



# **Minimum Fiduciary Standards For GEF Partner Agencies**

GEF Introduction Seminar 2020  
Washington DC

# Minimum requirements all 18 GEF Partner Agencies must meet to receive GEF funds



## Purpose of GEF Minimum Fiduciary Standards

To strengthen financial and programmatic accountability of the GEF

**How:** By requiring that all GEF Partner Agencies meet the agreed minimum fiduciary standards in the Council-approved Policy on Minimum Fiduciary Standards for GEF Partner Agencies (GEF/C.57/04/Rev.02)

**Who decides:** Standards are set by GEF Council. As international practices evolve over time, Council periodically reviews and updates (latest update approved December 2019)

# Core Principles

- **Professional standards:** Fiduciary management functions (for all categories) are undertaken based on published guidelines by the GEF Partner Agency which take into account internationally recognized professional standards and principles.
- **Independence:** Fiduciary review functions are appropriately independent and objective in the execution of their respective duties.
- **Transparency:** To ensure both accountability and remedial action, the results of reviews are disclosed to the fullest extent possible, taking into account confidentiality and other concerns as appropriate.
- **Monitoring and response:** Procedures are in place that establish periodic monitoring so that issues raised in reviews are dealt with effectively.
- **Value-for-money provisions:** Procedures focus, as appropriate, on ensuring that the maximum benefit, for the resources expended, has been obtained from goods and services acquired or provided.

# Updated Minimum Fiduciary Standards

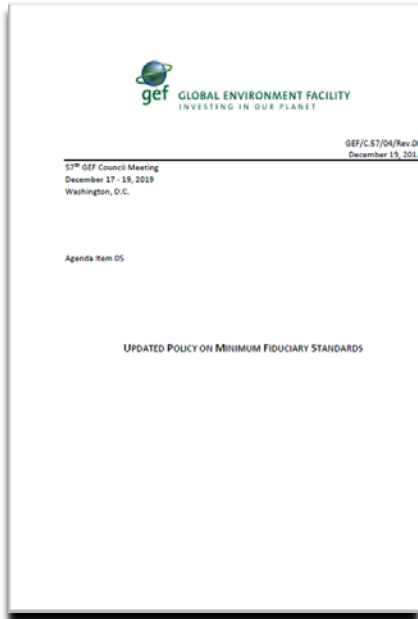
## I. Project Activity Processes and Oversight Criteria

- Project Appraisal Standards
- Procurement Processes
- Monitoring and Project-at-risk Systems
- Project Completion and Financial Closure
- Evaluation Function

## II. Governance Framework Criteria

- External Financial Audit
- Financial Management and Control Frameworks
- Oversight of Executing Entities
- Financial Disclosure/Conflict of Interest
- Code of Ethics/Conduct
- Internal Audit
- Investigation Function
- Hotline and Whistleblower Protection
- Anti-Money Laundering and Combating the Financing of Terrorism

# Standard I.2 Procurement Processes



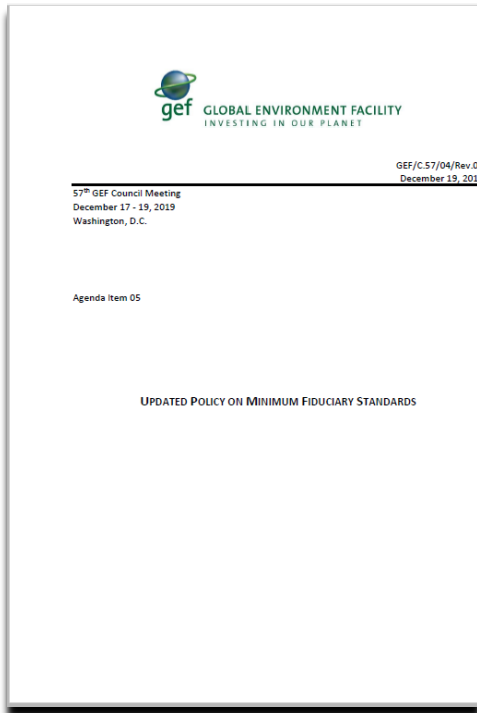
**“GEF Partner Agency procurement processes covering both internal/administrative procurement and procurement by recipients of funds include written standards based on widely recognized processes and an internal control framework to protect against fraudulent and corrupt practices (using widely recognized definitions such as those agreed by the International Financial Institutions Anti-Corruption Task Force) and waste.”**

(additional detail in Policy Annex B1)

GEF Updated Policy on Minimum Fiduciary Standards:

<https://www.thegef.org/council-meeting-documents/updated-policy-minimum-fiduciary-standards>

# Standard II.2 Financial Management and Control Frameworks



**“An internal control framework is a risk-based process designed to provide reasonable assurance and feedback to management regarding the achievement of objectives in:**

- **Effectiveness and efficiency of operations**
- **Reliability of financial reporting and financial management frameworks**
- **Compliance with applicable policies and procedures.”**

(additional detail in Policy Annex B1)

GEF Updated Policy on Minimum Fiduciary Standards:

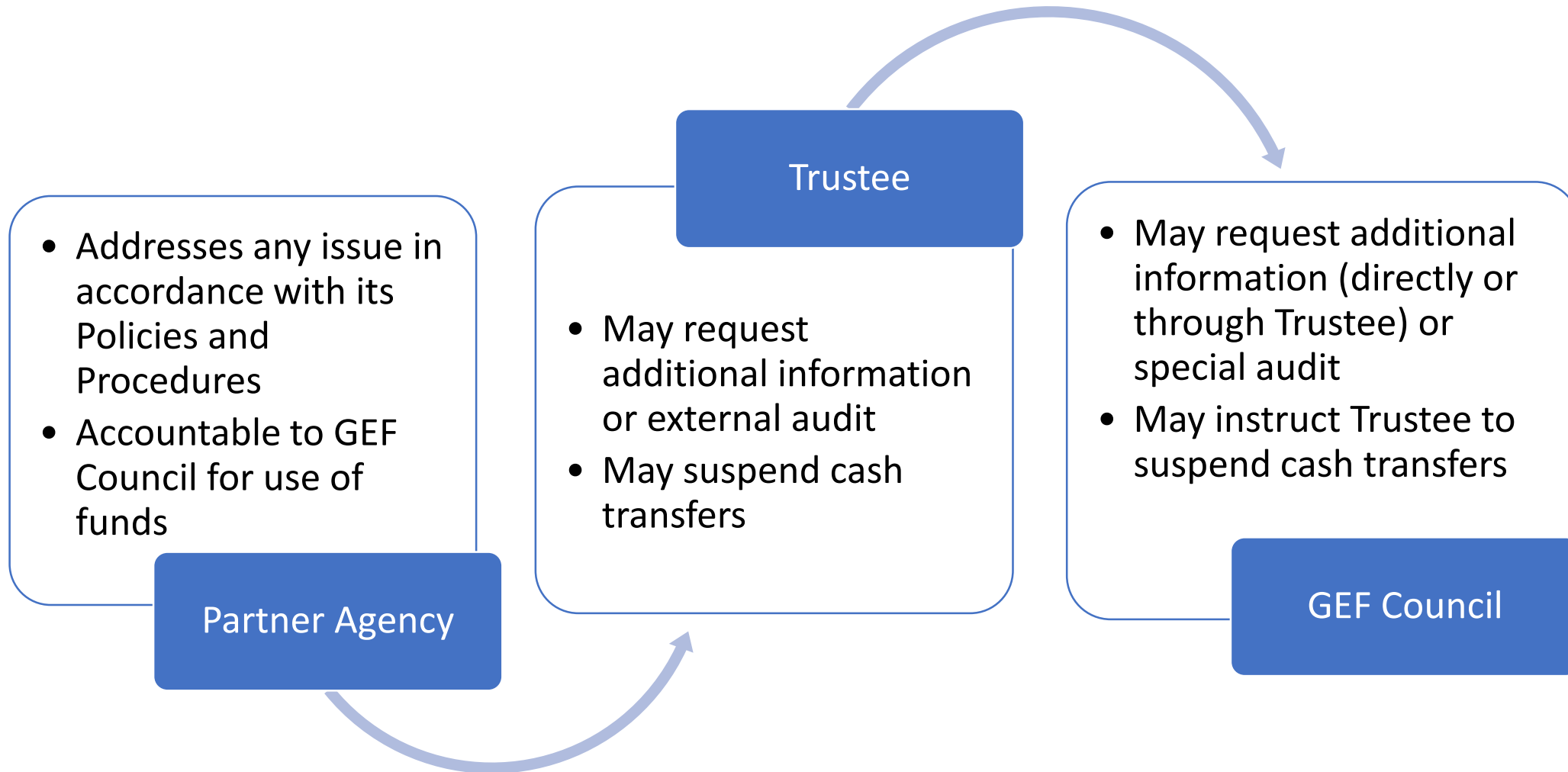
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# Roles of Partner Agencies and Executing Agencies



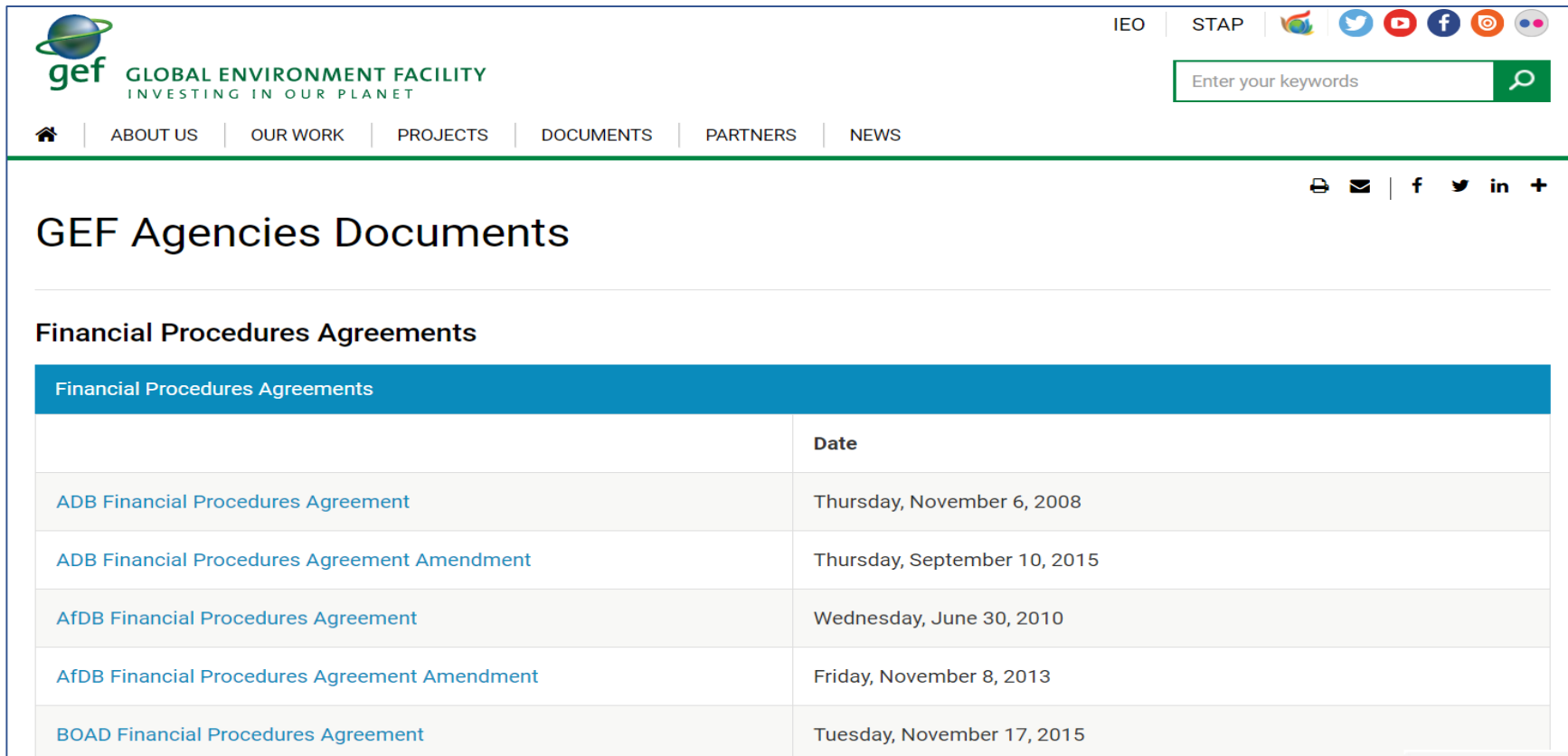


# Special Cases: Reporting Misuse of Funds



## GEF Updated Policy on Minimum Fiduciary Standards

- December 2019 Council Document
- Detailed legal agreements setting out obligations of the Partner Agencies
- <https://www.thegef.org/council-meeting-documents/updated-policy-minimum-fiduciary-standards>



The screenshot shows the GEF website's 'Financial Procedures Agreements' page. The header includes the GEF logo, navigation links (ABOUT US, OUR WORK, PROJECTS, DOCUMENTS, PARTNERS, NEWS), and a search bar. The main content area is titled 'Financial Procedures Agreements' and contains a table with the following data:

	Date
<a href="#">ADB Financial Procedures Agreement</a>	Thursday, November 6, 2008
<a href="#">ADB Financial Procedures Agreement Amendment</a>	Thursday, September 10, 2015
<a href="#">AfDB Financial Procedures Agreement</a>	Wednesday, June 30, 2010
<a href="#">AfDB Financial Procedures Agreement Amendment</a>	Friday, November 8, 2013
<a href="#">BOAD Financial Procedures Agreement</a>	Tuesday, November 17, 2015

Sources for  
Additional  
Information



GLOBAL ENVIRONMENT FACILITY  
INVESTING IN OUR PLANET

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