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**UPDATED NOTE ON OPERATIONALIZING THE GEF-8
INTEGRATED PROGRAMS
(PREPARED BY THE GEF SECRETARIAT)**

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INTRODUCTION

1. The GEF-8 Programming Directions includes ten (10) Integrated Programs¹ (IPs) focused on tackling drivers of environmental degradation and advancing systems transformation through the integrated approach. The IPs cover the full spectrum of GEF mandate as financial mechanism of major multilateral environmental agreements. They are also integral to the GEF-8 Theory of Change for achievement of a healthy, productive, and resilient environment which underpins the well-being of human societies. Furthermore, the scope and breath of issues covered will specifically address the interest and needs of LDCs and SIDs, and as a result support their post-COVID-19 green and blue recovery effort and strengthen their role in safeguarding the planet.
2. The IPs will enable countries to invest focal area resources in a manner that more directly aligns with national priorities for a green and blue recovery, and for advancing transformative change in key systems. With the IPs, countries can harness synergies across focal areas and generate multiple global environmental benefits. As compared with multi-focal area projects, this increases efficiency and maximizes the use of GEF resources and potential for higher co-financing. This approach also allows countries to address drivers of environmental degradation that have links to regional and global supply chains and are therefore not adequately addressed in single country projects.
3. The purpose of this note is to provide preliminary information and guidance on how these programs will be operationalized to maximize their potential for achieving the outcomes established in the Programming Directions document. The note outlines how the IPs will be financed, describes modalities for programming, including a) process for selection and functions of Lead Agencies, and b) process and options for countries to participate in the programs.
4. The note incorporates the findings from the *OPS7 Formative Evaluation of the GEF Integrated Approach to address the Drivers of Environmental Degradation*,² including the need for greater efficiency in operationalizing the programs. In accordance with the *Management Response*³ to recommendations from the evaluation, this note clarifies steps toward improving program-level requirements, further catalyzing and demonstrating value added of the programmatic approach to integration and ensuring greater diversification in the countries included in integrated programs.

FINANCING

5. The IPs will be financed through a combination of **STAR**, **set-aside**, and **non-STAR** focal area resources. Countries that, on a voluntary basis, seek adherence to one or more IPs will program their STAR country allocations for eligible activities under the three Rio Focal Areas as

¹ The IPs include: 1) *Food Systems*, 2) *Ecosystem Restoration*, 3) *Sustainable Cities*, 4) *Amazon, Congo, and Critical Forest Biomes*, 5) *Circular Solutions to Plastic Pollution*, 6) *Blue and Green Islands*, 7) *Clean and Healthy Ocean*, 8) *Greening Transportation Infrastructure Development*, 9) *Net-Zero Accelerator*, and 10) *Wildlife Conservation for Development*

² 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>

³ GEF/E/C.60/09, MANAGEMENT RESPONSE TO: Formative Evaluation of the GEF integrated Approach to Address the Drivers of Environmental Degradation, https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.E.C.60.09_Evaluation_Integrated_Approach.pdf

described in the proposed GEF-8 programming directions. The proportionality in the allocation of resources between focal areas will be informed by the nature of drivers being targeted through each of the IPs and relative importance of the expected global environmental benefits to be generated from the investments. For example, IPs focused on tackling drivers of deforestation are expected to draw proportionally higher amounts from the BD and CCM focal areas than from LD, as the benefits produced will largely be biodiversity conservation and climate change mitigation. With full flexibility during GEF-8, countries will be able to program their STAR country allocations across the three Rio Focal Areas.

6. For most of the IPs, set-aside funds will be used as matching incentives to maximize programming of STAR resources by countries. In order to access such incentive funds, any country with a STAR allocation would need to submit an Expression of Interest (EOI) to the Secretariat that meets all the criteria established for eligibility under a program, including geographical or thematic scope, and be selected for participation in the program. Countries that meet the eligibility criteria for an IP would match resources from their STAR country allocations with incentive funds.

7. The resource envelope for IPs has been established as part of the GEF-8 financial scenarios. The STAR focal area amounts will therefore be programmed along-side the non-STAR focal area resources based on demand expressed by countries in the relevant IPs. To allow for the efficient programming of focal area resources across all 10 IPs, a matching ratio will be set at \$3 of STAR resources to \$1 of IP incentive set-aside. Furthermore, and to ensure impact at the country level, STAR amounts used would be set at a certain minimum threshold to be determined based on interrelated replenishment decisions regarding overall country allocations and other factors.

