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**HIGHLIGHTS OF THE COUNCIL'S DISCUSSIONS**

**63<sup>RD</sup> GEF COUNCIL MEETING**

**NOVEMBER 28 – DECEMBER 02, 2022, VIRTUAL MEETING**

The following is a record prepared by the GEF Secretariat of comments, understandings, and clarifications made by Council Members. These points are supplemental to the Joint Summary of the Co-Chairs, which records the decisions agreed by the Council. The full video of the Council Meeting can be found here: <https://www.youtube.com/user/GEFSecretariat>; <https://www.youtube.com/playlist?list=PL3rC5AoFPemXcKxNtAKCeQFb4U5pxD7IF>

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

1. The CEO and Chairperson of the GEF, Carlos Manuel Rodriguez, and Ambassador Feturi Elisaia of Samoa, Elected Chairperson, opened the 63<sup>rd</sup> GEF Council meeting.
2. After a video presentation in remembrance of Gustavo Fonseca, Director of Programs, several Council Members emphasized his work and legacy.

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

3. Several Council Members requested that the Progress Report on the Gender Implementation Strategy and the Private Sector Engagement Strategy, and the Child Protection Policy be added under Other Business.
4. A Council Member requested the CEO to provide an update on the restructuring of the Secretariat.
5. The Secretariat commented that the dates for the Council Meetings for 2023, the Membership of the Ethics Committee and the Election of the Co-chair for 2023 will also be brought up under Other Business.
6. The Agenda was adopted.

***Agenda Item 3            The GEF Monitoring Report 2022***

7. The Secretariat introduced the document that presents the progress made by the portfolio of projects under implementation with financing from the GEF Trust Fund over the past year, as well as an overview of the size and distribution of the portfolio of projects under implementation.

8. Council members welcomed the report, stressing that it captured a more systematic reporting of actual results, based on the GEF-8 results framework. The use of geographic indicators was appreciated, which allows us to capture the progress over time with more reference points.

9. Concerns were expressed on the decline in the levels of co-financing materialized, compared to the previous report. A request was made to the Secretariat to explore in detail the reasons on why co-financing rates have not been reached so far.

10. Some Council members also raised concerns on the decrease of Mid-Term Reviews submitted by Agencies.

11. Some Council members suggested to include additional reporting on gender equality and private sector engagement. These cross-cutting issues should be further strengthened in future reports.

12. One Council member requested the Secretariat to prepare a report to be submitted to the 65<sup>th</sup> Council meeting to assess the streamlining the Project and Program Cycle by implementing applying the 1-step MSPs approach to all FSPs, instead of the current two-step approach (PIF and CEO endorsement request) as this would reduce the project cycle from 18 months to 12 months. The report should also review actions and activities prior to the project's presentation via the portal to shorten these deadlines. The request was endorsed by another Council member.

13. The Secretariat agreed that co-financing levels were not as high as planned. It explained that the two years of delayed implementation due to the pandemic and the stringent fiscal situations in many countries impacted the co-financing levels, and reassured commitment will be met with co-financing from donors and Agencies.

14. The Secretariat explained that it had received 19 Terminal Evaluations and 48 MTRs that have provided actual results data using the core indicators. Although the number is low, it is higher than a year ago. The Secretariat will continue to improve the reporting on core indicators in close dialogue with Agencies.

**Agenda Item 04. Work Program for GEF Trust Fund**

15. The Secretariat presented the Work Program with 8 projects for a total request of \$64.7 million including GEF project financing and Agency fees. The November 2022 Work Program is the first in the GEF-8 replenishment cycle. In addition, \$284.8 million is expected as co-financing. Four out of 18 Agencies were represented. In terms of regional distribution, Africa was highest programmed region taking 42%, followed by ECA and LAC. A total of 37 recipient countries will benefit from this Work Program, including 9 LDCs and 12 SIDS.

16. The Council appreciated the first WP of the GEF-8, which although modest in size, includes a good focal area and geographical distribution. Some Council Members expressed satisfaction with the overall quality of WP, its focus on SIDS and Africa and the focus on Biodiversity and Chemicals & Waste focal areas, in particular the support under the Minamata convention in LAC, as well as the high levels of co-financing.

17. Concerns were also raised on Agency distribution. One Council member highlighted that the current distribution of the WP is not aligned with the GEF-8 negotiations.

18. Council members expressed concerns with some projects requesting the Secretariat to circulate ID 11047, ID 11050 and all UNDP projects before CEO endorsement. One Council member further requested UNDP to work with UNEP on ID 11056, SAFER Salvage Operations in the Red Sea, since the project requires significant expertise.

