



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

www.theGEF.org

The GEF-7 System of Transparent Allocation of Resources (STAR)

GEF Expanded Constituency Workshop (ECW)
St Lucia
2019

Background

- The mechanism by which GEF resources are allocated to countries in three focal areas – Biodiversity, Climate Change, and Land Degradation
- STAR aims to allocate scarce GEF resources in order to:
 - maximize impact on the global environment
 - promote sound environmental policies and practices
 - meet Convention requirements
 - match country-driven priorities



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

Calculating STAR Allocations

1

- Available Focal Area Funds

2

- Calculate “Country Scores”

3

- Calculate Preliminary Country Allocations

4

- Adjust for Floors and Ceilings

5

- Obtain Final Allocations

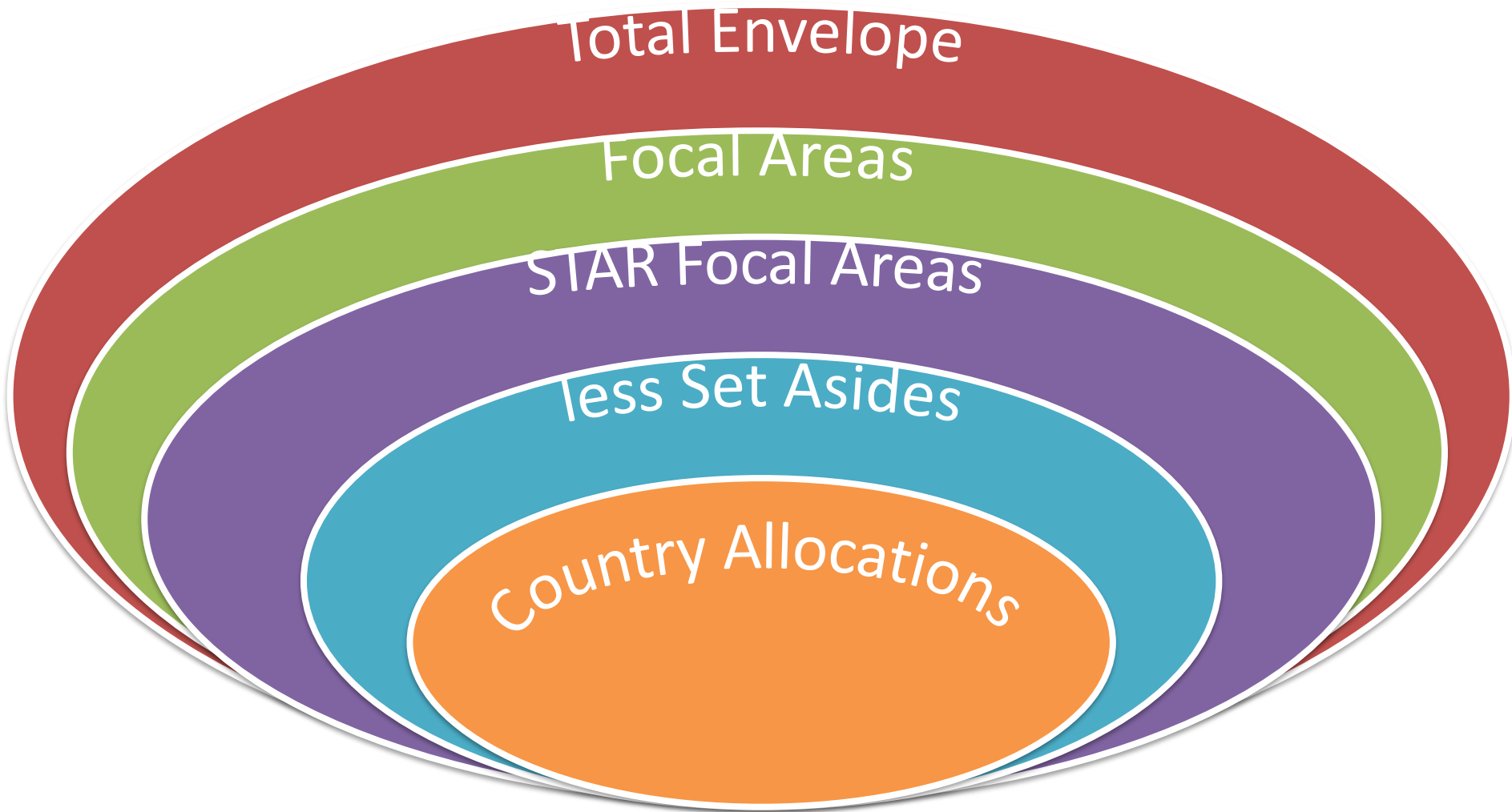
6

- Determine post-allocation Flexibilities



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

Available Focal Area Funds



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

Calculating STAR Allocations

1

