



CELEBRATING TWENTY YEARS

GLOBAL ENVIRONMENT FACILITY

INVESTING IN OUR PLANET

THE **AZ** TO OF THE GEF

A GUIDE TO THE GLOBAL ENVIRONMENT FACILITY

**FOR CIVIL SOCIETY
ORGANIZATIONS**



Table of Contents

Foreword	3		
List of Acronyms	5		
The Global Environment Facility	7	GEF Projects and Programs	43
<i>The Impact of the GEF</i>	8	<i>How to Access the GEF Funding</i>	44
<i>The Structure of the GEF</i>	10	<i>Step-by-Step Process for Projects</i>	45
<i>The Assembly</i>	10	<i>Full-sized Projects</i>	45
<i>The Council</i>	10	<i>Project Preparation Grants</i>	48
<i>The Secretariat</i>	11	<i>Medium-sized Projects</i>	48
<i>The GEF Trustee</i>	12	<i>Step-by-Step Process for Programs</i>	50
<i>The GEF Agencies</i>	13	<i>Incremental Costs</i>	52
<i>The Scientific and Technical Advisory Panel</i>	14		
<i>The Evaluation Office</i>	14	Enhancing Partnerships with CSOs	55
<i>GEF Focal Points</i>	15	<i>CSO Partnership in GEF-funded Projects</i>	56
GEF-5 Focal Area Strategies	17	<i>CSO Partnership in Policy Advocacy</i>	56
<i>Biodiversity</i>	18	<i>Strengthening CSO Engagement in the GEF-5</i>	57
<i>Climate change</i>	21		
<i>International Waters</i>	24		
<i>Land Degradation</i>	26		
<i>Chemicals</i>	29		
<i>Sustainable Forest Management/REDD-Plus</i>	31		
<i>Cross-cutting Capacity Development</i>	33		
Small Grants Programme	37		
<i>The Unique Nature of the SGP</i>	37		
<i>Achieved Results of the SGP</i>	38		
<i>How to Access the SGP Funding</i>	38		
<i>Step-by-step Process</i>	40		

A young girl with dark skin is sitting in a blue, textured doorway. She is wearing a red turban and a green and white striped skirt. She is looking up and to the right, with her hands raised near her head. The background is a solid blue wall.

Foreword



Monique Barbut
CEO and Chairperson
Global Environment Facility

Protecting the global environment is an ongoing challenge in which financing is one of the catalysts for positive change. Yet the GEF, as a financial mechanism for key international conventions, has met this challenge time and again over its 20-year history by being a learning institution — constantly evolving to meet the needs of the countries it serves.

One key reason we have been so successful in leveraging our resources has been our direct engagement with Civil Society Organizations (CSOs). The GEF was one of the first international financial institutions to reach out to the civil society community, seeking their on the ground experience to increase our projects and policies' effectiveness. And over time, we have learned that it is with these members of our network, from large international non-profits to small community based groups and indigenous peoples organizations that we enjoy the most robust and long-lasting alliances. That is because when it comes to protecting the global environment, CSOs can be relied on to stimulate local support and on the ground action.

Since 1991, the GEF has supported more than 2,700 projects in its focal and multifocal areas, the majority of which involve CSOs at various levels of the project cycle and project implementation. Furthermore, through the Small Grants Programme (SGP), we have supported over 13,000 projects since 1992 granted directly to local communities, including indigenous peoples. With newly upgraded SGP country programs operating more independently with increased resources, we were able to welcome new countries into the SGP, now totaling 137 country programmes.

CSOs are also at the table helping shape the future of the GEF. Through the GEF-NGO Network, they participate in stakeholder consultations and add their voices at the GEF Council meetings and, most recently, the replenishment process, thus influencing the decision making process. Through the dissemination of information and consultations, the GEF-NGO Network is able to reach out to an extensive membership of CSOs worldwide.

For the current funding cycle (known as GEF-5), the Secretariat has put in motion path-breaking reforms that will further strengthen the impact of our efforts, now 20 years strong through closer ties with CSOs, including indigenous peoples, and the countries whose projects we invest in.

Moving forward, we want to strengthen our ties with CSOs, as they are the people on the ground that has first-hand experience on what works and what doesn't work. Furthermore, we need this independent voice to ensure the recent reforms we put in place stay robust and current.

To that end, this guide is intended to help CSOs and other partners understand how to work with the reformed GEF. It details the partners in the GEF and their roles, the new strategies, procedures and opportunities that CSOs can invest in at the project level and how to engage and participate in the decision-making process at both national and global levels.

We hope all CSOs and other potential partners, whether they come from the private, public, non-profit sector or from indigenous peoples organizations will see this guide as a useful tool that encourages stronger engagement with the GEF. In the end, as members of the GEF network, we all want to deliver meaningful results that last now and for future generations. This guide is an important step in that quest.

LIST OF ACRONYMS

ABS	Access and Benefit Sharing	NIP	National Implementation Plans
ABNJ	Areas Beyond National Jurisdiction	NSC	National Steering Committee
ADB	Asian Development Bank	NGO	Non-Governmental Organization
AfDB	African Development Bank	ODS	Ozone Depleting Substances
BPAs	Benthic Protected Areas	PA	Programmatic Approach
CBD	Convention on Biological Diversity	PES	Payment of Ecosystem Services
CBO	Community Based Organization	PFD	Project Framework Document
CEO	Chief Executive Officer	PIF	Project Identification Form
COP	Conference of the Parties	PPG	Project Preparation Grant
CPB	Cartagena Protocol on Biosafety	POPs	Persistent Organic Pollutants
CPMT	Central Programme Management Team	REDD	Reducing Emissions from Deforestation and Forest Degradation
CSO	Civil Society Organization	SAICM	Strategic Approach to International Chemicals Management
EBRD	European Bank for Reconstruction and Development	SAPs	Strategic Action Programmes
FAO	United Nations Food and Agriculture Organization	SCCF	Special Climate Change Fund
FSPs	Full Sized Projects	SFM	Sustainable Forest Management
GEB	Global Environmental Benefit	SGP	Small Grants Programme
GEF	Global Environment Facility	SLM	Sustainable Land Management
GHG	Greenhouse Gas	STAP	Scientific and Technical Advisory Panel
HCFCs	Hydrochlorofluorocarbons	STAR	System for Transparent Allocation of Resources
IFAD	International Fund for Agricultural Development	TNAs	Technology Needs Assessments
IDB	Inter-American Development Bank	UNCCD	UN Convention to Combat Desertification
ICM	Integrated Coastal Management	UNDP	United Nations Development Programme
IWRM	Integrated Water Resources Management	UNEP	United Nations Environment Programme
LDCF	Least Developed Countries Fund	UNFCCC	UN Framework Convention on Climate Change
LMEs	Large Marine Ecosystems	UNIDO	United Nations Industrial Development Organization
LULUCF	Land Use, Land-use Change, and Forestry	WSSD	World Summit on Sustainable Development
MPAs	Marine Protected Areas		
MSPs	Medium Sized Projects		
NBSAPs	National Biodiversity Strategy and Action Plans		
NC	National Coordinator		
NCSA	National Capacity Self-Assessment		





The Global Environment Facility

The Global Environment Facility (GEF) is an independent financial mechanism that provides grants to developing and eligible countries for projects that benefit the global environment.

The GEF supports projects in biodiversity, climate change, international waters, land degradation, the ozone layer and persistent organic pollutants. These projects link local, national, and global environmental challenges while promoting sustainable livelihoods.

The GEF serves as the designated financial mechanism for the United Nations Convention on Biological Diversity (CBD), the Framework Convention on Climate Change (UNFCCC), and the Stockholm Convention on Persistent Organic Pollutants (POPs), as well as a financial mechanism for the United Nations Convention to Combat Desertification (UNCCD).

By uniting 182 member countries, the GEF works closely with governments, Civil Society Organizations (CSOs), the Convention Secretariats, and various international Agencies. Cooperation with CSOs is particularly valuable to the GEF, since its projects and policies have greatly benefited from a diversity of views, experiences and perspectives.

Since its inception in 1991 as a pilot program to address global environmental issues, the GEF has evolved into an effective and transparent entity with a solid, outcomes-driven track record (see Box 1).

BOX 1: The history of the GEF

The Global Environment Facility started as a response to the concerns from the international community for global environmental issues.

The GEF was established in 1991 as a pilot program to assist in the protection of the global environment. The United Nations Development Programme, the United Nations Environment Programme, and the World Bank were the three initial partners implementing GEF projects.

In 1992, the United Nations Conference on Environment and Development, held in Rio de Janeiro, Brazil, adopted the Biodiversity and Climate Change Conventions, which included provisions for a financial mechanism. It was then agreed by its Participants that the GEF would serve as the financial mechanisms for these global environmental conventions.

In 1994, the *Instrument for the Establishment of the Restructured Global Environment Facility* was adopted, describing the governance, operational, financial and administrative oversight procedures for the GEF. The decision to make the GEF an independent organization enhanced the involvement of developing countries in the decision-making process — a unique feature among other financial institutions — and in the implementation of projects. As part of the restructuring, the GEF was entrusted to become the financial mechanism for both the UN Convention on Biological Diversity and the UN Framework Convention on Climate Change. In 2002, the GEF was also selected to serve as financial mechanism for two additional international conventions: the Stockholm Convention on Persistent Organic Pollutants and the United Nations Convention to Combat Desertification.

The GEF partnership includes ten Agencies: the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP), the World Bank, the United Nations Food and Agriculture Organization (FAO), the United Nations Industrial Development Organization (UNIDO), the African Development Bank (AfDB), the Asian Development Bank (ADB), the European Bank for Reconstruction and Development (EBRD), the Inter-American Development Bank (IDB) and the International Fund for Agricultural Development (IFAD).

million in cash and in-kind co-financing. About 13,000 small grants were supported through these investments. The funding with which the GEF supports projects is contributed by donor countries. These financial contributions are replenished every four years. In 1991, the initial contribution of \$1 billion dollars for the Pilot Phase has significantly been increased to \$4.25 billion for the GEF-5 cycle. Overall, since its inception, donor contributions have totaled \$16 billion for global environmental projects (see Figure 1).

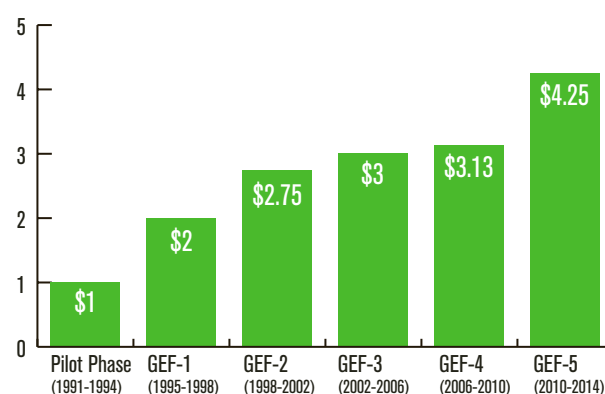
The Impact of the GEF

Through its unique partnership with governments, international organizations, CSOs and other stakeholders, the GEF has built a network with global impact.

As the largest funder of projects to improve the global environment, the GEF has allocated \$9.2 billion, supplemented by more than \$40 billion in co-financing to protect the global environment. These amounts supported some 2,700 projects in more than 165 developing countries and countries with economies in transition. Through its Small Grants Programme (SGP), which provides support directly to civil society and community organizations, the GEF has also invested \$304 million, which leveraged over \$421

FIGURE 1 GEF REPLENISHMENT CYCLES

(in billion dollars)



The GEF plays a catalytic role in protecting the global environment. The leveraging effect of GEF funds has significantly raised not only funds but joint efforts in the protection of the global environment. On average, since 1991, 19 percent (\$8.8 billion) of GEF investments leveraged 81 percent of co-financing (\$38.6 billion) from other sources — a 1:4 ratio (see Figure 2).

The sources of co-financing are as diverse as the partnerships the GEF fosters. Multilateral and governments contributed substantial shares, with 32 and 31 percent respectively, since 1991. Contributions from CSOs have also been significant — CSOs and beneficiaries, including in-kind contributions, with 4 percent combined (see Figure 3).

The analysis of the GEF investments shows the predominance of biodiversity and climate change projects, with 33 and 32 percent respectively. The investments in international waters and multi-focal areas (those combining more than one focal area) have also been significant, with 13 percent for each. In 2002, land degradation and persistent organic pollutants (POPs) were added as focal areas to the portfolio, accounting for 4 percent respectively since then. Activities related to ozone depletion are limited to countries with economies in transition in Central and Eastern Europe and the former Soviet Union, and account for 2 percent of the GEF investments (see Figure 4).

The regional breakdown of the GEF resources shows that Asia accounts for the largest share, with 26 percent; followed by Africa and Latin America and the Caribbean, with 23 and 21 percent respectively. Global projects as well as projects in Europe and Central Asia region account for 13 percent respectively, while regional initiatives account for 4 percent of the investments (see Figure 5).

FIGURE 2 GEF ALLOCATIONS AND CO-FINANCING: 1991-2009
(in million dollars)

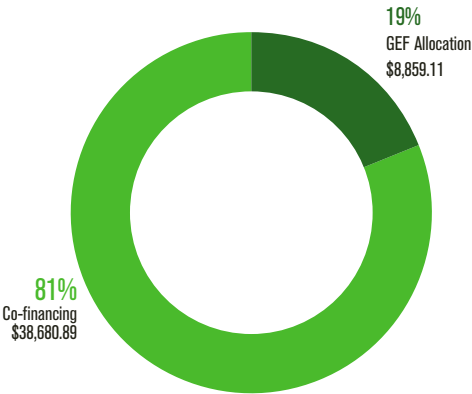


FIGURE 3 SOURCES OF GEF CO-FINANCING: 1991-2009
(in million dollars)

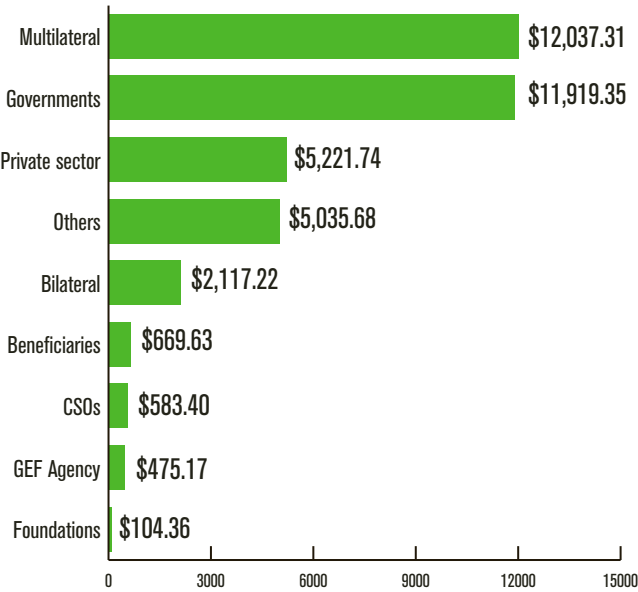


FIGURE 4 GEF ALLOCATIONS BY FOCAL AREA: 1991-2009
(in million dollars)

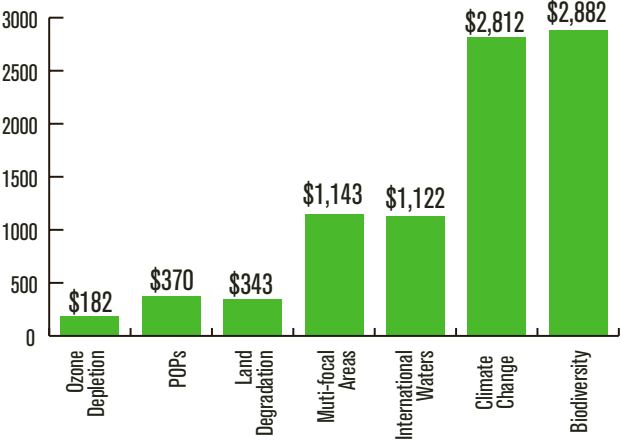
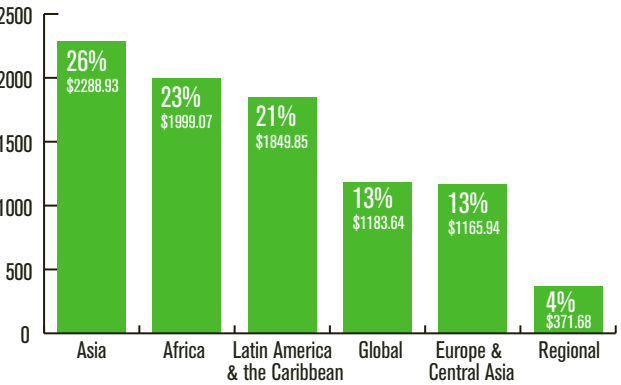


FIGURE 5 GEF ALLOCATIONS BY REGION: 1991-2009
(in million dollars)





The Structure of the GEF

To fulfill its mandate of addressing global environmental issues, the GEF partnership has a unique structure. Its governing structure is composed of the Assembly, the Council, the Secretariat, ten Agencies, a Scientific and Technical Advisory Panel (STAP) and the Evaluation Office (see Chart 1).

