

INTERIM MEETING FOR THE EIGHTH REPLENISHMENT OF RESOURCES OF THE
GEF TRUST FUND MARCH 8-9, 2022
SUMMARY OF THE CO-CHAIRS

The interim meeting of Participants for the Eighth Replenishment of the GEF (GEF-8) was held virtually on March 8 and March 9, 2022. The meeting was co-chaired by Akihiko Nishio, Vice President, Development Finance, World Bank and Carlos Manuel Rodriguez Echandi, CEO and Chairperson, GEF. Contributing Participants were joined by non-donor recipient country Participants representing Africa, Asia, Eastern Europe, Latin America and Caribbean, and Small Island Developing States (SIDS), observers from the GEF Agencies, two NGO/CSO observers representing donor and recipient country-based NGOs/CSOs respectively, one representative from the private sector, and a representative from the Green Climate Fund (GCF) and the Adaptation Fund (AF). Representatives from the five global environmental conventions for which the GEF serves as a financial mechanism also attended the meeting as observers.

Mr. Nishio opened the meeting by welcoming all Participants to the interim meeting and acknowledging Participants' continued support and guidance during the GEF-8 Replenishment negotiations. He noted the importance of the interim meeting in setting the stage for a successful conclusion at the final GEF-8 Replenishment meeting to be held in April 2022. Mr. Nishio urged Participants to stay focused on the open issues and collectively address them in an efficient manner, with the hope to achieve agreements during the interim meeting.

Mr. Rodriguez joined Mr. Nishio in opening and welcomed all Participants to the interim meeting for the Eighth Replenishment of the GEF Trust Fund. He noted that momentum is building for an ambitious GEF-8 Replenishment with a strong emphasis on biodiversity and renewed efforts to tackle climate change, chemical pollution, land degradation and other threats to nature in an integrated way. He added that Participants' support for a robust programming directions and policy package has considerably advanced progress toward this historic outcome.

Programming Scenarios and Global Environmental Benefits Targets:

Most Participants welcomed the updated programming financial scenarios that were presented on the second day and commended the GEF Secretariat on their hard work in finding a compromise set of allocations that takes into account many of the participants' request made during the previous meeting and in the first day of the interim meeting. Despite a few concerns regarding some final shares, Participants agreed that the updated scenarios represent the best consensus on GEF-8 resource allocations and agreed on this as presented. It is also understood that the final scenario will be developed on the basis of the consensus that was reached regarding the distribution of resources across focal areas and other budget lines, once the final replenishment amount is defined. This will be presented at the fourth and final meeting.

Policy Recommendations:

Participants welcomed the amended Policy Recommendations document, including actions to increase ambition for Results measurement, Inclusion and Sustainability. On issues related to

STAR and efficiency measures, Participants engaged in a spirit of compromise on a package of measures aimed at sharpening the impact of GEF programming.

Participants supported measures to address concentration, including establishing an aspirational programming target of 10% for Regional Development Banks and an aspirational cap of 30% for any one Agency, as measured by approvals during the GEF-8 period. Notwithstanding caps, the principle of country ownership in the selection of GEF Agency was re-affirmed. Participants also requested the Secretariat to undertake a gap analysis on thematic and geographic Agency coverage during GEF-8.

Participants agreed to measures proposed to improve efficiency, including streamlining and reducing transaction costs. The co-financing ratios applicable for GEF-7 were confirmed, with support for continued emphasis on implementation of the Co-financing Policy. Participants encouraged the GEF to continue and deepen cooperation with other funds, and work by the Secretariat to explore further streamlining options.

On STAR, Participants agreed with adoption of a fully flexible model, accompanied by a mid-term review to take stock of impacts. Participants agreed with the merits of harmonizing and increasing the country floors and reducing the ceilings as proposed in the revised Policy Recommendations document. Most Participants supported adjusting indicators to better reflect vulnerability, while some had concerns with this approach. While many Participants also supported the establishment of the competitive window; some others questioned the merits of establishing it at this time. Participants supported the proposal for an analysis of policy coherence opportunities during GEF-8.

Participants agreed to the recommendations related to implementation of Integrated Programs. While some preferred adjustments to the incentive ratio, there was agreement to a level of 1:3, in a spirit of compromise.

Next Steps:

A draft joint Chair's summary of this meeting will be circulated for comments by March 15, 2022.

The GEF Secretariat will continue adjusting the GEF-8 Programming Scenarios taking into account the convergence achieved in this meeting and based on the financing projections by the Trustee.

The GEF Secretariat will finalize the GEF-8 Programming Directions and Policy recommendations documents, including the GEF-8 STAR parameters, to reflect both the agreements and discussions of this meeting, and with an aim to finalizing these documents in advance of the fourth meeting in April 2022.

The fourth meeting of GEF-8 is scheduled to be held virtually on April 7-8, 2022, by which time it is expected that agreements on programming directions and policy recommendations have been reached, permitting the contributing Participants to provide their financing support and pledges.

Please note that we had originally agreed to circulate the documents for the GEF-8 Fourth Meeting by 16 March. Given the changes needed to be made to the documents, this deadline will need to be extended by a few days to 23 March.