; Shepherd, A. et al. Trends in Antarctic Ice Sheet Elevation and Mass. 16 May 2019. *Geophysical Research Letters*, Volume 46, Issue 14. <https://doi.org/10.1029/2019GL082182>.

¹¹ Shukla et al., (editors). *Climate Change and Land: An IPCC special report on climate change, desertification, land degradation, sustainable land management, food security, and greenhouse gas fluxes in terrestrial ecosystems*. IPCC (2019)

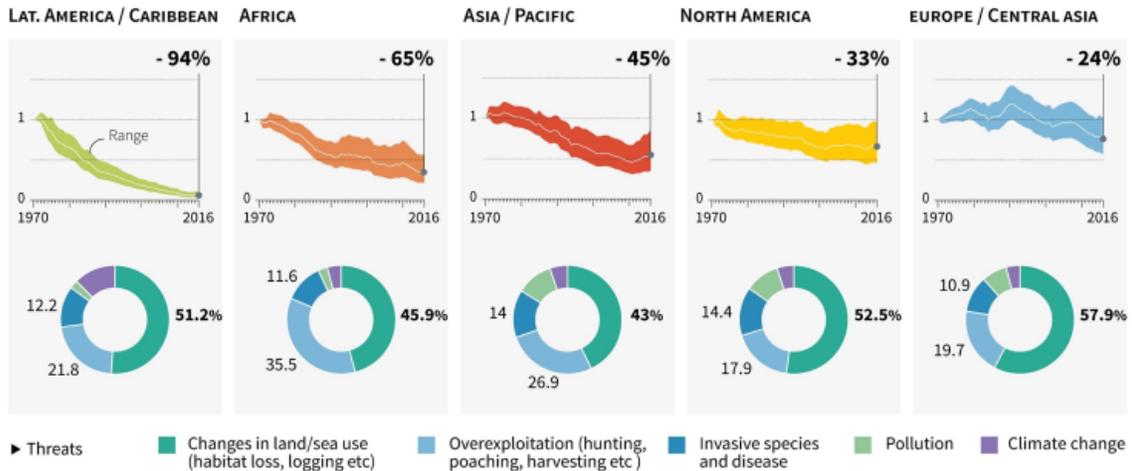
¹² United Nations Convention to Combat Desertification. 2017. *The Global Land Outlook*, first edition. Bonn, Germany

¹³ <https://advances.sciencemag.org/content/5/12/eaba2949>

Declining state of biodiversity

Average change in the size of monitored vertebrate species populations in the Living Planet Index, 1970-2016

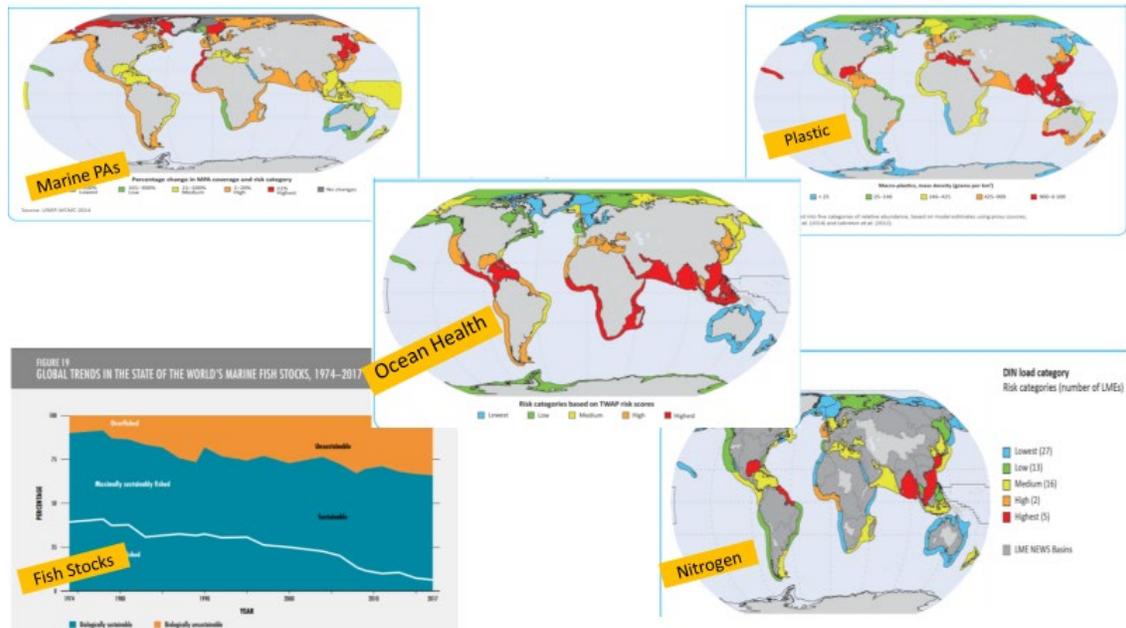
► By region Index value (1970 = 1)



Source: WWF Living Planet Report 2020



Figure 4. Declining ocean health across various metrics



16. Science no longer supports the view that the environment is merely one of many facets of sustainable development. The Dasgupta Review¹⁴ recognized and quantified the direct value of nature to people in great detail, convincingly making the case that economies and livelihoods are inescapably intertwined and dependent on the goods and services that nature provides. The continued deterioration of nature and its ability to provide essential services to people can progressively undermine the prospects for the achievement of the Sustainable Development Goals (SDGs) and to maintain and improve quality of life. The GEF embraces the conclusions of the Dasgupta Review and incorporates the logic of its proposed solutions in the GEF-8 Programming Directions.

B.3 Funding Levels and Strategic Investments Commensurate with a Rising Ambition for Transformative Change

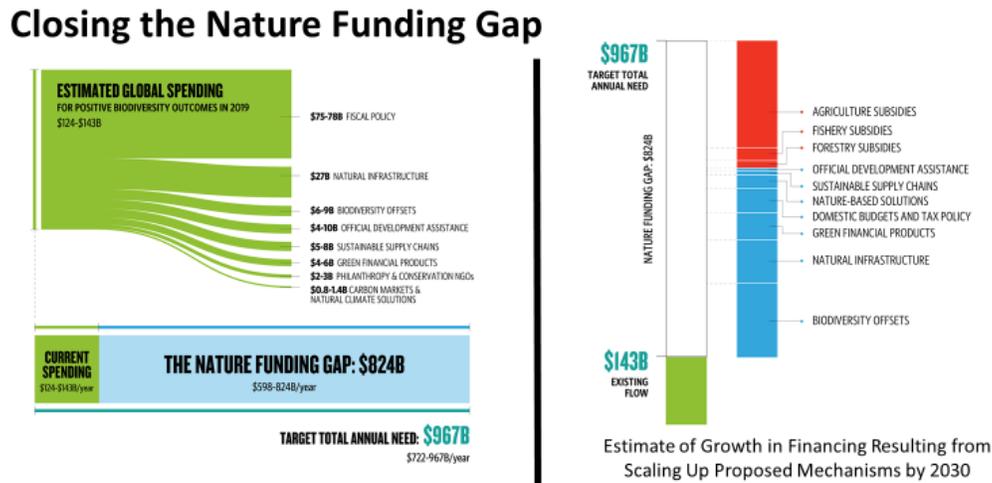
17. As the GEF contemplates the delivery of its mission during this decade, it is important to improve both the levels of financing and associated strategic investments required to help realize the many global commitments made by countries and the international community in the lead up to 2030 and beyond.

18. In recognition of the unique value of the GEF in the stewardship of the global environment, its mandate has expanded significantly through successive replenishment cycles, while its funding has remained largely unchanged. The growth in co-financing of GEF-funded projects has, to some extent, helped to alleviate the funding gaps, but the challenge of securing adequate financing will need to be resolved in the upcoming replenishment cycles.

19. The mandate of the GEF to support developing countries in meeting their commitments to multilateral environmental agreement (MEAs) is foundational to sustainable development and essential to prevent setbacks to the gains that countries and the development community have made in reducing poverty and improving livelihoods. For instance, while most of the world's biodiversity is located in developing countries, only 22 percent of financing directed to nature conservation is spent there. Despite a growing environmental mandate, available funding for the GEF has remained limited (<0.5% of global spending on nature conservation, and less still on climate change). Thus, it is critical that official development assistance (ODA) required for the fulfillment of GEF's mandate—perhaps in multiples of past replenishment cycle funding levels—is made available. (Figure 5).

¹⁴ Dasgupta, P. (2021), *The Economics of Biodiversity: The Dasgupta Review*. (London: HM Treasury)

Figure 5. Nature Funding Gap



Source: Paulson Institute and TNC 2020. *Financing Nature*

20. ODA funds have been traditionally relied upon to close the Nature Funding Gap, and must continue to play a significant role in this effort. However, it is increasingly recognized that global funds to the environment, while impacting the size of the gap, may never be enough to completely close it. Beyond traditional ODA assistance, there are several private and public sources of funds that must be further mobilized, including national governments, private sector, conservation NGOs, and philanthropic organizations. In particular, without the active participation of private capital, markets, and their agents, the GEF will not accomplish its mission. Happily, in December 2020 the GEF Council approved a Private Sector Engagement Strategy (PSES)¹⁵ that will facilitate the insertion of this sector into GEF-funded initiatives and help support the needed transitions of key economic systems. Another way to achieve this goal is to expand the non-grant instruments (NGI) window of the GEF designed to unlock and scale-up private financing. The GEF’s early experience with private sector engagement and blended finance will serve as a springboard for expanded work in GEF-8 with the private sector and the financial sector. Recent findings of the Independent Evaluation Office (IEO) indicate that projects involving the private sector tend to deliver greater value added and are also most likely to lead to transformational change.¹⁶

21. Narrowing the gap involves increasing the flow of funds to the environment whilst simultaneously reducing the need for these funds: this can be achieved through the creation of regulatory and policy environments at the national scale that both discourage/eliminate harmful practices and encourage large-scale finance for nature. Policy coherence, traditionally defined as “the systematic promotion of mutually reinforcing policy actions across government departments and agencies creating synergies towards achieving the agreed objectives”,¹⁷ is therefore key to

¹⁵ GEF/C.59/Inf.18

¹⁶ GEF IEO, 2021 “Highlights: Evaluation Findings 2018-2021”

¹⁷ Anita Breuer, Hannah Janetschek and Daniele Malerba (2019), Translating Sustainable Development Goal (SDG) Interdependencies into Policy Advice, *Sustainability* 2019, 11, 2092; doi:10.3390/su11072092,

reducing the funds needed for nature-financing. Additionally, through these domestic enabling environments, countries can help to further catalyze the impact of the nature funding flows; alternatively, misaligned domestic policies can also serve to lessen the impact of the very funds to the environment that are being increasingly required from ODA and other sources. Building on the recommendations of the Dasgupta Review, the GEF, if adequately financed, could start to more directly assist developing countries that are committed to internalize the value of their natural capital in national and state plans and budgets. This would be complemented by work to promote enabling policy environments for expanded domestic resource mobilization by making use of innovative finance mechanisms, and address perverse subsidies and other financial drivers of environmental degradation across the dimensions of biodiversity, climate change, land, and oceans, along with toxic chemicals and pollution.