The Conference of the Parties (COP) from the Conventions for which the GEF serves as the financial mechanism provides strategic guidance to the Council.

The close interaction among these actors ultimately results in the implementation of projects and programs. These on-the-ground actions are implemented through a partnership of national stakeholders, under the coordination of the Operational Focal Point (OFP) in each country.

As key partners, CSOs contribute to the achievement of GEF goals in various and distinctive ways — from project identification and execution, to influencing its governance and decision-making process (see Section 5).

THE ASSEMBLY

The GEF **Assembly** is composed of all 182 member countries, or Participants. It meets every three to four years at the ministerial level to:

1. Review the general policies,
2. Review and evaluate the operation of the GEF on the basis of reports submitted by the Council;

3. Keep under review the membership of the Facility;
4. Consider, for approval by consensus, amendments to the *Instrument for the Establishment of the Restructured Global Environment Facility* on the basis of recommendations by the Council.

THE COUNCIL

The GEF Council is the main governing body of the GEF comprising 32 Members appointed by constituencies of GEF member countries: 14 from donor constituencies and 18 from recipient constituencies (see Box 2). The constituencies are formulated and distributed taking into account the need for balanced and equitable representation of all Participants and giving due weight to the funding efforts of all donors. Council Members rotate every three years, or until a new Member is appointed by the constituency.

The Council meets bi-annually and is responsible for developing, adopting and evaluating the operational policies and programs for GEF-financed activities, as well as reviewing and approving the work program (projects submitted for approval). The Council acts in conformity with the policies, program priorities and eligibility criteria decided by the Conference of the Parties of the Conventions concerned. Council decisions are made by consensus.

The contact information for Council Members and Alternates can be found at: www.thegef.org/gef/Council_Members_Alternates

BOX 2: The GEF Council

DONOR CONSTITUENCIES

1. Austria, Belgium, Czech Republic, Hungary, Luxembourg, Slovak Republic, Slovenia, and Turkey.
2. Australia, New Zealand, and Republic of Korea.
3. Canada
4. France
5. Denmark, Latvia, Lithuania, and Norway.
6. Estonia, Finland, and Sweden.
7. Greece, Ireland, Portugal, and Spain.
8. Italy
9. Germany
10. Japan
11. Switzerland, Azerbaijan, Kazakhstan, Kyrgyz Republic, Tajikistan, Turkmenistan, and Uzbekistan.
12. The Netherlands
13. United States
14. United Kingdom

RECIPIENT CONSTITUENCIES

Africa

1. Benin, Cote d'Ivoire, Ghana, Guinea, Liberia, Nigeria, Sierra Leone, and Togo.
2. Botswana, Lesotho, Malawi, Mozambique, Namibia, South Africa, Swaziland, Zambia, and Zimbabwe.
3. Burkina Faso, Cape Verde, Chad, Guinea-Bissau, Mali, Mauritania, Niger, Senegal, and The Gambia.
4. Burundi, Cameroon, Central African Republic, Congo, Congo DR, Equatorial Guinea, Gabon, and Sao Tome and Principe.
5. Comoros, Djibouti, Eritrea, Ethiopia, Kenya, Madagascar, Mauritius, Rwanda, Seychelles, Somalia, Sudan, Tanzania, and Uganda.
6. Algeria, Egypt, Morocco, and Tunisia.

Asia and the Pacific

7. China
8. Iran
9. Bangladesh, Bhutan, India, Maldives, Nepal, and Sri Lanka.
10. Cambodia, Korea DPR, Lao PDR, Malaysia, Mongolia, Myanmar, Thailand, and Vietnam.
11. Afghanistan, Jordan, Lebanon, Pakistan, Syria, and Yemen.
12. Cook Islands, Fiji, Indonesia, Kiribati, Marshall Islands, Micronesia, Nauru, Niue, Palau, Papua New Guinea, Philippines, Samoa, Solomon Islands, Timor Leste, Tonga, Tuvalu, and Vanuatu.

Latin America and the Caribbean

13. Antigua And Barbuda, Bahamas, Barbados, Belize, Cuba, Dominica, Dominican Republic, Grenada, Guyana, Haiti, Jamaica, St. Kitts And Nevis, St. Lucia, St. Vincent and Grenadines, Suriname, and Trinidad and Tobago.
14. Argentina, Bolivia, Chile, Paraguay, Peru, and Uruguay
15. Brazil, Colombia, and Ecuador.
16. Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, and Venezuela.

Central, Eastern Europe and Former Soviet Union

17. Albania, Bulgaria, Bosnia-Herzegovina, Croatia, Georgia, Macedonia, Moldova, Montenegro, Poland, Romania, Serbia, and Ukraine.
18. Armenia, Belarus, and Russian Federation.

THE SECRETARIAT

The Secretariat coordinates the overall implementation of the GEF activities. It services and reports to the Assembly and the Council.

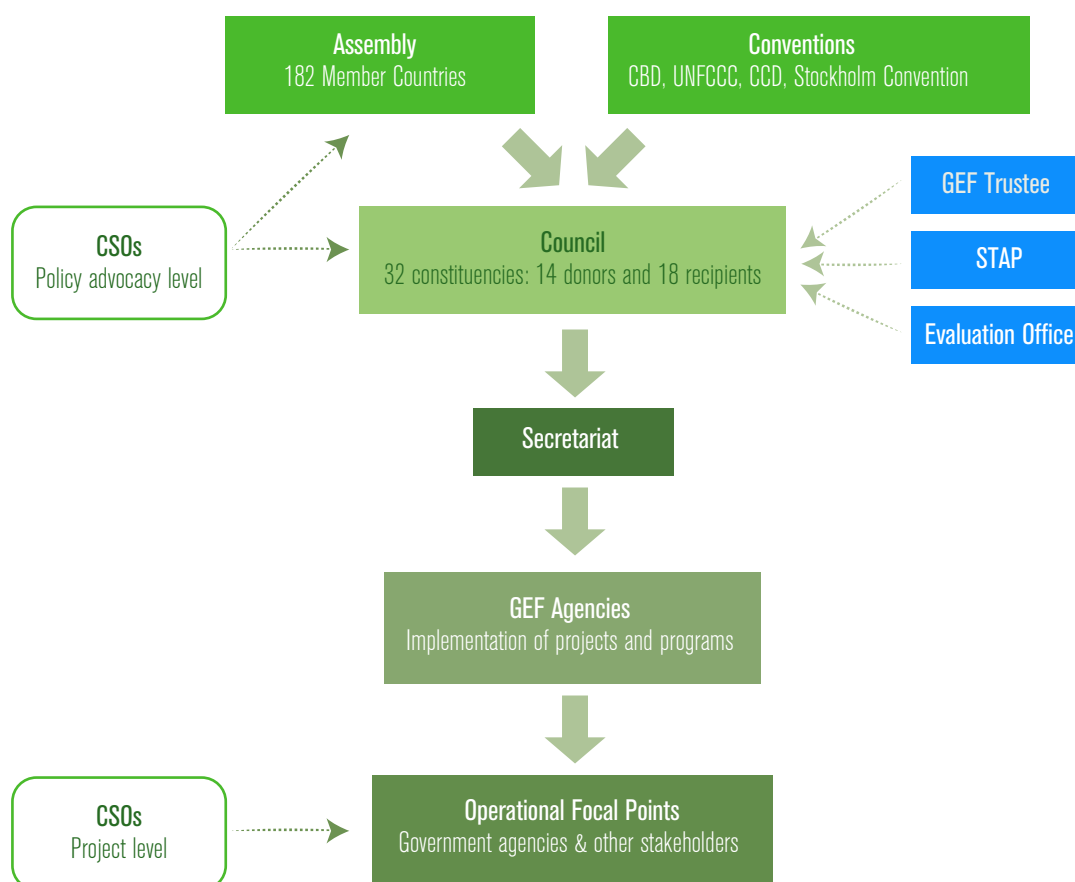
The Secretariat is headed by the Chief Executive Officer (CEO) - Chairperson, who is appointed by the Council to serve for three years, and may be reappointed.

It is structured in different teams, including a Climate Change and Chemical Team, a Natural Resources Team, an External Affairs Team and an Operations and Business

Strategy Team. Relations with CSOs are handled by the External Relations Team.

The Secretariat's main functions are to implement the decisions of the Assembly and the Council; coordinate the formulation and oversee the implementation of program activities; ensure the implementation of the operational policies, in consultation with the Agencies; chair interagency group meetings to ensure the effective execution of the Council's decisions and to facilitate coordination and collaboration among the Agencies; coordinate with the Secretariats of other relevant international bodies, in particular the Secretariats of the conventions; among others.

CHART 1 ORGANIZATIONAL STRUCTURE OF THE GEF



In addition, the Secretariat provides Conflict Resolution services. The purpose of this service is to enhance the overall GEF internal climate of transparency, effectively mediate and resolve any issues raised, as well as to manage and build knowledge on what these issues are. A Conflict Resolution Commissioner at the Secretariat reports directly to the CEO. Government agencies, CSOs and other stakeholders may raise an issue of importance to the GEF operations, launch a complaint, or ask for a dispute settlement, by sending a formal request directly to the CEO. More information can be found at <http://www.thegef.org/gef/node/2131>

THE GEF TRUSTEE

The World Bank serves as the GEF Trustee, administering the GEF Trust Fund (the contributions by donors). Among its main responsibilities are the mobilization of resources for the Trust Fund; the financial management of the Trust Fund, including the disbursement of funds to the GEF Agencies as well as the preparation of the financial reports regarding the investment and use of resources; and the monitoring of the application of budgetary and project funds.



The GEF Trustee is accountable to the GEF Council for the performance of its fiduciary responsibilities.

THE GEF AGENCIES

The GEF Agencies are the operational arm of the GEF in project implementation. The Agencies work closely with project proponents — government agencies, CSOs and other stakeholders — to design, develop and implement GEF-funded projects and programs.

Every Agency has a unique area of expertise, which gives each one a specific **comparative advantage** for the GEF:

- **Asian Development Bank (ADB)** — promotes investment projects at the country and multi-country level in Asia as well as the ability to incorporate capacity development and technical assistance into its projects. The ADB has strong experience in the fields of energy efficiency, renewable energy, adaptation to climate change and natural resources management including water and sustainable land management.
- **African Development Bank (AfDB)** — although in the initial stages of tackling global environmental issues, the AfDB is in the process of integrating its environmental policy into its operations. Its environmental projects are related to Climate Change (adaptation, renewable energy and energy efficiency), Land Degradation (deforestation, desertification) and International Waters (water management and fisheries).
- **European Bank for Reconstruction and Development (EBRD)** — works in market creation and transformation, and ensuring sustainability through private sector (including small and medium-sized enterprises) and municipal environmental infrastructure projects at the country and regional level in the countries of eastern and central Europe and central Asia, especially in the fields of energy efficiency, mainstreaming of biodiversity and water management.
- **United Nations Food and Agriculture Organization (FAO)** — provides technical capacity and experience in fisheries, forestry, agriculture, and natural resources management. The FAO has strong experience in sustainable use of agricultural biodiversity, bioenergy, biosafety, sustainable development in production landscapes, and integrated pest and pesticides management.
- **Inter-American Development Bank (IDB)** — focuses on investment projects at the country and regional level in Latin America and the Caribbean. The IDB finances operations related to Biodiversity (protected areas, marine resources, forestry, biotechnology), Climate Change (including biofuels), International Waters (watershed management), Land Degradation (erosion control), and POPs (pest management).
- **International Fund for Agricultural Development (IFAD)** — works on issues related to land degradation, rural sustainable development, integrated land management. IFAD has been working intensively on marginal lands, degraded ecosystems and in post-conflict situations.



- **United Nations Development Programme (UNDP)** — specializes in technical assistance, especially for capacity development programs and technical assistance projects. The UNDP has a global network of country offices, experience in integrated policy development, human resources development, institutional strengthening, and non-governmental and community participation.
- **United Nations Environment Programme (UNEP)** — the only UN organization with a mandate derived from the General Assembly to coordinate the work of the United Nations in the area of environment and whose core business is the environment. The UNEP provides the GEF with a range of relevant experiences, in particular by catalyzing the development of scientific and technical analysis and in advancing environmental management in GEF-financed activities.
- **United Nations Industrial Development Organization (UNIDO)** — involves the industrial sector in GEF projects in the following areas: industrial energy efficiency, renewable energy services, water management, chemicals management (including POPs and ODS), and biotechnology. The UNIDO also has extensive knowledge of small and medium enterprises in developing countries as well as those with economies in transition.
- **The World Bank** — promotes the development and management of investment projects and mobilizes private sector resources. As a leading international financial institution at the global scale in a number of sectors, the World Bank has strong experience in investment lending focusing on institution building, infrastructure development and policy reform, across all the focal areas of the GEF.

THE SCIENTIFIC AND TECHNICAL ADVISORY PANEL

The Scientific and Technical Advisory Panel (STAP) is an advisory body to the GEF, with the mandate to provide objective, strategic scientific and technical advice on policies, operational strategies, programs and projects.

The Panel consists of six members, who are internationally recognized experts in the GEF's key areas of work, and are supported by a global network of experts and institutions. Also, the STAP interacts with other relevant scientific and technical bodies, particularly with the subsidiary bodies of the CBD, the UNFCCC, the UNCCD and the Stockholm Convention on POPs.

The STAP is administratively supported by a Secretariat provided by the UNEP, which also acts as its liaison with the GEF.

THE EVALUATION OFFICE

The GEF Evaluation Office has the central role of ensuring the independent evaluation function within the GEF.

The Evaluation Office is responsible for undertaking independent evaluations that involve a set of projects. These evaluations are typically on focal areas, institutional issues or on cross-cutting themes. Some examples of these evaluations include:



- Annual Performance Reports, which provide feedback for the ongoing improvement of the portfolio as well as the quality of project monitoring and evaluation across the portfolio.
- Thematic Evaluations — reports from evaluations covering programs, processes, cross-cutting themes or focal areas, providing a basis for decision making and lesson learning.
- Overall Performance Study (OPS) — undertaken every four years to inform the donors before every replenishment, providing an independent assessment of the achievements of the GEF in a replenishment cycle.

Also, the Evaluation Office supports knowledge sharing and follow-up of evaluation recommendations. It works with the Secretariat and the GEF Agencies to establish systems to disseminate lessons learned and best practices emanating from monitoring and evaluation activities and provides independent evaluative evidence to the GEF knowledge base.

It works independently from the Secretariat and reports directly to the Council. It is headed by a Director, appointed by the Council, who coordinates a team of specialized evaluators.

GEF FOCAL POINTS

Each of the GEF member countries has designated government officials responsible for GEF activities. These officials, known as the GEF Focal Points, play a critical coordination role regarding GEF matters

at country level and serving as the liaison with the Secretariat and the GEF Agencies and representing their constituencies at the GEF Council.

There are two types of GEF Focal Points — **Political Focal Points** and **Operational Focal Points**. Their functions and responsibilities are different. All of the GEF member countries (donors and recipients) have Political Focal Points, while only recipient countries eligible for GEF support have Operational Focal Points.

The GEF **Political Focal Points** are mainly responsible for issues related to the GEF governance, including policies and decisions, and relations between member countries within their constituencies. Usually, the Political Focal Points are those who follow the Council discussions, and represent their countries at the Assembly.

The GEF **Operational Focal Points** are responsible for the operational aspects of GEF activities within their countries, including reviewing and endorsing project proposals to ensure consistency with national priorities, and facilitating GEF coordination, integration, and consultation at the country level.

The complete list of the GEF Focal Points, including name, position, government agency and contact information can be accessed at: http://www.thegef.org/gef/focal_points_list





GEF-5 Focal Area Strategies

As an evolving institution, the GEF continuously seeks to improve its effectiveness in supporting efforts for the global environment and maximizing the use of its resources. New approaches and policies guide the support provided for each of the GEF cycles. These approaches and policies respond to new guidance from the Conventions, strategic guidance from its donors, as well as national priorities from recipient countries, among other aspects.

The focal area strategies are a result of this process. These strategies, which reflect the major approaches under which the GEF resources are programmed within each of the focal areas, are reviewed every four years, before every replenishment, and are agreed on by the donors.

For the GEF-5 cycle, new focal area strategies have been adopted, and they include long-term strategic goals and objectives. A results framework for each focal area complements each objective. The results framework includes expected impacts related to each of the long-term strategic objectives and expected outcomes related to each of the strategic programs, as well as measurable indicators for the expected impacts and outcomes.

