



GEF

GLOBAL ENVIRONMENT FACILITY

GEF Focal Areas, Priorities, Eligibility Criteria and Project Formulation

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by

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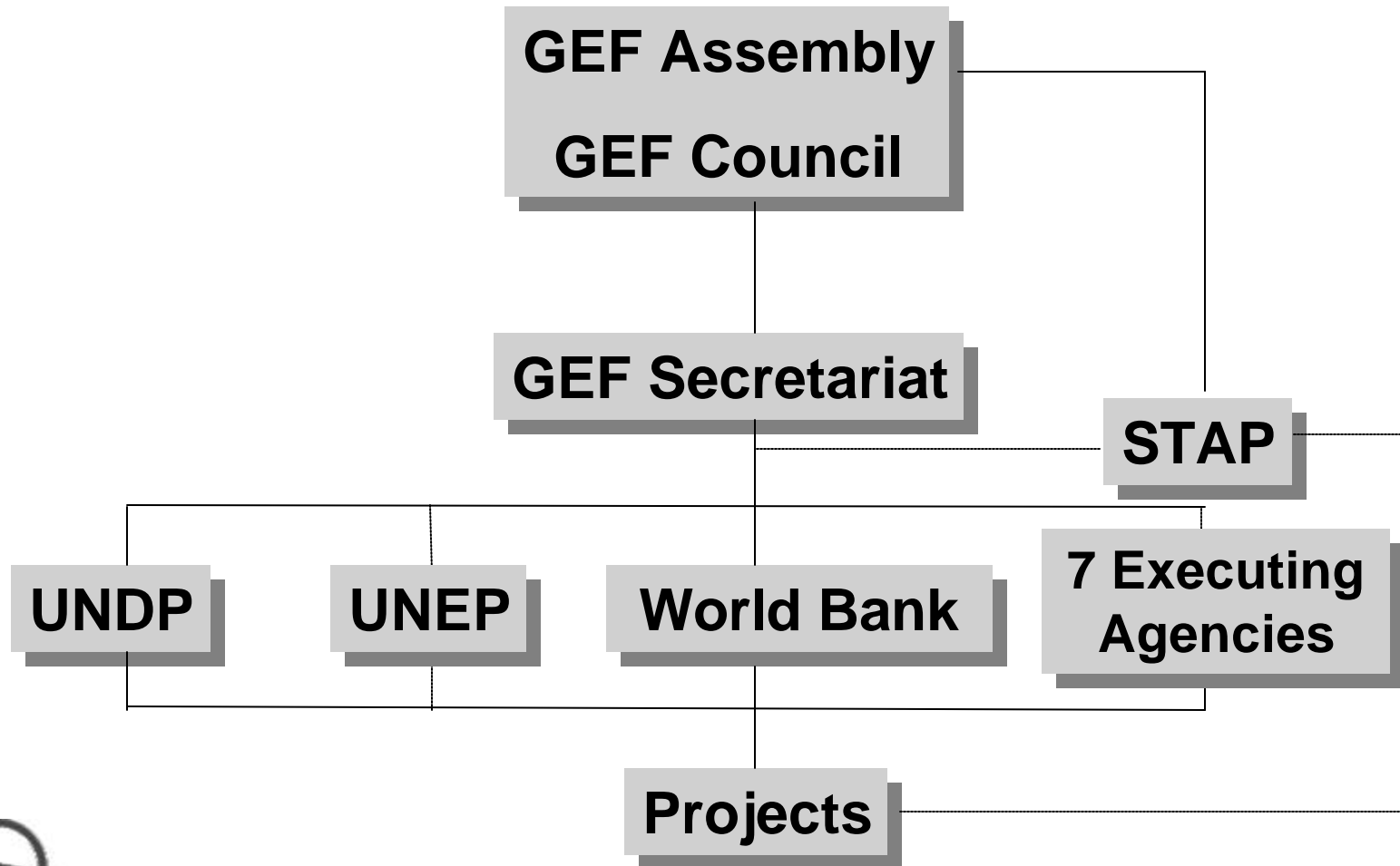
The World Bank

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GEF Operational Framework



GEF “Implementing Agencies”: Your Partners to Help Develop and Implement Projects

UNDP

UNEP

World Bank

UNDP

technical
assistance /
capacity
building
projects

UNEP

global/
regional
and trans-
boundary
projects,
support
STAP

**World
Bank**

investment
projects



The Global Environmental Focal Areas of the GEF

- ❖ Biodiversity
- ❖ Climate Change
- ❖ International Waters
- ❖ Ozone Depletion (only countries in transition)
- ❖ Land Degradation
- ❖ Persistent Organic Pollutants – POPs
- ❖ Cross-cutting area of Adaptation