**Agenda Item 05. Country Engagement Strategy Implementation Arrangements for GEF-8**

19. The Secretariat introduced the Country Engagement Strategy Implementation Arrangements for GEF-8. The document focuses on activities to empower and support countries to achieve higher impact with GEF resources as well as additional activities, including the Gustavo Fonseca Youth Conservation Leadership Program, Field Visit Program for Council Members, and Support for Country Delegations and Relevant Stakeholders to Attend COPs to the Conventions, to be funded from savings from previous cycles.

20. The Council expressed the support for the document to strengthen country ownership which is essential to GEF's work, emphasizing that it reflects the negotiations and agreement for GEF-8 as well as its interaction with the Country Support Program.

21. Some Council members mentioned that they would like to see a good balance between in-person and virtual meetings, as well as more emphasis on the inclusion of women Youth and Indigenous people in the stakeholder engagement approach.

22. Several Council members welcomed the proposed additional activities under the Country Engagement Strategy (CES), making the following comments and requests for clarification on:

a) Youth Conservation Leadership Program, clarifications were sought on how open the program will be to youth from developing countries, if consideration was given to developing Terms of Reference to select candidates and how the suitability of candidates will be assessed to ensure gender balance and equitable access among regions.

b) Support for Country Delegations and Relevant Stakeholders to Attend COPs to the Conventions, questions were raised on the criteria to be applied for this support, and that Terms of Reference to access these funds should be developed.

c) While also welcoming the Field Visit Program, some Council Members emphasized that the activity should only be financed by GEF for Council members from developing countries (developed country Council Members would finance themselves), that it should be coupled with other international events to avoid additional air travel and reduce the environmental footprint, and that a regional balance among projects to be visited should be sought.

23. A Council member requested clarifications on the idea of having regional hubs, expressing concern on their cost and additional overhead costs. A Council member requested details on the contribution of National Dialogues to policy coherence. Another Council member requested details on when the Knowledge Management and Learning Strategy will be presented to Council.

24. Several Council members requested the Secretariat to produce an annual information document on the activities under the CES, with details on the use of funds. A Council member requested the Secretariat to develop a Theory of Change to guide the CES and measure its impact.

25. The Secretariat welcomed the comments and questions, mentioning that all activities in the CES will be inclusive, that the Leadership Program will be open to indigenous communities, and that regional

distribution of activities is critical to the success of the CES. Also, it clarified that the Support for Country Delegations to Attend COPs to the Conventions will be primarily focused on middle and high middle-income recipient countries since they are not eligible anymore for the financial support from the Convention Secretariats.

26. The Secretariat welcomed the suggestion to produce a Theory of Change for the CES and committed to develop it.

27. The Secretariat stated that a document with the details on the regional hubs, or GEF Facilitators, a document on the Knowledge Management and Learning Strategy and a document on Policy Coherence will be presented to the 64<sup>th</sup> Council meeting. It also committed to produce an information document to the 65<sup>th</sup> Council meeting on the implementation of the CES including the details of how financial resources are being utilized and the impact generated by these resources.

**Agenda Item 06. GEF Small Grants Programme 2.0 Implementation Arrangements for GEF-8**

28. The Secretariat introduced the Implementation Arrangements for the Small Grants Programme for GEF-8, or SGP 2.0, which builds on four pillars: expansion of the SGP financing envelope, innovation in delivery models, diversification of Agencies, and optimization of SGP resources. The document also includes two new CSO Initiatives: the CSO Challenge Program and the Microfinance Initiative.

29. The Council appreciated the document, expressing their strong support for the SGP, highlighting the importance of the program to support communities with an increased focus on innovation, social inclusion and local private sector engagement.

30. Several Council members requested clarification on the SGP budget and the selection process of the two new Agencies. Council members also asked for additional details on the role of UNDP in the second tranche of the SGP 2.0. A Council member requested clarification on whether countries will be able to select which Agency they wish to work once the two new Agencies are selected.

31. Expressing support for the Challenge Program and the Microfinance Initiative, Council members requested additional details on the impact of those funds.

32. A Council member asked about the schedule to develop consultations and publish the SGP operationalization guidelines. Another Council member asked about plans to promote the integration between the IPs and the SGP.

33. Several Council members requested the Secretariat to engage and keep the Council informed on the overall progress of the SGP 2.0 implementation, including the selection of new Agencies.

34. The Secretariat commented that the SGP has a grant budget 72% of resources going towards communities, and a non-grant budget for Knowledge Management, capacity building and results which was capped. It further explained that implementation and execution fees are being combined to avoid duplication of fees going to Agencies instead to communities.