8. With regards to non-STAR focal areas, the IPs will enable more robust programming that benefits a greater diversity of countries across larger geographical areas. Furthermore, LDCs and SIDS can harness these resources for multiple global environmental benefits in the context of post-COVID-19 recovery and will therefore be accorded closer attention in the selection process for participation in the programs.

PROGRAMMING MODALITY

9. Each IP will be implemented through one or more Programmatic Approaches, in accordance with GEF Policy on the Project and Program Cycle (OP/PL/01). As noted by the *OPS7 Formative Evaluation*, the value-added of this approach will be demonstrated by the policies and procedures followed. The approach involves a two-step approval process: (i) Council approval of a Program Framework Document (PFD) with description of the selected country child projects included in a work program⁴; and (ii) CEO endorsement of “child projects” under the program.

10. The PFD is prepared by a GEF Agency that serves as Lead for the IP, and will include a detailed description of the program, theory of change, and results framework. This will serve as basis for subsequent development and design of all child projects, to ensure overall coherence

⁴ Although a single PFD is anticipated for each program, there may be possibility for updating the PFDs to accommodate additional countries that meet eligibility criteria.

and consistency in delivering the IP. The PFD will include explicit guidance to all participating countries on specific issues that must be addressed during child project design stage.

11. The program modality will ensure that each IP is designed and implemented in a manner that is necessary for achieving systemic change. Program-level coordination is a critical aspect of advancing transformative change, and key for ensuring coherence and consistency, so that the whole of each IP will be greater than sum of the parts. The *OPS7 Formative Evaluation* also called for a greater emphasis on this function as a means strengthening program-level monitoring and evaluation. This requires that the following key considerations be codified in the Project and Program Cycle Policy Guidelines:

- Country / thematic child projects approved as a cohort under each IP to follow as close as possible similar timelines to CEO endorsement. This will ensure alignment of milestones for portfolio monitoring and reporting during implementation.
- Coordination child projects for each IP to be designed alongside the PFD to ensure that Lead Agency roles and responsibilities are fully supported. The project will establish and anchor all program-level priorities including theory of change, results framework, and which would guide all country child projects following Council approval of the PFD.
- Coordination child projects will focus primarily on program coordination and governance for achieving coherence and consistency as well as for external linkages, knowledge exchange and learning, and monitoring and reporting that includes aggregation of results across child projects under the program. This institutional framework and governance structure is also critical for fostering effective collaboration between all Agencies and executing entities, and also allow for direct engagement by participating countries. Hence these projects are critical for overall program delivery and will not be expected to contribute directly to core indicator targets, even though they will make indirect contributions to the core indicators through activities that extend the program's reach beyond scope of those covered by GEF investments.

12. The introduction of these changes in the Project and Program Cycle Policy Guidelines will ensure that, in addition to harnessing its expertise, the Lead GEF Agency selected for each IP: i) focuses on program-level functions, ii) is responsible for the preparation of the PFD for inclusion in Council Work Programs, iii) supports the design and delivery of child project cohorts for CEO endorsement, and iv) tracks progress toward achievement of outcomes during implementation.

Lead Agency Selection Process

13. The Lead Agency⁵ would be selected through a consultative process among participating Agencies, facilitated by the GEF Secretariat. The Lead Agency selection process was successfully used for the GEF-6 pilot programs, and as noted by the *OPS7 Formative Evaluation*, further improved for the GEF-7 impact programs with greater clarity of roles and

⁵ Selection of an Agency to serve as Lead for an IP does not preclude its selection by a country or countries to serve as Agency for child project(s) under that IP.

responsibilities. All 18 GEF Agencies will be given the opportunity to express interest in taking a role as Lead Agency. The expression of interest will enable Agencies to demonstrate their capability to carry out the responsibilities associated with the role, including comparative advantage to coordinate the program, and willingness to work with participating countries and other GEF Agencies. The *OPS7 Formative Evaluation* particularly emphasized collaboration with other GEF Agencies as a critical role for the Lead Agency as this will strengthen program level monitoring and evaluation.