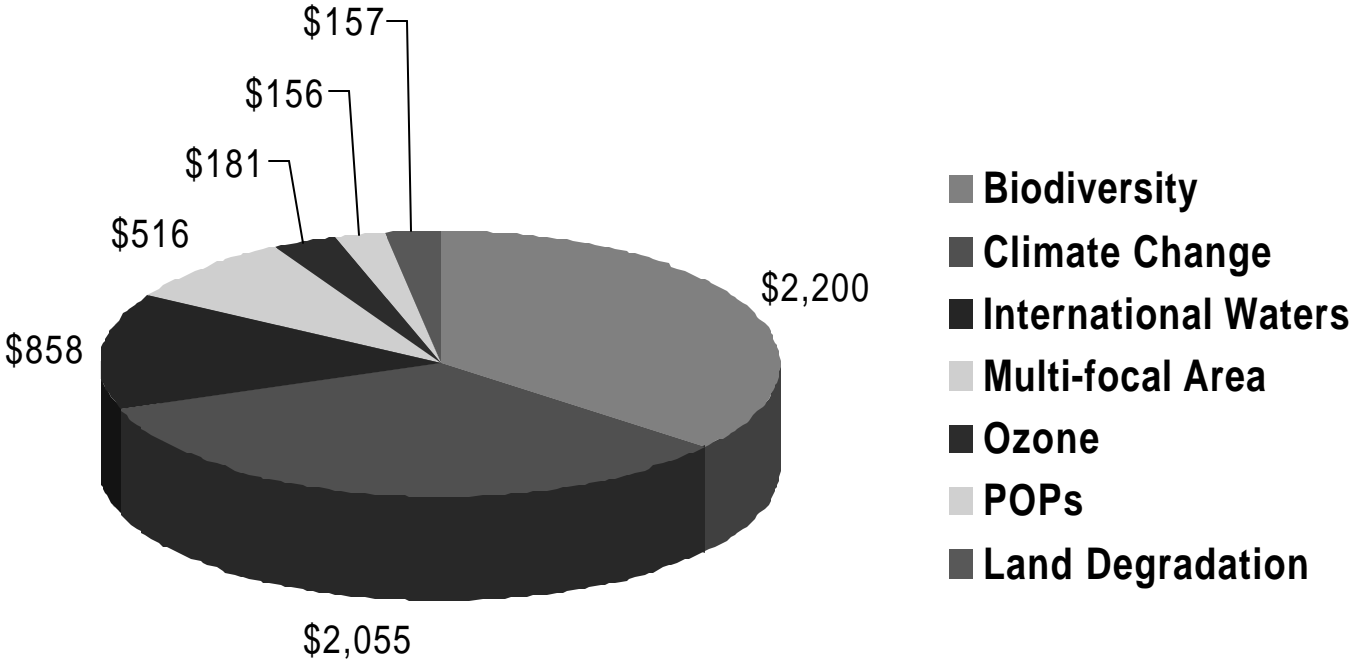
GEF and the Global Environmental Conventions

- ❖ The GEF is the designated “financial mechanism” for the
 - Convention on Biological Diversity (CBD)
 - Convention on Climate Change (UNFCCC)
 - POPs Convention
- ❖ The GEF is a one of two designated mechanisms for the
 - Convention to Combat Desertification (UNCCD)
- ❖ The GEF collaborates closely with other treaties and agreements to reach common goals (International Waters, Montreal Protocol)



GEF TOTAL GRANT APPROVALS

(\$ millions)



Total GEF	\$6,126.72
Total Co-Financing	\$20,225.00
TOTAL	\$26,351.72

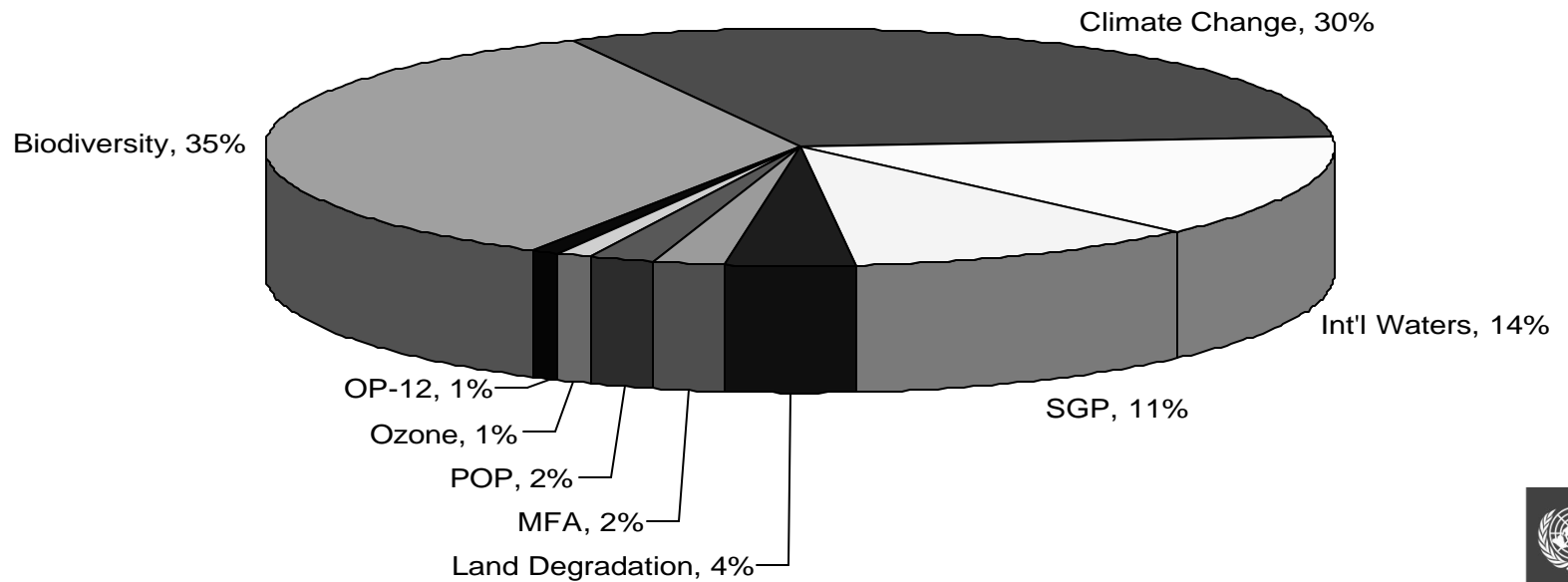


UNDP-GEF Portfolio Highlights

- 1,000 large and medium-size projects in 140 countries
- Over 6,500 community-based projects in 93 countries (SGP)
- \$2.16 billion received in core grants
- \$3.0 billion raised in co-financing
- Focal Areas:
 - BD: \$768 million in grants, \$959 million in co-financing, 130 countries, 108 new protected areas
 - CC: \$644 million in grants, \$950 million in co-financing, 120 countries, potential CO2 reduction of 123-196 million tonnes
 - IW: \$309 million in grants, \$1 billion in co-financing, 103 participating countries in 15 lake/river basins, 11 large marine ecosystems, and 5 global projects
 - LD: \$118 million in grants, \$252 million in co-financing, 87 participating countries including 47 in the Global LDC/SIDS LD Umbrella Programme
 - POPS: \$32 million programme covering 25 countries
 - Ozone Layer Protection: in CIS countries



UNDP/GEF Focal Area Shares



Biological Diversity

- ❖ Biodiversity' refers to the different life forms on earth -- species of plants and animals --, their genetic variations, and the complex ecological interactions among them.
- ❖ Biodiversity is under threat largely from human-induced pressures.