In addition, to ensure a fair, transparent and effective use of GEF resources, three focal areas — biodiversity, climate change and land degradation — will be covered under the System for Transparent Allocation of Resources (STAR) in GEF-5 (see Box 3).

The focal area strategies are articulated focal area by focal area; however, project development, design and

BOX 3: The STAR

The System for Transparent Allocation of Resources (STAR) is a system for allocating resources to countries in a transparent and consistent manner based on global environmental priorities and country capacity, policies and practices relevant to successful implementation of GEF projects. The main benefits of the STAR are predictability of funding and flexibility in programming, which contributes to country ownership of GEF projects and programs. Each eligible country has been allocated an indicative allocation — the funding envelope per focal area that a country can access during the current cycle. The complete list of eligible countries and their respective indicative allocations for GEF-5 for the focal areas under the STAR can be consulted at: <http://www.thegef.org/gef/sites/thegef.org/files/documents/c38-inf8-rev1-final.pdf>. A more detailed explanation on the STAR can be found at:

<http://www.thegef.org/gef/pubs/STAR>

implementation should seek synergies and connections across the different focal areas. This means that a project may focus solely on an objective of one focal area, or address a combination of objectives and focal areas — a multifocal area project — to maximize its global environmental impacts and results.

For the GEF-5, resources will be allocated in biodiversity, climate change (mitigation), international waters, land degradation, chemicals, sustainable forest management and cross-cutting capacity development, under the following strategic objectives:

Biodiversity

The goal of the GEF biodiversity focal area is the conservation and sustainable use of biodiversity and the maintenance of ecosystem goods and services. To achieve this goal, the strategy encompasses the following objectives:

IMPROVE THE SUSTAINABILITY OF PROTECTED AREA SYSTEMS

The GEF defines a sustainable protected area system as one that has sufficient and predictable financial resources

available, including external funding, to support protected area management costs; effectively protects ecologically viable representative samples of the country's ecosystems and provides adequate coverage of threatened species at a sufficient scale to ensure their long term persistence; and retains adequate individual and institutional capacity to manage protected areas such that they achieve their conservation objectives.

In order to strengthen effective management of individual protected areas and protected area systems, the GEF will continue to promote the participation and capacity development of indigenous and local communities in the design, implementation, and management of protected area projects through established frameworks such as the Indigenous and Community Conserved Areas. The GEF will also promote protected area co-management between government, indigenous, and local communities where such management models are appropriate.

In addition, the GEF will support the development and integration of adaptation and resilience management measures as part of protected area management projects; to improve climate-resilient protected area systems.

Four main types of activities have been prioritized for GEF project support under this objective:

a) Improve Sustainable Financing of Protected Area

Systems: The GEF will support the development and implementation of comprehensive, system-level financing solutions and help build the capacity required to achieve financial sustainability.

b) Expand Marine and Terrestrial Ecosystem

Representation: The GEF will support efforts to address the marine ecosystem coverage gap within national level systems through the creation effective management of coastal and near shore protected area networks, including no-take zones, to conserve and sustainably use marine biodiversity. The GEF will also support the creation and effective management of new protected areas to expand terrestrial and inland water ecosystem representation within protected area systems. Conserving habitat for landraces and wild crop relatives of species of economic importance may also be included as part of this effort to reduce representation gaps.

c) Expand Threatened Species Representation: The GEF will support the creation and effective management of new protected areas that extends the coverage of threatened species in protected area systems and improves the coverage of their spatial range.

d) Improve Management Effectiveness of Existing

Protected Areas: The GEF will support projects that aim to improve the effective management of existing



protected areas. This could include support to trans-boundary protected areas.

MAINSTREAM BIODIVERSITY CONSERVATION AND SUSTAINABLE USE INTO PRODUCTION LANDSCAPES/ SEASCAPES AND SECTORS

In order to complement its investments to strengthen the sustainability of protected area systems, the GEF will promote measures to help reduce the negative impacts that productive sectors exert on biodiversity, in particular, those outside of protected areas and those affecting landscape species, and highlight the contribution of all components of biodiversity to ecosystem functioning, economic development and human well-being, — a set of actions often referred to as “mainstreaming”.

Biodiversity-dependent production sectors and those with large ecological footprints that impact biodiversity-rich habitat will be targeted: agriculture, fisheries, forestry, tourism, and the major extractive industries of oil and gas, and mining.

The GEF’s strategy to support biodiversity mainstreaming focuses on the role and potential contributions of both the public and private sector.

Three main types of activities have been prioritized for GEF project support: _

- a) **Strengthen Policy and Regulatory Frameworks:** The GEF will support the development and implementation of policy and regulatory frameworks that provide incentives for private actors to align their practices and behavior with the principles of sustainable use and management. To this end, GEF interventions will remove critical knowledge barriers and develop requisite institutional capacities. This will include support for sub-national and local-level applications — where implementation can be more effective — of spatial land-use planning that incorporates biodiversity and ecosystem service valuation.
- b) **Implement Invasive Alien Species Management Frameworks:** The GEF will support interventions that address the issue of invasive alien species systemically through developing the sectoral policy, regulations, and institutional arrangements for the prevention and management of invasions emphasizing a risk management approach by focusing on the highest risk invasion pathways. Priority will be given to establishing policy measures that reduce the impact of invasive species in the environment, through the prevention of new incursions, early detection, and institutional frameworks to respond rapidly to new incursions.
- c) **Produce Biodiversity-friendly Goods and Services:** To increase the production of biodiversity-friendly goods,

the GEF will focus its support on: a) improving product certification standards to capture global biodiversity benefits; b) establishing training systems for farmers and resource managers on how to improve management practices to meet certification standards; and c) facilitating access to financing for producers, cooperatives, and companies working towards producing certified goods and services.

BUILD CAPACITY TO IMPLEMENT THE CARTAGENA PROTOCOL ON BIOSAFETY

The Cartagena Protocol on Biosafety (CPB) seeks to protect biological diversity from the potential risks posed by living modified organisms resulting from modern biotechnology. The GEF's strategy to build capacity to implement the CPB prioritizes the implementation of activities that are identified in country stock-taking analyses.

Three main types of activities have been prioritized for GEF project support: _

- a) **Single-country projects:** These projects will be implemented when the characteristics of the eligible country, as assessed in the stock-taking analysis — and the design of existing or planned future regional or sub-regional efforts in the area — recommend a national approach for the implementation of the CPB in that country.
- b) **Regional or sub-regional projects:** Providing support to eligible countries through regional or sub-regional projects will be pursued when there are opportunities for cost-effective sharing of limited resources and for coordination between biosafety frameworks. Regional and sub-regional approaches will be pursued where stock-taking assessments support the potential for: coordinating biosafety frameworks, interchange of regional expertise, and capacity development of common priority areas.
- c) **Thematic projects:** A thematic approach can be an effective way to develop the capacities of groups of countries lacking competences in relevant fields. This multi-country approach will be pursued where stock-taking assessments support the needs of eligible countries and where this approach would foster the pooling of resources, economies of scale and international coordination.

BUILD CAPACITY ON ACCESS TO GENETIC RESOURCES AND BENEFIT SHARING

Implementation of the CBD's third objective on access to genetic resources and benefit sharing has been slowed by the lack of capacity of most key stakeholder groups.

Most countries face difficulties establishing a common understanding between providers and users of genetic resources and the associated traditional knowledge of indigenous and local communities.

Activities prioritized for GEF project support include capacity development of governments for meeting their obligations under Article 15 of the CBD, as well as developing capacity within key stakeholder groups, including indigenous and local communities, and the scientific community. These activities would include, for example, the establishment of measures that promote concrete access and benefit-sharing agreements that recognize the core Access and Benefit Sharing (ABS) principles of Prior Informed Consent and Mutually Agreed Terms including the fair and equitable sharing of benefits would be eligible for GEF support. The GEF will also respond to guidance that is provided by the Intergovernmental Committee of the Nagoya Protocol on Access and Benefit Sharing.

INTEGRATE CBD OBLIGATIONS INTO NATIONAL PLANNING PROCESSES THROUGH ENABLING ACTIVITIES

Enabling activities continue to play an important role in assisting national government institutions to meet their immediate obligations under the CBD, notably the development and revision of National Biodiversity Strategy and Action Plans (NBSAPs), national reporting, and clearing house information functions. Enabling activities help national executing agencies to integrate the CBD obligations, strategies and work programs into the national planning process, therefore making critical contributions to the successful mainstreaming of biodiversity into national development planning frameworks and sector planning processes.

GEF project support for enabling activities can be provided for revising NBSAPs in line with the CBD's new strategic plan adopted at the COP-10 and integrating biodiversity into sectoral planning, national reporting, and implementation of guidance related to the Clearing House Mechanism.

More details on each Biodiversity objective, including the Biodiversity Results Framework, can be consulted at: http://www.thegef.org/gef/sites/thegef.org/files/documents/document/GEF-5_Bio_strategy.pdf



Climate Change

The overall goal of the GEF in climate change **mitigation** is to support developing countries and countries with economies in transition toward a low-carbon development path. To achieve this goal, the strategy encompasses the following objectives:

PROMOTE THE DEMONSTRATION, DEPLOYMENT, AND TRANSFER OF INNOVATIVE LOW-CARBON TECHNOLOGIES

The GEF climate change portfolio can be characterized as supporting technology transfer in the areas of energy efficiency, renewable energy, sustainable urban transport, and short-term response measures. Through increased efforts in promoting the demonstration, deployment, and transfer of innovative low-carbon technologies, the long-term implementation of this program on technology transfer would be further strengthened.

Projects supported under this objective will target the demonstration and deployment of innovative technologies that could have significant impact in the long-run in reducing Greenhouse Gas (GHG) emissions.

GEF support may also involve the demonstration, deployment, and transfer of priority technologies identified by the recipient countries that are commercially available but have not been adopted in their particular markets. The technologies that aim for GEF's support should be consistent with the priorities identified in the technology needs assessments, National Communications to the UNFCCC, or other national policy documents.

Additionally, GEF interventions will include technical assistance for creating an enabling policy environment for technology transfer, institutional and technical capacity development, establishment of mechanisms for technology transfer, North-South and South-South technology cooperation, purchase of technology licenses, and investment in pilot projects. Project activities may include developing local capacity to adapt exogenous technologies to local conditions and to integrate them with endogenous technologies.

PROMOTE MARKET TRANSFORMATION FOR ENERGY EFFICIENCY IN INDUSTRY AND THE BUILDING SECTOR

The GEF has gained considerable experience in promoting energy efficiency — from standards and labels for

appliances and lighting technologies to building codes and integrated building designs, from innovative risk-sharing instruments to market-based approaches, from sector-specific industrial technologies to energy audit and energy management standards, from energy-efficient equipment to system optimization, from demand-side energy efficiency measures to supply-side efficiency improvement in power generation, transmission, and distribution.

GEF project support will aim at improving policy interventions as well as scaling up energy efficiency investments across all developing countries and economies in transition at different stages of development. Two key sectors will be targeted through activities under this objective:

- a) The **industrial sector** — emphasis will be placed on promoting energy efficient technologies and practices in industrial production and manufacturing processes (including agro-processing) especially in the small and medium-sized enterprises.
- b) The **building sector** — covering residential, commercial, and public buildings, and include both new buildings and retrofitting of existing buildings, to cover the entire spectrum of the building sector — the building envelope, the energy-consuming systems, appliances, and equipment used for heating, cooling, lighting, and building operations.

Consistent with “chemical proofing” and in order to build synergy across global environmental conventions, projects aligned with this objective may extend to supporting the phase-out of hydrochlorofluorocarbons (HCFCs) used in industry and buildings such as chillers, air-conditioners, and refrigerators.

GEF support will involve a synergistic combination of technical assistance on policy, regulation, and institutional capacity development; incentives and financing mechanisms to support the adoption of energy efficiency technologies and measures; piloting innovative technologies, practices, and delivery mechanisms; and support for large-scale dissemination activities.

PROMOTE INVESTMENT IN RENEWABLE ENERGY TECHNOLOGIES

GEF support has covered a wide range of renewable energy technologies, including off-grid and on-grid photovoltaics, solar water heating, wind turbines, geothermal, small hydro, methane from waste, and biomass applications for power and heat production.

Under this objective, the GEF will expand beyond the creation of enabling policy and regulatory environment to

promoting investment in renewable energy technologies. GEF project support will cover not only on-grid renewable energy programs but also decentralized production of electric power and heat using indigenous renewable sources such as biomass, solar, wind, hydro, and geothermal.

GEF projects can promote local small and medium-sized enterprises to enhance their technical capacities to provide installation, operation, and maintenance services for renewable energy technologies.

Furthermore, GEF support will extend to recovering methane from biomass wastes for power generation or heat production. GEF support may also extend to supporting sustainable production of biomass for solid and liquid biofuels as a substitute to fossil fuels where appropriate conditions, including safeguard policies, exist.

GEF interventions can be a combination of technical assistance for policy and regulatory support, developing the technical and institutional capacity, and establishing financing mechanisms for investment in the deployment and diffusion of renewable energy technologies.

PROMOTE ENERGY EFFICIENT, LOW-CARBON TRANSPORT AND URBAN SYSTEMS

The GEF-funded activities in sustainable urban transport have included new vehicle technologies, such as fuel-cell buses and electric three-wheelers; investment in public and non-motorized transport infrastructure; development and implementation of comprehensive transport strategies, such as urban and transport planning, traffic demand management, and modal shift to less-GHG intensive transport modes.

This objective will build upon the existing GEF sustainable urban transport program and will expand its scope to include integrated approaches to promoting energy efficient, low-carbon cities addressing urban systems as a whole, where appropriate.

Options for intervention under objective will include land use and transport planning, public transit systems, energy efficiency improvement of the fleet, efficient traffic control and management, transport demand management, and non-motorized transport. Technological options in the transport sector, such as promoting clean, low-carbon vehicles, may be considered in countries where significant GHG emissions reduction as well as local development and environmental benefits can be achieved. Public awareness and participation will be an integral part of a successful program.

Also, comprehensive interventions through integration of transport, energy, water, and housing sector, activities will be encouraged.

GEF project support will involve technical assistance in transport and urban planning, development of innovative financing mechanisms, awareness campaigns, and investments in high-performance technologies.

PROMOTE CONSERVATION AND ENHANCEMENT OF CARBON STOCKS THROUGH SUSTAINABLE MANAGEMENT OF LAND USE, LAND-USE CHANGE, AND FORESTRY

The GEF will expand the Land Use, Land-Use Change, and Forestry (LULUCF) program within the climate change focal area and through cross-cutting projects linking to Strategic Forest Management as well as biodiversity and land degradation focal areas. The objective on LULUCF will be two-fold:

- a) to conserve, restore, enhance, and manage the carbon stocks in forest and non-forest lands, and
- b) to prevent emissions of the carbon stocks to the atmosphere through the reduction of the pressure on these lands in the wider landscape.

GEF intervention will cover the spectrum of land-use categories, including reducing deforestation and forest degradation, enhancing carbon stocks in non-forest lands, as well as management of peatland.

The GEF will support activities that will develop national systems to measure and monitor carbon stocks and fluxes from forest and non-forest lands, strengthen related policies and institutions, undertake good management practices with local communities, and establish financing mechanisms and investment programs.

GEF project support will involve a combination of technical assistance for policy formulation, developing institutional and technical capacity to implement strategies and policies, monitoring and measurement of the carbon stocks and emissions, developing and testing policy frameworks to slow the drivers of undesirable land-use changes, and working with local communities to develop alternative livelihood methods to reduce emissions and sequester carbon. Synergy with SFM, biodiversity, land degradation, and reduction of the vulnerability of the forest and non-forest lands due to climate change should be explored so as to generate multiple global environmental benefits as well as social and economic benefits.

SUPPORT ENABLING ACTIVITIES AND CAPACITY BUILDING

The GEF will continue to support recipient countries — non-Annex I Parties to the UNFCCC — to prepare their national communications to the UNFCCC. Those countries that did not receive support during the previous cycle will likely require financial support to prepare their third or fourth national communications. In addition, the GEF will continue to fund the preparation and updating of Technology Needs Assessments (TNAs), especially for countries that did not receive support for TNAs during the previous cycle.

The GEF may finance activities to support capacity development activities, implementation of Articles 6 of the Convention on education, training, and public awareness, as well as other relevant enabling and capacity development activities, subject to emerging COP guidance.

Furthermore, the GEF can play a useful and growing role in the emerging carbon markets. Options to be explored to support the carbon markets may include:

- a) capacity development to help create enabling legal and regulatory environments;

Adaptation to Climate Change

The GEF also manages two separate special funds targeted to activities related to adaptation to climate change and technology transfer — the Least Developed Countries Fund (LDCF) and the Special Climate Change Fund (SCCF).