- Determine Available Focal Area Funds

2

- Calculate “Country Scores”

3

- Calculate Preliminary Country Allocations

4

- Adjust for Floors and Ceilings

5

- Obtain Final Allocations

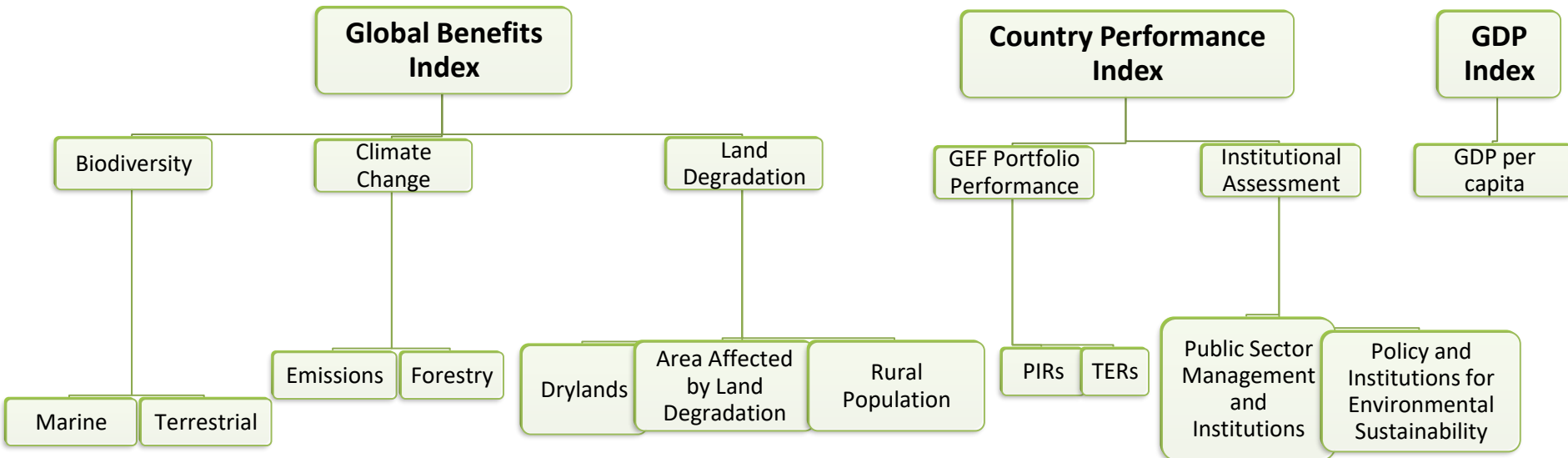
6

- Determine post-allocation Flexibilities



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

The STAR Indices



$$\text{Country Score} = \text{GBI}^{0.8} \text{CPI}^{1.0} \text{GDP}^{-0.12}$$



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

Calculating STAR Allocations

1

- Determine Available Focal Area Funds

2

- Calculate “Country Scores”

3

- Calculate Preliminary Country Allocations

4

- Adjust for Floors and Ceilings

5

- Obtain Final Allocations

6

- Determine post-allocation Flexibilities



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

Preliminary Country Allocations

- **Country Share** =
Country Score / Sum of Country Scores
for all eligible countries
- Preliminary Allocation =
Country Share * Available Focal Area
Funds



Calculating STAR Allocations

1

- Determine Available Focal Area Funds

2

- Calculate “Country Scores”

3

- Calculate Preliminary Country Allocations

4

- Adjust for Floors and Ceilings

5

- Obtain Final Allocations

6

- Determine post-allocation Flexibilities



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

Floors and Ceilings

Focal Area	Floor for LDCs (US\$ million)	Floor for non-LDCs (US\$ million)	Ceiling %	Ceilings (US\$ million)
Climate Change	1.5	1	10%	80.15
Biodiversity	3	2	10%	129.20
Land Degradation	1.5	1	10%	47.52
TOTAL	6	4		



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

Calculating STAR Allocations

1

- Determine Available Focal Area Funds

2

- Calculate “Country Scores”

3

- Calculate Preliminary Country Allocations

4

- Adjust for Floors and Ceilings

5

- Obtain Final Allocations

6

- Determine post-allocation Flexibilities



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

Final Allocations

- Adjustments for floors and ceilings mean there is a surplus or deficit relative to the preliminary allocation
- This is then allocated among countries using the country scores
- Process iterates until the full amount has been allocated among countries



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

Calculating STAR Allocations

1

- Determine Available Focal Area Funds

2

- Calculate “Country Scores”

3

- Calculate Preliminary Country Allocations

4

- Adjust for Floors and Ceilings

5

- Obtain Final Allocations

6

- Determine post-allocation Flexibilities



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

Flexibilities and Marginal Adjustments

- Flexibilities relate to the utilization of GEF resources.

If total STAR allocation is...	Allowed Marginal Adjustment is:
...less or equal to \$7 million	Unlimited (“fully flexible”)
...larger than \$7 million	\$2 million or up to 13% of their total STAR allocations.

Approximate Calculation: Trinidad and Tobago

	<i>BIODIVERSITY</i>	<i>CLIMATE CHANGE</i>	<i>LAND DEGRADATION</i>
<i>GBI</i>	0.15	0.09	0.31
<i>CPI</i>	4.01		
<i>GDPI</i>	17321.88		
<i>COUNTRY SCORE (GBI^{0.8} CPI^{1.0} GDP^{-0.08})</i>	0.27	0.19	0.48
<i>SUM OF COUNTRY SCORES</i>	125.22	98.44	136.95
<i>COUNTRY SHARE</i>	0.0022	0.0019	0.0035
<i>FOCAL AREA ALLOCATION</i>	1031.25	511.00	354.06
<i>PRELIMINARY COUNTRY ALLOCATION</i>	2.23	0.97	1.25
<i>FINAL COUNTRY ALLOCATION</i>	2.07	1.05	1.16
TOTAL ALLOCATION = 4.27 MILLION (FULLY FLEXIBLE COUNTRY)			



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

Country	Climate Change	Biodiversity	Land degradation	Total
Antigua & Barbuda	1.00	2.00	1.00	4.00
Bahamas	1.00	4.76	1.22	6.98
Barbados	1.00	2.00	1.00	4.00
Belize	1.00	2.60	1.00	4.60
Cuba	1.86	9.26	1.00	12.12
Dominica	1.00	2.00	1.00	4.00
Dominican Rep.	1.00	4.98	1.00	6.98
Grenada	1.00	2.00	1.00	4.00
Guyana	1.00	2.96	1.00	4.96
Haiti	1.50	5.70	1.50	8.70
Jamaica	1.00	4.12	1.84	6.96
St Kitts & Nevis	1.00	2.00	1.00	4.00
St Lucia	1.00	2.00	1.00	4.00
St Vincent & Grenadines	1.00	2.00	1.00	4.00
Suriname	1.00	2.00	1.00	4.00
Trinidad & Tobago	1.05	2.07	1.16	4.27

Question 1

Country A has the following STAR allocations:

Biodiversity = \$4 million

Climate Change = \$4 million

Land Degradation = \$2 million

- (a) Does this country have full flexibility in the use of its resources? Why, or why not?
- (b) Is this country allowed any marginal adjustment across focal areas? If so, how much?



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

Question 2

Country B has the following STAR allocations:

Biodiversity = \$2 million

Climate Change = \$2 million

Land Degradation = \$1 million

- (a) Does this country have full flexibility in the use of its resources? Why, or why not?
- (b) Is this country allowed any marginal adjustment across focal areas? If so, how much?



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

Thank You



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET