



# Global Environment Facility

July 10, 2007  
Revised

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## HIGHLIGHTS OF THE COUNCIL'S DISCUSSIONS GEF COUNCIL MEETING JUNE 12-15, 2007

1. The following is a record prepared by the Secretariat of comments, understandings and clarifications of certain points made by Council Members during discussions of the agenda items and related decisions. The joint summary of the Council meeting records the decisions agreed by the Council. These points are supplemental to the joint summary.

### *Agenda Item 5      Relations with Conventions and other Institutions*

2. The Council noted the Mr. Diallo would be retiring from his position as Executive Secretary of the UNCCD, and expressed its appreciation for the excellent work and accomplishments of Mr. Diallo. The Council thanked him for his personal commitment and leadership in strengthening the relationship between the UNCCD and the GEF and for bringing greater attention to the global challenge of land degradation.

3. The Council Member representing the Caribbean constituency noted that his constituency would like to explore pursuing a programmatic approach similar to the one that is under development for the Pacific islands countries, and that the constituency hoped that such a program could be developed for submission to the Council at its meeting in April 2008.

4. One Council Member recommended that the timelines for the Conventions' reviews of the financial mechanism and the overall performance studies of the GEF should be coordinated so as to allow a sharing of information and synergies among the related processes.

5. One Council Member requested that the GEF reports to the Conferences of the Parties include reporting on the RAF.

6. Several Council Members recommended that the RAF indicators for biodiversity should be revised to give greater weight to marine resources.

7. One Council Member proposed that the Council at its next meeting should discuss the GEF and the Adaptation Fund of the Kyoto Protocol so as to guide the CEO's discussions at COP13 in Bali.

*Agenda Item 6            Annual Performance Report*

8.        Following a request from several Council Members, the Evaluation Office proposed to develop and conduct a workshop for GEF agencies on implementation of the M&E policy, in particular on good practices for conducting supervision and terminal evaluations.

*Agenda Item 7            Country Portfolio Evaluation: Philippines*

9.        In the context of the decision for this agenda item, several Council Members suggested that proposals for GEF country assistance strategies should be fully developed in consultation with relevant national agencies and stakeholders, including civil society, should follow a transparent process, and should be consistent with national priorities.

10.      Several Council Members recommended that the term “large recipients” be further reviewed.

*Agenda Item 8            Country Portfolio Evaluation: Samoa*

11.      Several Council Members fully supported the evaluation’s conclusion that the cross-cutting issue of adaptation deserves more attention and should be developed further for consideration of GEF support.

*Agenda Item 9            Four year rolling work plan and budget of the Evaluation Office*

12.      Council Members agreed with the proposed increase in the number of country portfolio evaluations suggested in the work program. They also indicated agreement with the Evaluation Office’s proposal to streamline documents, reducing the number of evaluations coming for discussion at the Council meeting and elevating the caliber of recommendations for decisions.

13.      Council Members were satisfied with the Evaluation Office’s explanation regarding potential conflict of interest areas when the Office implements OPS4.

*Agenda Item 10          STAP*

14.      With respect to the terms of reference of STAP, it was confirmed that the established policy and principles on targeted research would be maintained.

*Agenda Item 11          Comparative advantages of GEF agencies*

15.      The Council agreed that the policy on comparative advantage should be applied flexibly and that the recipient country should have a primary role in determining the choice of agency with which it will work.

16.      One Council Member called for more solid analysis of the comparative advantages of GEF agencies, and several Council Members requested that agency performance be incorporated in the analysis of comparative advantage in the future.

17. One Council Member called for a list of criteria to guide the choice of agency for a particular project. Some additional criteria that were proposed include: presence in region, convening power of the agency, country preference, performance in the field, and country's prior experience with the agency. Some Council Members suggested that cost-effectiveness and efficiency also be a factor in determining the appropriate agency to work with, especially within cooperation agreements between agencies and when agencies do not have local offices in the country.

18. It was agreed that document GEF/C.31/5 will be revised and circulated to the Council for further comment.

*Agenda Item 12 Proposed policy on fiduciary standards and financial accountability*

19. With regard to the issue of costs associated with an assessment of compliance of standards by GEF agencies, some Council Members indicated that they would prefer to have the funds used for projects as opposed to an assessment, requesting that agencies should merely report on the steps taken to comply with the standards.

20. Most of the GEF agencies welcomed the initiative and indicated that they were in substantial compliance with the standards. However, the issue of alignment and adherence with the agencies' charters and auditing procedures and specific requirements of different agencies was highlighted.

*Agenda Item 13 GEF project cycle*

21. Several Council Members welcomed the development of an operational manual to give clear guidance and criteria for each stage of the project cycle.

22. It was recommended that there be a communication and feedback mechanism that would allow the countries, the Secretariat and the agencies to have complete and transparent information throughout the project cycle.

23. One Council Member proposed that should it be determined that a project is to be cancelled, the focal point should be informed before cancellation so as to have an opportunity to take corrective measures to mitigate the risks of cancellation.

24. One Council Member requested that a PIF include information on other important partners and collaborators and the institutional organization for project implementation.

25. A number of Council Members noted that it may be difficult to meet the twenty-two month target for project implementation when a country has difficulties in raising co-financing. The CEO stressed that the deadlines are flexible, and they are to serve as trigger dates to initiate consultation when delays occur.

26. In reply to some Council Members who raised the need to ensure that projects submitted for endorsement would not be delayed indefinitely as a result of concerns expressed by Council Members, the CEO clarified that if she were not able to resolve any such concern prior to the

next Council meeting (or within a maximum time period of six months), she would put the project on the agenda of the next Council meeting for discussion.

*Agenda Item 14 Work program*

27. A number of Council Members recommended that the Small Grants Program graduation policy should not apply to SIDS and LDCs. Other Council Members called for reconsideration of an automatic graduation policy.

28. With respect to the SIP, one Council Member proposed that all countries should submit the PIFs for projects to be financed under the umbrella project within three months of the Council meeting and that a date should be fixed by which all project proposals should be submitted to the CEO for endorsement. A number of Council Members called for an intermediate review of the program.

29. A number of Council Members called for more information on the governance and board of the Private-Public Partnership.

30. It was noted that country endorsement should be required for all projects, including global projects.

*Agenda Item 15 GEF Business Plan FY08-10 and FY08 Corporate Budget*

31. One Council Member called for an increase in the financial support provided to the national focal points.

32. Another Council Member requested the Secretariat to continue its efforts toward translating all documents for the Council meetings and to review the travel criteria for Council Members so as to better facilitate their participation.

*Agenda Item 16 Focal area strategies and Strategic Programming for GEF-4*

33. It was agreed that Council Members would submit their detailed comments on the strategies to the Secretariat, and that the strategies should be revised taking into account the Council's comments.

34. Several Council Members supported the incorporation of land use, land use change and forestry (LULUCF) into the focal area strategy for climate change.

35. One Council Member called for the preparation of a policy paper for Council review on GEF's role in financing adaptation activities.

36. A number of Council Members noted national communications under the UNFCCC were mandatory for non-Annex I countries and that it was the responsibility of the financial mechanism to finance the national communications. Therefore, such financing should be outside the country allocations determined under the RAF.

37. Some Council Members noted that in implementing the focal area strategies due account will need to be given to country drivenness and country priorities.

38. A few Council Members requested that the strategies include more on the role of the private sector.

39. One Council Member requested that interlinkages and synergies between the strategies and conventions should be explored more within the strategies.

*Agenda Item 17 Results-based management framework*

40. The Council recognized that the document was quite theoretical, and that the results-based management framework was still a work in progress.

41. Several Council Members called for more work on qualitative indicators.

*Agenda Item 18 Operational guidelines for the application of the incremental cost principle*

42. One Council Member proposed that more emphasis should be given to the baseline or “business-as-usual scenario”. The baseline should include national measures to address national interests and local and national benefits.

*Agenda Item 19 Other business*

43. One Council Member requested that the draft terms of reference for the mid-term review of the RAF be circulated to the Council for comment as early as possible.

44. The Secretariat was requested to develop for Council consideration a proposal for measuring and reducing the GEF’s carbon footprint.