35. While continuing to deliver the SGP through UNDP in the first tranche, the Secretariat explained that it is preparing the Expression of Interest and Terms of Reference for the two additional new Agencies to come on board by the end of GEF-8; preparing operational guidelines and opening up the two new CSO initiatives with calls for proposals. It further clarified that UNDP will not have to submit an EOI, and that

countries will be able to select the Agency based on their needs and priorities. It confirmed that the oversight of the SGP 2.0 is moving from UNDP to the GEF Secretariat.

36. The Secretariat stated that the CSO initiatives are separate and in addition to the SGP core funding, which can be complemented by STAR resources, based on the country's decision. It also explained that the integration between the SGP and the IP is up to countries as to how to utilize their resources that are available to them.

***Agenda Item 07. Report on Lead Agency Selection Process for the Integrated Programs***

37. The Secretariat introduced the document, describing the steps taken to select Lead Agencies for the Integrated Programs, as well as the results of the selection process.

38. The Council welcomed the document, expressing their appreciation to the Secretariat and STAP for the thorough and transparent process to review and select the lead Agencies for the Integrated Programs.

39. Some Council members requested clarification on the selection process for the Clean and Healthy Oceans program, and how the five regional components of the Critical Forest Biomes program will be coordinated.

40. Council members requested the Secretariat to provide substantial information about the proposals of the selected Lead Agencies as well as details on the timeline for next steps with dates for countries to submit their Expression of Interest, dates for selection of countries to take part in each Integrated Program, and Agencies deadlines to submit the Program Framework Documents. In addition, the Council also requested the Secretariat to publish a document with the roles of the selected Lead Agencies and Co-Lead Agencies.

41. The Secretariat explained that no delays are being envisaged due to the lack of Lead Agency for the Clean and Healthy Ocean Integrated Program, and that the Critical Forest Biomes program will have five different Program Framework Documents, with a global coordination platform, proposed to be led by the Secretariat, based on lessons learned from previous cycles.

42. The Secretariat committed to the publication in early January 2023 of a timeline based on Council decisions for this document and the dates for the 64<sup>th</sup> Council meeting, which will include the launch of the Expressions of Interest call for countries to participate in the Integrated Programs. In addition, the Secretariat will publish an additional document summarizing the concepts for each Integrated Program and the roles of the Lead Agencies and any co-Lead Agencies to be also made available in early January 2023.

***Agenda Item 08. Review of the GEF Management Action Record (MAR)***

43. The GEF IEO presented the document focused on the reporting on actions taken in response to IEO evaluation recommendations, highlighting that despite management response to recommendations was significantly improved after the MAR reform, the GEF MAR system has some gaps including limited time, unclear articulation of level of agreement of each recommendation, lack of action plans with timelines for number of responses and lack of online platform to record and monitor implementation of recommendations.

44. The Secretariat appreciated the review, agreed to include preliminary timeframe for measures or actions into management responses, and welcomed the commitment by the IEO to specific actions to build partnership with Agencies. It mentioned that the process can benefit from more centralized approach.

45. Council members welcomed the IEO review and the Secretariat's response and encouraged them to continue improving the MAR process.

46. The Secretariat committed to provide updates on MAR progress to the Council every June.

47. The GEF IEO committed delivering evaluations four weeks before posting of Council documents to facilitate the timely preparation of management responses.

***Agenda Item 09. Evaluation of the Effects of the Covid-19 Pandemic on GEF Activities***

48. The GEF IEO presented the findings and recommendations of the Evaluation of the Effects of the Covid-19 Pandemic on GEF Activities, highlighting the challenges faced by projects and Agencies.

49. The Secretariat appreciated IEO report and its approach to assessing the GEFs efforts and process in addressing and mitigating the impact of COVID-19 on GEF operations, projects, and programs. It agreed with the three recommendations.

50. The Council welcomed the IEO report and the response by the Secretariat, highlighting the adaptive measures taken to adapt to the difficulties to convene stakeholders and mobilize co-financing. Lessons can be drawn in addressing risk and resilience, diversity livelihood options, among other for future projects.

***Agenda Item 11. Relations with Conventions and Other International Institutions***

51. The Co-chair introduced the item explaining that it included two sections: 1) Presentation by Executive Secretaries of the conventions that GEF serves; 2) Consideration of the report on Relation with Conventions and other International Organizations.