Threats to Biodiversity include:

- ❖ Changes in land use patterns
- ❖ Land degradation
- ❖ Non-sustainable use of biodiversity
- ❖ Alien Species introductions
- ❖ Pollution



GEF Strategic Priorities

BIODIVERSITY

- ❖ Catalyze sustainability of protected areas
 - innovative financing
 - capacity building for sustainability
 - catalysing community/private sector linkages
- ❖ Mainstream biodiversity in production landscapes and sectors
 - facilitate mainstreaming - policy/remove barriers
 - develop market incentives - measure/demonstrate
- ❖ Build capacity for the Implementation of the Cartagena Protocol on Biosafety
- ❖ Generate and disseminate good practices for biodiversity conservation and protection



Tanzania: Development of Jozani-Chwaka Bay National Park, Zanzibar Island

- ❖ Country: United Republic of Tanzania
- ❖ GEF Implementing Agency: UNDP
- ❖ Government Counterpart: Dept. for Commercial Crops, Fruits and Forests (DCCFF)
- ❖ Executing Agency: Care International
- ❖ Focal Area: Biodiversity
- ❖ Operational Program No. 3 – Forest Ecosystems
- ❖ Project type: Medium Sized Project (MSP)
- ❖ Budget: \$747,500 (GEF); Co-financing: \$430,050
- ❖ Duration: 3 years
- ❖ Current status: Project completed



Jozani-Chwaka Bay: Project Context

- ❖ Home to the Red Colobus Monkey and the Ader's Duiker
- ❖ Flora: Swamp forest, coral rag forest, salt marsh, mangrove and sea grass beds.
- ❖ Aim of the project: Conserve globally significant biodiversity and support community development In the Jozani-Chwaka Bay areas (Enhance the income and environmental security of 5000 households while biodiversity flourishes).
- ❖ To test the hypothesis of establishing linkages between the global environmental benefit and achieving local benefits.



Jozani-Chwaka Bay: Project Context

- ❖ The main objective has been to upgrade the status of the Jozani-Chwaka Bay to a gazetted national park and to promote community involvement in the conservation and management of the area.
- ❖ It was recognized early on that gazetting the bay area as a National Park is a delicate process. Surrounding villages and communities are dependent on the forest area for fuel wood, medicinal plants, ukili (indigenous grass) and agricultural land.
- ❖ Thus the project provides surrounding villages and communities with alternative means to enhance their income and environmental security by training them in alternative income generating activities and setting up Savings and Credit Schemes.



Jozani-Chwaka Bay: Key successes

- ❖ The area has been gazetted as a National Park with the agreement and participation of the Communities in boundary setting, zoning and decision-making.
- ❖ Resource Use Management Agreements (RUMAs) with communities have been set up and are effective in addressing key threats to biodiversity
- ❖ Committees (VCCs) are representative, and active and articulate in addressing local concerns.
- ❖ 19 Saving and Credit schemes are operating with high level of local involvement, including 2/3 participation of women. These schemes support sustainable small scale enterprises (e.g. mushroom plantations, beekeeping etc.)
- ❖ Number of sightings of the Red Colobus monkey have increased over a larger area, resulting in more visitors. Increased revenues from visitors have contributed to local health and education programs. Village level institutions are functional.



Jozani-Chwaka Bay: Issues for sustainability

- ❖ Tourism has increased but some villagers do not see the linkage between not killing the Red Colobus monkeys and being better off. Better understanding of the linkage between global biodiversity benefits and local benefits is needed in order to convince people.
- ❖ Fuelwood collection remains the greatest threat. Gazettement will help in controlling fuelwood extraction but as long as demand keeps increasing from urban areas this will remain a lucrative enterprise for local people. Policies and programs are needed to address energy demand and provide alternatives to fuelwood.
- ❖ Institutional sustainability at the local level: While VCCs and Saving schemes are likely to survive, JECA as the main institution managing the project may phase out and may leave a vacuum in coordinating between villages. The Govt. is aware of this and will step in if needed.



Climate change has significant implications for developing countries

- ❖ Changes in timing and frequency of precipitation, extreme weather events
- ❖ Impact on coastal areas
- ❖ Risk for agricultural sector
- ❖ Health risks



UN Framework Convention on Climate Change (UNFCCC)

- ❖ Requires developing country states (non-Annex I Countries) to prepare National Reports on their:
 - greenhouse gas emissions
 - national climate policies
 - vulnerability to climate change
- ❖ Financial Mechanism
 - GEF is the financial mechanism of the Convention and provides funding for preparation of these reports
- ❖ The Convention is also the source of guidance for GEF funding of climate projects.



Climate Change Convention and Kyoto Protocol

- ❖ The Kyoto Protocol (1997) sets greenhouse gas (GHG) emission reduction targets for industrialized countries and defines flexible instruments, emission credit trading, joint implementation, and the Clean Development Mechanism (CDM)
- ❖ The Kyoto Protocol came into effect on 16 Feb. 2005 with the ratification by Russia. However, with the US and Australia not having ratified, some are looking ahead to measures that will be needed after 2012 to address the ever-growing problem of climate change.