The goal of the Adaptation Strategy is to support developing countries to increase resilience to climate change through both immediate and longer-term adaptation measures in development policies, plans, programs, projects and actions. The goal will be achieved through two equally important objectives:

To reduce vulnerability to climate change of sectors, areas, countries, communities and ecosystems, and to increase adaptive capacity.

The GEF-5 Strategy on Adaptation to Climate Change for LDCF and SCCF can be accessed at: <http://www.thegef.org/gef/sites/thegef.org/files/publication/STRATEGy%20on%20Adaption%20singles.pdf>

- b) support of programmatic carbon finance and other activities under the post-2012 climate regime;
- c) demonstration of technical and financial viabilities of technologies;
- d) partial risk guarantees and contingent financing for carbon finance projects; and
- e) co-financing of innovative projects, with credits to be retained in the recipient country for further project replication.

More details on the Climate Change objectives, including the Climate Change Mitigation Results Framework, can be consulted at:
http://www.thegef.org/gef/sites/thegef.org/files/documents/document/GEF-5_CC_strategy.pdf

International Waters

Freshwater, saltwater, and their living resources know no borders. With 70 percent of the Earth being ocean and 60 percent of the land mass lying in cross-border surface and groundwater basins, transboundary water systems dominate our planet. These water systems produce food for global trade and domestic use, power industry and economies, quench thirst, and nourish ecosystems that support life. Globally, transboundary waters are overused, over-polluted, and suffer from serious multi-country and national governance failures. Conflicting uses among states create tensions as degradation and depletion expand and increased climatic variability and change just make matters worse.



The International Waters focal area addresses these very complex sustainable development challenges faced by States sharing transboundary surface, groundwater, and marine systems. Challenges range from pollution, loss of habitat, and ship waste, to overuse and conflicting uses of surface and groundwater, over-harvesting of fisheries, and adaptation to climatic fluctuations. This focal area serves a unique role in building trust and confidence among states for catalyzing collective management of these large water systems while providing benefits for water, environment, health, community security and regional stability.

The goal of the International Waters focal area is the promotion of collective management for transboundary water systems and subsequent implementation of the full range of policy, legal, and institutional reforms and investments contributing to sustainable use and maintenance of ecosystem services. To achieve this goal, the following objectives will be pursued:

CATALYZE MULTI-STATE COOPERATION TO BALANCE CONFLICTING WATER USES IN TRANSBOUNDARY SURFACE AND GROUNDWATER BASINS WHILE CONSIDERING CLIMATIC VARIABILITY AND CHANGE

Patterns of intensive and conflicting uses of water resources in transboundary surface and groundwater basins are resulting in significant ecological and economic damage, reduced livelihoods for the poor, and increased political tensions among downstream States. These impacts become exacerbated with increasing climatic variability.

The use of Integrated Water Resources Management (IWRM) plans/policies at the basin level has been identified as an answer to balance conflicting uses of water resources. The benefits of collaboration on transboundary basins and adoption by cooperating States of reforms in IWRM policies contribute to improved community livelihoods, increased crop yields, sustainable irrigation, improved environmental flows, and reduced health risks where pollutants create risks.

Under this objective, the GEF will support further development and implementation of regional policies and measures identified in agreed Strategic Action Programmes (SAPs), which through collaborative action would promote sustainable functioning of already existing joint legal and institutional frameworks or help establish new ones. GEF assistance to States includes development and enforcement of national policy, legislative and institutional reforms as well as demonstrating innovative

measures/ approaches to water quantity and quality concerns. The projected impact will enable States to negotiate treaties and better balance conflicting uses of surface and ground water for hydropower, irrigation-food security, drinking water, and support of fisheries for protein in the face of multiple stresses, including climatic variability and change.

CATALYZE MULTI-STATE COOPERATION TO REBUILD MARINE FISHERIES AND REDUCE POLLUTION OF COASTS AND LARGE MARINE ECOSYSTEMS WHILE CONSIDERING CLIMATIC VARIABILITY AND CHANGE

Coasts and oceans are experiencing increasing threats to their functioning. Especially serious are reductions in the ability to provide protein for food security, livelihoods, and foreign exchange as well as diminished capacity to absorb carbon as part of the ocean's role in sequestering carbon dioxide.

GEF project support will focus on the implementation of the SAPs with reforms and investments that produce results, for countries where capacity is built and collective action programmes agreed on by States significantly contributes to a transboundary concern. Priority would be given to activities that contribute to the World Summit on Sustainable Development (WSSD) targets for recovering and sustaining fish stocks. These can include regional and national-level reforms in legal frameworks and governance, access rights, and enforcement in Large Marine Ecosystems (LMEs).

The GEF would also support in a limited way: investments in sustainable alternative livelihoods (such as sustainable mariculture), habitat restoration and limited use designations such as fish refugia, technical assistance, promotion of less destructive gear to reduce stress on wild fish stocks, and support the implementation of the 1995 International Code of Conduct for Responsible Fisheries in Integrated Coastal Management (ICM) and in LMEs.

SUPPORT FOUNDATIONAL CAPACITY BUILDING, PORTFOLIO LEARNING, AND TARGETED RESEARCH NEEDS FOR ECOSYSTEM-BASED, JOINT MANAGEMENT OF TRANSBOUNDARY WATER SYSTEMS

GEF interventions in multiple countries with regional projects are more cost-effective than individual country International Waters projects in catalyzing commitments to collective action. Where capacity and agreement among States is not yet built for collectively addressing

transboundary concerns or where climatic variability and change are not yet incorporated into adaptive management frameworks, an enabling environment for action will be created through the GEF supported foundational processes.

GEF project support under this objective will be provided for transboundary surface and groundwater systems, groundwater concerns and opportunities would be integrated into management of surface water systems (and surface water concerns into transboundary groundwater) so that basins or aquifers serve as management units.

National inter-ministry committees would contribute to the development of SAPs, which would include commitments to establish or strengthen institutions for multi-state, collective management and subsequent action. An enabling environment for adopting Integrated Water Resources Management plans and policies per WSSD targets will be pursued in States sharing transboundary surface and groundwater systems; and climatic variability and change will be integrated into the GEF supported processes.

For coastal and marine ecosystems, the GEF will utilize similar foundational capacity development as States adopt ecosystem-based approaches at the LME and local ICM scales. Shifting currents and changes in distribution, abundance, and life cycles of marine resources as well as coastal storm vulnerability and sea-level rise may be included in the GEF-supported new efforts.

PROMOTE EFFECTIVE MANAGEMENT OF MARINE AREAS BEYOND NATIONAL JURISDICTION

Despite covering 40 percent of the planet, Areas Beyond National Jurisdiction (ABNJ) lack comprehensive legal instruments and normal management options. ABNJ are threatened by: increasing pelagic fishing for highly migratory species and bottom trawling for deep-sea species on seamounts, ridges, and other features, maritime navigation, extraction of hydrocarbons and mineral exploration, and other emerging activities such as ocean fertilization, which affects the marine environment.

ABNJ, deep seas, and open oceans would all be eligible for GEF project support. The protection of deep-sea species, marine biodiversity, and seamount habitat can be greatly improved through enhanced capacity of regional fisheries organizations to manage in accordance with ecosystem-based approaches and the application of conservation tools.

Pilot initiatives with resources and expertise from both the Biodiversity and International Waters areas have the potential to holistically address sustainable fisheries and conservation with Marine Protected Areas (MPAs), Benthic Protected Areas (BPAs), spatial management, cooperative frameworks, and improved flagstate fisheries compliance.

The use of existing legal instruments may be tested along with market and industry approaches. NGOs and other stakeholders with the capacity to contribute to the testing of measures and management options would be supported to contribute to the urgent need to reverse depletion and habitat degradation.

More details on the International Waters objectives, including the International Waters Results Framework, can be consulted at: http://www.thegef.org/gef/sites/thegef.org/files/documents/document/GEF-5_IW_strategy.pdf

Land Degradation

The goal of the land degradation focal area is to contribute to arresting and reversing current global trends in land degradation, specifically desertification and deforestation. The Land Degradation strategy will promote system-wide change necessary to control the increasing severity and extent of land degradation. Investing in Sustainable Land Management (SLM) to control and prevent land degradation in the wider landscape is an essential and cost-effective way to deliver multiple global environmental benefits related to ecosystem functions. Four objectives will contribute to this goal:

MAINTAIN OR IMPROVE FLOWS OF AGRO-ECOSYSTEM SERVICES TO SUSTAIN THE LIVELIHOODS OF LOCAL COMMUNITIES

This objective addresses the main barriers to sustainable agriculture which can be linked to the policy, legal and regulatory environment, human and institutional capacities and access and transfer of knowledge and technology relevant to the management of agricultural lands.

GEF projects addressing this objective may focus on the following actions:

- **Capacity development** to improve decision-making in the management of production landscapes to ensure



maintenance of ecosystem services important for the global environment and for peoples' livelihoods, and establish mechanism to scale up good agricultural practices.

- **Improving community-based agricultural management** including participatory decision-making and gender-related issues.
- **Developing technical and institutional capacities** to monitor and reduce GHG emissions from agricultural activities (including estimating and monitoring associated emissions and changes in carbon stocks).
- **Implementing integrated approaches** to soil fertility and water management; agro-forestry as an option for integrated natural resource management in crop-livestock systems, especially for smallholder farmers with limited options for improving farm inputs (e.g. fertilizers, seeds, tools); conservation agriculture.
- **Improving management of impacts of climate change** on agricultural lands (including water availability), diversification of crops and animal species in order to enhance agro-ecosystem resilience and manage risks; drought mitigation strategies, and other ecosystem-based climate adaptation strategies.
- **Securing innovative financing mechanism based on valuation of environmental services** (e.g. Payment for Ecosystem Services and other market-based mechanisms) to create a sustainable finance flow for reinvestment in sustainable agriculture; this does not

include direct support for Payment for Ecosystem Services (PES) or other mechanisms.

- **Improving rangeland management and sustainable pastoralism**, including regulating livestock grazing pressure to carrying capacity (adaptation to climate change), sustainable intensification, rotational grazing systems, diversity in animal and grass species; managing fire disturbance.

GENERATE SUSTAINABLE FLOWS OF FOREST ECOSYSTEM SERVICES IN ARID, SEMI-ARID AND SUB-HUMID ZONES, INCLUDING SUSTAINING LIVELIHOODS OF FOREST-DEPENDENT PEOPLE

Forest ecosystems in arid, semi-arid and sub-humid zones are still degrading or disappearing at an alarming rate, with consequences for the quantity and quality of linked ecosystem services that underpin land productivity and human well-being. In addition, forest-dependent people struggle to sustain their livelihoods with an increasing trend to migrate towards larger cities once the forest-based livelihood opportunities have been exhausted.

This objective focuses on the removal of barriers to sustainable forest management (SFM) by promoting the enabling environment, access to technology, and the best practices combined with large-scale applications on the

ground. Projects addressing this objective may focus on the following actions:

- **Capacity development:** Forest policy and related legal and regulatory frameworks reformulation and improved decision-making.
- **Sustainable management** of forests and trees outside forests for timber and non-timber products.
- **Reforestation** and use of local species, including agro-forestry, successions to move from deforested areas to closed forest (if feasible).
- **Valuation of environmental services** from forest ecosystems and introduction of PES and other market-based/innovative financing mechanisms in demonstration projects for creating a sustainable finance flow to be reinvested into SFM; this does not include direct support for PES or other mechanisms.
- **Management of impacts of climate change** on forest lands, practices and choice of species used for reforestation.
- **Mechanisms to scale up and out good practices** through e.g. private sector, community-based organizations, extension services, and media.

REDUCE PRESSURES ON NATURAL RESOURCES FROM COMPETING LAND USES IN THE WIDER LANDSCAPE

Land degradation severely affects the stability of the habitats of plant and animal species and contributes to local, regional and global climate change. This objective will address the pressures on natural resources from competing land uses in the wider landscape (e.g. extending the agricultural frontier into forest lands, extractive industry destroying forests, urbanization of rural areas). It reinforces objectives 1 and 2 by emphasizing cross-sector harmonization and multi-integration of SLM.

Projects addressing this objective may focus on the following actions:

- **Capacity development** to improve decision-making in the management of production landscapes to ensure the maintenance of ecosystem services important for the global environment and for peoples' livelihoods.
- **Avoiding deforestation and forest degradation**, including land use changes affecting forest lands driven by expanding sectors (e.g. large-scale agriculture and mining).
- **Developing technical and institutional capacities** to monitor and reduce GHG emissions from agricultural activities and deforestation (including estimating and monitoring associated emissions and changes in carbon stocks).
- **Developing innovative financing mechanisms**, such as PES for the sustainable investment in SLM through

sector-wide approaches and harmonized strategies; this does not include direct support for PES or other mechanisms.

- **Improving management of agricultural activities** within the vicinity of protected areas.
- **Integrated watershed management**, including trans-boundary areas where SLM interventions can improve hydrological functions and services for agro-ecosystem productivity (crop and livestock).

INCREASE CAPACITY TO APPLY ADAPTIVE MANAGEMENT TOOLS IN SLM

This objective will support adaptive management by aiding countries in national monitoring and reporting to UNCCD in the context of supporting the national and regional SLM agenda and the development of new tools and methods to better address the root causes and impacts of land degradation. In addition, the GEF will also strengthen the scientific basis for effective monitoring and assessment in the Land Degradation focal area, including tools and indicators for multi-scale application.

Projects addressing this objective may focus on the following actions:

- **Results-monitoring** of the UNCCD action programs;
- **Alignment of national reporting with the revised UNCCD action programs** in the context of the UNCCD 10-year strategy;
- **Mainstreaming synergies and best practices** for natural resource management through regional networks of excellence;
- **Development of improved methods** for multi-scale assessment and the monitoring of land degradation trends, and for **impact monitoring** of the GEF investment in SLM;
- **Management of organic residues** to optimize global environmental benefits in SLM (crop, livestock, wood residues);
- **Lifecycle analysis for organic agriculture**, including potential global environmental benefits; and
- **Development of guidelines and tools** for assessing ecosystem stability, resilience and maintenance of regulating services

More details on the Land Degradation objectives, including the Land Degradation Results Framework, can be consulted at: http://www.thegef.org/gef/sites/thegef.org/files/documents/document/GEF-5_LD_strategy.pdf



Chemicals

The GEF-5 Strategy for Chemicals sets to consolidate the Persistent Organic Pollutants (POPs) and ozone layer depletion focal areas, as well as to broaden the scope of the GEF's engagement with the sound management of chemicals and to initiate work on mercury.

The goal of the GEF through its Chemicals program is to promote the sound management of chemicals throughout their life-cycle in ways that lead to the minimization of significant adverse effects on human health and the global environment. This goal is aligned with other internationally agreed goals and objectives, including those of the Strategic Approach to International Chemicals Management (SAICM), the global chemicals strategy that provides a voluntary policy framework for achieving such a goal. The three following objectives were identified for Chemicals:

PHASE OUT POPs AND REDUCE POPs RELEASES

This objective responds to the GEF's mandate as the financial mechanism of the Stockholm Convention. The GEF will further its efforts to assist eligible countries in implementing POPs reduction projects in accordance with their National Implementation Plans (NIP) priorities, and will build upon and strengthen sustainable capacities for chemicals management to do so.

GEF interventions addressing POPs are articulated following chemicals life cycle management, in order to facilitate the alignment of GEF supported programs with a country's own priorities and framework for sound chemicals management.

PHASE OUT ODS AND REDUCE ODS RELEASES

Although the GEF's Ozone program has been very successful, there remains "unfinished" business in the countries with economies in transition to achieve the full positive impact of Ozone Depleting Substances (ODS) phase out. Moreover, the Parties to the Montreal Protocol have recently agreed to an accelerated phase-out of HCFCs.

The GEF will continue efforts to assist eligible countries with economies in transition to phase out of the production and use of HCFCs, with a particular emphasis on operational linkages, and multi-focal area financing as appropriate, with the Climate Change objective #2 on energy efficiency in industry and the building sector.

Activities that are not strictly an obligation under the Montreal Protocol could also be supported where they can cost-effectively generate global environmental benefits, if all resources are not utilized towards HCFC phase out: projects which facilitate ODS destruction would be supported on a pilot basis, particularly where linkages can be established with investments to dispose of POPs and other hazardous wastes.

PILOT SOUND CHEMICALS MANAGEMENT AND MERCURY REDUCTION

This objective will allow support to assessment-type activities and demonstrations of good practices for alternatives or mercury release reduction whilst the mercury treaty is negotiated. Such activities will build experience in recipient countries, and prepare the GEF partnership and the international community for implementing the treaty when it is adopted.

A number of pilots addressing various topical issues are envisaged, such as mercury use in products, mercury use in

industrial processes, artisanal and small scale mining (with support from the International Waters focal area), capacity for storage, and atmospheric emissions from various sectors.

