



**Governing Council  
of the United Nations  
Environment Programme**

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**Twenty-sixth session of the Governing Council/  
Global Ministerial Environment Forum**  
Nairobi, 21–24 February 2011  
Items 4 (d) and 5 of the provisional agenda\*

**Policy issues: coordination and cooperation within  
the United Nations system on environmental matters**

**Follow-up to and implementation of the outcomes  
of United Nations summits and major intergovernmental  
meetings, including the decisions of the Governing Council**

**Amendments to the Instrument for the Establishment of the  
Restructured Global Environment Facility**

**Note by the Executive Director**

Document UNEP/GC.26/12 contains information regarding amendments to the Instrument for the Establishment of the Restructured Global Environment Facility (GEF). The annexes to the present note contain various materials that support the information provided in that document. The annexes have been reproduced as received, without formal editing, and are presented as follows:

- (a) *Annex I*: Letter from the Chief Executive Officer/Chairperson of GEF to the Executive Director of the United Nations Environment Programme, dated 11 June 2010;
- (b) *Annex II*: Document GEF/A.4/9, on proposed amendments to the GEF Instrument, of 14 May 2010;
- (c) *Annex III*: Document GEF/C.34, a joint summary of the chairs of the GEF Council meeting held from 11 to 13 November 2008;
- (d) *Annex IV*: Document GEF/C.35/9, on recommendations concerning certain appointment, reappointment and performance objectives review processes, of 24 May 2009;
- (e) *Annex V*: Document GEF/C.35, a joint summary of the chairs of the GEF Council meeting held from 22 to 24 June 2009.

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\* UNEP/GC.26/1.

## Annex I

### Letter from the Chief Executive Officer/Chairperson of the Global Environment Facility to the Executive Director of the United Nations Environment Programme, dated 11 June 2010



MONIQUE BARBUT  
*Chief Executive Officer and Chairperson*

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June 11, 2010

Mr. Achim Steiner  
Executive Director  
United Nations Environment Programme  
P.O. Box 30552,  
Nairobi,  
Kenya

Dear Mr. Steiner,

It gives me great pleasure to inform you that the Fourth GEF Assembly held in Punta del Este, Uruguay, May 25-26, 2010, approved by consensus, upon the recommendation of the Council, two amendments to the *Instrument for the Establishment of the Restructured Global Environment Facility*.

The amendments to the Instrument address two matters:

- (a) Revision of the process for the appointment of the CEO/Chairperson and lengthening the term of the CEO/Chairperson of the Facility to four years; and
- (b) confirmation of the availability of the GEF to serve as a financial mechanism of the UN Convention to Combat Desertification in Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa (UNCCD).

The approved text of the amendments is set forth in the Decision of the Fourth GEF Assembly attached to this letter.

As requested in the Assembly's decision, I am submitting these amendments to you in your capacity as a GEF Implementing Agency and requesting that you undertake the necessary steps to facilitate the adoption of the amendments in accordance with your respective rules and procedural requirements.

I would appreciate it if you would keep us informed of the progress made in adopting these amendments so that we can confirm the effectiveness of the amendments and inform the Council and all Participants accordingly.

I would also like to inform you that I have transmitted the *Summary of Negotiations of the Fifth Replenishment of the GEF Trust Fund* (document GEF/C.37/3) to the Trustee for the GEF Trust Fund with a request that the World Bank Executive Directors be invited to adopt Annex C to the Summary, *Resolution No. \_\_\_, Global Environment Facility Trust Fund: Fifth Replenishment of Resources*, thereby authorizing the World Bank, as Trustee, to manage the resources to be made available under GEF-5.

The policy recommendations associated with the replenishment will be addressed by the GEF Council as part of its ongoing work.

I would like to express my highest appreciation to you and your colleagues for the significant contribution that you made to the successful conclusion of the Fourth GEF Assembly. I look forward to working with you in implementing the recommendations and decisions of the Assembly and the replenishment process.