52. The Co-Chair invited five Executive Secretaries to speak: **Ms. Elizabeth Maruma Mrema**, Executive Secretary of the Convention on Biological Diversity (CDB); **Mr Rolph Payet**, Executive Secretary for the Basel, Rotterdam and Stockholm Conventions; and **Ms. Monika Stankiewicz**, Executive Secretary of the Minamata Convention.

53. **Elizabeth Mrema (CBD)** expressed her sincere appreciation for the historic GEF-8 replenishment and for the immense support it will provide to the Convention and its protocols, as well as more for the implementation of the post-2020 Global Biodiversity Framework after its adoption. She also expressed her appreciation for the early action grants that are already helping countries to prepare for the implementation of the Global Biodiversity Framework.

54. The Executive Secretary explained that the development of the Global Biodiversity Framework is being finalized, prior to the 15<sup>th</sup> meeting of the Conference of the Parties to CBD, the 10<sup>th</sup> meeting of the parties to the Biosafety Protocol and the 4<sup>th</sup> meeting of the parties to the Access and Benefit Sharing Protocol, from December 7 to 19 in Montreal, under China's presidency and hosted by the Government

of Canada. She mentioned that Canada and China led informal ministerial consultations on the post-2020 global biodiversity framework during the climate COP27 in Sharm el-Sheikh to guide negotiators.

55. She highlighted three issues to be discussed at the COP15:

- The global biodiversity framework itself and its monitoring framework.
- The resource mobilization strategy, including the possibility of additional fund or funds.
- Access and benefit sharing in relation to the digital sequencing information on genetic resources.

56. She noted that the framework needs to be ambitious, realistic, actionable and achievable, and include an enhanced review and monitoring framework, quantitative elements of targets and indicators that can be measured and with attention to resources and capacity building. She also stressed that many developing countries are calling for the establishment of a new fund or funds as part of the means of implementation for the global biodiversity framework. On the digital sequencing information, she mentioned that negotiations have progressed well and that some parties are advocating for a global multilateral benefit sharing mechanism linked to the global biodiversity fund operated by the GEF.

57. She stated that the successful conclusion and adoption of the Global Biodiversity Framework will be an important contribution from the Convention to the 7<sup>th</sup> Assembly of the GEF.

58. **Rolph Payet (Basel, Rotterdam, Stockholm Convention)** welcomed the opportunity to address the Council from the Intergovernmental Negotiating Committee on Plastic Pollution.

59. He stated that the Convention is having discussions with the GEF, the Agencies and other partners on how to leverage GEF resources to meet the deadlines for the elimination of PCBs under the Stockholm Convention. He also stressed that nine countries in the Caribbean had already met their obligations under the Convention for the elimination of PCBs, thanks to resources provided by the GEF, and that he hoped that more countries will be added to the list in the next four to five years.

60. The Executive Secretary explained that the global monitoring plan under the Stockholm Convention has identified positive trends in the elimination of POPs especially pesticides, industrial POPs and PCBs. Strategic partnerships and new and innovative sources of financing need to be explored.

61. He also expressed appreciation for the Integrated Programs (IPs) related to Chemicals, including the Plastic Pollution IP which will help address toxic chemicals listed in the Stockholm convention in plastics; and the Supply Chains IP, welcoming progress made in developing the framework for this program.

62. **Monika Stankiewicz (Minamata Convention)** thanked the Co-Chair, the CEO and the Council for the opportunity to make comments. She highlighted that the Minamata convention along with the Basel, Rotterdam and Stockholm Conventions were cited by many delegations at the Intergovernmental Negotiating Committee as having good elements to borrow for a new instrument on plastics.

63. As part of the work to ensure that the Convention is fully implemented, she mentioned that their strong national reporting facilitates compliance with over 90% rate of reporting by parties on progress in the implementation of the Convention and their reporting on results and the sharing of tools and information successfully applied in projects, welcoming further collaboration with the Secretariat and Agencies on Knowledge Management which should prioritize the sharing of results and outputs in a highly accessible and user-friendly way.

64. The Executive Secretary stated that their parties have launched the second review of the financial mechanism which will be considered at the 5<sup>th</sup> COP meeting, expecting that it will further shape their relationship with the GEF to continue to meet the needs of parties. She welcomed the Latin America trade project included in this work program, since more work is needed on the supply and trade of mercury, as well as the inclusion of Zimbabwe in the Planet Gold program as well as GEF's support to the implementation of national action plans for artisanal and small-scale gold mining.

65. She added that the Minamata convention is cross-cutting in nature as it has close links to other GEF focal areas, in particular biodiversity. She mentioned that the GEF can best meet the ambition of the IPs across all focal areas and across all Conventions, reiterating their commitment to contribute their knowledge on mercury to all IPs.