This objective is also in response to the need to extend GEF support to other chemicals of global concern beyond POPs in order to capture additional global environmental benefits, and to the challenges posed by the SAICM. Activities that could be supported include those related to the management of pest control and agricultural production chemicals; the management of other persistent toxic substances of concern; capacity strengthening for joint implementation of international instruments; the management of toxics in articles; capacity development for management of trade, illegal traffic of waste; support to the implementation of the Globally Harmonized System of Classification and Labeling of Chemicals in partnerships with the private sector; and development and implementation of pollutant release and transfer registers.

Pilot interventions to demonstrate mercury waste management or the development of waste prevention

Linkages with the implementation of the Strategic Approach to International Chemicals Management

The goal of the GEF Chemicals strategy is aligned with other internationally agreed goals and objectives, including those of the Strategic Approach to International Chemicals Management (SAICM). Some of the objectives and activities of the SAICM that contribute to global environmental benefits, beyond POPs, would therefore ensure that the GEF can fully maximize the delivery of global environmental benefits from sound chemicals management activities.

The SAICM activities and work areas that could receive GEF incremental support include those related to technology transfer and pollution prevention; pesticides management; capacity development with regards to legislative and regulatory framework and enforcement; adaptation with regards to chemicals; protected areas; contaminated sites; heavy metals; waste minimization and disposal; information exchange and illegal traffic. Some specific activities and work areas that could receive GEF support include:

- Develop and implement action plans for sound management of chemicals, and other related activities including use of multi-sectoral and multi-stakeholder committees.
- Undertake awareness raising and preventive measures campaigns in order to promote safe use of chemicals, and other activities related to awareness raising and stakeholder participation.
- Improve understanding of the impact of natural disasters on the releases of harmful chemicals, resulting in human and wildlife exposures.
- Promote reduction of the risks posed to human health and the environment, especially by lead, mercury and cadmium, by sound environmental management.
- Identify contaminated sites and hotspots and develop and implement contaminated site remediation plans to reduce risks to the public and to the environment.
- Develop frameworks for promoting private-public partnerships in the sound management of chemicals and wastes.
- Eliminate barriers to information exchange for the sound management of chemicals in order to enhance communication among national, sub-regional, regional and international stakeholders.

and management strategies more broadly could be supported. Activities complementary to POPs and ODS reduction will be promoted.

More details on the Chemicals objectives, including the Chemicals Results Framework, can be consulted at: http://www.thegef.org/gef/sites/thegef.org/files/documents/document/GEF-5_POPs_strategy.pdf



Sustainable Forest Management/REDD-Plus

Current threats to forest ecosystems are multiple — ranging from the impacts of climate change to all aspects of competing land uses that lead to forest degradation and deforestation.

The goal of the Sustainable Forest Management / REDD-plus¹ strategy is to achieve multiple environmental benefits from the improved management of all types of forests. Two objectives will drive the Sustainable Forest Management (SFM) portfolio and contribute to the goal:

REDUCE PRESSURES ON FOREST RESOURCES AND GENERATE SUSTAINABLE FLOWS OF FOREST ECOSYSTEM SERVICES

This objective will remove barriers to SFM by promoting the enabling environment for it, access to technology and good SFM practices combined with large-scale applications on the ground to reduce and avoid forest degradation. Results will include a net gain in forest area managed in a sustainable way and the improvement of selected forest ecosystem services such as habitat services (biodiversity), regulating services (carbon) and productive services (soil and livelihoods).

Projects addressing this objective may focus on:

- Forest policy and related legal and regulatory frameworks reformulation;
- Improved forest law enforcement and government;
- Decision-making (e.g. reforestation potential/suitability analysis and related planning and implementation activities; tradeoff analysis including mid- and long-term analysis);
 - Sustainable harvesting technologies for timber and non-timber products, forest function and management planning;
- Forest certification and verification of timber supply chains;
- Integrated forest fire management;
- Conflict resolution approaches (in case of disputed forest tenure and use);
- Capacity development in sustainable finance mechanisms for SFM such as through demonstration/ model projects that test Upfront Payment for Ecosystem Services and other market-based mechanisms using economic valuation tools and methodologies;

¹ REDD-plus: Reducing emissions from deforestation and forest degradation (REDD) in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries.

- Industrial, agricultural and domestic technologies reducing the pressure on forest (energy efficiency, fuel substitution);
- Increasing ecological connectivity and improving forest biodiversity values at landscape level, including agricultural activities (e.g. through buffer zone management, corridors between protected areas, and inclusion of forest biodiversity aspects into production forest);
- Promotion of good management practices in community and small-holder forestry.

STRENGTHEN THE ENABLING ENVIRONMENT TO REDUCE GHG EMISSIONS FROM DEFORESTATION AND FOREST DEGRADATION AND ENHANCE CARBON SINKS FROM LULUCF ACTIVITIES

Forests present a significant global carbon stock. Global deforestation has accelerated dramatically in recent decades with competing land uses identified as one of the biggest threats to forest ecosystems.

This objective will enable countries to take stock of their forest resources and understand as well as address the current dynamics and drivers of deforestation and forest degradation. This will enable countries to integrate LULUCF activities in the wider agenda of sustainable forest management which strives for the conservation of multiple environmental and livelihood benefits forest ecosystems provide.

Projects addressing this objective may focus on:

- Competition for land use and land-use changes driven by e.g. food and bio-energy crop production (e.g. land use potential/suitability analysis and related planning activities; trade-off analysis incl. mid-and long term analysis);
- Developing technical and institutional capacities to monitor and reduce GHG emissions from deforestation and forest degradation (including estimating and monitoring associated emissions and changes in forest carbon stocks, national forest inventories; improved access to country-based data for monitoring and modeling of forest production potential and carbon stock trends);
- Testing and adopting approaches that allow for the generation of revenues from the carbon market.

More details on the SFM/REDD Plus objectives, including the complete SFM/REDD Plus Results Framework, can be consulted at:
http://www.thegef.org/gef/sites/thegef.org/files/documents/document/GEF-5_SFM_strategy.pdf



Cross-cutting Capacity Development

The objective of the capacity development strategy is to address capacity needs from diverse sectoral institutions — financial, economic and environmental — that will enhance a country's ability to meet its obligations under the Conventions² by creating synergies. Enhanced capacities will catalyze the mainstreaming of multilateral environmental agreements into national policy, management or financial and legislative frameworks.

The expected outcomes of these projects are therefore to strengthen multi-sectoral processes that promote policy harmonization, realize cost-efficiency, and enhance operational effectiveness in meeting the Conventions' obligations.

To this end, cross-cutting capacity development projects would focus on the environmental governance system and mainstreaming of global environmental issues into national development programs.

Each country would select a capacity development priority on the basis of the National Capacity Self-Assessment (NCSA) prioritization process (identified in the NCSA's Capacity Development Action Plan), using the cross-cutting capacity development programming frameworks as a guide to develop these into a Medium-Sized Project (MSP).

For GEF-5, the frameworks for capacity development are:

ENHANCING THE CAPACITIES OF STAKEHOLDERS TO ENGAGE THROUGHOUT THE CONSULTATIVE PROCESS

Capacity development under this framework will be implemented through the GEF Country Support Program. Through this program, seminars, national consultations and multistakeholder dialogues will take place to enable all key stakeholders to participate in consultative processes, be updated on recent policies and programs to deliver global environmental benefits. This consultative mechanism includes the following activities:

- GEF constituency-level workshops/meetings
- Country dialogue workshops and seminars
- Country level dialogue and consultations with civil society representatives and stakeholders through OFP and through National Steering Committee of the SGP.

² Convention on Biological Diversity (CBD), the Convention to Combat Desertification and Drought (UNCCD) and the Framework Convention on Climate Change (UNFCCC)

While this framework is not eligible as a separate MSP, countries wishing to strengthen their consultative process to meet global environmental commitments may develop a targeted cross-cutting capacity development project under Framework D.

GENERATING, ACCESSING AND USING INFORMATION AND KNOWLEDGE

The outcome of a cross-cutting capacity development under this Framework would seek to improve decision-making for the global environment through the improved use of information and knowledge.

Two main types of activities could be developed:

- B.1. A cross-cutting capacity development project under this Framework would harmonize existing information systems, integrating internationally accepted measurement standards and methodologies, as well as consistent reporting on the global environment. These projects would help countries create valid baseline studies against which to measure achievements towards global environmental objectives.
- B.2. Alternatively, a country could target the development and/or pilot of innovative tools for decision-making, such as an economic valuation of the global environment increment of natural resource goods or services in order to make more informed decisions to generate increased global environmental benefits.

STRENGTHENING CAPACITIES TO DEVELOP POLICY AND LEGISLATIVE FRAMEWORKS

This Framework is about environmental mainstreaming, with the cross-cutting capacity development project seeking to integrate global environmental priorities into national policies, plans and programs, particularly macro-economic and poverty reduction strategies/programs.

Two levels could be addressed by activities under this framework:

- C.1. At the **systemic level**, a cross-cutting capacity development project would focus on formalizing the institutional linkages between separate and distinct program activities and on-going core activities of existing organizations. Global environmental benefits can be more efficiently delivered by integrating relevant activities into those that set out to meet other national environmental and development goals.
- C.2. At the **organizational level**, a cross-cutting capacity development project could focus on improved management and compliance to multilateral environmental agreements. This Framework focuses on



harmonizing and reconciling overlapping management approaches, which would be complemented by a sufficient baseline of capacities to monitor and evaluate implementation and compliance.

STRENGTHENING CAPACITIES TO IMPLEMENT AND MANAGE GLOBAL CONVENTION GUIDELINES

To improve the synergistic implementation of the three Rio Conventions, project activities under this Framework would focus on one of the following: improving cross-institutional coordination and strengthening capacities to employ an integrated approach to implementing shared provisions of the three Rio Conventions; developing standards of good environmental management; or strengthening sustainable financing mechanisms in support of the global environment.

Types of activities to be developed include:

- D.1. Activities of a cross-cutting capacity development would be directed to improving organizational structures and mechanisms that catalyze coordination of multi-sectoral environmental policies and programs, and improve their associated governance structures.
- D.2. A cross-cutting capacity development project may wish to target the improvement of sound standards for good environmental management. These standards would be built upon process criteria for the design and implementation of management responses to global environmental objectives, with a view to supporting the long-term development of program indicators of delivered global environmental benefits.
- D.3. This type of project would focus on critical financial, fiscal and/or economic aspects of countries' capacities to meet their obligations under the three Rio Conventions. Projects would target particular

institutional structures and mechanisms that will produce cost-effective and long-term sustainability of environmental programs and plans that serve to meet national and global environmental priorities.

ENHANCING CAPACITIES TO MONITOR AND EVALUATE ENVIRONMENTAL IMPACTS AND TRENDS

Whereas Framework B.1 targets the strengthening of individual and organizational capacities for improved management information and decision support systems for the global environment, Framework E targets a more holistic construct of monitoring and evaluation systems. Developing a sufficient level of capacities under B.1, activities under this Framework would strengthen the institutionalization of these systems as a means to feed

lessons learned and best practices from projects and interventions under the Frameworks A through D.

More details on each Cross-cutting Capacity Development Framework, and the Capacity Development Results Framework, can be consulted at: http://www.thegef.org/gef/sites/thegef.org/files/documents/document/GEF-5_Capacity_strategy.pdf







Small Grants Programme

Through grassroots initiatives and community-level strategies implemented by CSOs, the GEF's Small Grants Programme (SGP) addresses global environmental concerns.

When local people are involved and direct community benefits and ownership are generated, global environmental problems can be best addressed. This is the core belief of the SGP.

The SGP provides support to various types of CSOs, including Community Based Organizations (CBOs), indigenous peoples organizations, women's organizations and non-governmental organizations (NGOs), among others.

The Unique Nature of the SGP

The SGP links global, national and local issues through a transparent, participatory and country-driven approach to project planning, design and implementation.

Since its establishment in 1992, the SGP provides grants of up to \$50,000, but averaging \$20,000 to \$35,000, directly to local communities, making a significant difference in their livelihoods and environments.

The strategic features of the program include its support of activities that reconcile sustainable livelihoods with GEF global priorities, the growing ownership by communities and local CSOs as a result of increased capacities and the experiences gained, as well as the active engagement of

diverse stakeholders working on global environmental issues at the local level.

The decentralized structure of the SGP encourages maximum country, community and civil society ownership and initiative. Decisions are taken by consensus at the country level by a National Steering Committee (NSC), a multi-sectoral body with strong representation from CSOs, including non-governmental organizations, academic and scientific institutions, indigenous peoples organizations, along with the UNDP Country Office and the government. The NSC is also responsible for developing the country's program strategy and adapting the SGP global strategic framework to the country's specific conditions. A National Coordinator serves as the link between the NSC and the local partners. A Central Programme Management Team (CPMT) within the UNDP Headquarters' GEF Unit is responsible for the overall global management of the SGP, since the UNDP administers the program on behalf of the GEF Agencies. An SGP Steering Committee, which includes the GEF Agencies, the Secretariat, CSO representatives and is chaired by the CEO, provides strategic guidance to the global programme.

Achieved Results of the SGP

By promoting the development of community level strategies, gathering and sharing lessons, building partnerships and networks of stakeholders, and encouraging replication, the SGP has become one of the most successful corporate programs of the GEF.

Since 1992, the SGP has awarded more than 13,000 grants, totaling more than \$304 million, and leveraged \$421 million in co-financing, including \$213 million in in-kind contributions from CSOs.

Biodiversity conservation has the largest share of the SGP investment portfolio, with 52 percent; followed by climate change mitigation projects, with 18 percent. Land degradation and multifocal area local initiatives represent 12 and 11 percent respectively. Community actions related to international waters and the phase out of POPs and chemicals account for five and two percent respectively (see Figure 6).

The regional distribution of the SGP investments shows that Latin America and the Caribbean accounts for the largest share of community-based projects, with 32 percent; followed by Asia and the Pacific and Africa, with 24 and 23 percent respectively. Europe and the CIS represent 14 percent of the SGP investments and the Arab States, 7 percent (see Figure 7). These percentages only

FIGURE 6 SGP DISTRIBUTION BY FOCAL AREA: 1992-2010

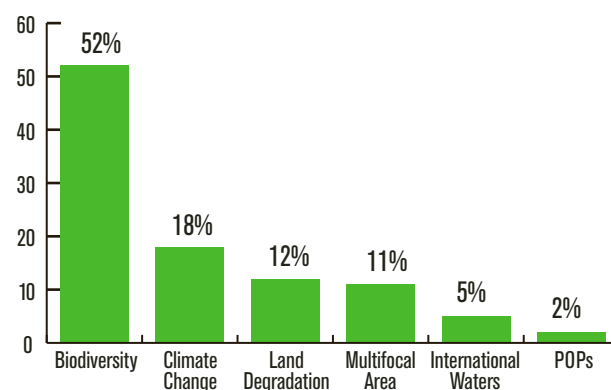
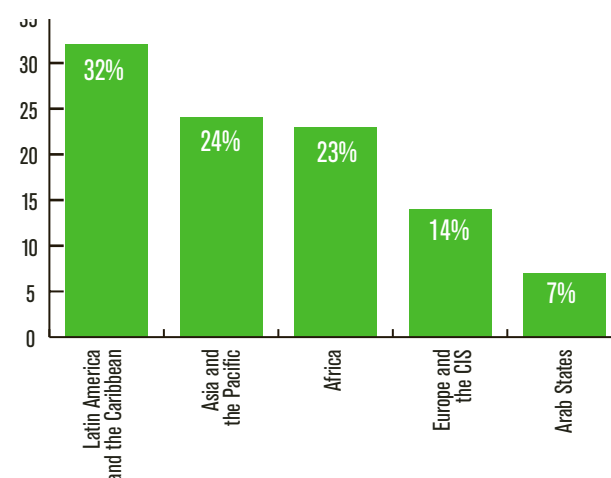


FIGURE 7 SGP REGIONAL DISTRIBUTION: 1992-2010

(in billion dollars)



represent trends, since some regions have more countries programmes than others, due to the expansion of the SGP over the years.

As a result of its success, the SGP has expanded from its initial 42 countries in 1992 to 137 countries in GEF-5. To effectively respond to and accommodate new country programmes, some country programmes were 'upgraded' to function more independently in GEF-5 Operational Phase. These upgraded countries have been part of the programme for more than 15 years and have gained significant experience to manage and sustain the SGP (see Box 4).

How to Access the SGP Funding

The GEF funding through the SGP is country-driven and based on community as well as CBO and the local CSO

BOX 4: The SGP Country Programmes

Upgraded country programmes in **bold**; new country programmes in *italic*.