Sincerely,

A handwritten signature in black ink, appearing to read 'Barbut', enclosed within a hand-drawn rectangular box.

Monique Barbut  
CEO/Chairperson  
Global Environment Facility

cc: Council Members and Alternates,

## **Appendix 1: Decision of the Assembly**

*The Fourth GEF Assembly,*

*Recalling paragraph 34 of the Instrument for the Establishment of the Restructured Global Environment Facility,*

*Having considered the recommendations of the GEF Council for proposed amendments to the Instrument,*

1. Approves by consensus the following amendment to the Instrument:

The Assembly reviewed two separate amendments to the Instrument proposed by the Council (document GEF/A.4/9). The Assembly approved the first proposed amendment to paragraph 21 of the Instrument concerning the GEF CEO Appointment and Term, i.e., “The CEO shall be appointed to serve for four years on a full time basis by the Council. The CEO may be reappointed by the Council for one additional four year term.”

The Assembly also approved the second proposed amendment to paragraph 6 of the Instrument and agreed that a new sub-paragraph (b) be inserted in paragraph 6 and that the present paragraph 6 be re-numbered as 6(a) with the new paragraph 6 (b) reads as follows: “The GEF shall be available to serve as a financial mechanism of the United Nations Convention to Combat Desertification in Countries Experiencing Serious Drought and/or Desertification, particularly in Africa (UNCCD), pursuant to article 20, paragraph 2(b), and article 21 of the Convention. The Council shall consider and approve arrangements to facilitate collaboration between the GEF and the UNCCD and among countries with respect to affected countries, particularly Africa”.

2. Invites the CEO/Chairperson of the Facility to submit this amendment to the Implementing Agencies and the Trustee and to request that they adopt the amendment in accordance with their respective rules and procedural requirements
3. Invites the CEO/Chairperson of the Facility to inform all Participants of the effectiveness of the amendment once the Implementing Agencies and the Trustee have approved it.

## Annex II

### Document GEF/A.4/9, on proposed amendments to the Global Environment Facility Instrument, of 14 May 2010



GEF/ A.4/9  
May 14, 2010

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Fourth GEF Assembly  
Punta Del Este, Uruguay  
May 25-26, 2010

Agenda Item 15

### PROPOSED AMENDMENTS TO THE GEF INSTRUMENT

## INTRODUCTION

1. According to paragraph 34 of the GEF Instrument, an amendment to the Instrument “may be approved by consensus by the Assembly upon the recommendation of the Council, after taking into account the views of the Implementing Agencies and the Trustee, and shall become effective after adoption by the Implementing Agencies and the Trustee in accordance with their respective rules and procedural requirements.” This document details two proposed amendments being recommended to the fourth GEF Assembly by the GEF Council.

## GEF CEO APPOINTMENT AND TERM

2. In June 2009, the GEF Council took a decision to recommend to the GEF Assembly an amendment to the GEF Instrument to eliminate the role of the Implementing Agencies in the appointment of the CEO and to lengthen the term of the CEO/Chairperson of the Facility to four years. This decision is reflected in paragraph 27 of the Joint Summary of the Chairs of the June 2009 GEF Council meeting.

3. The primary reason to eliminate the role of the Implementing Agencies in the appointment of the CEO/Chairperson is because at times staff from one or more of the Agencies is nominated for the CEO/Chairperson position, raising conflict of interest questions if their own Agency is on the nominating Committee.

4. There are persuasive reasons for moving from a three year term with no term limits for the CEO/Chairperson to a four year term with a limit of one reappointment. A term limit will help to keep the GEF a modern multilateral facility, which is not controlled for too long by any one person or viewpoint. A four instead of a three year term will provide the CEO/Chairperson with more time to implement reforms and/or policy decisions in an effective manner. Three years is a relatively short period in which to see the results of reforms or new policies, which may be why the terms of the heads of other IFIs are longer.<sup>1</sup>

## THE GEF AS A FINANCIAL MECHANISM OF THE UNCCD

5. In December 2006, the GEF Council took a decision to recommend to the GEF Assembly an amendment to the GEF Instrument to make the GEF available to serve as a financial mechanism of the UN Convention to Combat Desertification in Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa (UNCCD). This proposed amendment closely reflects decisions of at the Conference of the Parties to the UNCCD to designate the

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<sup>1</sup> Terms for other heads of IFIs are generally four to five years; for example: World Bank (5 years); ADB (5 years); IADB (5 years); IFAD (4 years).

GEF as a financial mechanism of the Convention pursuant to articles 20 and 21 of the Convention.

#### PROPOSED AMENDMENTS TO THE INSTRUMENT

6. The Council, therefore, recommends to the fourth GEF Assembly that it approve by consensus the following amendments and that it call upon the GEF CEO/Chairperson of the Facility to submit the approved amendments to the Implementing Agencies and Trustee for adoption in accordance with their respective rules and procedural requirements.

7. Paragraph 21 of the Instrument should be amended to read:

**The GEF Secretariat shall service and report to the Assembly and the Council. The Secretariat, which shall be headed by the CEO/Chairperson of the Facility, shall be supported administratively by the World Bank and shall operate in a functionally independent and effective manner. The CEO shall be appointed to serve for four years on a full time basis by the Council. The CEO may be reappointed by the Council for one additional four year term. ...**

8. In addition, a new sub-paragraph (b) should be inserted in paragraph 6, with the consequent re-numbering of the present paragraph 6 as sub-paragraph 6(a).

**The GEF shall be available to serve as a financial mechanism of the United Nations Convention to Combat Desertification in Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa (UNCCD), pursuant to article 20, paragraph 2(b), and article 21 of the Convention. The Council shall consider and approve arrangements to facilitate collaboration between the GEF and the UNCCD and among countries with respect to affected countries, particularly in Africa.**

9. As a consequence of the insertion of a new sub-paragraph 6(b), references to paragraph 6 in the GEF Instrument will be revised accordingly.

10. The GEF Secretariat will transmit these changes to the GEF Instrument, if approved by consensus, to the Implementing Agencies and the Trustee for their adoption, in accordance with their respective rules and procedures. If and when adopted, the amendments to the Instrument will become effective.

## Annex III

### Document GEF/C.34, a joint summary of the chairs of the GEF Council meeting held from 11 to 13 November 2008



Global Environment Facility

November 17, 2008

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#### JOINT SUMMARY OF THE CHAIRS GEF COUNCIL MEETING NOVEMBER 11-13, 2008

##### OPENING OF THE MEETING

1. The meeting was opened by Ms. Monique Barbut, Chief Executive Officer/Chairperson of the Facility.

##### ELECTION OF A CHAIRPERSON

2. The Council elected Ms. Jan Henderson, the Council Member representing the constituency of Australia, New Zealand and Republic of Korea as its elected Co-Chair.

##### ADOPTION OF THE AGENDA

3. The Council approved the provisional agenda set forth in document GEF/C.34/1/Rev.1.

##### STATEMENTS BY EXECUTIVE SECRETARIES OF THE CONVENTIONS

4. The Council heard a statement from Mr. Ahmed Djoghla. A printed version of the statement of Mr. Djoghla was made available at the Council meeting.

##### REPORT BY THE CHAIR OF THE SCIENTIFIC AND TECHNICAL ADVISORY PANEL

5. The Council heard a statement from Mr. Thomas Lovejoy, Chair of the Scientific and Technical Advisory Panel.

##### DECISIONS

6. The Council approved the following decisions with respect to the items on its agenda:

##### *Decision on Agenda Item 5 Relations with Conventions*

7. The Council considered document GEF/C.34/3, *Relations with the Conventions and Other International Institutions*, and welcomed the proposed activities to implement the guidance and decisions that have been approved by the Conferences of the Parties to the global environmental conventions. The Council requested the Secretariat and the GEF agencies to continue to work with recipient countries to reflect the guidance and national priorities in their GEF programming and activities.