14. Agencies willing and interested in this role for each of the IPs are required to submit proposals to the Secretariat, which will review them based on the following criteria:

- *Recognized Leadership* – Global or regional recognition as a leader and expert in the specific issues targeted by the respective IP, with proven capacity to work with diverse stakeholders including civil society organizations. Note that GEF Agencies that are regionally focused are well placed to express interest in IPs that are regional. However, IPs that are intended to operate globally cannot be separated into regional programs to accommodate regional GEF Agencies, as this will create additional complexities for coordination and governance.
- *Capability of convening stakeholders from all relevant sectors* – The Lead Agency will also need to have the power to convene world and global leaders as well as stakeholders from all sectors relevant to the IP’s specific agenda. This is critical for helping to foster productive and innovative dialogues as well as creating new solutions along the pathway to transformative outcomes for the targeted economic system. The Lead Agency must possess a “systems” vision and credible track record of action demonstrating execution of this vision.
- *Capability of leveraging own resources* – In line with GEF’s Co-Financing Policy, the Lead Agency is required to leverage, as co-financing, significant amounts of resources through its own investments and/or programming. Weighed against the challenge of transforming the key economic systems, these leveraged resources must be significant enough that when combined with the resources of the GEF they are considered sufficient to accomplish essential goals across the entirety of the program.
- *Capability of engaging with the private sector and mobilizing their investment* – In addition to contributing their own public resources as co-financing, the Lead Agency will be required to crowd-in and mobilize meaningful investment and action from private sources. The Lead Agency must demonstrate capability to engage in meaningful relationships with private sector companies and financiers that operate in the appropriate IP space. It should attest to an established track record of mobilizing private sector financing at scale for development purposes, and history of catalyzing action from private companies leading to positive environmental outcomes.
- *Capability to access the key decision makers in recipient countries* – The Lead Agency must demonstrate capability to access a broad range of key decision makers from relevant ministries in a considerable number of recipient countries. This should include not only line ministries with authority over technical areas (e.g., Forestry, Agriculture, Environment, Urban Development, etc.), but also those ministries responsible for national budget and planning processes (e.g., Finance, Investment,

Planning, etc.), and cross-sectoral integration and coordination authorities and agencies.

- *Global recognition for knowledge innovations* – The Lead Agency must have an established track record in creating and mobilizing knowledge innovations that help countries make informed decisions about transforming key economic systems. This will include capability to engage with scientific and technical institutions operating globally as well as those associated with regions and countries.

Lead Agency Functions

15. Selected Lead Agencies for IPs are ultimately responsible for delivering on all aspects of the program, including “program-level” outcomes that lead to GEBs and influence systemic change. In this regard, the following specific functions are particularly critical:

- The Lead Agency should specifically commit to develop a global or regional coordination and knowledge exchange component for the overall program, which is part of the coordination child project and funded outside of participating countries’ STAR allocations. This function is intended to foster coherence and consistency across child projects under the program, and in some cases, other relevant stand-alone GEF projects outside the program.
- In consultation with the GEF Secretariat, the Lead agency should specifically commit to review all country EOIs⁶ in the program and make the final recommendations for the PFD based on established criteria for the inclusion of participating countries in an IP.
- Where necessary, update and submit an Addendum to the PFD for Council approval prior to the PFD Commitment Deadline⁷ if there is: (a) an increase in proposed utilization of country STAR allocations for Child Projects; and / or (b) an increase in GEF resources for the Program.
- Serve as liaison with other participating GEF Agencies selected by countries for their child projects, as well as with the GEF Secretariat for the program-level governance and support.
- Respond to all enquiries regarding program implementation progress and program-level reporting, mid-term evaluation, final program completion and the achievement of program-level higher impact on the global environment.

Country Participation

16. The ten (10) IPs collectively respond to potential needs of recipient countries for harnessing GEF resources in accordance with evolving priorities for a green and blue recovery. While each IP will focus on engaging countries that will maximize potential for advancing systemic change through the blue and green post-COVID-19 recovery, enhancing pathways toward a nature-positive, carbon-neutral, and pollution-free world, and raising ambition to meet the 2030 targets under MEAs and other global commitments, the criteria for country

⁶ Except those EOIs for which it is selected by the countries to serve as GEF Agency.