GEF Strategic Priorities

CLIMATE CHANGE

- ❖ Transforming markets to foster the use of energy-efficient high volume products and processes
- ❖ Increased access to local sources of financing for renewable energy and energy efficiency
- ❖ Power sector policy frameworks supportive of renewable energy and energy efficiency
- ❖ Productive uses of renewable energy
- ❖ Global market aggregation and national innovation of emerging technologies
- ❖ Modal shifts in urban transport and clean vehicle/fuel technologies



Brazil: Biomass Power Generation from Sugar Cane Bagasse and Trash

- ❖ Country: Brazil
- ❖ GEF Implementing Agency: UNDP
- ❖ Executing Agency: Min. of Science & Technology
- ❖ Focal Area: Climate Change
- ❖ GEF Strategic Priority 3: Power Sector Policy Frameworks Supportive of Renewable Energy and Energy Efficiency
- ❖ Operational Program 6: Promotion of the Adoption of Renewable Energy by Removing Barriers and Reducing Implementation Costs
- ❖ Project Type: Full Sized Project (FP)
- ❖ Budget: \$3,750,000 (GEF); Co-financing: \$ 3,654,100 (CoperSucar, cooperative of 36 private sugar cane mills)
- ❖ Duration: 6 years, 6 months
- ❖ Current Status: Operationally Completed



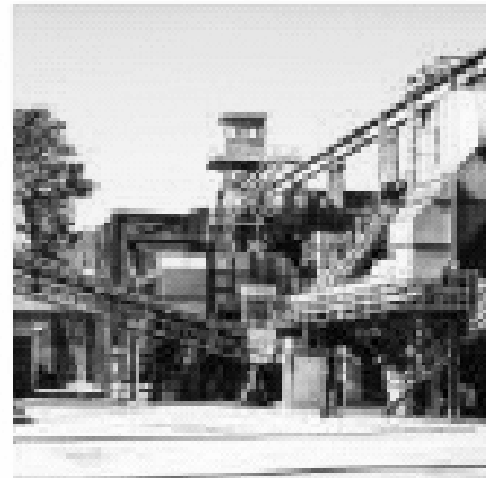
Brazil Biomass: Project Context

- ❖ Sugar cane harvesting and processing produces an enormous amount of:
 - **bagasse** (the squeezed cane left after the juice is extracted); and
 - **trash** (cane tops and leaves that are typically burned).
- ❖ Brazil's sugar cane producers could supply over 42 million tonnes of biomass annually as fuel for electrical power generation. Currently, most of this is burned as waste.



Brazil Biomass : Project Objective

- ❖ To investigate the potential reductions in CO₂ emissions using new technology for power co-generation, using bagasse and sugar cane trash as primary fuels



Brazil Biomass : Project Outputs/Outcomes

- ❖ developed and evaluated technology to harvest, process and generate electricity in state-of-the-art aeroderivative gas turbines using sugar cane waste residues as fuel
- ❖ studied the environmental, social and economic impacts of the project
- ❖ concluded that sugar cane residues can be recovered and used as renewable fuels for power generation, and is economically competitive with natural-gas based generation
- ❖ stimulated the commercial use of sugar cane trash as fuel for power generation in conventional steam boilers and turbines throughout Brazil
- ❖ The new technology could make an extraordinary contribution to reducing GHG emissions and particulate emissions, with the potential in Brazil estimated at 40 million tons of CO₂ per year.
- ❖ The current high investment costs are expected to fall as the technology reaches full-scale commercialization.



Adaptation to Climate Change

- ❖ The impacts of climate change will negatively affect national development in areas including agriculture/food security, water resources, coastal zones, health and climate-related disasters.
- ❖ Strategic Priority on Adaptation (SPA) – to ensure that climate change concerns are incorporated in the management of ecosystems through GEF focal area projects. It will pilot demonstration projects to show how CC adaptation planning and assessment can be practically integrated into national policy and sustainable development planning. This pilot fund became operational in July 2004 with \$50 million and will be evaluated by the GEF before additional funds are allocated.
- ❖ The Least Developed Countries Fund (LDCF) is a development-focused fund which supports the poorest countries most vulnerable to climate change impacts. It supports LDCs as they prepare National Adaptation Programmes of Action (NAPA). Following their completion, the LDCs would be able to get medium-sized projects for follow-up work. This fund became operational in July 2001.
- ❖ The Special Climate Change Fund (SCCF) is a development-focused fund and supports adaptation in agriculture, water resources management, health, disaster-risk and coastal zone management. This fund became operational in October 2005.
- ❖ The Adaptation Fund is not yet active and is expected to generate significant resources only after 2010.



The Adaptation Funds

- ❖ The GEF manages three adaptation funds. These are:
 - Strategic Priority on Adaptation (SPA): \$50 millions approx.
 - Least Developed Countries Fund (LDCF): \$33 million approx.
 - Special Climate Change Fund (SCCF): \$34 million approx.
 - The Adaptation Fund will be financed through an adaptation levy of approximately 2% under the Clean Development Mechanism. This is expected to kick in only after 2010.
- ❖ The amounts in the above funds are indicative only.
- ❖ The GEF Trust Fund (SPA) is replenished every four years since it is part of the normal GEF replenishment process.
- ❖ The LDCF and SCCF may be replenished on an ongoing basis.



Key Steps in Formulating an Adaptation Proposal

Step 1. Define the problem and focus of the project

- ❖ What is the climate change driven problem? Does the proposed project aim to enhance ecosystem resilience or is it to promote climate-sensitive development activities? What barriers to adaptation will be addressed? Does the project build on priorities articulated in National Communications (INC, SNC etc), NAPA or other such initiatives?

Step 2. Ensure the proposal satisfies criteria governing the relevant fund

- ❖ SPA - SCCF (non-LDCs) - LDCF (LDCs only)

Step 3. Prepare a draft Project Initiation Document (PDF-A).

Step 4. Contact the correct people

- ❖ Adaptation Focal Point at UNDP/UNEP/WB GEF Units, Country GEF Operational Focal Point, and/or UNFCCC National Focal Point

Step 5. Subject to approval by the GEF Agency, complete the PDF-A /Project Initiation Document or Concept/PDF-B document

- ❖ Official government endorsement is required



International Waters

- ❖ Coastal oceans and large freshwater basins whose boundaries are shared by more than one country
- ❖ International Waters provide a multitude of “goods” a few of which include:
 - High quality sources for irrigation and fisheries
 - Drinking water supplies
 - Sanitation
 - Recreation
 - Carbon sinks
 - Climate moderators
 - Habitat for biodiversity
 - Transport corridors



International Waters

- ❖ The coastal oceans and transboundary fresh water basin are under siege from:
 - Unsustainable irrigation diversion of fresh water
 - Pollution discharge from industry, sewage, agriculture
 - Over fishing
 - Habitat loss and Wetland conversion
 - Persistent Organic Pollutants (POPs)