*Decision on Agenda Item 6 Organization of the Fourth GEF Assembly*

8. The Council reviewed document GEF/C.34/4, *Note on the Organization of the Fourth GEF Assembly*, and expressed its appreciation to the Government of Uruguay for offering to host the Fourth Assembly meeting and accepted this kind offer. The Council approved a special initiative of \$653,730 for the planning of the Fourth GEF Assembly.

9. The Council requested the Secretariat to prepare for the next Council meeting a report on the progress that has been achieved in planning the Assembly and a more detailed proposal for the organization of the Assembly for the Council's review and approval.

*Decision on Agenda Item 7 Progress Report of the Evaluation Director*

10. The Council reviewed document GEF/ME/C.34/1, *GEF Evaluation Office: Progress Report from the Director*, and took note of the on-going work of the Office, especially the positive findings on impact of Protected Areas on local communities, and encouraged the Evaluation Office to ensure that all on-going work will be brought forward into the Fourth Overall Performance Study.

*Decision on Agenda Item 8 Mid-Term Review of the RAF*

11. The Council reviewed document GEF/ME/C.34/2 *Mid-Term Review of the Resource Allocation Framework* and took note of document GEF/ME/C.34/3, *Management Response to the Mid-Term Review of the Resource Allocation Framework*, and decided that:

- a. Reallocation of unused funds will be allowed in the last year of GEF-4.
- b. The last phase of GEF-4, including reallocation of funds, will be implemented with full public disclosure, transparency, participation and clear responsibilities.

12. The Council further decided that the Secretariat will present a proposal with objective rules and a transparent and equitable procedure for the reallocation of unused funds, taking into account the comments of Council Members expressed during the meeting, for a decision by mail by March 2009.

13. The Council also requested the GEF Secretariat, in collaboration with the GEF agencies and STAP and other stakeholders, to present steps to improve RAF design and indices for the climate change and biodiversity focal areas for GEF-5, and furthermore to present scenarios for possible expansion of the RAF, if feasible, to all focal areas for GEF-5 for consideration by the Council at the June 2009 GEF Council meeting.

14. The Council requested the GEF Evaluation Office to report through the Management Action Record on the follow-up to the decisions.

*Decision on Agenda Item 10 Strategic Program to Scale up Investment in Technology Transfer*

15. The Council reviewed document GEF/C.34/5, *Elaboration of a Strategic Program to Scale up the Level of Investment in the Transfer of Environmentally Sound Technologies*, and noted with appreciation that the GEF Secretariat prepared a progress report on the Elaboration of a Strategic Program to Scale up the Level of Investment in the Transfer of Environmentally

Sound Technologies, and, upon Council approval, forwarded it to the UNFCCC Subsidiary Body for Implementation at its 28th session in Bonn, Germany, in June 2008.

16. The Council also requested the Secretariat to forward the revised version of document GEF/C.34/5 to the UNFCCC Subsidiary Body for Implementation at its 29th session in Poznan, Poland, in December 2008.

17. The Council further agreed to a target funding level of \$35 million pending resource availability for the proposed technology transfer program in the following manner:

- (i) \$5 million from the climate change global and regional exclusion window of the GEF Trust Fund; and
- (ii) \$30 million to be realized from:
  - a. National individual allocations and the group allocation;
  - b. Resources that might be made available from the planned RAF reallocation, subsequent to a Council decision on this in June 2009.

18. The Council noted a pending decision to set aside \$15 million from *SCCF Program B on technology transfer* for the proposed technology transfer program.

#### *Decision on Agenda Item 11 Work Program*

19. The Council reviewed the proposed work program submitted to Council in document GEF/C.34/6 and approved the work program<sup>1</sup> comprised of 37 project concepts and endorsed the concepts and objectives of the 5 new programmatic approaches, subject to comments made during the Council meeting and additional comments that may be submitted to the Secretariat by November 28, 2008.

20. Total resources requested in this work program amounted to \$201.17 million which included GEF project grant and agency fees (please see attached Annex for more details). The approved work program is comprised of the following 37 Project Identification Forms (PIFs), 16 of which are submitted under ten programmatic approaches (5 PAs have been previously endorsed by Council and 5 are new ones seeking Council endorsement):

#### *Biodiversity*

- **Regional (Bahamas, Belize, Grenada, Guyana, Suriname) : BS Implementation of National Biosafety Frameworks in Caribbean Sub Region Countries of Bahamas, Belize, Grenada, Guyana and Suriname in the Context of a Regional Project (UNEP)**  
(GEF Project Grant : \$2.63 m)

<sup>1</sup> The Council Member representing the United States of America, in light of its national legislation regarding its country's voting position for certain development projects in certain countries, opposed the following project: *Regional (Afghanistan, Iran) : Restoration, Protection and Sustainable Use of the Sistan Basin (UNDP)*

- **Regional (Congo DR, Congo)** : CBSP Catalyzing Sustainable Forest Management in the Lake Tele-Lake Tumba (LTLT) Transboundary Wetland Landscape (UNDP) (GEF Project Grant : \$2.17 m)
- **Brazil** : Improving Brazilian Capacity to Conserve and Use Biodiversity through Information Management and Use (UNEP) (GEF Project Grant : \$8.17 m)
- **Cape Verde** : SPWA-BD Consolidation of Cape Verde's Protected Areas System (UNDP) (GEF Project Grant : \$3.29 m)
- **Congo DR** : CBSP Enforcement of Protected Areas Network (World Bank) (GEF Project Grant : \$6.00 m)
- **Equatorial Guinea** : CBSP Sustainable Forest Management in Equatorial Guinea for the Conservation of Representative Ecosystems and Globally Significant Biodiversity (UNDP) (GEF Project Grant : \$1.77 m)
- **Ethiopia** : Mainstreaming Agro-biodiversity Conservation in the Farming Systems of Ethiopia (UNDP) (GEF Project Grant : \$3.86 m)
- **Jamaica** : Strengthening the Operational and Financial Sustainability of the National Protected Area System (UNDP) (GEF Project Grant : \$2.77 m)
- **Mali** : SPWA-BD Expansion and Strengthening of Mali's PA System (UNDP) (GEF Project Grant : \$1.77 m)
- **Mozambique** : Sustainable Financing of the Protected Area System in Mozambique (UNDP) (GEF Project Grant : \$4.90 m)
- **Namibia** : Protected Landscape Conservation Areas Initiative (NAM PLACE) (UNDP) (GEF Project Grant : \$4.50 m)
- **Niger** : SPWA-BD Integrating the Sustainable Management of Faunal Corridors into Niger's Protected Area System (UNDP) (GEF Project Grant : \$1.77 m)
- **Russian Federation** : Improving the Coverage and Management Efficiency of Protected Areas in the Steppe Biome of Russia (UNDP) (GEF Project Grant : \$5.30 m)
- **Sri Lanka** : Strengthening Capacity to Control the Introduction and Spread of Alien Invasive Species (UNDP) (GEF Project Grant : \$1.83 m)
- **Sudan** : Launching Protected Area Network Management and Building Capacity in Post-conflict Southern Sudan (UNDP) (GEF Project Grant : \$3.82 m)

#### *Climate Change*

- **China** : Promoting Energy Efficient Room Air Conditioners (PEERAC) Project (UNDP) (GEF Project Grant : \$6.26 m)
- **India** : IND Financing Energy Efficiency at Small and Medium Enterprises - under the Programmatic Framework for Energy Efficiency (World Bank) (GEF Project Grant : \$11.30 m)
- **Indonesia** : CF: Promoting Energy Efficiency in the Industries through System Optimization and Energy Management Standards (UNIDO) (GEF Project Grant : \$2.18 m)
- **Philippines** : CF: Industrial Energy Efficiency (UNIDO) (GEF Project Grant : \$3.17 m)