22. The importance of policy coherence is being progressively recognized and mainstreamed in global dialogues as a critical mechanism which, if left unattended, can hamper the world's ability to reverse the current environmental trends and to reach its crucial nature-positive targets. SDG Target 17.14 of the 2030 Agenda speaks to the enhancement of policy coherence for sustainable development, seen as an essential implementation component for all of the SDGs.¹⁸ The G7 2030 Nature Compact in June 2021¹⁹ explicitly recognized the need to reform national policies with recognized negative impacts on nature, and for an integrated approach or a “whole of government” basis as a necessary condition for world that is nature-positive. This point is also made in other recent reports including *The Little Book on Investing in Nature*,²⁰ the *World Economic Forum Global Risks Report*,²¹ *Financing Nature: Closing the global biodiversity financing gap* from the Paulson Institute,²² the *First Draft of the post-2020 Global Biodiversity Framework*,²³ and *Pulling Together - The Multilateral Response to Climate Change, Lessons in Multilateral Effectiveness* from MOPAN.²⁴

23. Policy coherence is not a new concept to the GEF. A 1992 review of the GEF's pilot phase explicitly referenced the importance of the domestic policy environment,²⁵ and efforts to strengthen national environmental policies have been a progressively increasing feature of GEF strategies. In 2017, the Independent Evaluation Office (IEO) undertook an assessment of the

¹⁸ OECD (2018), Policy Coherence for Sustainable Development 2018: Towards Sustainable and Resilient Societies, OECD Publishing, Paris, <https://doi.org/10.1787/9789264301061-en>

¹⁹ G7 2030 Nature Compact, <https://www.g7uk.org/wp-content/uploads/2021/06/G7-2030-Nature-Compact-PDF-120KB-4-pages.pdf>

²⁰ Tobin-de la Puente, J. and Mitchell, A.W. (eds.), 2021. *The Little Book of Investing in Nature*, Global Canopy: Oxford.

²¹ The Global Risks Report 2021, 16th Edition, is published by the World Economic Forum

²² Deutz, A., Heal, G. M., Niu, R., Swanson, E., Townshend, T., Zhu, L., Delmar, A., Meghji, A., Sethi, S. A., and Tobin-de la Puente, J. 2020. *Financing Nature: Closing the global biodiversity financing gap*. The Paulson Institute, The Nature Conservancy, and the Cornell Atkinson Center for Sustainability.

²³ CBD/WG2020/3/3, First Draft of the Post-2020 Global Biodiversity Framework: Note by the Co-Chairs, <https://www.cbd.int/doc/c/abb5/591f/2e46096d3f0330b08ce87a45/wg2020-03-03-en.pdf>

²⁴ Multilateral Organisation Performance Assessment Network (MOPAN), (2021), *Pulling Together - The Multilateral Response to Climate Change, Lessons in Multilateral Effectiveness*, Paris.

²⁵ The Global Environment Facility: the Pilot Phase and Beyond, GEF Working Paper Series 1, May 1992

GEF’s impact in strengthening policy and legal frameworks in different countries,²⁶ and the IEO recently assessed that, while the GEF is making good progress on the policy front, additional efforts are needed.²⁷ The IEO’s OPS-7 Report similarly underscores the importance of the GEF’s expanding reach into the policy coherence space.²⁸ Policy coherence is therefore an essential component of maximizing the benefits of GEF investments, and in the sustainability of those benefits. Domestic policies that are inconsistent with each other and with national/global environmental goals work against the very global environmental benefits that need to be generated.

Figure 6. Multilateral Environmental Agreements Served by the GEF and their Various Commitments



²⁶ GEF/ME/C.52/Inf.05, Impact of GEF Support on National Environment Laws and Policies,

<https://www.thegef.org/council-meeting-documents/impact-gef-support-national-environment-laws-and-policies>

²⁷ GEF/E/C.60/Inf.01, Management Action Record 2021, https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.E_C60_Inf.01_Management_Action_Record.pdf

²⁸ Global Environment Facility Independent Evaluation Office (GEF IEO), Seventh Comprehensive Evaluation of the GEF: Working Toward a Greener Global Recovery, Draft Report, Washington, DC: GEF IEO, 2021.

25. Since the start of the GEF-7 cycle (July 2018), many international commitments (some mandated by the Conventions served by the GEF and other more voluntary) have arisen or are in the process of being negotiated (Figure 6). Among these are: the proposed post-2020 CBD Global Biodiversity Framework; commitments by 50 countries to protect at least 30 percent of the world's land and ocean by 2030;²⁹ the Bonn Challenge to bring 350 million hectares of degraded and deforested landscapes into restoration by 2030;³⁰ the post-2020 Global Apex Goal for nature and people; commitments for the UN Decade on Ecosystem Restoration; and Our Ocean commitments for significant and meaningful actions towards a clean, healthy, and productive ocean.

26. This background underscores the importance of GEF's role in the global financing architecture for sustainable development. The GEF has a formal mandate as a financing mechanism under CBD, UNCCD, UNFCCC, the Minamata Convention, and the Stockholm Convention, and it supports countries with economies in transition in their implementation of the Montreal Protocol. The GEF is making multi-faced contributions as a catalyzer of partnerships, promoter of policy coherence, supporter of national reports, Convention obligations, and transparency in all countries, as well as a mobilizer of finance.

27. The UNFCCC 26th Meeting of the Parties (COP 26), held in November 2021 in Glasgow, Scotland, reaffirmed the urgency of scaling up global action to protect climate and nature over the next decade. With the Glasgow Climate Pact and its related decisions, COP 26 called for a robust eight replenishment of the GEF, to be guided by the consideration of the needs and priorities of developing countries. Parties urged the GEF and the other entities of UNFCCC Financial Mechanism, as well as multilateral development banks and other financial institutions, to further scale up investments in climate action and continue to increase its effectiveness. The COP 26 outcomes reaffirmed the key role of the GEF as provider of highly concessional climate finance to developing countries, as well as its pivotal role for the implementation of the enhanced transparency framework under the Paris Agreement, which has proven to be a central element for the success of the negotiations in Glasgow. Parties particularly welcomed the work done by the GEF in integrating the consideration of climate change results across all its focal areas, and clearly recognized the connected nature of environmental threats. To this end, the Glasgow Climate Pact recognizes “the importance of protecting, conserving and restoring ecosystems to deliver crucial services, including acting as sinks and reservoirs of greenhouse gases, reducing vulnerability to climate change impacts and supporting sustainable livelihoods, including for

²⁹ This reference is included here and elsewhere in the document to demonstrate that there is an increased level of ambition globally to achieve higher levels of protection of land and ocean. We acknowledge that this is a negotiation position within the CBD process that is not yet agreed by the COP and for which we recognize there exists a diversity of opinions from a wide array of stakeholders including IPLCs. The inclusion of this statement does not infer GEF's support for this or any other negotiation position.

³⁰ Also see <https://www.pbl.nl/sites/default/files/downloads/pbl-2020-goals-and-commitments-for-the-restoration-decade-3906.pdf>

28. In light of these agreements and commitments, GEF will develop a strategy that is relevant all the way to the end of this decade. These commitments are expected to mobilize global, national, and community action and to help raise the level of ambition for the MEAs. They will also contribute towards the achievement of the 2030 Agenda for Sustainable Development and the associated SDGs (Figure 7), along with other targets and plans for the coming decade that the international community is expected to deliberate upon in 2021. The GEF-8 replenishment emerges as an opportunity to position the GEF as a leader and a critical player in supporting this set of ambitious goals.

Figure 7. The Global Environment—a Foundation for the SDGs



29. In September 2015, all United Nations member states adopted the Sustainable Development Goals (SDGs). Implicit in the landmark agreement is the recognition that social and economic development will not be achievable in the absence of a healthy global environment. While not directly serving the SDGs, the GEF has articulated how its work continues to be directly relevant to their achievement.³²

30. It is also important to properly place the GEF in the ambit of the international environmental finance architecture. According to the OECD, international finance for sustainable development amounted to \$2 trillion in 2018. Fifteen percent of this amount, or \$0.31 trillion,

³¹ UNFCCC 2021, Decision 1/CP.26, paragraphs 50 and 51.

https://unfccc.int/sites/default/files/resource/cop26_auv_2f_cover_decision.pdf

³² GEF (2015). The GEF and Sustainable Development Goals. <http://www.thegef.org/publications/gef-and-sustainable-development-goals>

was attributed to official development finance, including support through multilateral development banks (MDBs) and bilateral sources.

31. In the climate finance landscape, the GEF has been working with major funds, such as the Green Climate Fund (GCF), Climate Investment Funds (CIF), and Adaptation Fund, to help facilitate coordination. The recently agreed GEF/GCF Long Term Vision³³ will further define specific areas of cooperation where complementarity of action may be more efficient and effective, as well as possible modalities to generate long-lasting outcomes and outputs. Such collaboration has become increasingly relevant for a wide range of themes and entry points: the GCF results areas, such as forests and land use, and ecosystems and ecosystem services, health, food, and water security, encompass themes that are addressed across the GEF portfolio beyond climate change.

C. Framing the GEF-8 Strategy

32. The challenges outlined in the previous section calls for the GEF to evolve a compelling vision and strategy that is consistent with global aspirations for transforming systems, help countries achieve a green and blue post-COVID-19 recovery, and harness the GEF's comparative advantage as “integrator” across multiple dimensions.³⁴ This section addresses each of these priorities in detail and concludes with an emphasis on gender responsiveness as a key principle underpinning the GEF-8 strategy.

C.1 The Vision and Framework

33. The vision for GEF-8 is the achievement of a healthy, productive, and resilient environment that underpins the well-being of human societies (Figure 8). This vision is inspired by the fact that challenges facing the planet are intertwined with human development needs. Achieving this vision requires the GEF to anchor its overall approach on a framework that reflects the interdependency between people and the planet. This link between nature, the environment, and human health has been promoted over the past decade around the concept of One Health and embraced by several groups.³⁵ The CBD also recognizes this link and the importance of the health of the environment for people's well-being.³⁶ Over the last decade, the multiplicity and complexity of linkages between biodiversity and human health have been increasingly recognized, as reflected in the findings of the State of Knowledge Review on Connecting Global Priorities: Biodiversity and Human Health³⁷ jointly produced by CBD, WHO, and UNEP. In 2018, the Parties to the CBD welcomed a Guidance on integrating biodiversity considerations into One Health approaches, among other holistic approaches.³⁸ In line decision 14/4, a draft global action plan for biodiversity and health will be considered by the

³³ GEF/C.60/08

³⁴ Early findings from the IEO's ongoing evaluation on “The GEF's comparative advantage in supporting a greener future” highlight the GEF's ability to foster multi-stakeholder alliances as one of the top three areas of comparative advantage of the GEF. GEF IEO, 2021 “Highlights: Evaluation Findings 2018-2021”

³⁵ <https://www.oie.int/en/for-the-media/onehealth/>

³⁶ <https://www.cbd.int/health/>

³⁷ <https://www.cbd.int/health/SOK-biodiversity-en.pdf>

³⁸ <https://www.cbd.int/doc/c/501c/4df1/369d06630c901cd02d4f99c7/sbstta-21-09-en.pdf>

Parties at their 15th conference meeting.³⁹ Concurrently, a similar concept of Planetary Health⁴⁰ has been put forward and that expands the interconnections between human health and nature. The mandate and scope of the work of the GEF encompasses all of these concepts, but there are several areas of the GEF's mission and mandates that do not fit neatly within either one.