66. The Co-Chair invited **Mr. Ovais Sarmas**, Deputy Executive Secretary of the UN Framework Convention on Climate Change (UNFCCC); and **Ms. Andrea Meza Murillo**, Deputy Executive Secretary of UN Convention to Combat Desertification (UNCCD).

67. **Mr. Ovais Sarmas (UNFCCC)** provided an update on key outcomes of COP27, highlighting the relevance of those outcomes to the GEF. He mentioned that we have just seven years remaining to cut emissions by nearly half by 2030. The IPCC report published earlier this year confirmed that global emissions need to start the downward trajectory by 2025 to reach the Paris Agreement target. That context is extremely important for all of us.

68. He mentioned that the Sharm el-Sheikh implementation plan gives the right political signals that phasing down all fossil fuels is happening, but the pace of that needs to be scaled up tremendously. He also stressed that, for the first time, parties have determined the way forward on loss and damage, providing one pillar of the response required for those communities whose lives and livelihoods have been ruined by the impacts of climate change.

69. He added that finance is the key to translate plans into action, and that parties have requested the GEF to maximize the global environmental benefits with its IPs, and to scale-up and expedite financial and technical support for the enhanced transparency framework under the Paris Agreement. The role of GEF as an operating entity of the financial mechanism of the Convention and the Paris Agreement is now more crucial than ever, both in mitigation and adaptation.

70. He congratulated the GEF on the mobilization of \$35 million for the SCCF and \$70 million for the LDCF.

71. **Ms. Andrea Meza Murillo (UNCCD)** expressed her appreciation for the historical GEF-8 replenishment, saying that it sets the right conditions to implement and accelerate action to achieve system change. She stressed that the GEF plays a critical part in this transformational change.

72. She stressed that solutions that have multiple benefits need to be implemented, and this is investing in land makes sense. We know that up to 40% of land is degraded right now. And if we continue with the current trends in 2050 an area the size of South America will be also degraded. If the current land degradation trend continues, it will imply destroying ecosystems, put water and food security at risk. Drought is often the result of poor land managements. Investments in this GEF cycle will determine our trajectory to become net zero emissions and nature positive and resilient society. She highlighted that it is critical to address the land problem through the right mix of conservation, sustainable use and



restoration measures, which are good for biodiversity loss as well as for the economy. For each dollar invested in restoring degraded land, the returns are between 7 to 30 dollars in benefits. UNCCD is committed to make every GEF-8 dollar make the biggest possible impact. The global mechanism is already helping parties with specific technical studies to complement the project preparation and development.

73. She mentioned that the launch of the International Drought Resilience Alliance demonstrates the political engagement around the land degradation agenda, acknowledging and expressing appreciation to Spain and Senegal for their leadership at COP27 and the 50 countries and agencies that joined the alliance. She further emphasized that GEF investments can really make a difference in this area, the importance of investments in synergies and the use of data and land use planning.

74. On the second item, the report on Relations with Conventions and Other International Organizations, the Council appreciated the report.

**Agenda Item 12. *Third Party Review of Agency Compliance with GEF Minimum Standards***

75. The Secretariat introduced the report of the independent third-party review of compliance by all GEF Agencies with the GEF minimum standards, which determined that 11 of the 18 GEF Agencies are fully compliant with all minimum standards, and three Agencies were still in the process of assembling necessary supporting material for the Minimum Fiduciary Standards. The document also presented the results of the UNDP self-assessment.

76. The Council expressed their satisfaction with the level of compliance with GEF standards on Environmental and Social Safeguards, Gender Equality and Stakeholders Engagement, while also raising concerns that some Agencies are not in compliance. The Council requested the Secretariat to follow up with those Agencies that are not yet fully compliant with the minimum standards.

77. The Council appreciated the efforts made by UNDP to ensure compliance across all its systems and requested to maintain the added oversight until the next UNDP self-assessment.

78. The Secretariat explained that Agencies that are not yet fully compliant had to introduce new policies that that must be approved by their governing boards. The Secretariat will report back to Council when the Actions Plans from Agencies are received.

**Agenda Item 13. *Proposed framework for GEF's role in a financial mechanism for the internationally legally binding instrument under negotiation under the United Nations Convention on the Law of the Sea on the Conservation and Sustainable use of Marine Biological Diversity of Areas Beyond National Jurisdiction (BBNJ)***

79. The Secretariat presented the item, explaining the process being held to adopt an international legally binding instrument under the United Nations Convention on the Law of the Sea on the conservation and sustainable use of marine biological diversity of areas beyond national jurisdiction (BBNJ). In this context, it further explained that the GEF may express willingness to support the BBNJ instrument as part of GEF-8 International Waters Focal Area Strategy.

80. Ms. Rena Lee, president of the Intergovernmental Conference (IGC), thanked the Co-Chair and the Secretariat for the opportunity to update the Council on the negotiations of a BBNJ agreement. She explained that in late February and early March, the 5<sup>th</sup> Session of the IGC is expected to have a discussion on the financial mechanism, and the GEF Trust Fund is intended to be one of the components of funding under the draft agreement. The member states have largely been supportive of the inclusion of the GEF in the draft agreement. She added that the mandate from the UN General Assembly is to include four

elements of the agreement, specifically marine genetic resources and the sharing of benefits, area-based management tools including marine protected areas, environmental impact assessments and capacity building and transfer of marine technology. Institutional arrangements will be added as part of this package, which will be under consideration by the delegations. We will keep the lines of communication with the GEF Secretariat open, to ensure that the language that forms part of this package is language that member states and the GEF can work with for the GEF to be part of the financing arrangements for the agreement.

81. Council members Council Members expressed their support for the GEF to become one of the financial mechanisms for BBNJ and mentioned that the GEF could mobilize funds for early implementation and national ratification, once BBNJ negotiations conclude. They further expressed interest in the development of a BBNJ strategy incorporating guidance from the future of BBNJ COP.

82. Some Council members requested advice from the Secretariat on how to operationalize support for the BBNJ Agreement and welcomed continuing discussions once the BBNJ negotiations conclude.

83. Ms. Lee thanked the Council for the support expressed for the inclusion of the GEF as part of the financing arrangements for the draft BBNJ Agreement, which will be conveyed to all negotiating parties.

84. On the operationalization and strategy development, the Secretariat explained that an iterative process with the BBNJ negotiating body will take place once the negotiations conclude, to have more details on what the instrument would expect the GEF to do, to be translated into the initial guidance. A strategy would have to be developed, which could be part of the GEF-9 replenishment package. It added that a more detailed roadmap will be provided after the conclusion of the negotiations for subsequent Council decision.

**Agenda Item 14. Amendments to the Instrument of the Establishment of the restructured GEF**

85. The Secretariat introduced the item, thanking the Ad Hoc Working Group on Governance for their work in reviewing the Instrument to bring it up to date to the current operations and work of the GEF. It explained that the proposed amendments include removing reference to Agenda 21 since it has been superseded by Agenda 2030 for Sustainable Development, including a section on the Independent Evaluation Office that is not a part of the Secretariat, a paragraph on the Council's co-chairing arrangements, and differentiating the roles of the 15 Council accredited Agencies to the three Implementing Agencies stated in the Instrument.

86. Council members expressed appreciation for the explanations and supported the amendments and updates to be recommended by the Council to the Assembly, thanking the Ad Hoc Working Group on Governance for their leadership and work to review the Instrument.

87. One Council member requested clarifications on how the amendments will be implemented and its implications on policies to be updated, and another Council raised a question related to the possible amendments to include the BBNJ activities under the GEF before the next Assembly.

88. The Secretariat explained that once the Assembly has adopted the amendments, the governing bodies of the Implementing Agencies have to ratify the decisions for the updated Instrument to come into force. It further stated that there is the possibility of bringing up amendments at every Assembly, in case the negotiations of the BBNJ Agreement are not finalized in time for the next Assembly.

89. Regarding additional policies and procedures to be updated once these amendments have been adopted and ratified, the Secretariat explained that the Working Group on Governance requested to update the Rules of Procedure for the Council, which depend on the Instrument. Changes to the Rules of Procedure for the Council will be presented at the 65<sup>th</sup> meeting.

**Agenda Item 15. GEF Blended Finance Global Program and NGI Policy Update**

90. The Secretariat introduced the document which included a summary of the history of the GEF Non-Grant Instrument (NGI), learnings from experience in previous cycles, the proposed GEF-8 Blended Finance Program and proposed NGI Policy updates.

91. The Council expressed its support for the NGI and Blended Finance program and proposed updates. It further welcomed the updates to the policies, appreciated the enhanced partnerships with MDBs and the increased focus on SIDS and LDCs.

92. Several Council members requested clarification on the timeline to publish the guidelines under the GEF Blended Finance Global program, and additional information on risk and Political Risk Insurance.