⁷ See the Project and Program Cycle Guidelines for additional information on Commitment Deadlines

participation will pay special attention to the needs and importance of LDCs and SIDS. One of the programs is specifically focused on supporting green and blue recovery in SIDS, which will support the integrated approach needed to address interconnected environmental challenges driven by key sectors such as tourism, food (agriculture, fisheries) and urban development. This focus also addresses recommendations of the earlier *Strategic Country Cluster Evaluation of the Small Island Developing States* to increase the number of integrated interventions in SIDS.⁸

17. Countries would be required to express their interest to be included in a program by participating in the Expression of Interest (EOI) process. This will be done using a generic template that will be customized for each IP. The EOI template for each IP will include requirements for eligibility, details for demonstrating commitment toward the program-level objectives, and potential for multiple global environmental benefits. Countries will decide on GEF Agencies of their choice for the EOI and, if selected, subsequent preparation of the child project. The process for preparing the EOI represents a timely opportunity for countries to engage with the GEF agency they choose to work with for their proposed child project. The selected agency will therefore be well-placed to provide technical support and address any concerns from countries related to GEF requirements for the IPs. Countries will be allowed to submit EOIs for any of the IPs they deem as appropriate to their national interest. However, only one EOI per IP will be allowed for any country.

18. For the IPs to achieve maximum impact, the EOI review and decision on country selection will initially prioritize criteria that will be defined under each individual IP. In addition, consideration will be given to the following priorities for advancing systems transformation: extent of contributions to GEBs, integration of cross-cutting themes and levers for transformation, potential for financial leverage, and commitment to engage with coordination platform.

- (a) *Delivery against core indicator targets* – Focus will be given to countries and their respective projects that offer demonstrable evidence of their potential to deliver significant contribution to the GEF-8 global environmental benefit (GEB) targets through IPs. Similar to the process for GEF-7, the GEF-8 Results Framework and proposed GEB targets will serve as the basis for assessing potential contributions by country.⁹
- (b) *Co-financing potential* – The updated GEF Policy on Co-financing¹⁰ emphasizes the need for countries to mobilize credible and significant co-financing, including leveraged investments. The IPs are expected to play an important role in achieving Replenishment- level co-financing targets.
- (c) *Cross-cutting Themes* – The GEF has established policies and guidelines on gender equality¹¹ and private sector engagement.¹² In addition, STAP has contributed

⁸ GEF/ME/C.57/02, *Strategic Country Cluster Evaluation of the Small Island Developing States*, https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.ME_C57_02_IEO_SCCE_SIDS_Dec_2019_F.pdf

⁹ The GEF-7 Results Framework are included in the Replenishment document [GEF/R.7/22](#) and updated in Council document [GEF/C.54/11/Rev.02](#).

¹⁰ The document [GEF/C.54/10/Rev.01](#) was approved by Council in June 2018.

¹¹ The document [GEF/C.54/06](#) was approved by Council in June 2018.

¹² The document [GEF/C.59/07/Rev.01](#) was approved by Council in December 2020.

technical guidance on nature-based solutions,¹³ circular economy,¹⁴ resilience,¹⁵ environmental security,¹⁶ and behavioral change.¹⁷ Each IP will draw on the experiences and available resources to establish, in the EOI template, details of specific themes that are relevant and appropriate for achieving outcomes. Countries will need to demonstrate approach to integration of these themes in their proposed projects.

- (d) *Levers for Transformation* – Four specific levers have been identified as critical for advancing systems transformation through a green and blue recovery. They include:
- governance and policy coherence - to create opportunities for a “whole-of-government” approach that will ensure coherence and cross-sectoral institutional integration in formulating policies and mainstreaming environmental priorities,
 - financial leverage - to harness the potential for countries to mobilize domestic financing and private capital for investment in initiatives that generate global environmental benefits,
 - innovation¹⁸ and learning - to harness technology options, business models, and institutional innovations that speed the transition to nature-positive, climate-neutral, and pollution-free solutions, and
 - multi-stakeholder dialogues – to mobilize and engage new stakeholders, new partnerships, and build coalitions for change.

Demonstrating the importance of these levers at national level will therefore be considered as a priority for countries committed to advancing systems transformation. The EOI template for each IP will specify key aspects of the levers that are relevant and appropriate for countries to demonstrate this commitment.