- ❖ The GEF is not a “financial mechanism” for International Waters. However it supports Regional Sea Conventions and select maritime conventions



GEF Strategic Priorities

INTERNATIONAL WATERS

- ❖ Catalyze financial resources for implementation of agreed actions
 - SAP (Strategic Action Programme) Implementation
- ❖ Expand global coverage with capacity building foundational work
 - SAP Formulation
- ❖ Undertake innovative demonstrations
 - Reduce contaminants
 - Prevent marine invasive species
 - Address water scarcity



PEMSEA: Partnerships in Environmental Management for the Seas of East Asia

❖ **Context:**

- 12 countries: China, Cambodia, Philippines, Vietnam, Indonesia, Thailand, Malaysia, Republic of Korea, DPR Korea, Singapore, Japan, Brunei Darussalam
- 1 billion of a total 1.9 billion population live in coastal area; 80% economic activity within 10 km. of coast
- Encompasses 5 Large Marine Ecosystems:
 - a) 1/3 of world's mangroves
 - b) 40% of world fisheries production
 - c) SE Asia coral reefs generate \$112 million in goods and services/year
 - d) 9 of 20 of world's largest maritime ports
 - e) maritime trade over 50% of GDP

❖ **Threats:**

- land-based pollution
- habitat loss and modification
- overfishing
- shipping
- invasive species.



PEMSEA:Project Impacts (1)

- ❖ Integrated Coastal Management demonstration sites in 9 East Asian countries: China, Cambodia, Philippines, Vietnam, Indonesia, Thailand, Malaysia, Republic of Korea, DPR Korea
- ❖ Strategy: integrating the coastal area with its linked land and sea-based ecosystems
- ❖ All now operational; several fully sustainable and replication underway using local/national resources
- ❖ Innovative sustainable financing mechanisms to support Integrated Coastal Zone Management
- ❖ Strong local government, civil society and private sector participation



PEMSEA: Project Impacts (2)

- ❖ Sub-Regional Seas:
- ❖ PEMSEA helped catalyze Chinese commitment to clean-up of Bohai Sea
 - 200 million inhabitants
 - Blue Sea Action Programme (1999)
 - 430 pollution reduction sites
 - By 2005, all enterprises had met waste discharge standards
- ❖ Similar sub-regional programs in Malacca Straits, Gulf of Thailand
- ❖ PEMSEA helped countries ratify and begin implementation of a wide number of maritime and environmental conventions



PEMSEA:Project Impacts (3)

- ❖ Endorsement of the Sustainable Development Strategy for the Seas of East Asia by all 12 participating countries during the East Asian Seas Congress 2003:
 - Common framework and guide for strengthening collaboration and cooperation among countries and across sectors in the management of the regions' marine and coastal resources
 - Clear commitment to the integration of economic growth, social development and environmental management
 - Supports Agenda 21, WSSD, MDGs, Capacity 2015; framework for Type II Partnerships; emphasis on public-private partnerships



PEMSEA: Lessons Learned

- ❖ Local ownership and drivenness is strengthened when contributions derive from local sources.
- ❖ Demonstration sites can convince countries to adopt ICM as a management approach, using primarily local resources.
- ❖ Adaptive management strategy is critical to successful ICM
- ❖ Key elements to ICM sustainability include:
 - strong government action/commitment;
 - supportive legal system; sound scientific basis;
 - enhanced capacity building;
 - innovative financial mechanisms



Persistent Organic Pollutants (POPs)

- ❖ Characteristics of POPs (dirty dozen)
 - Persistent: ability to resist degradation
 - Bio-accumulation
 - Potential for long range transport (air, water, migratory species)
 - Disrupts endocrine systems, suppresses immune systems, induces reproductive and developmental changes



POPs Convention

- ❖ Objectives of the Convention (May 2001)
 - Total ban on production and use of 3 pesticides: Aldrin, Endrin, Toxaphene
 - Elimination of production and use of 5 other pesticides (some exceptions), e.g., DDT, dieldrin
 - Ban on production and new use of PCBs
 - Minimization of un-wanted by-products of chemical processes and incineration products, e.g., dioxins, furans
- ❖ Financial Mechanism
 - GEF is the financial mechanism of the Convention



GEF Strategic Priorities

POPS, OZONE DEPLETION

- ❖ Persistent Organic Pollutants
 - Targeted capacity building
 - Implement policy/regulatory reforms and investments
 - Demonstrate innovative and cost-effective technologies and practices
- ❖ Ozone depletion
 - Methyl Bromide Reduction



Land Degradation (LD)

- ❖ Worldwide phenomenon
 - Degradation of land in arid, semi-arid, and dry sub-humid areas
 - Characterized by loss of biological or economic productivity and complexity in croplands, pastures, and woodlands.
 - Primary causes: over cultivation, overgrazing, deforestation, poor irrigation practices, poverty, political instability.



Convention to Combat Desertification (UNCCD)

- ❖ Support country driven activities that promote sustainable land management (SLM) for maintaining and improving ecosystem integrity, stability, functions and services
- ❖ Addresses land degradation as part of national sustainable development plans - targeted capacity building for SLM and mainstreaming into national development
- ❖ Complements, rather than substitutes other financing available; GEF as value-added
- ❖ GEF is one of two financial mechanisms of the UNCCD
- ❖ The LDC/SIDS Portfolio approach approved to assist 47 Least Developed Countries and Small Island Development States in developing national capacities to address sustainable land management.



Namibia LD Country Partnership Programme

- ❖ Namibia is the driest country in sub-Saharan Africa, with average rainfall of less than 250 mm per year.
- ❖ There are two main types of land degradation namely:
 - **Vegetation Degradation**, a category that includes rangeland degradation, deforestation and degradation of dry forests and woodlands
 - **Soil Degradation**, a category that includes wind and water induced erosion of soils and the loss of soil fertility.
- ❖ Since two-thirds of Namibia's population is directly dependent on subsistence agriculture and livestock husbandry, LD poses an acute challenge to livelihoods. It is undermining the functional integrity of dryland ecosystems.
- ❖ Insufficient capacity at systemic, institutional and individual levels, and inadequate knowledge and technology dissemination are constraining the effectiveness of interventions and the sustainability of outcomes.
- ❖ The Namibia CPP is designed to address these challenges. The objectives are to build and sustain capacity at systemic, institutional and individual level, ensuring cross-sectoral and demand driven coordination and implementation of sustainable land management activities. It will identify cost-effective, innovative and appropriate SLM methods which integrate environmental, social and economic objectives.
- ❖ The CPP is being implemented through a partnership involving 5 Government Ministries, the NGO community, the GEF with its Implementing Agencies, UNDP (as Lead Agency), the World Bank, UNEP and the donor community.



Land Degradation in Patagonia, Argentina

- ❖ Land degradation affects an estimated 85 percent of Patagonia.
- ❖ The main cause of this degradation is overgrazing. Livestock rearing, principally sheep, has been the main productive activity in rural areas of Patagonia for more than a century.
- ❖ A GEF project, which UNDP is implementing, seeks to control land degradation in Patagonia through the :
 - implementation of sustainable rangeland management practices to restore ecosystems to full integrity, stability, and functions.
 - work with sheep breeders and herders to remove capacity-related barriers currently impeding the adoption of sustainable rangeland management.
 - build on a strong baseline and complement the Sustainable Sheep Husbandry Development Program for Patagonia.



Capacity Development

- ❖ Background - Capacity Development Initiative (CDI)
 - Strategic partnership between the GEF Secretariat and UNDP responding to developing country priorities and convention requests for support

- ❖ GEF Support for Capacity Development
 - As components in approved projects
 - As stand-alone capacity development activities
 - As a follow-up to other Enabling Activities



National Capacity Self-Assessments (NCSAs)

- ❖ \$200,000 available to each GEF eligible country through expedited procedures to assess national capacities to meet Convention requirements
- ❖ Complementary to recent or ongoing capacity assessment exercises
- ❖ Country-driven, multistakeholder, and iterative
- ❖ UNDP, UNEP and the World Bank
- ❖ Synergies between Convention objectives and activities are also being stressed



GEF is a Co-financier

- ❖ GEF encourages partnerships by bringing together multiple sources of funding for projects
- ❖ Key Concept: The GEF is not a project financier, but a project Co-financier providing “new and additional” funds to address global environmental issues



“Incremental Costs”

- ❖ Cost of activities to realize global environment benefits, beyond what is required for national development
- ❖ GEF projects must complement national programmes and policies to maximize global benefits
 1. Establish the baseline
 2. Determine cost of the GEF alternative
 3. Incremental cost (project budget) = GEF alternative less the cost of the baseline



Origin of the Principle of “Incremental Costs”

- ❖ Donor countries sought a mechanism for funding only the “incremental costs” of global environmental actions
- ❖ This concept is at the heart of the CBD and UNFCCC, as negotiated and agreed by the Conferences of the Parties
- ❖ Incremental costs calculations are also applied to work undertaken to fulfill the Montreal Protocol on Substances that Deplete the Ozone Layer
- ❖ The COP of the UNCCD has accepted the GEF as an incremental financial mechanism to the co-financing leveraged by the Global Mechanism and other bodies