93. Several Council members expressed concerns on the OFPs' lack of information regarding GEF investments to the private sector in their countries and requested the Secretariat to communicate the state of all Expression of Interest under the NGI window to OPFs early in the process and during development of the project for information only.

94. The Secretariat explained that guidelines under the GEF Blended Finance Global program will be available by the end of 2023. It further clarified that GEF Agencies are requested to inform OFPs during project submittal and monitoring, but additional procedures on this issue needs to be provided and will be included in the guidelines. Agreeing on the importance for governments to be informed about NGI investments, the Secretariat committed to share with OFPs proposals that move forward after the call for proposals which are ready for GEF investment.

95. The Secretariat confirmed that work with STAP is underway to present a GEF-8 risk framework at the 64<sup>th</sup> Council meeting, as decided by the Council in June 2020, and that a comprehensive discussion on risks of different types of investment should be part of that GEF wide document. It further committed to revising the language of political risk insurance.

**Agenda Item 16. Note on the organization of the GEF 7<sup>th</sup> Assembly**

96. The Chair invited the Council member from Canada to provide an update on the organization of the 7<sup>th</sup> Assembly.

97. The Council member from Canada mentioned that the Assembly will bring the GEF family to Vancouver, to discuss what will happen in Montreal at COP15, reflect on what happened at COP27, among other issues. He mentioned that the preparations are going very well, and once the venue is confirmed, the Minister will be invited to join the Assembly. He expressed that exact dates and venue will be confirmed in the coming week, and that he hoped to welcome the GEF in August 2023 in Canada.

**Agenda Item 17. Report of the Selection and Review Committee**

98. This item was discussed in Executive Session.

**Progress Report on the GEF Gender Implementation Strategy**

99. The Secretariat provided an update on the Progress Report on the GEF Gender Implementation Strategy, mentioning that the Gender Equality policy has allowed to put gender equality at the center of the outcomes that the GEF wants to achieve, as part of the broader social inclusion efforts.

100. The Secretariat further explained that it will undertake a gap analysis of social inclusion policies and guidelines, for consideration at the 64<sup>th</sup> Council meeting, which will pay special attention to people marginalized by virtue of their sexual orientation, or gender identity and provisions to protecting the rights of LGBTIQ+ communities and youth as effective agent makers. The analysis is expected to provide guidance for more gender responsive cross-cutting consideration in all GEF-8 program areas and IPs. The Secretariat is reconvening the GEF Gender Partnership at the CBD COP15, inviting Council members who will be there to join.

101. Several Council members welcomed the report, highlighting the positive trends towards incorporating gender equality and women's empowerment. Some Council members emphasized the importance of undertaking gender analysis and to include sex disaggregated data, and supported the efforts to focus on LGBTIQ+, youth and persons with disabilities; and embraced the plans to engage in the Conventions work and to collaborate with the Conventions gender focal points.

102. One Council member requested clarification on whether the work on gender equality could be even stronger embedded in the human rights-based approach, since it strengthens the national ownership of gender, equality issues and the sustainability of projects at local or national level. Another Council member asked about the Secretariat's efforts to ensure that the gender sensitive indicators in the project planning phase is maintained until the end of the project cycle. One Council member encouraged the Secretariat to look into the possible benefits of having an informal Working Group on Gender to exchange on new developments in the context of the gap analysis and portfolio trends and to ensure coherence with international processes under the Conventions. One Council member highlighted the importance of gender equality in the Secretariat as well as the highest decision-making levels. One Council member welcomed the inclusion of reports of this kind as a specific agenda item rather than under Other Business, for Council discussion even if not for decision-making.

103. The Secretariat welcomed comments by Council members, saying that it will assess the relevance and connection to the human rights-based approach. The Secretariat mentioned that efforts are being made on collaboration and complementarities with the Conventions, all of which have gender action plans. On the GEF Gender Partnership, the Secretariat explained that it is developing terms of reference and a two-year work program, specific activities and some timelines and deliverables to be discussed with the partnership. The Secretariat mentioned that the disaggregation by sex, age and disability may be considered in the review of templates and guidance documents, highlighting that some projects are already including this information. It also stressed that all MTRs and TEs require reporting on the gender action plans. The Secretariat took note of the Council's suggestion for gender to be included as a specific agenda item for every meeting.

**Private Sector Engagement Implementation Plan**

104. The Secretariat introduced the two-year Implementation Plan, which takes into account activities in the first half of GEF-8 and sets out the scope for private sector engagement for the period July 1, 2022 to June 30, 2024. It explained that the Implementation Plan is founded on the principles of agile delivery,

collaborative approaches with GEF Agencies and stakeholders, optimal resource allocation and efficient processes in support of the Private Sector Engagement Strategy vision, building on the learnings and recommendations from the GEF-7 cycle, IEO recommendations and STAP reports, and supporting the integrated approach in the GEF-8 Strategy. It also provided an update on the annual report of private sector engagement.

105. The Council appreciated the presentation, noting the increase in private sector engagement, the levels of co-financing achieved for multi-stakeholder platforms and the level of women-led private sector networks.

106. Some Council members raised concerns about the lack of representation of insurance providers as well as the limited participation of retailers in the portfolio.

107. A Council member proposed to add a category on women's private sector entities to the annual reporting framework. Another Council member stressed the importance of getting better metrics on private sector engagement, including geographic, allocation of dollars invested, share of investments across the GEF implementing partners, among others.

108. A Council member suggested to have a discussion on the co-financing modalities at the 65<sup>th</sup> meeting. Another Council member requested to have all issues related to private sector to be covered under an agenda item to keep Council members informed, instead including updates under Other Business.

109. The Secretariat welcomed comments and guidance from Council members, explaining that more work needs to be done to address the gap in retailers, and advice on this will be sought from the Agency Private Sector Working Group. On the information gathered through the annual reports, the Secretariat agreed to define within the existing datasets, the types of geographic allocations, the financial models and the impacts across focal areas, which will be presented in the next annual report at the 65<sup>th</sup> meeting, to also include progress with insurance companies.

### **Child Protection Policy**

110. The Secretariat introduced the issue, explaining that through the Environmental and Social Safeguards policy and minimum standards provide a comprehensive framework which incorporates international standards with regards to screening or assessing processes to prevent child labor, harassment, intimidation and exploitation as well as special needs and exposure of disadvantage vulnerable groups or individuals including, women and children. It further explained that requests from Council members have been received to look into this area and work is ongoing to know how Agencies are addressing child protection. The Secretariat offered to include work on Child Protection in the gap analysis which is leading to review Environmental and Social Safeguards, Gender Equality, Stakeholder Engagement and other policies that could address issues such as human rights and can be expanded to review to Child Protection.

111. A Council member thanked the Secretariat for the update, mentioning that child protection is an important issue to pursue to ensure that the GEF has a high level of integrity. It also thanked for the explanation of the range of coverage of the social protections already in place with the GEF and welcomed the proposal for child protection to be considered as part of the broader gap analysis to address potential gaps, offering to support the Secretariat by providing examples of how Child Protection policies and approaches are being applied.

### **Reorganization of the Secretariat**

112. The Secretariat provided an update on the reorganization of the Secretariat, mentioning that it is going through the transition of reopening the office in a hybrid work modality. It also explained that the passing on the Programs Director and the retirement of the Director of Policy Partnerships and Operations left the Secretariat without both directors, but until the review of the operational structures and the processes and procedures is completed, there are no plans to replace them. The proposals that will come out of this review process will be presented at the Assembly. It also explained that during the first half of 2023, work will be focused on three topics:

113. The rollout and implementation of GEF-8 to ensure the strong delivery of the first 2 work programs for the cycle, the selection of innovative MSPs, the operationalization and implementation of SGP 2.0 and the full implementation of OPS7 recommendations.

114. The improvement of the active portfolio, with a particularly focus on GEF-7, as well as the review of the Agency performance assessments and any follow-up actions from the Third Party Reviews and an increase the focus on MTR and Terminal Evaluations.

115. The enhance efficiency and effectiveness of the operational management due to the increased demands in GEF-8, and the expansion and the decentralization of the Secretariat in the context of increased corporate budget and a much larger portfolio.

116. The Secretariat further explained that it is discussing administrative matters with the World Bank, due to the increase of almost 300% for the services provided to the Secretariat and the proposal to move the office into the main World Bank building.

117. The Council appreciated the update, mentioning the current efficient staff and hoping that the reforms and potential for effectiveness and efficiency gains.

118. Several Council asked to be kept informed of negotiations with the World Bank and offered their help in reaching out to colleagues at the World Bank.

119. The Secretariat said it will be grateful for the opportunity to update Council on administrative and operational elements at every meeting. It further explained that there is a need to do a deep analysis on policies and procedures to provide data and information about how the GEF operates and to shorten and simplify the process without losing the quality of the projects. The Secretariat committed to reporting to Council on this process.

#### **Other issues**

120. The Council approved a new member of the GEF Ethics Committee. The Council also approved the date for its 64<sup>th</sup> Meeting, to be held in person.