- **Philippines** : Chiller Energy Efficiency Project (World Bank) (GEF Project Grant : \$2.60 m)
- **Thailand** : Industrial Energy Efficiency (UNIDO) (GEF Project Grant : \$3.62 m)
- **Venezuela** : IMPROVE: Increase Product Efficiency in Venezuela (RESUBMISSION) (UNDP) (GEF Project Grant : \$4.09 m)
- **Vietnam** : Phasing out Incandescent Lamps through Lighting Market Transformation in Vietnam (UNEP) (GEF Project Grant : \$3.03 m)

#### *International Waters*

- **Regional (Comoros, Maldives, Mauritius, Sao Tome and Principe, Seychelles, Cape Verde)** : Implementing Integrated Water Resource and Wastewater Management in Atlantic and Indian Ocean SIDS (UNEP/UNDP) (GEF Project Grant : \$9.65 m)
- **Regional (Jordan, Palestinian Authority)** : Red Sea-Dead Sea Water Conveyance Study Program (World Bank) (GEF Project Grant : \$3.50 m)
- **Regional (Afghanistan, Iran)** : Restoration, Protection and Sustainable Use of the Sistan Basin (UNDP) (GEF Project Grant : \$2.00 m)
- **Regional (Antigua And Barbuda, Barbados, Costa Rica, Guatemala, Guyana, Honduras, Panama, St. Lucia, Suriname)** : Testing a Prototype Caribbean Regional Fund for Wastewater Management (CReW) (IADB/UNEP) (GEF Project Grant : \$20.00 m)
- **Mexico** : Regional Framework for Sustainable Use of the Rio Bravo (UNEP) (GEF Project Grant : \$4.00 m)

#### *Land Degradation*

- **Montenegro** : Montenegro Institutional Development and Agriculture Strengthening (MIDAS) (World Bank) (GEF Project Grant : \$4.00 m)

#### *Multi-focal Areas*

- **Regional (Cameroon, Congo DR, Equatorial Guinea, Gabon, Congo, Central African Republic)** : CBSP Enhancing Institutional Capacities on REDD issues for Sustainable Forest Management in the Congo Basin (World Bank) (GEF Project Grant : \$13.00 m)
- **Regional (Chile, Peru)** : Towards Ecosystem Management of the Humboldt Current Large Marine Ecosystem (UNDP) (GEF Project Grant : \$6.93 m)
- **Argentina** : Establishment of Incentives for the Conservation of Ecosystem Services of Global Significance (UNDP/UNEP) (GEF Project Grant : \$2.91 m)
- **Brazil** : SFM Strengthening National Policy and Knowledge Frameworks in Support of Sustainable Management of Brazil's Forest Resources (FAO) (GEF Project Grant : \$8.85 m)
- **Cambodia** : SFM Strengthening Sustainable Forest Management and the Development of Bio-energy Markets to Promote Environmental Sustainability and to Reduce Green House Gas Emissions in Cambodia (UNDP) (GEF Project Grant : \$2.36 m)

- **China** : PRC-GEF Partnership: Silk Road Ecosystem Restoration Project (ADB) (GEF Project Grant : \$5.12 m)
- **Ecuador** : SFM Sustainable Management of Biodiversity and Water Resources in the Ibarra-San Lorenzo Corridor (IFAD) (GEF Project Grant : \$2.70 m)
- **India** : SLEM - Sustainable Land, Water and Biodiversity Conservation and Management for Improved Livelihoods in Uttarakhand Watershed Sector (World Bank) (GEF Project Grant : \$7.00 m)

#### PROGRAMMATIC APPROACHES IN THE NOVEMBER WORK PROGRAM

##### *Biodiversity*

- Strategic Program for West Africa (Biodiversity) (SPWA-BD) (NEW)
- Biosafety Program (endorsed by Council in April 2008)