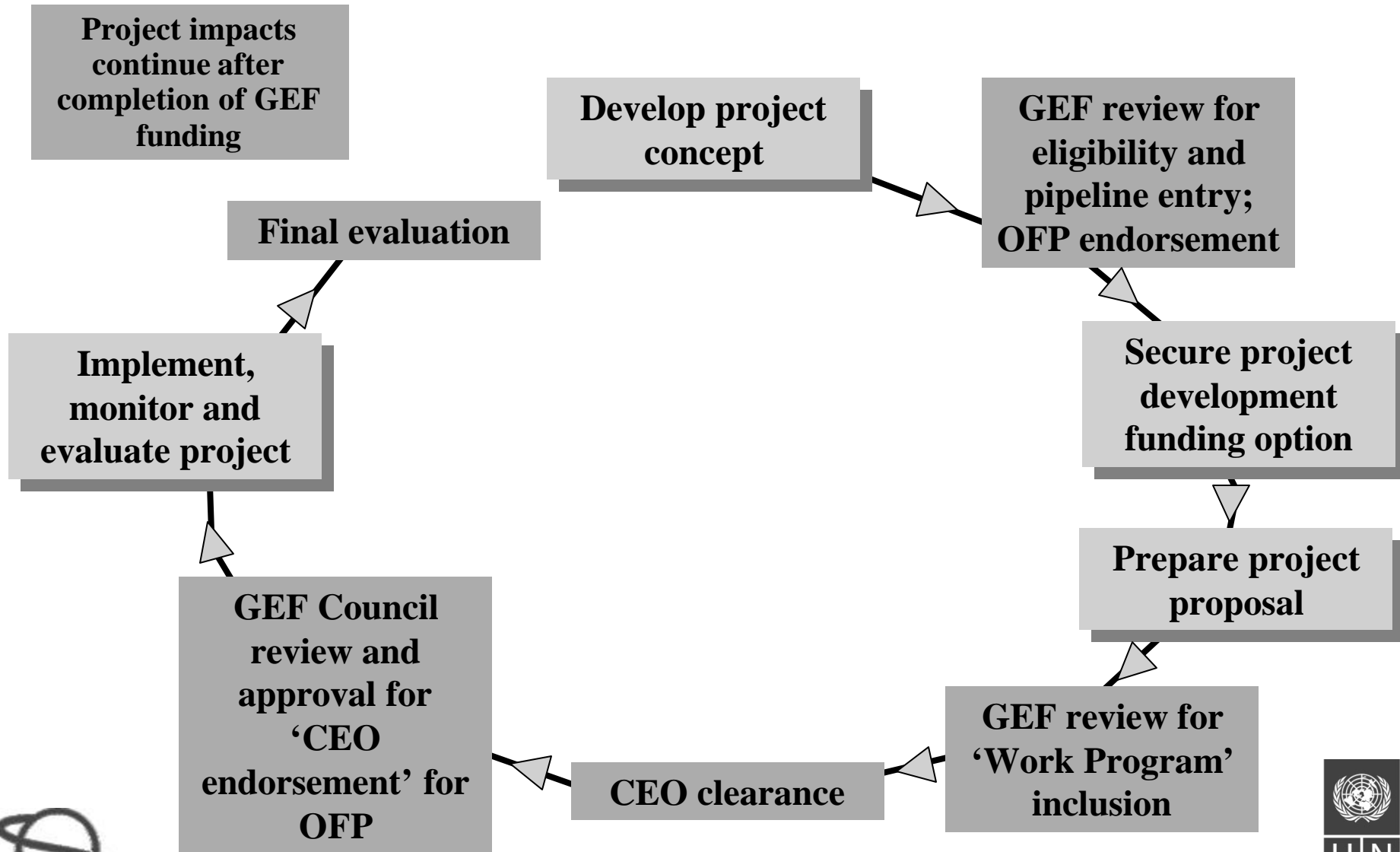


Project Eligibility Requirements

- ❖ Country-driven and endorsed by host Government
- ❖ Aligned with GEF Focal Areas and Strategic Priorities
- ❖ Produce identifiable global benefits
- ❖ Consistency with the Conventions
- ❖ Participation of all stakeholders and transparency
- ❖ Possess strong scientific and technical merit
- ❖ Financially sustainable and cost-effective
- ❖ Include processes for monitoring, evaluation, and incorporation of lessons learned
- ❖ Play a catalytic role that leverages other financing in addition to GEF's incremental support



Basic Project Cycle



GEF Funding Categories

- ❖ Full-size projects (GEF grant of \$1 million and up)
- ❖ Medium-sized projects (up to \$1 million grant)
- ❖ Financing can be available for preparing projects - Project Development Funds (PDF)
 - PDF-A up to \$25,000
 - PDF-B up to \$350,000
 - PDF-C up to \$1 million
- ❖ Enabling activities (technical assistance)
- ❖ Small Grants Programme (up to \$50,000 per project)



Simplification of the approval process for PDF-A funds by UNDP

- ❖ **From** two different documents of approximately 10 pages each (proposal in the GEF format followed by project document in the UNDP format) **to** one 3-page document “*Project Initiation Document*” in the UNDP format – excluding budget and annexes.
- ❖ **From** a two-step approval process (5-day circulation to the GEF Secretariat for “*no objection*” review followed by Executive Coordinator approval) **to** a one-step process with Exec. Coordinator approving funds prior to circulation to the GEF Secretariat for information.
- ❖ **From** 4 headquarters clearances **to** 2.
- ❖ **From** mandatory **to** optional appraisal review.



GEF-4 Replenishment Issues

(mid-2006 – mid-2010)

- ❖ The GEF-3 Replenishment (mid-2002 to mid-2006) was \$3 billion.
- ❖ Negotiations on the GEF-4 started in mid-2005 but no agreement has yet been reached. For the Pledging sessions, the three Scenarios were:
 - a) Low Scenario (\$3.0 billion, same as GEF-3 but 10% less in real terms due to inflation)
 - b) Medium Scenario (\$3.3 billion, equal to GEF-3 in real terms adjusted for inflation)
 - c) High Scenario (\$3.75 billion, 15% more than GEF-3 in real terms adjusted for inflation)
- ❖ Several donors were at the medium-high scenario and other donors were at the low-medium scenario. However the US wanted to cut its GEF-3 share by half which was not accepted by the other donors. Negotiations are still ongoing.
- ❖ Progress was made on finalizing the GEF-4 policy and programming recommendations.



Implications of Various GEF-4 Scenarios

(\$ millions)

GEF Focal Areas and Corporate Program	GEF-3 Allocation	Proposed GEF-4 Allocations		
		Scenario 1	Scenario 2 (10% increase)	Scenario 3 (25 % increase)
Biological diversity	960	906	935	1,065
Climate change	960	906	935	1,065
International waters	430	408	435	545
Land degradation	250	308	410	444
Ozone layer depletion	50	50	50	50
Persistent organic pollutants	250	308	410	444
Corporate Programs	0	14	15	17
Corporate Budget	100	100	110	120
TOTAL	3000	3000	3300	3750



The GEF-4 Resource Allocation Framework

- ❖ The GEF Council has agreed to a new system for allocating resources during the GEF-4 cycle, to be applied on a pilot basis to the biodiversity and climate change focal areas.
- ❖ The system, known as the **GEF Resource Allocation Framework (RAF)** will correlate the quantity of grant funding available to countries to: (i) the country's ability to generate global environmental benefits; and (ii) performance, based on a measurement of country capacity, policies, and the enabling environment including the quality of governance.
- ❖ GEF funds for other focal areas are not currently covered under the RAF. However, the Council has signaled its intention to possibly expand the RAF to include the other focal areas in GEF-5 following a mid-term assessment of RAF implementation during GEF-4.