- (e) *Commitment to the overall goals of the IP and with the IP Coordination Platform* – To ensure coherence and consistency in the overall IP, countries must commit to work closely with the global/regional technical assistance and knowledge management component. This requires allocation of funding from the project grant to facilitate participation in learning and knowledge exchange activities, as well as other

¹³ <https://www.stapgef.org/resources/advisory-documents/nature-based-solutions-and-gef>

¹⁴ Includes circular economy as related to climate mitigation (<https://www.stapgef.org/resources/advisory-documents/circular-economy-and-climate-mitigation>), food systems (<https://www.stapgef.org/resources/advisory-documents/future-food-system-healthy-human-beings-and-healthy-planet>), and plastics (<https://www.stapgef.org/resources/advisory-documents/plastics-and-circular-economy>)

¹⁵ Includes recent work on resilience (<https://www.stapgef.org/resources/advisory-documents/making-gef-investments-resilient>) and transformation (<https://www.stapgef.org/resources/advisory-documents/achieving-transformation-through-gef-investments>), and related guidelines <https://www.stapgef.org/resources/advisory-documents/rapta-guidelines>.

¹⁶ <https://www.stapgef.org/resources/advisory-documents/environmental-security-dimensions-and-priorities>

¹⁷ <https://www.stapgef.org/resources/advisory-documents/why-behavioral-change-matters-gef-and-what-do-about-it>

¹⁸ STAP’s advice on innovation (<https://www.stapgef.org/resources/advisory-documents/innovation-and-gef>) included five types of innovation: technological, business model, institutional, policy and financial.

Regional/Global Platform activities as needed, which will strengthen alignment of child projects and increase potential for transformational impact.

19. The Secretariat would invest in early outreach to make countries aware of the various opportunities available to them for programming through the IPs, and clarification of the processes to facilitate their participation.¹⁹ This aspect of the country engagement will ensure that countries identify and prioritize the IP(s) for which they are best placed to demonstrate efficient use of their STAR as well as maximize potential for generating global environmental benefits.

20. The selection of countries will be made by the Secretariat in consultation with the Lead Agency, with inputs and recommendations of a review committee that includes representation from STAP. To avoid conflict of interest, the Lead Agency for an IP will recuse itself from reviewing any EOI for which it is the Agency selected by the country. Both the Lead Agencies and Agencies selected by countries for country-specific projects are expected to ensure the quality of programs and projects in a way to maximize impacts along the agreed objectives under each of IPs.

21. Countries selected to participate in each IP will work with their respective GEF Agencies to complete and submit a Concept Note Template that outlines the proposed project in accordance with GEF requirements will be addressed. This Concept Note will include, amongst others, specific details on how the project will deliver multiple global environmental benefits through the proposed program approach to systems transformation. It will also outline how GEF policies and guidelines on Environmental and Social Safeguards, gender equality²⁰ and stakeholder engagement,²¹ and specifically with Indigenous Peoples²² where such engagement is critical for achieving program goals.

PROGRAM DESIGN PROCESS

22. Upon approval of the PFD by the Council, Agencies selected by participating countries, in coordination with the Lead Agency and other participating stakeholders, would prepare their respective Child Projects for CEO Endorsement/ Approval. Consistent with existing policies, and with the expectation that most of them are submitted within the Program Commitment Deadline, all child projects under the IPs would be circulated to Council for review and comment four weeks in advance of CEO endorsement/approval.

23. For IPs where incentive funds are used for programming, countries that are not sufficiently competitive in securing the funds will have the option of aligning their eligible proposal with an IP, provided it is submitted and approved as a standalone project. This alignment will enable the countries to make use of their respective STAR allocations for the standalone project and also benefit from knowledge exchange and learning platform established

¹⁹ The Secretariat has normally used Country Dialogues, Extended Constituency Workshops, and consultations on margins of regional and global forums to engage with OFPs on such programming issues.

²⁰ GEF Policy and Guidelines on Gender Equality, <https://www.thegef.org/documents/gender-equality>

²¹ GEF Policy and Guidelines on Stakeholder Engagement, <https://www.thegef.org/documents/stakeholder-engagement>

²² GEF Policy and Guidelines on Engagement with Indigenous Peoples, <https://www.thegef.org/documents/indigenous-peoples>

under the IP. As with child projects under the IP, the standalone project will also be subject to the criteria in paragraph 18e with respect to allocation of funding to facilitate participation in the platform.