AFRICA: Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cape Verde, Central African Republic, Chad, Comoros, Congo DR, *Congo (Brazzaville)*, Cote d'Ivoire, *Djibouti*, Eritrea, Ethiopia, Gambia, Ghana, Guinea Bissau, Guinea-Conakry, **Kenya**, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mauritius, Mozambique, Namibia, Niger, Nigeria, Rwanda, *Sao Tome and Principe*, Senegal, Seychelles, *Sierra Leone*, South Africa, *Sudan*, Tanzania, Togo, Uganda, Zambia, Zimbabwe.

ASIA AND THE PACIFIC: Afghanistan, Bhutan, Cambodia, China, **India**, Indonesia, Iran, Lao PDR, Malaysia, Maldives, Mongolia, Nepal, **Pakistan**, Papua New Guinea, **Philippines**, Solomon Islands, Sri Lanka, Thailand, *Timor Leste*, Vanuatu, Vietnam. Also, there are three Sub-regional Programs for the Pacific Island States — a sub-regional program coordinated from the Federated States of Micronesia also covering the Marshall Islands and Palau; another coordinated from Fiji, for the following countries: Kiribati, Nauru, Tonga and Tuvalu; and a Polynesia Sub-regional Program, coordinated from Samoa, including the Cook Islands, Niue and Tokelau.

ARAB STATES: Algeria, Egypt, Jordan, Lebanon, Morocco, Palestinian Authority, Syria Arab Republic, Tunisia, Yemen.

EUROPE AND THE CIS: Albania, Armenia, Belarus, *Bosnia & Herzegovina*, Bulgaria, *Croatia*, *Georgia*, Kazakhstan, Kyrgyzstan, Macedonia, *Moldova*, Romania, *Russian Federation*, *Slovakia*, Tajikistan, *Turkmenistan*, Turkey, Ukraine, Uzbekistan.

LATIN AMERICA AND THE CARIBBEAN: **Argentina**, Bahamas, Belize, **Bolivia**, **Brazil**, **Chile**, *Colombia*, **Costa Rica**, Cuba, Dominica, Dominican Republic, **Ecuador**, El Salvador, Guatemala, *Guyana*, Haiti, Honduras, Jamaica, **Mexico**, Nicaragua, Panama, Paraguay, Peru, Suriname, Trinidad and Tobago, Uruguay, Venezuela. A sub-regional program for the Caribbean is coordinated from Barbados and covers the following countries: Antigua and Barbuda, Grenada, St Kitts and Nevis, Saint Lucia and Saint Vincent and the Grenadines.

needs. Thus, the SGP funding can be accessed by communities directly or with their CSO partners in countries where the programme is operational.

As a strategic programme of the GEF that addresses environmental issues in an integrated manner through all focal areas, the SGP is consistent with the GEF strategies for each focal area. Thus, the SGP grants are eligible for activities related to biodiversity, climate change, international waters, land degradation, POPs, chemicals and capacity development. For the GEF-5, or the SGP 5th Operational Phase, the following strategic objectives have been agreed for these focal areas:

Biodiversity

1. Improve sustainability of protected areas and indigenous and community conservation areas through community-based actions.
2. Mainstream biodiversity conservation and sustainable

use into production landscapes, seascapes and sectors through community initiatives and actions.

Climate Change

1. Promote the demonstration, development and transfer of low-GHG technologies at the community level.
2. Promote and support energy efficient, low-GHG transport at the community level
3. Support the conservation and enhancement of carbon stocks through sustainable management and climate proofing of land use, land use change and forestry.

Land Degradation

1. Maintain or improve flow of agro-ecosystem and forest ecosystem services to sustain livelihoods of local communities.
2. Reduce pressures at community level from competing land uses (in the wider landscape).



International Waters

1. Support transboundary water body management with community-based initiatives.

Chemicals

1. Promote and support phase out of POPs and chemicals of global concern at the community level.

Capacity Development

1. Enhance and strengthen capacities of CSOs to engage in consultative processes, apply knowledge management to ensure adequate information flows, and implement convention guidelines.

Based on these SGP global objectives, each country develops its own country programme strategy. This strategy is agreed and approved by the National Steering Committee to better respond to country and community-level ownership. Usually, the SGP country strategies take into account existing national biodiversity and climate change strategies and plans, as well as those relating to national development and poverty eradication. Also, according to the country's specific conditions, the strategies may put emphasis on certain thematic areas and, particularly in large countries, are encouraged to adopt geographic concentration to ensure synergy and impact.

Step-by-Step Process

The step-by-step process to apply for an SGP grants is generally as follows:

1. **Contact the SGP National Coordinator.** As a first step, the project proponent should contact the National Coordinator in the country. The proponent will be able to discuss the details of the SGP country programme strategy, including the priorities set by the National Steering Committee for the country; and can also familiarize with the type of projects that have already received support in your country. The National Coordinator will also provide the proponent with project application guidelines and forms.
2. **Develop a project concept.** The National Coordinator will work with the project proponent to develop a project concept, briefly describing the main elements of the proposal.
3. **Pre-screening.** The National Coordinator reviews and pre-screens the concept paper. The review criteria are based on the GEF eligibility and the SGP country



programme strategy. The National Coordinator may provide comments to improve the project concept.

4. **Develop a project proposal.** If the initiative is considered eligible, the proponent will be asked to develop a project proposal. This document should be based on the project concept, describing each element in further detail. The National Coordinator will also assist the proponent to develop this document. In some cases, the preparation of the project proposal may be supported by a planning grant. Generally, the project proposal should include:

- **Organization's background and capacity** to carry out the proposed project.
- **Project objectives and expected results**, including the identified problem or challenge, the primary objective of the project and its rationale, the benefits to the local community and the global environment, and the sustainability of the project.
- **Description of planned activities**, including a clear timeline.
- **Community involvement and participation** in the entire process of the project design and implementation (with particular consideration for gender and indigenous peoples concerns, where relevant).
- **Detailed budget**, including amount requested from the SGP and co-financing (monetary and in-kind contributions).
- **Monitoring and Evaluation plan** for project implementation and at project completion.

In addition, an **executive summary** may be provided, including a brief summary of all the elements detailed in the project proposal.

5. **Review by the NSC.** Completed project proposals are submitted by the National Coordinator to the NSC. The NSC reviews the proposal and either accepts it, rejects it, or returns it to the proponent with a request for further work on formulating and refining the project. Once the project is approved by the NSC, it enters the national SGP work program.
6. **Project implementation:** A formal contract will be then signed between the proponent and the UNDP Country Office on behalf of the SGP for project implementation. The SGP grants are usually paid in three installments: an up-front payment to initiate the project; a mid-term payment upon receipt of a satisfactory progress report; and a final payment upon satisfactory project completion and receipt of a final report. The National Coordinator actively participates in supervising the project's implementation as well as its monitoring and evaluation.

The complete list of all the SGP National Coordinators, as well as the SGP CPMT, can be found at: <http://sgp.undp.org/index.cfm?module=SGP&page=Contact>

More detailed information on the SGP can be accessed at: <http://sgp.undp.org>





GEF Projects and Programs

Partnership building is one of the main pillars of GEF-funded activities. From key elements of the design process of an initiative, to providing particular expertise to the implementation of a specific component or contributing co-financing, the GEF seeks to promote, encourage, and strengthen partnerships through its on-the-ground actions.

A government agency, a CSO, a private sector company, a research institution, among the broad diversity of potential partners, can apply for GEF funding.

GEF support can be grouped into two main types: (a) **projects**, including full-sized and medium-sized that address a particular situation; and (b) **programs**, which are a *strategic* combination of projects and activities with a common focus structured to build upon or complement of one another to produce results that would not be possible to achieve through a project-by-project approach. GEF-funded activities are categorized as follows:

1. Full-sized projects (FSPs) — those over \$1 million in GEF funds.

Full-sized project — Example

Critical Ecosystems Partnership Fund (CEPF), providing strategic assistance to non-governmental and other private sector organizations for the protection of the world's most threatened ecosystems. The initial \$25 million provided by the GEF, through the World Bank, to Conservation International — an international NGO — helped initiate this global project. The model introduced by the project proved to be successful and effective in attaining the goal of biodiversity conservation. Currently, the CEPF continues its work as a joint program with the support of l'Agence Française de Développement, Conservation International, the GEF, the Government of Japan, the John D. and Catherine T. MacArthur Foundation, and the World Bank.

2. Medium-sized projects (MSPs) — those up to \$1 million in GEF-funds.

Medium-sized project — Example

Sustainable Management of Inland Wetlands in Southern Africa: A Livelihoods and Ecosystem Approach, a regional project focusing on mitigating land degradation in wetlands used for food production in southern Africa by addressing the lack of scientific data to provide policy and intervention options for ecologically sound wetland-based livelihood strategies. This project, which addresses Land Degradation and Targeted Capacity Development focal areas, is being implemented by the International Water Management Institute — a research institution — through the UNEP, with a GEF investment of \$999,000 which leveraged \$1.2 million in co-financing. The Institute is partnering with the FAO and the IUCN Regional Office for southern Africa, as well as governments, CSOs and universities in the participating countries — Lesotho, Malawi, Mozambique, Swaziland, Tanzania, South Africa, Zambia and Zimbabwe.

3. Programmatic Approaches — in order to maximize the impact of GEF resources, programmatic approaches (PAs) focus on programs instead of individual projects. The PAs represent a partnership between countries, the GEF and other interested stakeholders; and can be national, regional or global. The overall objective of the GEF programmatic approach is to secure a larger-scale and sustained

impact on the global environment by implementing medium to long-term strategies for achieving specific global environmental objectives that are consistent with the national or regional strategies and plans of recipient countries.

Programmatic Approach — Example

The *Coral Triangle Initiative (CTI) Program* addresses the immediate risk from various factors, including the impacts of climate change, over-fishing, unsustainable fishing methods, and land-based sources of pollution in the Coral Triangle region — the center of the world's coral reef biological diversity. The program, addressing biodiversity, international waters, and the adaptation aspects of climate change focal areas, is being coordinated by the ADB, with the participation of the UNDP, the FAO and the World Bank. The CTI is strongly rooted in the leadership of participating countries and in the CSO community in six countries — Indonesia, Malaysia, Papua New Guinea, Philippines, Solomon Islands and Timor Leste. The GEF is the largest donor to the CTI, with an allocation of \$63 million which leveraged more than \$300 million of co-financing. Some of the 9 projects under this program are:

- Coastal and Marine Resources Management in the Coral Triangle: Southeast Asia (regional FSP implemented by the ADB, with a GEF allocation of \$10.3 million, and co-financing for \$76 million)
- Portfolio Learning in International Waters with a Focus on Oceans, Coasts, and Islands and Regional Asia/Pacific and Coral Triangle Learning Processes (global FSP implemented jointly by UNDP and the ADB, with a GEF investment of \$2.7 million and co-financing of \$3 million)
- Integrated Natural Resources and Environmental Management in the Philippines (national FSP implemented by the ADB, with a GEF allocation of \$3.8 million and co-financing of \$102 million).

How to Access the GEF Funding

The possibilities for CSOs to access the GEF funding are multiple. Some considerations and a few key steps, however, should be taken beforehand:

1. **Contact the Operational Focal Point (OFP)** in the country. The idea for a project proposal should be first discussed with the OFP in the country. Since the OFP is responsible for the review and

endorsement of projects to ensure consistency with national priorities, the initial idea should be first discussed with him/her. The OFP can also guide the project proponent in avoiding duplication of activities, in case a similar project has already been funded. The list of all the GEF-funded projects in a country can be consulted at: <http://www.gefonline.org/Country/CountryProfile.cfm>. In addition, the OFP is also responsible for facilitating and coordinating all the GEF-related activities within the country. The project proponent can also submit its unique expertise and background on issues related to the protection of the global environment. The reason for this is to provide the OFP with the necessary information for the organization to be considered in, for example, consultations or sub-contracts for other projects.

2. **Meet the eligibility criteria.** For an activity to be considered for GEF-funding, it must fulfill the following eligibility criteria:

- It has to be undertaken in an **eligible country**. Countries may be eligible for GEF funding in one of two ways: a) if they have ratified the Conventions the GEF serves as a financial mechanism for (the UNFCCC, the CBD, the UNCCD and the Stockholm Convention); and b) if they are eligible to borrow funds from the World Bank or to receive technical assistance from the UNDP.
- It has to be **country-driven** and consistent with national priorities. All of the GEF projects should be based on national priorities designed to support sustainable development.
- It has to address one or more of the GEF **focal area strategies and objectives** (see Section 2. GEF-5 Focal Area Strategies).
- It has to seek GEF financing only for the agreed-on **incremental costs** on measures to achieve global environmental benefits (see Incremental Costs in this section).
- It has to be endorsed by the Operational Focal Point of the country in which it will be implemented. For regional projects and programs, the endorsement of the Operational Focal Points of all participating countries is required. For global projects, an endorsement letter is not required.
- It must **involve the public** in project design and implementation. Public involvement in GEF-funded projects consists of three related, and often overlapping, processes: information dissemination, consultation, and stakeholder participation (See the Public Involvement in GEF-Financed Projects policy at: <http://www.thegef.org/gef/gef/node/2024>)

3. **Select a type of GEF activity.** From the types of activities that the GEF provides funding for, the project proponent should select the one that better fits the idea to be developed into a proposal. Projects and programs follow a different review and approval process, known as the project cycle; thus, selecting the most appropriate one would facilitate the preparation process.

Step-by-Step Process for Projects

The step-by-step review and implementation process for FSPs and MSPs varies. For the GEF-5, these procedures have been streamlined to respond more effectively to the demand for GEF resources.

To facilitate the reviews by the various GEF actors, a set of templates to be completed by the project proposer have been designed.

The description of each step, including a description of each template, is organized depending on whether the proposal to be developed is a FSP or a MSP.

FULL-SIZED PROJECTS

FSPs go through four main steps, two of them in the approval phase and two of them in the implementation phase (see Chart 2), as follows:

Step 1: GEF Council Approval of Work Program

The project proposer in a recipient country agrees on the Project Identification Form (PIF) with the OFP and the GEF Agency, and seeks the endorsement by the country's OFP (see Box 5 for PIF template).

Once both the PIF and the endorsement letter by the OFP are completed, they can be formally submitted to the Secretariat through the GEF Agency.

There are no deadlines for submissions, since PIFs are received on a rolling basis.

Simultaneously, the Agency has to also submit the PIF to all of the other GEF Agencies, the relevant convention secretariat(s), and the STAP. The other Agencies, the relevant convention secretariat(s), and the STAP review the proposal, and within five days, provide comments which are also copied to the Secretariat.

BOX 5: Project Identification Form (PIF)

The PIF template has to be completed by the project proposer. The PIF includes three parts. In no more than eight pages, the project proposer should explain the proposed activities, including:

PART I: PROJECT IDENTIFICATION. Through a series of tables, this part outlines the main components of the project, including:

- Project Title, Country(ies) where the project will be implemented, GEF Agency(ies), Other Executing Partners, GEF Focal Area(s) addressed by the proposal, Project Duration.
- A. Focal Area Strategy Framework, Focal Area Objectives, Focal Area Outcomes, Focal Area Outputs including an Indicative Grant Amount, Indicative Co-financing and Total Project Cost.
- B. Project Framework. Project Objective, Project Component, Expected Outcomes and Expected Outputs, Indicative Grant Amount, Indicative Co-financing and Total Project Costs.
- C. Indicative Co-financing for the Project by Source and by Name, if available.
- D. GEF Resources Requested by Agency, Focal Area, and Country.

PART II: PROJECT JUSTIFICATION. This part requires a description of the following elements of the project, in no more than four to five pages:

- A. Consistency of the project with GEF focal area strategies and objectives and with national strategies and plans and assessments under relevant conventions.
- B. Project Overview, including a description of the baseline project and the problem that it seeks to address, the incremental activities and the associated global environmental benefits, the socioeconomic benefits to be delivered by the project, indicate risks that might prevent the project objectives from being achieved and if possible propose measures that address these risks, the key stakeholders involved in the project, and coordination with other related initiatives.
- C. The GEF Agency's comparative advantage to implement this project.

PART III: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT(S) AND GEF AGENCY(IES), for signatures of the OFP and the GEF Agency Coordinator. The OFP endorsement letter has to be attached to the PIF template.

The PIF template can be downloaded at: <http://www.thegef.org/gef/node/1708>

Guidelines to facilitate the preparation of the PIF can be downloaded at: <http://www.thegef.org/gef/node/1709>

The Secretariat reviews the PIF, and within 10 working days, recommends:

- That the proposal is included in the work program for consideration by the Council — referred to as a cleared PIF;
- That the proposal requires further clarification or additional information;
- That the proposal is not recommended for further processing.

The CEO then submits the work program for Council approval. The GEF Council reviews several work programs in a year — either during the Council meeting, or intersessionally for decision by mail on a no-objection basis.