Table 1: List of Countries by Allocation Band in the Biodiversity Focal Area

Countries with Individual Allocations by Allocation Band (alphabetical order within each band)					
(\$40 - \$65 million)	(\$20-\$40 million)	(\$10-\$20 million)		(\$5-\$10 million)	
Brazil	Colombia	Argentina	Panama	Cameroon	Kenya
China	Ecuador	Bolivia	Papua New Guinea	Congo DR	Mauritius
Indonesia	India	Chile	Russian Federation	Dominican Rep.	Mozambique
Mexico	Madagascar	Costa Rica	Tanzania	Ethiopia	Namibia
	Peru	Cuba	Venezuela	Fiji	Pakistan
	Philippines	Malaysia		Guatemala	Seychelles
	South Africa			Honduras	Sri Lanka
				Iran	Turkey
				Jamaica	Vietnam
Countries either with Individual Allocations (\$3 - \$5 million) or in the Group (alphabetical order)					
Cambodia	Egypt	Lao PDR	Morocco	Nigeria	Suriname
Cape Verde	Haiti	F.S. of Micronesia		Paraguay	Trinidad and Tobago
Cote d'Ivoire	Kazakhstan	Mongolia	Nicaragua	Sudan	Zambia
Countries in the Group in alphabetical order (allocations up to threshold amount between \$3 and \$3.6 million)					
Afghanistan	Bulgaria	Gambia	Lithuania	Romania	Togo
Albania	Burkina Faso	Georgia	Macedonia	Rwanda	Tonga
Algeria	Burundi	Ghana	Malawi	Samoa	Tunisia
Angola	Central African Rep.	Grenada	Maldives	Sao Tome and Principe	Turkmenistan
Antigua and Barbuda	Chad	Guinea	Mali	Senegal	Uganda
Armenia	Comoros	Guinea-Bissau	Marshall Islands	Serbia and Montenegro	Ukraine
Azerbaijan	Congo	Guyana	Mauritania	Sierra Leone	Uruguay
Bahamas	Cook Islands	Jordan	Moldova	Slovak Republic	Uzbekistan
Bangladesh	Croatia	Kiribati	Myanmar	Solomon Islands	Vanuatu
Barbados	Djibouti	Korea DPR	Nepal	St. Kitts And Nevis	Yemen
Belarus	Dominica	Kyrgyzstan	Niger	St. Lucia	Zimbabwe
Belize	El Salvador	Latvia	Niue	Grenadines	
Benin	Equatorial Guinea	Lebanon	Oman	Swaziland	
Bhutan	Eritrea	Lesotho	Palau	Syria	
Bosnia-Herzegovina	Estonia	Liberia	Poland	Tajikistan	
Botswana	Gabon	Libya	Republic Of Korea	Thailand	



Table 2: List of Countries by Allocation band in the Climate Change Focal Area

Countries with Individual Allocations by Allocation Band (alphabetical order within each band)					
(\$50 mil to ceiling*)	(\$20-\$50 million)	(\$10-\$20 million)		(\$5-\$10 million)	
China	Brazil	Argentina	Pakistan	Algeria	Nigeria
India	Mexico	Egypt	Romania	Bangladesh	Philippines
Russian Federation	Poland	Indonesia	Thailand	Belarus	Slovak Republic
	South Africa	Iran	Turkey	Bulgaria	Sudan
		Kazakhstan	Ukraine	Chile	Uzbekistan
		Malaysia	Venezuela	Colombia	Vietnam
				Korea DPR	
Countries either with Individual Allocations (\$2.5 - \$5 million) or in the Group (alphabetical order)					
Azerbaijan	Croatia	Ethiopia	Morocco	Syria	Uganda
Bolivia	Cuba	Kenya	Nepal	Tanzania	
Cambodia	Ecuador	Madagascar	Peru	Tunisia	
Countries in the Group in alphabetical order (allocations up to threshold amount between \$2.5 and \$3.5 million)					
Afghanistan	Comoros	Grenada	Lithuania	Oman	St. Kitts And Nevis
Albania	Congo	Guatemala	Macedonia	Palau	St. Lucia
Angola	Congo DR	Guinea	Malawi	Panama	St. Vincent & Grenadines
Antigua & Barbuda	Cook Islands	Guinea-Bissau	Maldives	Papua New Guinea	Suriname
Armenia	Costa Rica	Guyana	Mali	Paraguay	Swaziland
Bahamas	Cote d'Ivoire	Haiti	Malta	Qatar	Tajikistan
Bahrain	Cyprus	Honduras	Marshall Islands	Republic Of Korea	Togo
Barbados	Djibouti	Israel	Mauritania	Rwanda	Tonga
Belize	Dominica	Jamaica	Mauritius	Samoa	Trinidad and Tobago
			F.S..of		
Benin	Dominican Republic	Jordan	Micronesia	San Marino	Turkmenistan
				Sao Tome and Principe	Tuvalu
Bhutan	El Salvador	Kiribati	Moldova		
Bosnia-Herzegovina	Equatorial Guinea	Kuwait	Mongolia	Saudi Arabia	United Arab Emirates
Botswana	Eritrea	Kyrgyzstan	Mozambique	Senegal	Uruguay
				Serbia and Montenegro	Vanuatu
Burkina Faso	Estonia	Lao PDR	Myanmar	Seychelles	Yemen
Burundi	Fiji	Latvia	Namibia	Sierra Leone	Zambia
Cameroon	Gabon	Lebanon	Nauru	Singapore	Zimbabwe
Cape Verde	Gambia	Lesotho	Nicaragua		
Central African Rep.	Georgia	Liberia	Niger	Solomon Islands	
Chad	Ghana	Libya	Niue	Sri Lanka	



GEF National Dialogue Initiative

- **Country Support Programs – Capacity Building**

- **National Dialogue Initiative**
 - National Multi-stakeholder Dialogues (12-15 annually)
 - Sub-regional Workshops (April – July 2006)

- **Country Support Program for Focal Points (CSP)**
 - Direct financial support for national coordination activities, constituency meetings
 - Knowledge management framework
 - Sub-regional exchange and training workshops



Outputs of Country Support Program (CSP)

- ❖ Focal Points with improved access to information on GEF policies/procedures
- ❖ Focal Points operating within improved constituency and national coordination frameworks
- ❖ Focal Points applying knowledge gained through KM framework and regional capacity building activities to improve support for GEF projects
- ❖ Institutionalized capacity strengthened to facilitate coordinated approach to GEF project implementation and performance of national environmental programmes



GEF Sub-Regional Consultations

DATES	REGION	VENUE
April 20 - 21, 2006	Western and Central Africa	Dakar, Senegal
April 24 - 25, 2006	Eastern and Southern Africa	Pretoria, South Africa
May 18 - 19, 2006	North Africa, Middle East, South and West Asia	Alexandria, Egypt
May 22 - 23, 2006	Eastern Europe	Bratislava, Slovakia
June 13 - 14, 2006	East and Southeast Asia	Kuala Lumpur, Malaysia
July 6 – 7, 2006	Latin America	Panama City, Panama
July 10 – 11, 2006	Caribbean	Bahamas (?)
TBD	Pacific SIDS	TBD



THANK YOU

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