34. Long-term solutions to address the risk of emerging diseases and pandemics such as the current COVID-19 pandemic are other such emerging infectious diseases is dependent on achieving transformative change to key economic systems. Such transformation can be promoted through priorities across all GEF focal areas. For this reason, we adopt the *Healthy Planet, Healthy People* framework, which explicitly recognizes the dependency of human health and well-being on a healthy environment. This framework relies on the linkages between biodiversity and ecosystem services with food security and human health; between abundant and clean freshwater and human health; the maintenance of a stable and livable climate and human health; a clean and hazardous-chemical free environment and human health; and healthy oceans that can provide sustainable and resilient livelihoods and food security for people. With this in mind, the work of the GEF is more critical than ever in restoring the health of the environment that underpins the health and well-being of people.

35. A healthy environment is the foundation for economic and social development. This foundation is now facing interrelated threats and nearing key tipping points that require urgent attention and action before negative trajectories get locked in. Without a healthy environment, human health and well-being will be inevitably compromised. The GEF's mandate and expertise make it uniquely well-suited to pursue the most ambitious goals that have been recently embraced by countries, the international community, the private sector, and CSOs. The next two GEF investment cycles, from 2022-2026 (GEF-8) and 2026-2030 (GEF-9) will be critical to the achievement of global environmental ambitions and needs over the coming decade, with a focus on systems change and environmental restoration at scale.

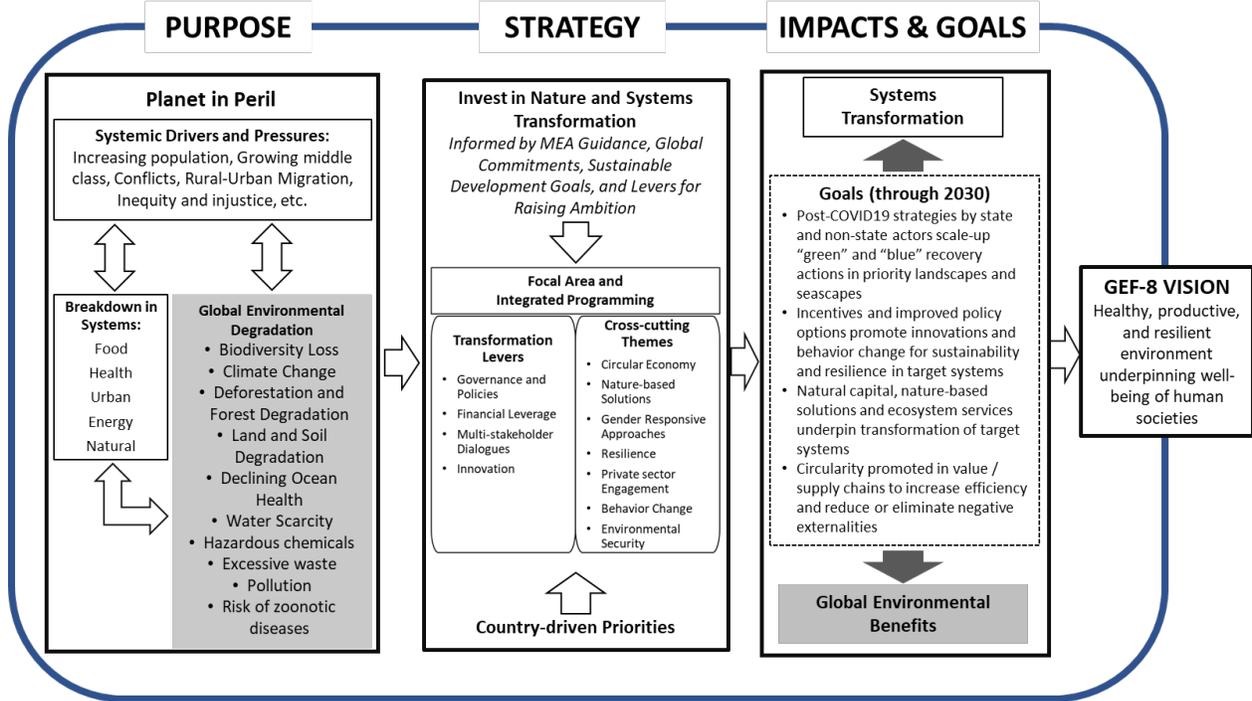
C.2 Theory of Change

36. The *Healthy Planet, Healthy People* framework helped with the formulation of a Theory of Change outlining the purpose, strategy, impacts and goals underpinning the GEF vision through 2030 and beyond (Figure 8). The Theory of Change identifies the pervasive environmental challenges confronting the global community, and how the GEF invests to tackle them and generate global environmental benefits. This logic, which has been at the core of the GEF's strategic planning for many years, is further elaborated to acknowledge the urgency to address breakdowns in key economic systems that are exacerbating global environmental threats. The following paragraphs outline how the Theory of Change supports the overall GEF-8 programming.

³⁹ <https://www.cbd.int/doc/c/76f9/1b75/42e360ab3ae6e53d0762c449/sbstta-24-09-en.pdf>

⁴⁰ <https://www.planetaryhealthalliance.org/>

Figure 8. Theory of change for GEF-8



C.2.1 Purpose and Rationale

37. As described in previous sections, the planet is in peril because of the declining state of biodiversity, climate, land and soil health, ocean health, freshwater resources, fisheries, and the presence of hazardous chemicals. With increasing population, growing middle class, armed conflicts, rural-urban migration, inequality, unsustainable consumption patterns, and other stressors, it is inevitable that the declining trends will be further worsened by the breakdown in food, energy, urban, health, and natural systems that in turn underpin human development. The COVID-19 pandemic has reinforced and further validated this concern and has encouraged the acceleration of the needed transitions. In addition to addressing the threats to the global environment, the Theory of Change highlights the urgent need for GEF to help transform key systems, specifically the “economics” that presently drive these systems, toward sustainability, resilience, and positive outcomes for nature. Below is a brief description of how transformational change in each of the systems will be supported through integrated programming.

Natural Systems. Human impacts on nature are increasing, as reflected in the growing trends in biodiversity loss, deforestation, and oceans pollution and overfishing. Securing these natural systems is the core of the GEF’s mandate as the financial mechanism for the global environment and reflected through three decades of investing in the creation and effective management of protected areas around the world. Adherence to the ambitious goals of protecting 30 percent of land and oceans should be at the forefront of the GEF’s efforts over the next decade. But the scale and magnitude of challenges facing the world

also calls for radical shifts in how natural capital is factored into decision-making processes by governments and business. As noted in the Dasgupta Review, such a shift is necessary to protect and avoid degradation of nature, a key priority for preventing future emergence of infectious diseases and pandemics. Since natural systems are interlinked, solutions must be integrated: supporting ecosystem restoration through habitat management, rewilding, allowing natural regeneration, and creating sustainably productive lands and seas.

Food Systems. Food systems globally are a major driver of environmental degradation, including loss of forests and biodiversity, degradation of lands, depletion of freshwater resources, agricultural nutrient pollution, and GHG emissions. During the GEF-6 and GEF-7 cycles, the GEF took important steps to support ongoing efforts by countries in transforming agriculture through investments in sustainable practices for safeguarding natural capital (land, soil, water, and biodiversity), promoting deforestation-free supply chains for globally important commodities, and reduction of negative externalities (GHG emissions and nutrient pollution). The GEF-8 strategy will build on this experience, with explicit focus on sustainable, regenerative, nature-positive production systems and efficient value/supply chains covering food crops, commercial commodities, livestock, and aquaculture. The UN Food Systems Summit is creating momentum for transformation of the global food systems, which presents a timely opportunity for the GEF to strengthen its support to countries for this important agenda.

Urban Systems. Cities are global drivers of economic growth, contributing an estimated 80 percent of global GDP. Yet, urbanization in most countries is also a major driver of global environmental degradation including loss of natural habitats, 70 percent of global GHG emissions, and coastal pollution from solid waste (including plastic pollution). As countries work toward a green and blue recovery from the COVID-19 pandemic, transformation of urban systems will be front and center. The GEF launched the Sustainable Cities program in GEF-6 and further expanded it in GEF-7 to strengthen potential for investing in global environmental benefits through integrated urban planning and implementation as our societies become more urban. The program has now created space for the GEF to crowd-in diverse entities including international financial institutions, city-based organizations, and technology providers that are well-placed to provide expertise, technical assistance, investment, and knowledge resources to cities aspiring to transformational change leading to net-zero carbon, nature positive, resilient, and inclusive cities.

Energy Systems. Globally, the production and consumption of energy account for an estimated 78 percent of GHG emissions and have a large impact on biodiversity, which includes use of fossil fuels in transportation, non-renewable electricity production, oil and gas production, and heating and cooling of buildings. Therefore, the transformation of the

energy system will be vital to promote climate change mitigation at the required levels, in turn requiring changes in governance, policies, institutions, technologies, and markets. Since its inception, the GEF has supported diverse projects in the energy space, focusing on GHG benefits from both development of renewable sources and options for increasing efficiency across different sectors. The growing momentum for accelerating transformational change in the energy systems and the adoption of net-zero objectives, can maximize GHG mitigation gains. The GEF-8 strategy will seek to accelerate action towards decarbonization in the energy sector and aligning diverse sectoral policies towards a unified vision to reach net-zero by mid-century.

Health Systems. According to the World Health Organization, a health system comprises “all activities whose primary purpose is to promote, restore, and maintain health”.⁴¹ With the *Healthy Planet, Healthy People* framework, the GEF is well-positioned to influence transformation in health systems by targeting initiatives that incorporate the shared costs and benefits of integrating human and environmental health. This approach will create opportunities for countries to use GEF resources effectively and efficiently toward green and blue recovery efforts in the context of generating global environmental benefits. In this regard, the *Healthy Planet, Healthy People* framework offers the following value-addition for GEF programming: addressing the drivers of environmental degradation, and reducing future risks; creating linkages across scales and sectors to foster collaborative action; adopting an upstream, preventive approach to health and work to mitigate both infectious and pollution-related diseases.

38. By targeting these systems, the GEF-8 strategic plan recognizes the existence of barriers, opportunities, and solutions at the country level that must be taken into consideration. Among these are: a) country development trajectories not being compatible with GEF outcomes; b) inadequate recognition of the roles of Indigenous Peoples and Civil Society Organizations; c) existence of institutional and sectoral silos; d) lack of policy coherence; e) misalignment of GEF expectations between local and national levels; f) decision-making based on poor quality or outdated data; g) lack of adequate funding for environmental stewardship, and h) weak governance capacity to implement and enforce regulations. These important considerations call for a “whole of government” approach in GEF engagement with recipient countries.

C.2.2 Strategy

39. At the heart of the Theory of Change is the GEF-8 investment strategy, which includes both global “top down” and “bottom-up” dimensions. At the global level, the strategy is informed by guidance from the MEAs, the Sustainable Development Goals, and the emerging levers for raising ambition on financing and targets, along with commitments and pledges

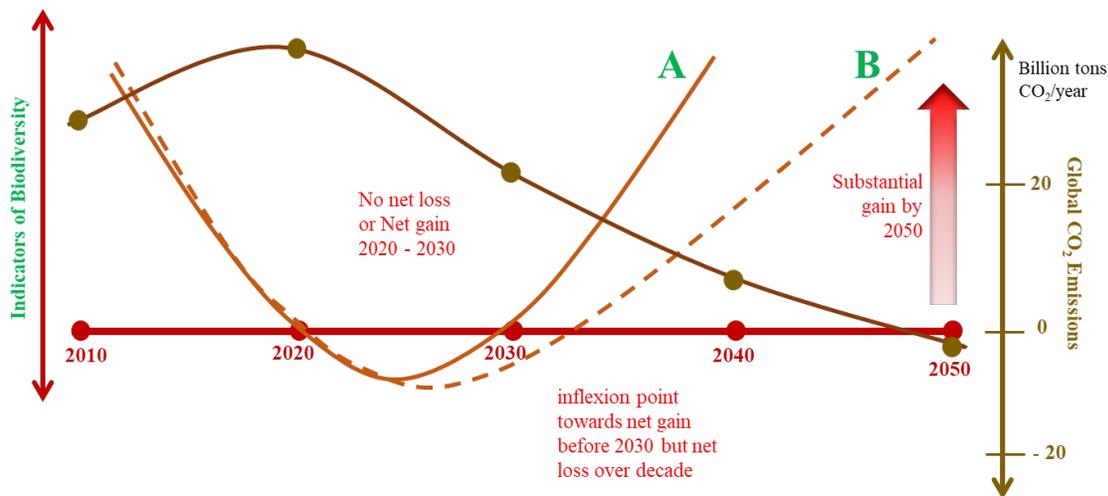
⁴¹ WHO (2020) Key components of a well-functioning Health System
https://www.who.int/healthsystems/EN_HSSkeycomponents.pdf?ua=1

described above. The strategy recognizes the global context and the rationale for the proposed programming directions and provides the justification for a robust replenishment needed to meet the demands and expectations of recipient countries.

40. In raising the ambition for the GEF, the end goal should be to halt nature loss and to ensure a nature-positive and climate-neutral pathway by the end of the decade, with a vision for bending the curve by 2030 and for substantial gains by 2050 (Figure 9). Raising the ambition of the GEF will require a significant increase in environmental action and funding levels, as documented in all Conventions’ obligations and strategies. Raising the GEF’s ambition will also require a strong focus on transformational change of key economic systems, as the GEF has started to do in GEF-7.

Figure 9. Raising ambition to bend the curve for biodiversity loss and GHG emissions

CBD SBSTTA paper from 5th Feb 2021)



41. The “bottom up” dimension affirms the GEF’s commitment to country ownership and ensures that investment priorities established for GEF-8 will be aligned with and responsive to demands from countries. The overall focus on a blue and green recovery is expected to generate considerable interest as countries seek to invest in sectors most affected by the COVID-19 pandemic. Food and agriculture, energy, health, and urban sectors will likely be the most important in this regard, all of which will benefit from investments in pathways to recovery that are nature-positive, carbon-neutral, and pollution-free. Hence countries will have the opportunity to program GEF resources in a manner that best suits that national interest and priority, and contribute multiple global environmental benefits.

C.2.2.1 Focal Area and Integrated Programming

42. As previously highlighted, the COVID-19 pandemic has reinforced the urgency for transformation of key systems that are sources and drivers of global environmental degradation. The GEF-8 programming strategy is responsive to the need and the architecture described in detail in the next section, includes focal area and integrated program investments to maximize potential for impactful outcomes, in line with expected country priorities for a green and blue recovery. Since GEF-6, the GEF has focused on demonstrating the importance of systems transformation as a powerful approach for delivering global environmental benefits by promoting integration across GEF focal areas. The IAP programs launched in GEF-6 were designed to proactively address the underlying drivers of global environmental degradation through committed multi-stakeholder coalitions. Building on emerging lessons and recommendations from the IEO Formative Review of the programs,⁴² the GEF-7 programming further emphasized tackling major drivers of environmental degradation to achieve systems change, with three Impact Programs: Sustainable Cities, expanding the global city coverage and innovations; Food Systems, Land Use and Restoration covering all major commodities and important staples; and Sustainable Forest Management covering the Amazon, Congo Basin, and important Dryland landscapes.

43. Through the Impact Programs, the GEF has evolved a variety of influencing models towards delivering results across multiple geographies, sectors, and markets. In addition to responding to country-specific needs, the programs enabled the GEF to better crowd-in other stakeholders, including the private sector, enhance knowledge sharing and learning, promote south-south knowledge exchange, and ensure more effective use of GEF resources. Experience from both GEF-6 and GEF-7 also showed strong country demand for the GEF to offer platforms where countries can come together around common challenges. These platforms, which were considered innovative features of the IAP programs by the IEO, provide a variety of services, from knowledge sharing to lessons learned to technology transfer, to name a few. These platforms also bring together expertise from within the network of participating countries and agencies, as well as from the wider community of practice in specific technical areas relevant to the program.

44. The GEF-8 strategy builds on this experience to support and influence transformational change in the five systems targeted. To further strengthen opportunities for transformational change, the GEF-8 strategy identifies seven cross-cutting themes as priority for programming: *gender responsive approaches; private sector engagement; Nature-based Solutions; circular economy; resilience; environmental security; and behavior change*. In addition, the strategy also targets four specific levers as critical for creating desired transformations in the target systems: *governance and policies; financial leverage; innovation and learning; and multi-stakeholder*

⁴² GEF IEO (2017). OPS6 Formative Review of the Integrated Approach Pilot (IAP) programs. <https://www.gefio.org/signposts/formative-review-integrated-approach-pilot-iap-programs>

dialogues. Integrating these priorities will be a key feature of the GEF-8 programming for a blue and green recovery. Governments, development partners, civil society, and the private sector are all vital for forging pathways through programming that embraces these cross-cutting themes and transformative levers. Hence, using an integrated and coordinated approach that builds on lessons learned is essential for ensuring impactful outcomes at scale.

C.2.2.2 Cross-cutting Themes

45. Through its programming over three decades, the GEF has gained considerable experience with each of the cross-cutting themes. In addition, it has established explicit policies and guidelines for gender mainstreaming and private sector engagement. Furthermore, STAP has contributed technical guidance GEF on Nature-based Solutions,⁴³ circular economy,⁴⁴ resilience,⁴⁵ environmental security,⁴⁶ and behavioral change.⁴⁷ The experiences and available resources will inform and guide entry points for focal areas and integrated programs. Because of the strategic focus on systems transformation, the cross-cutting themes will also be considered in evaluating country interests during operationalization of the integrated programs. In the global context, this consideration will ensure that participating countries will play a critical role in advancing the *Healthy Planet, Healthy People* approach. Below is a brief description of the themes and rationale for their consideration in GEF programming.

Nature-based Solutions - Nature-based Solutions (NbS) are defined by IUCN as “*Actions to protect, sustainably manage, and restore natural and modified ecosystems that address societal challenges, effectively and adaptively, simultaneously providing human well-being and biodiversity benefits.*” The framing of NbS to address multiple societal challenges has gained political currency and broad awareness. The contribution of the GEF to this momentum is not insignificant and should increase according to the recent report from STAP.⁴⁸ By integrating NbS as a cross-cutting priority, the GEF can help deliver co-benefits to other sectors, particularly human health, traditionally viewed as outside the GEF’s sphere of influence. This approach will also build on the growing efforts by the GEF to mainstream environmental priorities into all public and private sector activities to ensure that nature underpins all socio-economic actions. There must also be a growing emphasis on regional collaboration for shared ecosystems as well as addressing common linked threats across national borders, as well as paying special

⁴³ <https://www.stapgef.org/resources/advisory-documents/nature-based-solutions-and-gef>

⁴⁴ <https://www.stapgef.org/resources/advisory-documents/circular-economy-and-climate-mitigation>

⁴⁵ <https://www.stapgef.org/resources/advisory-documents/rapta-guidelines>

⁴⁶ <https://www.stapgef.org/resources/advisory-documents/environmental-security-dimensions-and-priorities>

⁴⁷ <https://www.stapgef.org/resources/advisory-documents/why-behavioral-change-matters-gef-and-what-do-about-it>

⁴⁸ https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.C.59.STAP_Inf_06_Natured_Based_Solution_GEF.pdf

attention to fragile and conflict-affected states.⁴⁹ Finally, the NbS focus will also embrace the growing opportunity for harnessing technological innovations, and the critical need for mobilizing youth through entrepreneurship.

Gender responsiveness for inclusive and sustainable impacts - Gender inequity challenges are deeply embedded in the socio-economic systems that the GEF needs to transform to effectively support countries in their efforts to build back bluer and greener. Despite promising political commitments and policy reforms, gender inequalities and gaps continue to hamper equal opportunities for women to contribute to and benefit from environmental policies and programs. Women in much of the world still do not have the same control over natural resources as men, and they commonly face more barriers than men to accessing markets, capital, training, and technologies, and remain unrepresented in natural resource governance and decision-making at all levels. Addressing these inequalities and more effectively engaging women to increase opportunities to benefit and contribute, has the transformative potential to address the complex drivers of pressures on environmental resources and improving long-term environmental sustainability globally, nationally, and locally.⁵⁰ It will also help include the unique skills, knowledge, and experiences of women that can change the causal chain of environmental degradation, including their involvement in public and private sector governance, their role in productive sectors, and their choices as consumers and investors. The GEF-8 programming direction will build on progress and lessons learned in GEF-7 addressing gender gaps and women's empowerment. Specifically, all GEF-8 Integrated Programs and related projects will include gender analyses and provisions for gender responsive approaches, including:

- Supporting women's improved access, use, and control of resources, including land, water, forest, and fisheries;
- Enhancing women's meaningful participation and role in natural resources governance and decision-making processes at all levels (i.e., promoting women's

⁴⁹ GEF/E/C.59/01, Evaluation of GEF Support in Fragile and Conflict-Affected Situations, https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.E_C59_01_Evaluation_of_GEF_Support_in_Fragile_and_Conflict-Affected_Situations_Nov_2020_0.pdf

⁵⁰ UNEP (2021). Making Peace with Nature: A scientific blueprint to tackle the climate, biodiversity and pollution emergencies (<https://www.unep.org/resources/making-peace-nature>); Ghasemi, et al (2021) The mediation effect of rural women empowerment between social factors and environment conservation (<https://link.springer.com/article/10.1007/s10668-021-01237-y>); Collantes et al (2018) Moving towards a twin-agenda: Gender equality and land degradation neutrality (<https://www.sciencedirect.com/science/article/pii/S1462901118306713>); Cela, B., I. Dankelman, and J. Stern, eds. (2013). Powerful Synergies: Gender Equality, Economic Development and Environmental Sustainability. New York: United Nations Development Programme; Food and Agriculture Organization of the United Nations (2011), The State of Food and Agriculture 2010-2011: Women in Agriculture — Closing the Gender Gap for Development. Rome.

equal voice and leadership in community, rural, and urban planning processes and supporting women as innovators and agents of change);

- Targeting women as specific beneficiaries by supporting activities that support women’s sustainable livelihoods, income-generation, entrepreneurial opportunities in the blue and green recovery, and access to finance; and
- Investing in women’s skills and capacity by supporting capacity development of different groups, including women’s organizations, and government officials at the national and subnational levels.

Private sector engagement - The GEF’s private sector engagement strategy⁵¹ considers private sector entities (business, small and medium enterprises, and financial institutions) as essential agents of systemic transformation. Hence the GEF places high priority on the need to effectively engage with the private sector, as this will help accelerate and scale-up actions that deliver lasting global environmental benefits. As a cross-cutting theme, GEF-8 programming will seek to promote engagement with private sector actors at all scales, to tackle the key drivers of environmental degradation, to reverse unsustainable global trends, and to extend the delivery of global environmental benefits so that they occur faster and at a broader scale; are delivered more efficiently; and are more durable than could otherwise be achieved.

Circular economy - The current take-make-waste linear economy is a large contributor to the stressors on the global environment, including undermining the stability and resiliency of Earth’s systems. Hence the GEF promotes the circular economy model as a unique opportunity for advancing the integrated approach, based on the key principles that underpin the model: designing out waste and pollution, keeping products and materials in use, and regenerating natural systems. The GEF has unparalleled experience in cross-cutting, integrated programming, which will be essential for catalyzing the transformation to a circular economy across multiple economic sectors. Building on circular economy-based initiatives from GEF-7, the proposed GEF-8 programming will incorporate circular economy principles to foster sustainability of the planet while securing economic opportunities. Circular economy reinforces the need for public-private sector partnerships to catalyze a closed loop approach to production and consumption. As developing country governments are pursuing circular economy roadmaps, the GEF financing can foster the enabling environments for such partnerships and promote effective regulations and public services, while helping to understand the short-term and long-term benefits as well as costs of transitioning economies from linear to circular models.

Resilience – GEF investments are mostly anchored in social-ecological systems. Hence the resilience of such systems—their capacity to deal with change and continue to develop—is an important consideration for GEF programming. STAP has developed

⁵¹ GEF/C.59/07/Rev.01, GEF’s Private Sector Engagement Strategy, <https://www.thegef.org/council-meeting-documents/gefs-private-sector-engagement-strategy-0>.

several advisory and guidance documents on resilience, including a methodological approach for use in designing and implementing projects.⁵² The GEF recognizes that building resilience at local or national levels is dependent on capacity to anticipate, plan, and take action to respond to a wide range of risks. Furthermore, resilience is neither good nor bad, since a system can be in an undesirable state yet still be resilient to shocks, e.g. a grassland that has been invaded by unpalatable shrubs. Hence GEF programming emphasizes the interconnectedness within and between systems, including the functional attributes that are critical for advancing transformational change in the face of shocks and risks.

Environmental security – As described by STAP, environmental security underpins the rationale for investment in global environmental benefits and is essential to maintain the earth's life-supporting ecosystems generating clean air, food and water. Furthermore, reducing environmental security risks depends fundamentally on improving resource governance and social resilience to natural resource shocks and stresses. Hence GEF investment to achieve global environmental benefits depends on effective management of environmental security risks as an element of human security. Because the proposed GEF-8 strategy addresses a wide range of social, economic, and environmental priorities, considering conflict risks in integrated and programs and focal area investments will be critical for ensuring long-term durability of outcomes.

Behavioral change - The STAP Advisory Document on Behavioral Change notes that GEF investments in general involve some form of change in behavior at the individual level or at the institutional level (e.g., in policies, government agencies, and sometimes both). To ensure that GEF seizes on opportunities for achieving durable global environmental and socio-economic benefits, behavior change is considered a cross-cutting theme for GEF-8 integrated programs and focal areas. The focus will be on explicitly identifying whose behavior needs to change and how the change is to be achieved as part of the overall approach to design and implementation.⁵³

C.2.2.3 Levers for Systems Transformation

46. Systems transformation depends on specific entry points and levers that drive actions and decision-making.⁵⁴ The GEF-8 strategy includes four specific levers considered as critical for creating desired transformations in the target systems: *governance and policies, financial leverage, innovation and learning, and multi-stakeholder dialogues* (Figure 10). Building on

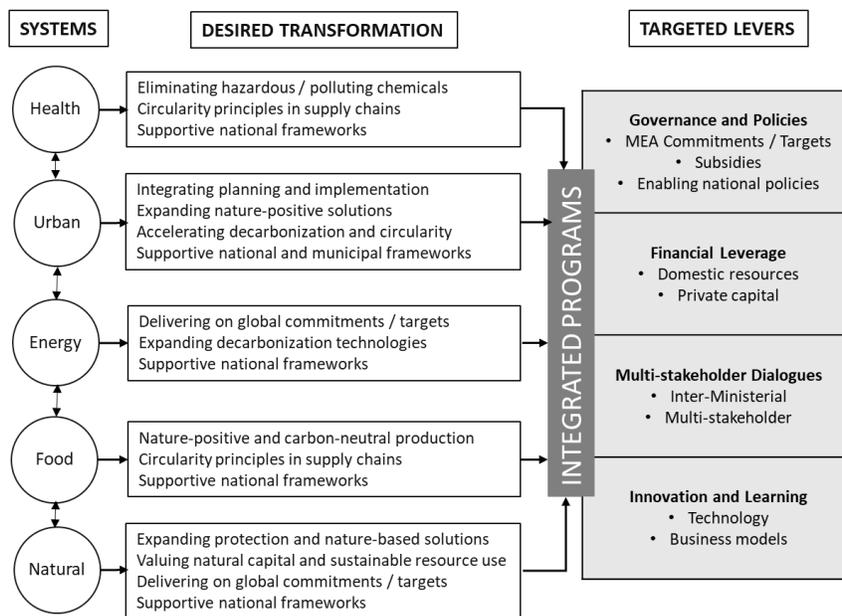
⁵² O'Connell, D., Abel, N., Grigg, N., Maru, Y., Butler, J., Cowie, A., Stone-Jovicich, S., Walker, B., Wise, R., Ruhweza, A., Pearson, L., Ryan, P., Stafford Smith, M. (2016). "Designing projects in a rapidly changing world: Guidelines for embedding resilience, adaptation and transformation into sustainable development projects. (Version 1.0)". Global Environment Facility, Washington, D.C

⁵³ <https://www.stapgef.org/resources/advisory-documents/why-behavioral-change-matters-gef-and-what-do-about-it>

⁵⁴ Independent Group of Scientists appointed by the Secretary-General, Global Sustainable Development Report 2019: The Future is Now – Science for Achieving Sustainable Development, (United Nations, New York, 2019). <https://www.un.org/development/desa/publications/global-sustainable-development-report-2019.html>

GEF experience with programming in developing countries, these four levers will undoubtedly play an invaluable role for the post-COVID-19 agenda on a green and blue recovery. The GEF-8 programming directions will therefore prioritize these levers as criteria and entry points for GEF investments at scale, including for selection of countries to participate in the integrated programs. In this regard, the levers will not be treated in isolation, but rather taken together as a set that will be defined by and applicable to each of the GEF-8 integrated programs.

Figure 10. Levers for Systems Transformation



Governance and Policies: For the GEF to proactively influence and support recipient countries as they embark on a green and blue recovery from the COVID-19 pandemic, it is critical that the programs and projects be anchored in a whole-of-government framework as well as key transboundary governance models for the global environment. This will create opportunities to foster coherence and cross-sectoral institutional integration in formulating policies and ensure that environmental priorities are mainstreamed at all levels. This lever will consider three key priorities: a) commitments and targets relevant to MEAs the GEF serves; b) the need to eliminate, reduce, or repurpose subsidies that negatively impact global environmental benefits, and to promote subsidies that speed the transition to nature-positive solutions; and c) enabling policies to attract investments that benefit the global environment.

Financial leverage: Evidence from co-financing provided to GEF projects and several recent reports on biodiversity finance suggests that countries have considerable capacity to mobilize financing for investment in initiatives that generate global environmental benefits. The GEF is also aware that the potential for such resource mobilization is considerably higher than is being realized through projects alone. However, mobilizing resources at scale requires systemic change, which will be influenced through the set of

transformational levers targeted for GEF-8. Financial leverage will consider a) domestic resources mobilized through national planning budgets and public development investments; and b) private capital catalyzed from businesses, financial institutions, and foundations. Through this lever, the GEF will promote natural capital accounting, green procurement practices, Nature-based Solutions as a requirement in government tenders, and financing tools such as Conservation Trust Funds, Payment for Ecosystem Services (PES), and blended finance. With COVID-19 generating a severe debt crisis, the GEF will also consider the possibility of greening likely upcoming sovereign-debt relief packages (e.g., green sovereign debt relief facility).

Innovation and Learning: As previously noted by STAP, incremental progress is inadequate to deliver transformational change.⁵⁵ By targeting innovation as a lever for systems transformation, the GEF will explicitly push for new opportunities and options that deliver much needed shifts. STAP also noted that although this entails risk and the possibility of poorer outcomes or even failure, falling back on proven solutions will not deliver transformational change. The GEF-8 strategy will consider the following aspects of innovation and learning: a) technology options that are potential game-changers; b) business models that require multi-stakeholder collaboration, including between public and private sectors and that speed the transition to nature-positive solutions; and c) institutional innovations that shift consumer behaviors or societal norms, increase capacity for implementation (including among public, civil society, and private sector actors) or create new coalitions for change.

Multi-Stakeholder Dialogues. Enduring, transformational change will require consideration of new stakeholders, new partnerships, and multi-stakeholder platforms in order to build coalitions for change.⁵⁶ As defined by STAP, *multi-stakeholder dialogues refer to the processes and platforms that can be built to bring together different groups of stakeholders into an arena with a shared goal and distinct responsibilities.* The GEF has increasing experience of the principles of multi-stakeholder processes and platforms. The GEF also continues to enhance the enabling environment for engagement with stakeholders through a series of key policies and strategies. Multi-stakeholder dialogues will be considered on two dimensions: a) national level policy design and implementation, involving relevant line ministries within countries as well as other policy stakeholders; and b) cross-scale coalitions engaging government, private sector, and civil society across different scales as appropriate to pursue the goals of programs or projects. All Integrated Programs and projects submitted to the GEF will be required to explicitly describe planned strategies and processes for such dialogues.

⁵⁵ Toth, F., 2018. Innovation and the GEF: Scientific and Technical Advisory Panel to the Global Environment Facility. Washington, DC. https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.STAP_C.55.Inf_03_STAP_Innovation.pdf

⁵⁶ Suggested citation: Ratner, B.D. and Stafford Smith, M. 2020. Multi-stakeholder dialogue for transformational change. Scientific and Technical Advisory Panel to the Global Environment Facility. Washington, DC. https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.STAP_C.58.Inf_02_Multi_Stakeholder_Dialogue_For_Transformational_Change_0.pdf

C.2.3 Impacts and Goal

47. The GEF-8 strategy as outlined in the Theory of Change focuses on addressing major drivers of environmental degradation while creating opportunities for multiple global environmental and development benefits and on complementary focal area investments to respond to guidance from the different MEAs served by the GEF. While the focus is on the next four-year (2022–2026) cycle, the strategy will position the GEF to accommodate priorities being established by the MEAs through 2030 (and hopefully accelerated in the 2027-2030 cycle). The best available models suggest we must take significant steps towards sustainability and resilience by that date if we are to embark on a trajectory towards a healthy planet for humanity.

48. In accordance with the vision and *Healthy Planet, Healthy People* framework, the GEF has established the following specific goals through 2030:

- Post-COVID-19 strategies by state and non-state actors scale-up “green” and “blue” recovery actions in priority landscapes and seascapes
- Incentives and improved policy options promote innovations and behavior change for sustainability and resilience in target systems
- Transformation of target systems promoted by maintaining and enhancing natural capital and ecosystem services through Nature-based Solutions
- Circularity promoted in value/supply chains to increase efficiency and reduce or eliminate negative externalities

49. These goals will serve as basis for setting targets for global environmental benefits as reflected by core indicators, which are mapped to the different GEF focal areas for reporting to the MEAs. In addition, they will also contribute to monitoring and assessment of desired transformations in target systems as well as socio-economic benefits. The approach to monitoring and reporting on results is the subject of a separate document.

C.3 GEF as the Uber-Integrator

50. The Leaders’ Pledge for Nature, endorsed by close to 90 countries, has called on the world to “...*re-double our efforts to end traditional silo thinking and to address the interrelated and interdependent challenges of biodiversity loss, land, freshwater and ocean degradation, deforestation, desertification, pollution and climate change in an integrated and coherent way, ensuring accountability and robust and effective review mechanisms, and lead by example through actions in our own countries.*”

51. The GEF’s unique mandate across multiple MEAs enables it to bring an integrated approach to most of its work. GEF support has been critical in allowing parties to translate these agreements into national action, and in ensuring transparency of action through effective reporting from countries to conferences of the parties.

52. While the GEF is not a financial mechanism of the SDGs, recent GEF guidance coming from various MEA COPs has requested that the GEF foster integration as well as promote synergies among actions and strategies. The GEF’s indirect role in supporting SDG planning and

implementation as recognized in multiple conventions reflects the integrated and indivisible nature of the SDGs.

C.4 Improving GEF's Operational Efficiency, Stakeholder Engagement, and Learning

53. The GEF-8 strategy represented in the Theory of Change calls for some important shifts in key areas to increase operational efficiency and support to recipient countries. Table 1 summarizes some of the priority areas where such shifts will be needed, and include adjustments to the STAR, results and monitoring, focal area programming, integrated programming, and approach to private sector engagement and investment. These shifts will enable the GEF to pursue a more effective, responsive, and agile delivery model that will reduce fragmentation of GEF resources and interventions, strengthen its results focus, and enhance upstream engagement on strategic programming with a broad set of stakeholders, including the private sector.

54. The GEF will continue to work with our partners to implement a coherent set of policies adopted in GEF-7 and earlier. Together they raise our standards of delivery by increasing the speed and quality of project preparation and implementation for greater results.⁵⁷ They also ensure projects adhere to high fiduciary standards and integrity. The partnership enables the GEF to tap this knowledge and strengthen capacity for effective delivery of global environment benefits. The GEF is steadily increasing its co-financing across GEF phases.

55. From its inception, the GEF has been committed to ensuring transparency and inclusion, as reflected in the evolution of its policies and guidelines encompassing stakeholder engagement and civil society participation. In GEF-7, the GEF scaled up its efforts to provide stakeholders such as civil society, IPLCs, women, youth, and other non-state actors with the means to engage throughout the program and project cycle and to access relevant information and learn from each other.

56. Finally, the GEF-8 agenda will also maintain and advance GEF's core commitments to transparency, integrity, and accountability in its work. The updated policies on Gender and on Fiduciary Standards and Monitoring Agency Compliance with GEF Policies will be applied fully, and the Secretariat will continue its work to monitor and report on a key metrics of progress and issues that arise during project implementation.⁵⁸

⁵⁷ These ongoing efforts to improve efficiency also address one of the areas for improvement identified by the MOPAN Assessment of the GEF - MOPAN 2017-18 Assessments, Global Environment Facility, <http://www.mopanonline.org/assessments/gef2017-18/>

⁵⁸ These elements will also be detailed in a subsequent document for the Replenishment discussions.

Table 1. How the GEF will evolve under a Healthy Planet, Healthy People Approach

Strategy	Business-as-Usual	Approach for GEF-8
STAR	<ul style="list-style-type: none"> STAR structure (indices, weights, floors and ceilings) as well as flexibility rules remain unchanged. 	<ul style="list-style-type: none"> Increasing flexibility to further facilitate the mainstreaming of integrated programming principles Adjusting the STAR structure to increase support to vulnerable countries Creating a competitive space to increase effectiveness and efficiency and maximize the impact of limited resources
Results	<ul style="list-style-type: none"> Core indicators and targets remain unchanged 	<ul style="list-style-type: none"> Updated targets for Core indicators highlighting the level of ambition for GEF-8 The GEF-8 Results Measurement Framework to help monitor systems transformation Enhanced tracking of how GEF investments improve people’s well-being and livelihoods Strengthened project and program monitoring, learning and adaption Sharing emerging lessons of transformative changes in GEF investment
Focal Area Programming	<ul style="list-style-type: none"> Responsive to MEA guidance 	<ul style="list-style-type: none"> Responsive to MEA guidance Proportionally allocated between single focal area and integrated programs Explicit links to 2030 targets and commitments by State and non-state actors Systematic learning from science and past investments
Integrated programming	<ul style="list-style-type: none"> Limited to programmatic approaches only Incentive mechanisms for countries maintained at 1:2 ratio 	<ul style="list-style-type: none"> Principles of integrated programming mainstreamed in GEF portfolio Both Programmatic approaches and stand-alone full-sized projects Incentive mechanisms diversified Systematic learning from science and past investments

Private Sector Engagement and Investment	<ul style="list-style-type: none"> • New private sector engagement strategy approved • Blended finance attracted investment in frontier areas such as biodiversity and Nature-based Solutions 	<ul style="list-style-type: none"> • Increase emphasis on multi-stakeholder platforms to understand incentives and pathways to behavioral change that will drive systems change, including private sector engagement in Integrated Programs • Expand and streamline blended finance to support innovation and attract private sector investment at scale
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II. GEF-8 PROGRAMMING ARCHITECTURE

A. Integrated Programing

57. Findings of the GEF-6 and GEF-7 programming cycles indicate that programs addressing the drivers of environmental degradation using an integrated framework result in more impact per unit of investment than comparable GEF investments, and create the conditions for transitions towards lasting systems transformation. The recent MOPAN Assessment of the GEF underscored this outcome and highlighted the need for the GEF to continue to use its limited resources in the pursuit of transformational change. That assessment found integrated programming to be more relevant to the type and complexity of global environmental challenges.⁵⁹

58. As a general rule, GEF investments should be designed to produce lasting and transformative impacts. Several guiding principles have been identified and articulated with the support of STAP:⁶⁰

Integration across sectors, thematic areas and drivers:

- a) *Address ecological, economic, and social drivers and outcomes.* This includes consideration of factors such as cultural norms, consumption patterns, economic demand, and incentives, as well as the distribution of costs and benefits from investment activities. For example, how well do investments in fisheries management also address associated livelihood improvements, or the incentives driving illegal fishing?
- b) *Avoid leakage* (displacing negative impacts elsewhere). This includes displacement of destructive production practices as well as flows of toxins and waste. For example, are efforts to halt deforestation in one region diverting this pressure to other intact forest landscapes? How to deal with leakage if it happens?
- c) *Work across sectors and scales.* This includes the linkages between biodiversity conservation, habitat protection and restoration, food systems, transportation, energy production, and supply chains. For example, how well does urban planning

⁵⁹ MOPAN 2017-18 Assessments, Global Environment Facility, <http://www.mopanonline.org/assessments/gef2017-18/>.

⁶⁰ <https://www.stapgef.org/resources/advisory-documents/achieving-transformation-through-gef-investments>

integrate wastewater treatment, biodiversity conservation, green infrastructure, and green energy for sustainable cities development?

Transformative Investments:

- d) *Credibly address one or more transformation levers* identified in GEF strategy. For GEF-8, these levers are provisionally identified as governance and policy, financial leverage, innovation, and multi-stakeholder dialogue.
- e) *Take purposeful programmatic risk to achieve impact at scale.* This recognizes that transformational change requires novel approaches in the domains of policy and finance, technology, and management practices, as well as institutions and cultural norms. For example, in addition to testing technological innovations in sustainable mariculture, are there complementary efforts to shift policy regimes and consumer demand?

Durable Investment:

- f) *Design for resilience in the face of multiple, plausible future scenarios.* This includes explicit consideration of climate risk along with other dimensions of environmental change.
- g) *Build institutional and financial mechanisms to sustain impact.* This recognises that the greatest opportunities to scale impact typically come after the period of GEF investment. For example, what kinds of capacity building and strengthening measures will enable the effectiveness of transboundary governance institutions for Large Marine Ecosystems?

59. Integrated approach programming will be further strengthened and build on progress made in GEF-6 and GEF-7 (see Box 1). In GEF-8, we propose to continue to mainstream integration across GEF investments as the main delivery mechanism to ensure the most impactful and efficient use of GEF resources. For the purpose of GEF-8, integrated programs are defined by sharing several of the following characteristics:

- Integration of actions across sectors (e.g. agriculture and conservation); or
- Integration of resources across GEF focal areas; or
- Integration across supply chains; and
- Deliver multiple global environmental benefits; and
- Address drivers of environmental degradation at global or regional scales; and
- Complement country-level investments with transboundary action and impact at regional or global scales; and
- Mobilize diverse coalition of stakeholders from relevant sectors for system transformation; and
- Promote greater private sector engagement; and

- Foster knowledge sharing and learning.

60. A central feature of integrated programming is the drive to deliver global environmental benefits across several GEF focal areas in a more impactful and efficient manner. These approaches also focus on the drivers of environmental degradation, rather than dealing with the symptoms of degradation itself.

B. GEF-8 Architecture

61. The GEF-8 programming framework builds on the successful dual approach in GEF-7 of investing in integrated programming and associated focal area commitments. In GEF-8, we intend to encourage countries to move more of their programming through large-scale, integrated programs that address most of the major environmental needs of the planet for which the GEF has a mandate. This will be complemented with more targeted GEF-8 investments along focal area-specific entry points to ensure that all Convention commitments are also addressed (Figure 11). Ten Integrated Programs will deliver global environmental benefits across multiple focal areas, and this will be complemented by focal area specific investments for priorities that are best suited to single focal area investments.

Figure 11. GEF-8 Programming Architecture



Box 1. Evolution and Lessons Learned of Integrated Programming in the GEF

GEF invests in projects designed by countries to address specific focal area objectives, which are developed in accordance with guidance from the relevant conventions that the GEF serves as financial mechanism. The use of GEF grants has evolved over the years from multi-focal area to integrated approaches, depending on country-specific needs reflected in the design of projects and programs. The evolution largely reflects the increasing need for GEF resources to harness better integration and opportunities for generating multiple global environmental benefits.

Multi-focal Area (MFA) Programming

Multi-focal area (MFA) programming involves the use of GEF financing from more than one GEF focal area to address a combination of GEF objectives and outcomes. MFA projects have increased over the years, accounting for 13 percent of GEF funding GEF-4 and 28 percent in GEF-5. MFA programming presents a myriad of opportunities for countries to harness GEF financing based on their own needs and priorities for generating global environmental benefits. MFA programming was also key to advancing the Sustainable Forest Management program, which was designed to incentivize countries toward harnessing cross-focal area synergies for safeguarding globally important forest landscapes. A major limitation of MFA programming is the inherent expectation that global environmental benefits from projects will be proportional to the amount of focal area resources invested. This is not only difficult to establish, but also undermines the potential for harnessing synergies and avoiding negative tradeoffs.

Integrated Approach Programs

The “integrated approach” was formally launched as a programming option during GEF-6 with three pilot programs that were structured around major emerging drivers of global environmental challenges: two were global programs on urbanization (Sustainable Cities) and commodity-driven deforestation (Commodities), and the third on sustainability and resilience for food security in the drylands of Sub-Saharan Africa. GEF financing for the programs was not “siloe” by focal area, but rather invested in a coherent manner to promote the sustained flow of multiple global environmental benefits, while ensuring that progress in any dimension of the global environment does not negatively affect other related objectives. The integration therefore creates opportunities for projects to harness synergies and avoid negative tradeoffs. The programs greatly enhanced the prospect for multi-stakeholder engagement because of the direct link with sectoral priorities underpinning economic growth and development in the countries. A formative evaluation of the pilot programs conducted by the IEO for OPS7 suggests that countries see integrated programming as a strategic innovation and that experiences with their design and implementation has helped to further improve the overall approach for GEF-7.ⁱ

Impact Programs

Building on the GEF-6 experiences, the GEF introduced a set of Impact Programs in GEF-7 to promote transformational shifts in key economic systems. These programs meet multiple convention goals and form an integral component of each focal area strategy. GEF financing closely matched key objectives and guidance received from the conventions and are complemented by priorities that can best be delivered as separate investments under each of the focal areas. This is consistent with the Leaders’ Pledge for Nature which calls for better integration across the multi-lateral agreements. Through impact programs the GEF is helping countries pursue holistic and integrated approaches that deliver impactful outcomes, and in line with their national development priorities. The focused set of country-driven priorities enhances integration among GEF investments and creates opportunity to crowd-in private sector financing.

Integrated Programs

With growing urgency to turn the tide on pressures and threats facing the planet, integrated programming will be further harnessed as a means to scale up investments for global environmental benefits during GEF-8 and beyond. In GEF-8, integrated programs are being proposed to promote blue and green recovery from the COVID-19 pandemic. The programs are also responsive to global aspirations for development pathways that nature-positive, carbon-neutral and pollution-free pathways, including commitments by multi-lateral environmental agreements to address interdependencies between human well-being and a healthy planet. The GEF-8 programming architecture specifically addresses the critical need for ensuring that GEF investments are targeted toward tackling the breakdown in food, energy, urban, health, and natural systems that underpin human development.

ⁱ GEF/E/C.60/04, Formative Evaluation of the GEF integrated Approach to Address the Drivers of Environmental Degradation, <https://www.gefio.org/sites/default/files/documents/reports/environmental-degradation.pdf>.

62. The first axis of GEF-8 programming represents a key set of integrated program concepts that can “move-the-needle” towards systems transformations. This framework positions the GEF well in its work to help developing countries pursue holistic and integrated approaches directed at transformational change in key systems, and in line with their national development priorities.

63. The proposed integrated programs collectively address major drivers of environmental degradation and/or deliver multiple benefits across the many thematic dimensions the GEF is mandated to deliver. Many of the priorities are also making use of increasingly more relevant global or regional platforms that are attracting a multitude of stakeholders and resources in response to political commitments.

64. The second programming axis encompasses focal area-specific investments that also respond to specific guidance from the different multilateral environmental agreements. While the integrated programs will deliver substantial global benefits across the different focal areas (Figure 11), some elements of guidance from conventions can be best dealt with through distinct focal area complementary investments directed at objectives not fully reflected within the set of proposed integrated programs. These investments are presented in detail within the individual Focal Area Investment Frameworks for Biodiversity, Climate Change, Land Degradation, International Waters, and Chemicals and Waste.

65. The table that follows describes the goals, GEF niche, and value added for each of the Integrated Programs. This is followed by a short description of each of the focal area strategies.

Table 2. Description of the Integrated Programs in GEF-8

	GEF Niche	GEF Added value
Food Systems	OBJECTIVE: To catalyze the transformation to sustainable and regenerative food systems that are nature positive, climate resilient and nutrient pollution.	
	The IP builds on GEF experience with the GEF-6 IAP program on Taking Deforestation out of Commodity Supply Chains and the GEF-7 Food Systems, Land Use and Restoration Impact Program. As with these past programs, the IP recognizes the need for actors across the supply chain to embrace best practices and sustainability principles, and for clear linkages among the production, demand, and financing sectors in order to contribute to food systems transformation. The Food Systems IP will focus on broadening the sustainable production and reduced deforestation goals of previous GEF food programs and seek outcomes in which food is produced in ways that restores habitat, protects biodiversity, and sequesters carbon.	The major food staples and agricultural commodities footprints occur in GEF recipient countries and their impacts on land use and global environment is significant. In this sense, there is a perfect nexus between working with these countries in making the supply chains more sustainable and managing land use in productive ways for food production and the environment. GEF value add lies in engaging with multiple countries in a multi-stakeholder platform, which increases the potential for transformational change. GEF engagement catalyzes new opportunities across spatial (landscapes) or vertical (supply chain) dimensions to help maximize potential impact. Fostering decision-making across scales is likely to induce effective adaptation to social and ecological change because feedback loops can relay information between levels and foster improved decision-making.
Ecosystem Restoration	OBJECTIVE: To generate multiple environmental and socio-economic benefits by applying integrated landscape approaches for restoration of degraded land and ecosystems.	

	GEF Niche	GEF Added value
	<p>GEF is the only global funding window for ecosystem restoration with a focus on <i>multiple</i> environmental benefits. Until now, GEF funding was made available for many different restoration-related activities in a rather fragmented way. The GEF-8 Program will bundle all efforts and elevate the theme of ecosystem restoration to a strategic level in response to global commitments and targets set under the conventions.</p> <p>Current restoration efforts are mostly funded either by bilateral aid or the private sector (e.g. LDN fund) with specific focus on target regions and/or land categories, with forest plantations and agroforestry intensification being the main activities. Further, the GCF funds a few selected restoration projects with specific climate change mitigation or adaptation objectives. The GEF-8 program will be more integrated and focused on ecosystems, closely aligned with the vision of the UN Decade to restore ecosystems for a healthy planet, supporting all 17 SDGs.</p>	<p>GEF is one of the 12 global partners of the UN Decade and can convene multiple stakeholders, mobilize financing, and catalyze a global movement with this program.</p> <p>The Integrated Program supports the global commitments towards restoration under the MEAs by mobilizing a diverse coalition of stakeholders from all relevant sectors, catalyzing finance, and fostering global cooperation. It responds to strong demand by GEF-eligible countries for financial, technical, and policy support to meet their restoration targets while ensuring multiple global environmental benefits.</p>
<p>Sustainable Cities</p>	<p>OBJECTIVE: To advance the integrated urban and territorial planning and implementation with a focus on developing innovative sustainability solutions and creating an enabling environment to deliver large scale climate, biodiversity, resilience, and inclusion benefits.</p> <p>GEF takes an integrated and systems-based approach to address drivers of environmental degradation in cities compared to other programs which take a sectoral approach, or intervene downstream, or target a specific environmental outcome. GEF’s approach of supporting integrated land use planning at urban and territorial scale; strengthening urban policies, governance and institutional capacity; tackling multiple environmental benefits (climate, nature, and chemicals) collectively; and facilitating knowledge generation and global collaboration makes it more holistic and different from other initiatives.</p>	<p>Cities are critical to drive the transformative action needed to achieve Paris Climate Goals, SDGs, and ecosystem restoration goals by 2030. They are at the center of the movement towards net-zero carbon emissions and have transformative power to halt loss of biodiversity and nature due their sheer influence on global supply and demand. GEF is well placed to build on this momentum and further strengthen city leadership in developing countries, leverage cities as engines of innovation, and build multi-stakeholder partnerships that can catalyze transformative action to deliver multiple global environmental benefits, human well-being, and a global green recovery. Furthermore, GEF engages directly with existing city networks and urban financing institutions to provide them with thought leadership and resources to advance their efforts and influence them to adopt integrated approach for urban transformation.</p>

	GEF Niche	GEF Added value
Amazon, Congo, and Critical Forest Biomes	<p>OBJECTIVE: To invest in the protection and effective governance of critical forest biomes that sustain the health of the environment and flow of vital ecosystem services that underpin human well-being.</p>	
	<p>The GEF is in a unique position to champion the ecological integrity of intact forest landscapes both for climate, biodiversity, watersheds, and livelihoods. There is no other fund, aside from the GEF, that has a comprehensive approach to conserving intact forest landscapes with the goal of maximizing multiple global environment benefits, as well as ecosystem services for the benefits of indigenous people and local communities.</p> <p>The IP focuses specifically on the Amazon and Congo Basin, but also targets other biologically important regions such as Indo-Malaya, Meso-America, and Western Africa where forest protection will generate significant benefits for global biodiversity, climate, and people.</p>	<p>GEF value-add lies in ensuring that the program will address the drivers of forest loss and degradation through strategies aimed at creating a better enabling environment for forest governance by countries. This is achieved by supporting national and sub-national land use planning across mixed-use landscapes; strengthening of protected areas; clarifying land tenure and other relevant policies; supporting the sustainable management of commercial and subsistence agriculture lands to reduce pressure on adjoining forests; and utilizing financial mechanisms and incentives for sustainable forest utilization such as markets, REDD+, and other Payments for Ecosystem Services.</p>
Circular Solutions to Plastic Pollution	<p>OBJECTIVE: To catalyze circular economy approaches to reduce plastic production, consumption, and waste.</p>	
	<p>The GEF is uniquely positioned to tackle the breadth of threats associated with plastic production, consumption, and disposal, including GHG and harmful chemical emissions as well as impacts on marine biodiversity. An integrated program can ensure a holistic approach across the GEF’s International Waters, Biodiversity, Chemicals and Waste, and Climate Change investments addressing the full value chain of plastic. Further, tackling plastic pollution requires public-private partnerships, which is a priority commitment of GEF-8</p>	<p>Unlike existing funding by governments, foundations and investors, this program will invest in solutions along the entire value chain of plastic with particular attention to alternative materials, circular redesign and reuse options for extended life. Packaging, particularly single use related to the food and beverage sector, will be the priority for the Plastic IP since it is the main source of plastic waste in developing countries. As plastic pollution efforts tend to focus on waste collection, recycling, and clean-ups, the GEF will prioritize actions early in the plastic value chain, i.e. production and consumption. The IP will address the full value chain by aligning with existing the waste management efforts.</p>
Blue and Green Islands	<p>OBJECTIVE: To apply Nature-based Solutions in key ecosystems that support socio-economic development in SIDS countries. This will place nature at the center of human well-being and generate multiple global and local environmental and societal benefits.</p>	
	<p>The GEF has provided consistent support for environmental work in these small countries across the Conventions. The program is fundamentally about integration—across environmental issues as well as with development and economy.</p>	<p>This program will help create collective bargaining power and coordination for SIDS in negotiation such as with the cruise, fishing, and shipping industries. GEF value add lies in leveraging and supporting work of regional entities such as SPC, SPREP, OECS, and Caricom, to build capacity and strengthen the enabling environment for collective action and for mainstreaming environmental concerns into other areas.</p>

	GEF Niche	GEF Added value
Clean and Healthy Ocean	<p>OBJECTIVE: To foster healthy blue economic development by curbing coastal pollution from agricultural and municipal sources through infrastructure investments combined with Nature-based Solutions.</p>	
	<p>The Clean and Healthy Ocean Integrated Program will offer a unique entry point for the GEF and its partners to raise the profile and importance on improved wastewater treatment, combined with data management to inform policy processes. Moreover, the IP will leverage substantial financing from IFIs, pension funds and private banking operations. On top of these financial actors, there are a number of NGO, CSO and private sector able to support knowledge generation through its investments.</p> <p>The GEF will built on 25 years of experience of doing successful regional invest, such as what has been funded in the Black Sea Danube, East Asian Sea, Pacific, Caribbean and Eastern and Northern Africa. Further the IP will also built upon knowledge and lessons learned from The ProBlue Partnership, EIBs investment platforms on curbing ocean pollution, The International Water Association (IWA), The Global Programme of Action for the Protection of the Marine Environment from Land-based Activity (GPA), The World Business Council for Sustainable Development Wastewater Zero Call for Action, EUs Horizon 2020 and the partners around the Sustainable Blue Economy Finance Principles.</p>	<p>A substantially financed IP, like this one, will be essential in raising the importance of proper wastewater treatment in the global discourse. GEF is uniquely positioned to do this through its strong partnership of IFIs, NGOs and UN agencies. Doing a quick search on “ocean pollution” plastic as a more visible pollutant is dominant. It is of course troublesome that more invisible sources of pollutants, that have devastating impacts on coastal ecosystems are not more recognized by the public. The massive shifts that are easy to visually recognize for professional and layman alike, by simply looking at corals, seagrasses, fish diversity and abundance have been occurring for decades. Moreover, the quality of the oceanwater for recreational purposes and habitats for larger iconic marine mammals or other indicators that the GEF and partners need to step up and invest. Technologies are there, what is needed is political willingness to support policy reforms and allocated financing to invest in proper infrastructure. We as a financing agency of global environment assets need to build on the momentum that the ocean ecosystem enjoys at this specific point in time and start curbing the inflow of nutrients to the ocean.</p>
Greening Transportation Infrastructure Development	<p>OBJECTIVE: The objective of the program is to enable countries to develop country level portfolios of integrated biodiversity-positive transportation infrastructure projects at national or land/seascape levels.</p>	
	<p>This program focuses on what needs to be in place before an infrastructure project idea is developed. Neither governments nor bilateral donors fund this ‘upstream’ enabling environment work and it is not currently built into procurement practices in the way safeguards are. The IP fills this gap.</p>	<p>Future infrastructure development will have profound social and environmental consequences unless significant challenges in infrastructure planning and development are overcome. GEF value add lies in ensuring that proposed and planned infrastructure development are nature-positive by:</p> <ol style="list-style-type: none"> 1) avoiding the placement of infrastructure in globally important and particularly sensitive ecological areas, thus significantly reducing negative impacts to ecosystems from essential infrastructure development; 2) enabling countries to recognize ecological services as infrastructure (nature-based infrastructure solutions) and put in place the necessary protections for nature to continue to provide these functions; and 3) striking a balance between investment in new infrastructure and maintaining existing assets to meet sustainable infrastructure service delivery requirements.

	GEF Niche	GEF Added value
Net-Zero Accelerator	<p>OBJECTIVE: To accelerate implementation of net-zero pathways in developing countries, pushing the ambition beyond that of existing NDCs and contributing to closing the emissions gap to meet the aspirational 1.5°C goal of the Paris Agreement. The program will support methodologies leading to transformational changes towards carbon neutrality at the national level.</p>	
	<p>Considering its role as entity of the financial mechanism of the UNFCCC, the GEF is uniquely positioned to build on the ambition framework of the Paris Agreement and to support Parties to enhance their contribution to its long-term temperature goals. Building on its experience on integration to date, the GEF can effectively support countries with financial and non-financial resources to ensure high level coordination of policy making actors as a precondition to effective climate action.</p>	<p>The rapid and deep decarbonization strategies that are needed to meet the net-zero targets by mid-century will require actions that are as broad as possible and that span all sectors and all stakeholders. Such long-term strategies will only be effective through whole-of-economy approaches designed to address tradeoffs and ensure policy coherence, by minimizing negative subsidies as well as unintended negative socio-economic consequences for communities. The GEF is ideally positioned to lead on a multi-country effort to generate lessons and best practice investments for this. Coupled with the flexibility of its financial instruments, mostly grants, and the three decade long experience in market transformations, the GEF’s added value lies on its ability to leverage its broad partnership, with its 18 large Implementing Agencies and a wide spectrum of private sector partners, as well as its role as financial mechanisms for multiple environmental conventions.</p>
Wildlife Conservation for Development	<p>OBJECTIVE: To conserve wildlife and landscapes by transforming the drivers of species loss and ensuring that countries and communities are benefiting from these natural assets.</p>	
	<p>Effectively addressing the drivers of wildlife loss, including IWT and unsustainable consumption demands coordinated action throughout global supply chains, across countries, regions and continents. The GEF is uniquely positioned to catalyze Global/Regional coordination and cross-sectoral partnerships. An Integrated Program is needed to supplement national projects in working across the supply chain including incentivizing behavior change for demand reduction for internationally trafficked species.</p>	<p>Achieving this requires an approach with both global and national dimensions. A global reach is critical to success given that the loss of wildlife in one place can be driven by forces with roots in international demand and illegal wildlife supply chains and global trafficking networks, while strong incentives for wildlife conservation are often tied to international industries including tourism. The GEF can convene multiple stakeholders, mobilize financing, and catalyze a global movement with this integrated program by targeting activities and areas that national projects cannot address, such as, international trafficking and transboundary issues; support for One Health approaches to reducing zoonotic spillover risks; and global and regional donor coordination and knowledge management, with emphasis in South-South collaboration. Not all drivers nor solutions are global, and distinctly national and local level approaches and actions will benefit from a globally integrated program to support information exchange, capacity building and networking.</p>

66. **Biodiversity Focal Area.** The goal of the GEF-8 Biodiversity focal area strategy is *globally significant biodiversity conserved, sustainably used, and restored*. To achieve this goal, the strategy will support the following three objectives: 1) to improve conservation, sustainable use, and restoration of natural ecosystems; 2) to effectively implement the Cartagena and Nagoya protocols; and, 3) to increase mobilization of domestic resources for biodiversity. Achieving the goal and objectives of the biodiversity focal area strategy requires a wide array of actions and while all are necessary none will be enough on their own. GEF's associated programming investments that are channeled through other focal areas and Integrated Programs are critical to help achieve the focal area strategy goal and objectives while specifically supporting the goals of the Post-2020 Global Biodiversity Framework. The strategy will remain responsive to guidance emanating from the CBD processes. The recently released Dasgupta Review emphasized that nature and biodiversity are critical elements that support the sustainability of our economy, livelihoods, and overall well-being. The GEF-8 strategy embodies an integrated and multi-sectoral approach that fully recognizes the fundamental importance of biodiversity and nature to the well-being of our planet and its people.

67. **Climate Change Focal Area.** The GEF-8 period is demarcated by the ambition of the Paris Agreement. This will include the communication of new or updated NDCs and Long-Term Strategies prior to the start of GEF-8, the First Global Stock take to take place in 2023, and the communication of the next round of NDCs towards the end of GEF-8. The GEF-8 Climate Change strategy is designed to support and raise the ambition of climate action in developing countries, helping Parties to meet their Convention's obligations. To reach this goal, the strategy is built around two pillars and seven objectives. Pillar one will promote innovation, technology transfer, and transformational policies to shift economies to low-emission paths. Investments in this area will leverage private sector engagement to accelerate energy efficiency and renewable energy penetration, scale up zero-emission mobility, harness the full potential of Nature-based Solutions and support carbon pricing schemes. Pillar two will foster enabling conditions to mainstream mitigation concerns into sustainable development strategies, promoting transparency under the Paris Agreement and supporting Parties in meeting their convention obligations. As the world embarks in this crucial decade for the protection of nature and climate, the GEF-8 climate strategy is designed to provide developing countries with tools that enable their full participation to the global efforts to achieve the Paris Agreement's long-term temperature goals.

68. **Land Degradation Focal Area.** The UNCCD COP 14 held 2019 in India invited the GEF to continue its support to countries in programming GEF LDFA resources to combat desertification/land degradation and drought and achieve their voluntary land degradation neutrality (LDN) targets, including in the context of land degradation neutrality transformative projects and programs. COP 14 also invited the GEF, within its mandate, to support the implementation of relevant aspects of the national drought plans and other drought-related activities within the scope of the Convention. In response, the goal of the LDFA in GEF-8 is to avoid, reduce, and reverse land degradation, desertification and mitigate the effects of drought. The LDFA strategy will contribute to its goal through: 1) avoiding and reducing land degradation through sustainable land management (SLM); 2) reversing land degradation through restoration of production landscapes; 3) addressing desertification, land degradation, and drought (DLDD) issues, particularly in drylands, and 4) improving the enabling policy and institutional framework for LDN. GEF LDFA investments focus on addressing the drivers of land degradation in production landscapes where agricultural, forestry and rangeland management practices underpin

the livelihoods of rural communities, smallholder farmers and pastoralists. With the current pandemic and against the background of land degradation altering agroecosystems worldwide, the effects of land conversion and crop and livestock intensification increase the risk of emerging infectious diseases. In this context, the LDFA strategy aligns with GEF's vision to achieve healthy and resilient ecosystems by improving production systems and livelihoods of rural populations.

69. ***International Waters Focal Area.*** The GEF through its IW focal area is supporting cooperation in shared marine and freshwater ecosystems, to achieve long-term environmental status change. Complex transboundary water ecosystems deliver services to a wide variety of sectors that ultimately support societal cohesion and a healthy human development trajectory. While not responding directly to a convention, the IW Focal area fills a critical gap in the global management of transboundary fresh- and marine water resources. GEF IW interventions are built on best available science which informs an initial assessment of threats and opportunities through Transboundary Diagnostic Analyses (TDAs), which are followed up by the development and implementation of ministerial endorsed regional Strategic Action Programs (SAPs). Delivering ecosystem status changes in marine and freshwater systems, requires working at all scales, with a wide stakeholder group, in the public and private sectors and across the watershed from source-to-sea and beyond. The above will be delivered through the following three key objectives: 1) Accelerate joint action to support Blue Economic Development; 2) Advance management in the Areas Beyond National Jurisdiction (ABNJ), and 3) Enhance water security in transboundary freshwater ecosystems

70. ***Chemicals and Waste Focal Area.*** The elimination of hazardous chemicals controlled by the Chemical Conventions will lead to improvement of the health of people and prevention of harm to ecosystems thereby allowing for better resilience against future pandemics. As seen in this pandemic, humans with chronic diseases were disproportionately impacted. Some of these conditions are exacerbated or brought on by exposure to hazardous chemicals in the environment. The objectives of the Chemicals Conventions and the focal area are to eliminate these hazardous chemicals and guidance received from both the Stockholm and Minamata Conventions, most recently at COP 8 of Stockholm in 2017 and COP 1 of Minamata in 2013, require implementation of strengthened policy and regulations, phase out of hazardous chemicals in use and disposal of obsolete hazardous chemicals and stockpiles. To respond to these needs the three objectives of the CWFA contribute to this goal through: 1) creation, strengthening and supporting the enabling environment to transform the manufacture, use and sound management of chemicals and to eliminate waste and chemical pollution, 2) prevention of future buildup of hazardous chemicals and waste in the environment, and 3) elimination of hazardous chemicals and waste containing or that can emit hazardous chemicals from the environment.