Step 2: Endorsement of a Project by the CEO

Since the PIF provides the overall outline of the proposal, a more detailed project document is required. Thus, after a PIF is approved by the Council, the project proponent and the Agency have a maximum of **18 months** to prepare the project document for CEO Endorsement/Approval (see Box 6 for the Project document for CEO Endorsement template).

Once the final project document is completed and agreed by all stakeholders involved in the proposal, and together with the endorsement letter by the OFP, it is submitted to the Secretariat for CEO endorsement.

BOX 6: Project document for CEO Endorsement/Approval

This template includes five parts and five annexes; and in no more than 50 pages, should describe the following elements:

PART I: PROJECT INFORMATION. Through a series of tables, this part outlines the main components of the project, including:

- Submission Date, Project Duration (in months), Country(ies), Project Title, GEF Agency(ies), Other Executing Partners, GEF Focal Area(s), Name of Parent Program (if project belongs to a programmatic approach).
 - A. Focal Area Strategy Framework, Objectives, Expected focal area Outcomes, Expected focal area Outputs, Financing (requested), Co-financing, Subtotal, Project Management Cost, Total project costs.
 - B. Project Framework, outlining the overall design of the project by providing: Project Objective, Project Component (list the activities /components), Grant Type, Expected Outcomes and Expected Outputs, Financing (requested), Confirmed Co-financing, Subtotal, Project Management Cost and Total project costs.
 - C. Confirmed Co-Financing for the Project by Source and Name, including Sources of Co-financing, Name of Co-financier, Type of Co-financing, Amount and Total Co-financing.
 - D. Breakdown of GEF Resources Requested by Agency, Focal Area, and Country, including GEF Agencies, GEF Focal Area(s), Country Name/Global, Project Amount, Agency Fee, Total.
 - E. Consultants working for technical assistance components (if applicable).
 - F. Project Management Cost.
 - G. Non-grant instruments (if applicable).
 - H. Monitoring & Evaluation Plan with budgeted amount.

PART II: PROJECT JUSTIFICATION. This part requires a detailed description of the following elements of the project:

- A. Description of the consistency of the project with GEF Focal Area Strategies and Objectives and with national strategies and plans and assessments under relevant conventions.
- B. Project Overview, including a description of the incremental activities requested for GEF financing and the associated global environmental benefits; the socio-economic benefits to be delivered by the Project at the national and local levels; risks that might prevent the project objectives from being achieved, and if possible, propose measures that address these risks; key stakeholders involved in the project; and the coordination with other related initiatives.

- C. GEF Agency information, including the comparative advantage to implement the project.

PART III: INSTITUTIONAL COORDINATION AND SUPPORT

- A. Institutional Arrangement of GEF Agency(ies).
- B. Project Implementation Arrangement of GEF Agency(ies) and executing partners.

PART IV: ALIGNMENT OF PROJECT DESIGN WITH THE ORIGINAL PIF, including the expected global environmental benefits, co-financing, GEF grant requested and incremental reasoning.

PART V: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT AND GEF AGENCY(IES) for signatures of the OFP and the GEF Agency Coordinator.

ANNEX A: Project Results Framework, including a complete and detailed project level results framework (logical framework).

ANNEX B: Responses to Project Reviews: Agencies' responses to comments received during PIF stage from Council, other Agencies, GEFSEC, Convention Secretariat and STAP; and how the comments have been incorporated into the documents

ANNEX C: Consultants to be Hired for the Project, including a detailed list of local or international consultants to be hired for the project, which may include those for project management and those for technical assistance.

ANNEX D: Status of Implementation of Project Preparation Activities and the use of funds. If a Project Preparation Grant (PPG) was used, this annex should provide a full picture of how preparation funding was used, and the activities financed.

ANNEX E: Calendar of Expected Reflows: If non-grant instrument is included in the project, please provide calendar of expected reflows to the GEF Trust Fund and/or the GEF Agency.

The template for the CEO Endorsement/Approval can be downloaded from: <http://www.thegef.org/gef/node/3627>
The Guidelines to facilitate the preparation of this template can be downloaded from: <http://www.thegef.org/gef/node/3628>

Within 10 business days, the Secretariat reviews the project, which is then endorsed by the CEO. After CEO endorsement, projects are posted on the GEF website for information.

Step 3: Approval of a Project by the GEF Agency

After a project is endorsed by the CEO, and using the same project document, the GEF Agency follows its own internal procedures to approve the project and start project implementation. The GEF Agency supervises throughout the implementation of the project and conducts periodic reviews.

Step 4: Project Completion and Terminal Evaluation

The GEF Agency is responsible for the completion of an implementation, terminal evaluation and financial closure of the project. The GEF Agency is required to prepare, in English, a terminal evaluation report at the completion of any FSP.

PROJECT PREPARATION GRANTS

Depending on the components and activities proposed for GEF funding, a project may require, for example, coordinating workshops to consult with national stakeholders, hiring a consultant with particular expertise or developing a preliminary study. These preparatory activities can be funded through a Project Preparation Grant (PPG) (see Box 7 for PPG template).

If preparatory funds are requested, the PPG can be submitted at the same time as the PIF submission to the Secretariat or after Council approval of the PIF. The OFP endorsement is required for a PPG request which is usually included in the endorsement letter for the PIF. The general rule is that when a PIF is cleared by the CEO and recommended for work program inclusion, the PPG request is simultaneously considered. The PPG implementation has to be completed, or at least all of the PPG funding has to be committed, by the time the project document is submitted for CEO endorsement.

MEDIUM-SIZED PROJECTS

To be approved, MSPs can go through two different paths (see Chart 3), as follows:

Expedited one-step approval process

This path applies for those MSPs that do **not** require PPGs. Thus, no PIF is required.

BOX 7: Project Preparation Grant (PPG)

This template should include the description of the following elements:

PROJECT IDENTIFICATION:

- Country(ies), Project Title, GEF Agency(ies), Other Executing Partners, GEF Focal Area(s).
 - A. Project Preparation Timeframe.
 - B. Proposed Project Preparation Activities and Justifications
 - C. Financing Plan Summary
 - D. PPG Amount requested by Agency(ies), focal area(s) and country(ies)
 - E. PPG Budget Request
 - F. GEF Agency(ies) Certification: To be signed off by the Agency's designated authority.

ANNEX A: Detailed breakdown of consultants by position/title, unit cost for the consultants, and person weeks intended for the tasks to be performed.

The PPG template can be downloaded from:

<http://www.thegef.org/gef/node/3625>.

The Guidelines to facilitate the preparation of this template can be downloaded from:

<http://www.thegef.org/gef/node/3626>

APPROVAL OF A PROJECT BY THE CEO

A fully prepared MSP project document can be approved by the CEO. The same template for Project document for CEO Endorsement/Approval (see Box 6) should be completed in order to submit the MSP proposal (including the five parts and five annexes, in no more than 50 pages).

Project preparation times are not applicable for this one-step approval process, since the time to prepare the project document depends on the project proponent and the GEF Agency.

The OFP endorsement letter should be attached as part of the submission to the Secretariat requesting approval for the project document.

MSPs project documents are reviewed and approved by the CEO after a 10 working days review period. After CEO approval, projects are posted on the GEF website for information.

APPROVAL OF A PROJECT BY THE GEF AGENCY

After a project is approved by the CEO, and using the same project document, the GEF Agency follows its

CHART 2 FSP PROJECT CYCLE

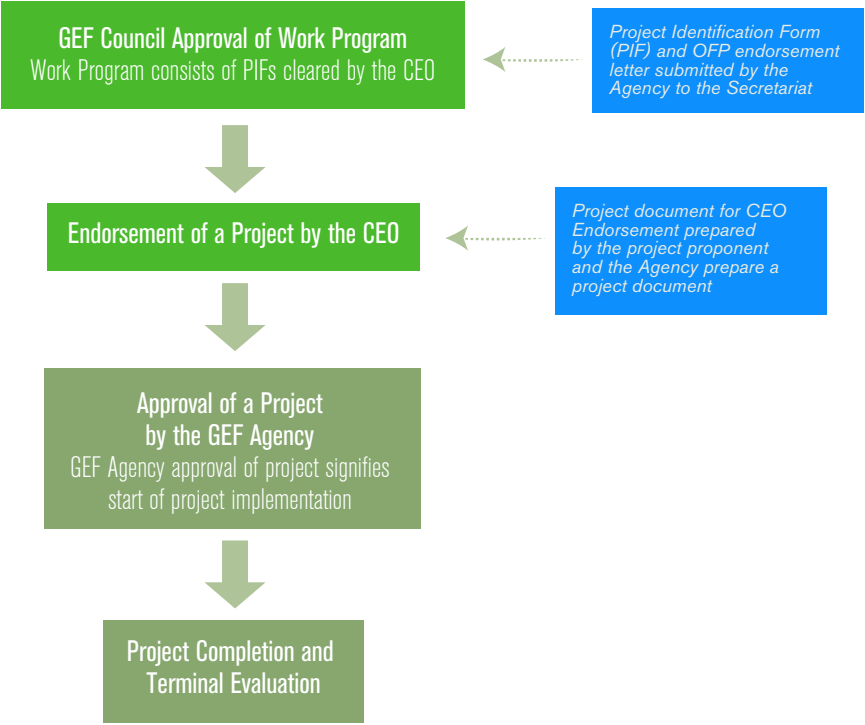
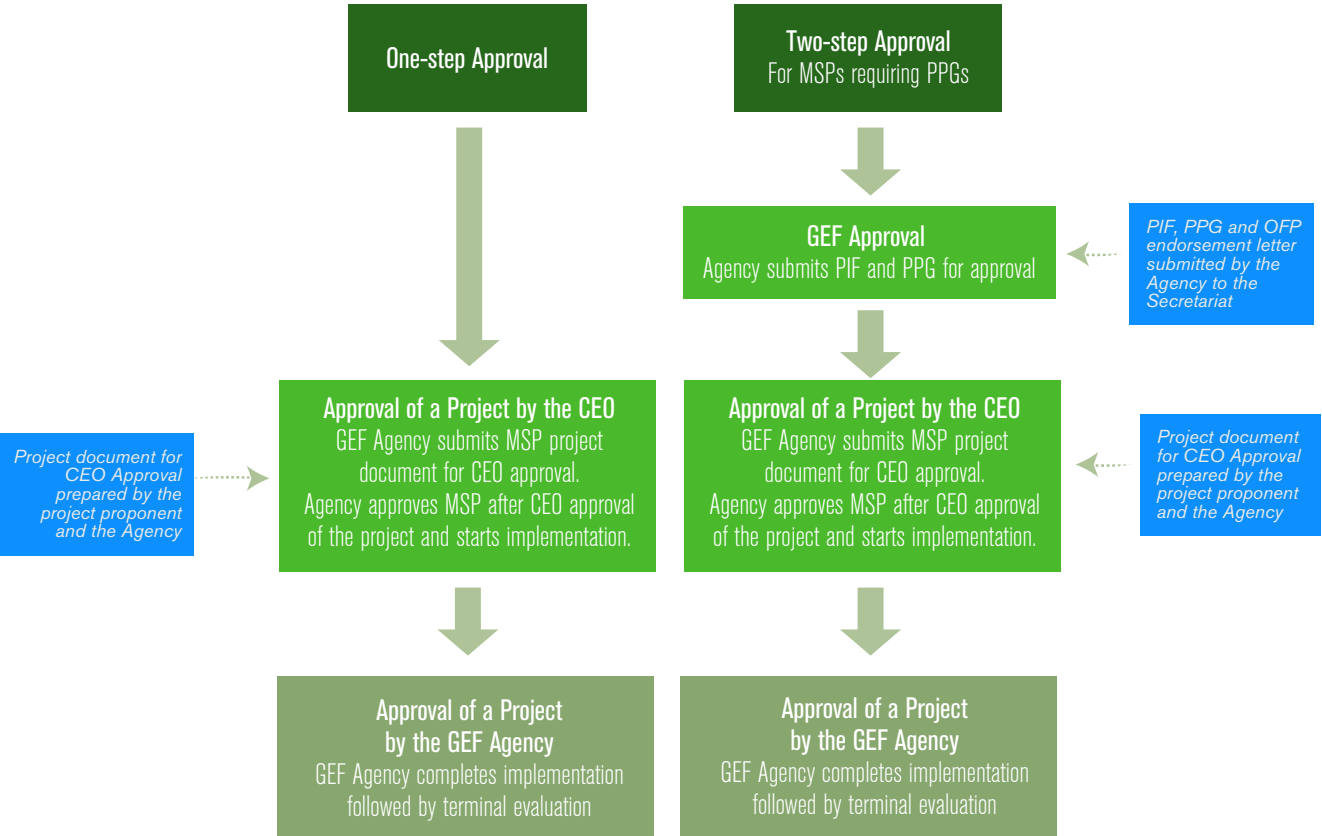


CHART 3 MSP PROJECT CYCLE





own internal procedures to approve the project and start project implementation. The approved project document, together with the Secretariat's review sheet, is then posted on the GEF website for information.

Two-step approval process

This path applies for those MSPs requiring PPGs, and a PIF should also be completed.

GEF APPROVAL

Using the template for the PPG (see Box 7), the request should be submitted together with a PIF (see Box 5). This step follows a similar process as for FSPs. The OFP endorsement should be submitted with the PIF.

Upon review and CEO approval, activities included in the PPG can be implemented towards the preparation of the full MSP proposal. The PPG implementation has to be completed, or at least all of the PPG funding has to be committed, by the time the project document is submitted for CEO approval.

Elapsed time from the PIF approval to CEO approval of the final MSP project document should not exceed 12 months.

APPROVAL OF A PROJECT BY THE CEO

A fully prepared MSP project document is submitted to the Secretariat to be approved by the CEO. The same template for Project document for CEO Endorsement/Approval should be completed in order to submit the MSP proposal (including the five parts and five annexes, in no more than 50 pages).

Since the OFP has already endorsed the PIF, no endorsement letter is required to be enclosed with the project document.

Within 10 business days, the Secretariat reviews the project, which is then approved by the CEO and posted on the GEF website for information

APPROVAL OF A PROJECT BY THE GEF AGENCY

After a project is approved by the CEO, and using the same project document, the GEF Agency follows its own internal procedures to approve the project and start project implementation. The approved project document, together with the Secretariat's review sheet, is then posted on the GEF website for information.

Step-by-Step Process for Programs

Programs are a strategic combination of projects — either FSPs or MSPs — structured under a common framework. A program can be conceived by an organization or entity in a country or a group of countries.

The steps for a program to be approved are as follows (see Chart 4):

Step 1: GEF Council Agreement of Work Program

The first step toward agreement on a programmatic approach is securing the approval of the Program Framework Document (PFD) by the Council as part

of a work program presented for Council review (see Box 8 for PFD template).

The GEF Agency must obtain an endorsement letter from the country's OFP for the program concept and objectives. Separate the OFP endorsement letters should be provided to endorse each project under the program.

The PFDs may be submitted to the Secretariat by a GEF Agency for consideration for work program inclusion only during Council meetings.

Simultaneously, the Agency provides copies of the PFD to all relevant Agencies, Convention Secretariats and the

STAP, who may provide comments on the PFD to the Secretariat. Upon review, the CEO clears the PFD, which is included in the work program for Council review.

The Council reviews the PFD and agrees to its concept and objective.

Step 2: Approval of Projects under the Agreed Program

Projects — either FSPs or MSPs — under the agreed program can be submitted for approval. Procedures for these projects follow the same procedures as for stand-alone projects.

BOX 8: Program Framework Document (PFD)

This template includes three main parts, and one annex which should include the projects to be part of the program. In no more than 50 pages, the PFD should include a description of the following elements:

PART I: PROGRAM IDENTIFICATION: This part outlines the main components of the project, including:

- Program Title, Country(ies), Lead GEF Agency, Other GEF Agencies, Other Executing Partners, GEF Focal Area, Submission Date, Program Duration, Agency Fee.
- A. Focal Area Strategy Framework, including focal area objectives, expected focal area outcomes, expected focal area outputs, the type of trust fund, indicative financing, and indicative co-financing.
- B. Program Results Framework, including program Goal, program components, grant type, expected outcomes, expected outputs, type of trust fund, indicative financing and indicative co-financing.
- C. Indicative Co-financing for the Program by Source and by Name.
- D. GEF Resources Requested by Agency, Focal Area and Country.

PART II: PROGRAM JUSTIFICATION, describing the following elements of the program:

- A. Goal of the Program.
- B. Description of the consistency of the Program with the GEF Focal Area strategies and objectives and with national strategies and plans and assessments under relevant conventions.
- C. Rationale of the Program and Description of Strategic Approach.
- D. Discuss the added value of the Program vis-à-vis

a project approach.

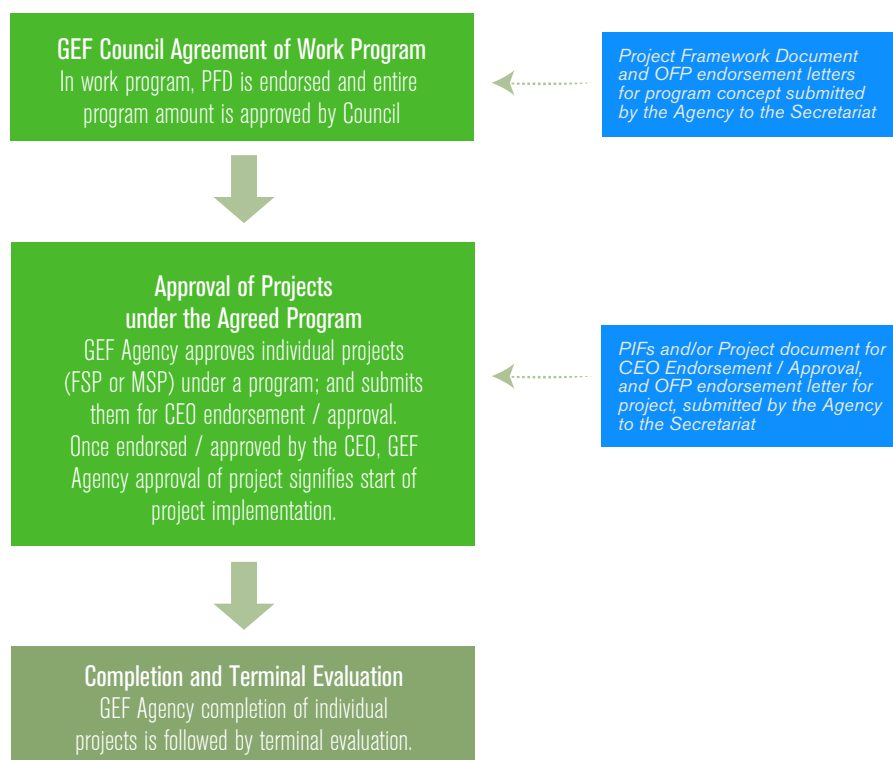
- E. Describe the baseline Program and the problem it seeks to address.
- F. Incremental/Additional Cost Reasoning.
- G. Describe the socio-economic benefits to be delivered by the Program.
- H. Justify the type of Financing Support provided with the GEF resources.
- I. Indicate the Risks, including climate change risks that might prevent the Program objectives from being achieved.
- J. Outline the Institutional Structure of the Program including Coordination and Monitoring and Evaluation.
- K. Identify Key Stakeholders involved in the Program.
- L. Indicate the co-financing amount the GEF agency is bringing to the project.
- M. Show how the program fits into the GEF Agency's program.

PART III: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT(S) AND GEF AGENCY(IES) for signatures of the OFPs and the GEF Agency(ies) Coordinator(s).

ANNEX A. List of Projects under the Program Framework

The PFD template can be downloaded at:
<http://www.thegef.org/gef/node/3646>
The Guidelines to facilitate the preparation of this template can be downloaded from:
<http://www.thegef.org/gef/node/3647>

CHART 4 PROGRAM CYCLE



FSPs under a program can be submitted at the same time as the PFD or as part of subsequent work programs for approval of the Council. All of the PIFs under a program should be submitted for the review and approval of the Council no later than **6 months** after endorsement of the PFD by the Council.

MSPs can be submitted to the Secretariat for CEO approval, after Council agreement of the program.

The elapsed time between endorsement of a PFD by the Council and the start of the implementation of the entire program, inclusive of all its component projects, cannot exceed **18 months**.

The PA cycle described here can be accessible to all GEF Agencies, opening the possibility of multi-agency programs. A second type of PA is also available, for programs that are to be implemented by a single qualifying Agency that meets criteria for a delegation of authority to approve projects. The program cycle is similar for both types, since the Council has to approve the PFD for the entire program. The main difference is that after Council approval of the PFD, individual projects will be approved by the qualifying Agency following its own individual procedures. After the Agency's approval, projects are submitted to the Secretariat for a 10 working-day review period for CEO endorsement/approval.

Incremental Costs

The GEF provide resources to meet the incremental costs of projects. This means that **only** the cost associated with transforming a project with national benefits into one that generates global environmental benefits can receive GEF support.

Determining incremental costs in GEF projects is not always simple. To address the need to determine incremental costs in a simplified way, a pragmatic approach has been adopted, which includes the following five steps:

- 1. Analysis of "Business as Usual" Scenario.** The "business-as-usual" describes the situation or context relevant to the proposed project intervention in a country or proposed project site as it would expectedly unfold without the GEF support. Thus, this analysis would determine the environmental problem, threat, or barrier, and the "business-as-usual" scenario (or: What would happen without the GEF?). It will also provide an assessment of ongoing and planned activities in the absence of the GEF and the expected/projected loss of global environmental benefits if left unattended.
- 2. Analysis of Global Environmental Benefits and Strategic Fit** (linked to the GEF focal areas). Once the environmental problems, threats, barriers and the extent to which Global Environmental Benefits (GEB) are being lost have been identified, the next step is to

Incremental Costs: Key Concepts and Example

Two key concepts help explain incremental costs — the ‘business-as-usual’ and the ‘alternative’ scenarios. The ‘business-as-usual’ describes what already is occurring in the project area, and what is being implemented as ‘baseline activities’ — those activities funded by, or proposed to be funded by, other sources other than the GEF. The ‘alternative’ refers to the activities that would generate global environmental benefits. Thus, a project proposal to be considered for GEF financing should identify the global environmental benefits (GEBs) to be delivered as a result of GEF financing for an ‘alternative’ scenario. The GEBs could be environmental problems solved or mitigated, threats/barriers removed, avoided loss of GEBs that go above and beyond the benefits of the ‘business-as-usual’ scenario and ‘baseline activities’. The identification of the GEBs should be closely aligned with the GEF focal area strategies and priorities.

In the case of a climate change project, GEF incremental costs are calculated as the difference between the costs of the GEF ‘alternative’ scenario and the costs of the ‘business-as-usual’ scenario. For example, various technologies could be used to meet a national development goal of generating power. The choice of renewable technologies over coal imposes an incremental cost and avoids the greenhouse gases that would otherwise be emitted. GEF grants cover the difference or *increment* between a less costly option (e.g.: coal-fired power generator) and a more expensive option that benefits the global environment (e.g.: renewable energy technologies).

The *Integrated Energy Services for Small Localities of Rural Mexico* project provides an example of incremental costs covered by the GEF. Mexico has already achieved an electrification coverage of almost 95 percent of households, serving approximately all but 5 million of the 100 million population. These 5 million represent some 89,000 small, isolated communities. The project’s global environmental objective is to reduce GHG emissions through the reduction of policy, information, institutional capacity and financing barriers that hinder renewable energy technology dissemination. The incremental cost analysis compares the cost of investments and magnitude of GHG emissions associated with carrying out the business-as-usual approach to rural electrification — almost exclusively line extension and the use of isolated diesel systems — as opposed to implementing decentralized systems, particularly renewable energy technologies, for off-grid communities.

identify and agree on the GEB the project is going to address. Each focal area of the GEF has determined the GEBs it is addressing, and all focal areas have indicators and tracking tools for GEBs. The determination of the GEBs defines the specific strategic objective of the focal area that the potential project can fall under.

3. Incremental cost reasoning and the GEF’s role.

Incremental reasoning defines the role for the GEF in the context of the expected agreed global environmental benefits from a proposed project. It is based on an assessment of the value added by involving the GEF. The identification of the GEF’s role is of great importance for the design and implementation of a project, and therefore requires a recorded process of transparent dialogue and negotiation between key stakeholder groups.

4. Determination of Result-based Framework for Projects.

Once the problem, “business-as-usual”, and GEBs have been defined, the next step is to identify and negotiate the vision, objective and expected outcomes of a project. These decisions are enshrined in the results framework (such as the logical framework). The results

framework describes both the GEF increment (i.e. achieving GEBs) and the underlying interventions related to the “business-as-usual” (achieving local and national benefits).

5. **Role of Co-finance.** Co-financing is defined as the non-GEF project resources that are essential for meeting the GEF project objectives, and directly contribute to the outcomes of the future project. Co-financing is essential to support the underlying baseline project, and may provide sort of the financing for the incremental elements of a project.





Enhancing Partnerships with CSOs

Promoting and encouraging partnerships in all its activities has been one of the critical components to the GEF's success. One of the most strategic partnerships the GEF has achieved is with the civil society community. The skills, experience, and knowledge of the CSO community play a key role in GEF-funded projects and in the development of the GEF policies.

The term civil society organization is broad, and includes various and diverse types of organizations. Recognizing the definition of major groups agreed by Governments at the United Nations Conference on Environment and Development in 1992, civil society consists of nine major groups: non-governmental organizations (NGOs), farmers, women, the scientific and technological community, youth and children, indigenous peoples and their communities, business and industry, workers and trade unions and local authorities. In line with this definition, and for the purpose of attending/observing Council meetings, CSOs are defined as 'non-profit organizations whose mandate, experience, expertise and capacity are relevant to the work of the GEF'.

Enhancing the partnerships with CSOs is a continuous and evolving interest of the GEF, since the advantages and benefits of this strategic alliance greatly contributes to the achievement of its goal of protecting the global environment.

The GEF-CSO partnership involves two main levels — projects and policy advocacy.

CSO Partnership in GEF-funded Projects

By partnering with the GEF in projects, CSOs have been able to bring numerous stakeholders together, and create linkages among communities, CSOs and governments; encourage cooperation; and improve understanding and dialogue between local and national levels.

Some of the most significant benefits of CSO involvement in GEF-funded projects include enhancing country ownership, ensuring that the needs of affected communities are adequately met, improving project design, implementation and evaluation, and helping to strengthen the capacities of civil society groups.

Numerous partnerships can be built around the different types of support the GEF provides, opening various and diverse opportunities for CSOs to collaborate and be part of GEF-funded projects. These partnerships can be achieved in various stages of a project. Although not inclusive, the following list provides some examples of the contributions that CSOs can provide to a successful GEF project:

1. **Project design.** Designing a project that benefits the global environment is complex. It requires not only a good knowledge of the national situation, but of how the activities would benefit the global environment. CSOs and the scientific community can greatly contribute to the design process of a proposal for GEF funding. By being part of the design of a project, CSOs ensure that only the most appropriate and cost-effective activities are proposed. In addition, consultations and workshops with interested stakeholders and beneficiaries are options in which CSOs can provide their particular expertise.
2. **Project implementation.** CSOs can partner with the lead executing agency of a project and also be part of the project's implementation. On average, a GEF-funded project may demand between three to five years of implementation, through numerous interconnected activities and components. Some of these components can be sub-contracted to CSOs, based on the unique expertise that an organization could provide to the project's objectives, including the monitoring and evaluation of its results.
3. **Project execution.** Some CSOs can also execute a GEF-funded project. Since the scale of some projects is quite large, scrutiny of the project proponent is more rigorous, and thus this option would depend on the institutional and administrative capacity of a CSO.



CSO Partnership in Policy Advocacy

CSOs have become effective advocates in the GEF international policy-making process, by engaging in a systematic and proactive manner at the international level. CSOs have been contributing to the GEF's decision-making process through:

- Contributing to the governance and policy development by participating in consultations with the Council;
- Lobbying for donor contributions during replenishment negotiations; and
- Awareness and outreach on global environmental issues.

The most significant contribution, however, has been through actively engaging in the GEF-CSO Consultation before every Council meeting, and participating in Council meetings as well as the GEF Assembly. This dialogue process is unique within other multilateral



bodies, allowing for a direct exchange of views between CSOs, the GEF, its Agencies and Council members. During these meetings, CSOs voice concerns and comment on policies and projects, and present positions on substantive issues that are on the Council's agenda. These presentations and discussions represent an opportunity to share CSOs' practices and lessons in the implementation of projects with the various GEF partners.

CSO participation in these meetings is coordinated through a partnership between the GEF and CSOs whose work in the fields of environment and sustainable development is aligned with the GEF's mandate — the GEF-NGO Network. Established in 1995 as a voluntary network of CSOs interested in taking part in the Consultations and Council meetings, as well regularly receiving GEF-related information, the Network supports the coordination of these activities. More than 400 CSOs are currently members of the GEF-NGO Network.

Strengthening CSO Engagement in the GEF-5

The important role of CSOs in working with the GEF will be strengthened in the GEF-5. The valuable contributions from the CSO community, in particular at the country level, will be enhanced to further empower and engage CSOs within the GEF. In this context, concrete actions include:

a) CSO Involvement in the Identification, Execution and Evaluation of GEF Programs at Country and Local Levels.

CSOs will be invited to participate in the process of programming GEF resources in a country. This includes participation in national dialogues, National Portfolio Identification Exercises and when specific project ideas are being developed. These actions will, in turn,

strengthen country ownership over decisions on GEF resources. By interacting with the OFF, various relevant ministries and other key stakeholders, CSOs will be able provide input into the identification of project ideas and provide guidance to project proponents on planning stakeholder engagement when developing a project. In addition, CSOs will have the opportunity to offer their particular services to execute projects or specific components, based on their expertise, experience and technical capacity.

b) CSO Participation in the Expanded Constituency Workshops

To keep the GEF national focal points, convention focal points and other key stakeholders, including CSOs, in a country up to date with the GEF strategies, policies and procedures, annual Expanded Constituency Workshops are being coordinated. These workshops provide an opportunity for the GEF focal points to meet with their counterparts from other countries in the region, the Secretariat and the GEF Agency staff in order to discuss priority issues, review policies and procedures and to share lessons and experiences from the development and implementation of GEF projects and their integration within national policy frameworks. These meetings also enhance coordination with other national stakeholders. One CSO representative per country is invited to participate in these workshops, though a self-selection consultative process among members of the GEF-NGO Network in that country.

c) CSO Engagement at the National Level

One meeting a year with national CSOs is being encouraged, to allow for an open dialogue regarding GEF issues in a country. These meetings should be convened by the OFF. The experiences and lessons gathered from these meetings can be shared at the Expanded Constituency Workshops and Consultations with the Council leading to the development of guidance and tools for OFFs on how to engage effectively with CSOs.

The list of all GEF-NGO Network members and Focal Points can be found at: www.gefngo.org





MORE INFORMATION ON

CSO engagement with the GEF

Can be accessed at the CSO section of the GEF website: www.thegef.org/gef/CSO
or requested by e-mail to: gefcivilsociety@thegef.org.

PHOTOGRAPHY

Cover: World Bank/Tran Thi Hoa

Inside cover: GEF photo contest/Daiyan

Page 2: GEF photo contest/Pranabesh

Page 6: Shutterstock

Page 10: World Bank

Page 13: Shutterstock

Page 14-15: Shutterstock

Page 16-17: GEF photo contest/Mahmood

Page 19: Shutterstock

Page 21: GEF photo contest/Tsydenova

Page 24: South China Sea — UNDP

Page 27: World Bank/Curt Carnemark

Page 29: GEF photo contest/Victoriano

Page 31: Shutterstock

Page 32: World Bank

Page 35: Shutterstock

Page 36-37: Alfred Duda

Page 40: World Bank/Curt Carnemark

Page 41: World Bank/Curt Carnemark

Page 42-43: Arrowheadfilms/Peter and Patrick Fries

Page 50: Shutterstock

Page 54-55: GEF photo contest/Melo

Page 57: GEF

Page 58-59: GEF photo contest

Production Date: May 2011

Design: Patricia Hord.Graphik Design

Printer: Professional Graphics Printing Co.

ABOUT THE GEF

The Global Environment Facility unites 182 member governments — in partnership with international institutions, nongovernmental organizations, and the private sector — to address global environmental issues. As an independent financial organization, the GEF provides grants to developing countries and countries with economies in transition for projects related to biodiversity, climate change, international waters, land degradation, the ozone layer, and persistent organic pollutants. These projects benefit the global environment, linking local, national, and global environmental challenges and promoting sustainable livelihoods.

Established in 1991, the GEF is currently the largest funder of projects to improve the global environment. The GEF has allocated \$9 billion, supplemented by more than \$40 billion in co-financing, for more than 2,600 projects in more than 165 developing countries and countries with economies in transition. Through its Small Grants Programme, the GEF has also made more than 13,000 small grants directly to nongovernmental and community based organizations.

The GEF partnership includes 10 Agencies: the UN Development Programme, the UN Environment Programme, the World Bank, the UN Food and Agriculture Organization, the UN Industrial Development Organization, the African Development Bank, the Asian Development Bank, the European Bank of Reconstruction and Development, the Inter-American Development Bank, and the International Fund for Agricultural Development. The Scientific and Technical Advisory Panel provides technical and scientific advice on the GEF's policies and project

www.theGEF.org



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET