BACKGROUND NOTE

Policy Coherence and Whole-of-Government Approaches

OVERVIEW

Policy coherence is the systematic alignment of mutually reinforcing policy actions across government departments and agencies, creating synergies toward shared objectives. By aligning policies, institutions, and incentives, policy coherence can help countries to manage trade-offs and integrate environmental priorities into national development planning, resource mobilization, and decision-making.

When government ministries, departments, and public agencies work together through a whole-of-government approach, then policies, governance systems, and institutions support, rather than constrain, environmental action. Such an approach can enhance the effectiveness, durability, and scale of environmental investments and the global environmental benefits they generate. Policy coherence and the whole-of-government approach are also critical for narrowing the nature finance gap by aligning public and private resources and maximizing resources towards lasting environmental objectives.

HOW THE GEF SUPPORTS POLICY COHERENCE AND WHOLE-OF-GOVERNMENT APPROACHES

The GEF promotes policy coherence and whole-of-government approaches through multiple entry points, grounded in country contexts and aligned with national governance conditions.

PROGRAMMING

A dedicated GEF portfolio may advance policy coherence objectives in diverse contexts. The principle is also increasingly mainstreamed across GEF programming, particularly Integrated Programs.

COUNTRY ENGAGEMENT

Establishment and strengthening of GEF National Steering Committees and participation in country platforms brings together line ministries, stakeholders, and development partners for cross-sectoral coordination and participatory decision-making.

TOOLS AND RESOURCES

Through practical guidance and technical support, the GEF helps integrate policy coherence elements within programming and develop approaches to assess and track progress.

KNOWLEDGE AND LEARNING

The GEF continues to capture and disseminate lessons and good practices to support replication and upscaling, and inform future efforts to advance policy coherence and the whole-of-government approach.

PRACTICAL GEF EXAMPLES

Policy Coherence for Global Environmental Benefits *(GEF ID 12073)*

The GEF's first dedicated project on policy coherence supports members of legislature in Colombia, Mongolia, and Zambia to identify misalignments and promote coherent legal frameworks for biodiversity across government and align financial resources.

Accelerating Rapid Transition of Subsidies and Incentives *(GEF ID 10920)*

This initiative establishes a grant mechanism and pilots selected projects to support subsidy reform and enhance policy coherence to address impacts on biodiversity and climate change in the agriculture, forestry, and fisheries sectors.

GEF National Steering Committee (NSC) – Grenada

The GEF NSC in Grenada was established in 2025 and serves as the primary coordination mechanism for strategic programming, effective implementation, and optimal utilization of GEF resources. It also supports the alignment of GEF investments with Grenada's National Sustainable Development Plan and environmental priorities.

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CONSIDERATIONS FOR EMBEDDING POLICY COHERENCE IN GEF PROGRAMMING

Policy coherence is not a standalone activity but a foundational, cross-cutting priority to be systematically embedded within and across GEF programming.

- Embed elements of policy coherence throughout the project cycle – from design and planning to implementation and monitoring.
- Identify strategic entry points for greater coherence, through an assessment of the policy and institutional landscape within which the project will be implemented.
- Align objectives, roles, and expectations across institutions and sectors as early as possible, creating a robust foundation for coordinated decisions and actions.
- Leverage and strengthen existing inter-ministerial platforms, steering committees, and other coordination mechanisms, where feasible.
- Engage relevant stakeholders throughout the project cycle, utilizing stakeholder mapping and diagnostic tools to identify and meaningfully engage ministries of finance, planning and sectoral ministries, subnational authorities, and other key stakeholders.
- Demonstrate cross-sectoral co-benefits while recognizing potential trade-offs and conflicting incentives.
- Translate policy commitments into practical actions at sub-national and local levels through mechanisms such as incentives, implementation arrangements, and budget allocations.
- Strengthen institutional and governance capacities and systems that can facilitate cross-sectoral coordination, support whole-of-government approaches, and promote long-term policy alignment.
- Monitor progress toward policy alignment and institutional shifts through periodic reviews.
- Track project specific indicators on policy coherence such as functioning coordination mechanisms, policy and regulatory reforms, budget alignments, and reduced contradictory incentives to complement the GEF Results Management Framework.
- Document lessons, generate evidence, and share experiences to support replication and scaling.
- Be pragmatic – focus on the most critical misalignments rather than attempting to address all challenges within a single project.