##### *Climate Change*

- Strategic Program for West Africa (Climate Change) (SPWA-CC) (NEW)
- Framework for Promoting Low Greenhouse Gas Emission in Buildings (NEW)
- Reducing Industry's Carbon Footprint in Southeast Asia through Compliance with a Management System for Energy (NEW)
- Programmatic Framework for Energy Efficiency in India (endorsed by Council in April 2008)

##### *Multi-focal Areas*

- Congo Basin Strategic Program (CBSP) (NEW)
- Sustainable Forest Management (endorsed by Council in November 2007)
- PRC-GEF Partnership on Land Degradation in Dryland Ecosystems Program (endorsed by Council in April 2008)
- Sustainable Land and Ecosystem Management (SLEM) Partnership Program (endorsed by Council in November 2007)

21. With respect to any PIF approved in this work program, either under one of the programmatic approaches or as a stand alone PIF, the Council requested the Secretariat to arrange for Council Members to receive a copy of the draft final project document that is submitted to the CEO for endorsement. Council Members may transmit to the CEO within four weeks any concerns they may have prior to the CEO endorsing a project document for final approval by the GEF Agency.

##### *Decision on Agenda Item 12 GEF Trust Fund for Programs*

22. The Council took note of the suggestion for establishing a GEF Trust Fund for Programs (GTFP) as described in document GEF/C.34/7, *GEF Trust Fund for Programs*, and invited the Secretariat to revise the document to respond to the questions raised by the Council about the proposed GTFP, including exploring options other than the creation of a trust fund, and to circulate by February 2009 in a decision by mail a proposal for meeting the co-financing needs of the Programmatic approaches.

*Decision on Agenda Item 13 Report on the Completion of the Strategic Priority on Adaptation*

23. The Council considered document GEF/C.34/8, *Report on the Completion of the Strategic Priority on Adaptation*, and welcomed the progress achieved by this pilot and noted with appreciation the information about its completion.

24. The Council requested the Office of Evaluation to conduct an independent evaluation of the \$50 million pilot. The Council will consider future activities, if any, on adaptation under the GEF Trust Fund based on the recommendations of the independent evaluation of the SPA and the evolving guidance to the GEF of the United Nations Framework Convention on Climate Change.

*Decision on Agenda Item 14 Enhancing Civil Society Engagement and Partnership with the GEF*

25. The Council considered document GEF/C.34/9, *Enhancing Civil Society Engagement and Partnership with the GEF*, and welcomed the steps taken by the GEF Secretariat and the GEF NGO Network to strengthen the GEF's partnership and engagement with Civil Society Organizations (CSOs).

26. The Council applauded the efforts of the GEF NGO Network in developing the Strategic Operational Plan for 2008-2010 as presented for the Council's information in Annex I of document GEF/C.34/9, encouraged donors to support it and invited the GEF Secretariat, GEF agencies and GEF focal points to support its implementation.

27. To this effect, the Council approved reviving the Voluntary NGO Trust Fund to act as a funding mechanism to support the Network; furthermore, the Council approved adjusting the support provided for the participation of eligible Network representatives at Council meetings from the 50,000 US dollars set in 1995 to 70,445 US dollars, to account for cost increase of services, travel and inflation.

28. The Council approved the replacement of the NGO accreditation to the GEF with membership in the Network.

*Decision on Agenda Item 15 Decision on the Fifth Replenishment of the GEF Trust Fund*

29. The Council requested the Trustee of the GEF Trust Fund, in cooperation with the CEO/Chairperson of the Facility, to initiate discussions on the replenishment of the GEF Trust Fund with the convening of a planning meeting in Washington on November 14, 2008, for the negotiations of the fifth replenishment of resources of the GEF Trust Fund.

*Decision on Agenda Item 16 Appointment/Reappointment of the CEO/Chairperson of the Facility*

30. The Council unanimously approved the reappointment of Ms. Monique Barbut as CEO/Chairperson of the Facility for a three year term beginning July 14, 2009. The Council expressed its appreciation of Ms. Barbut during her first term as CEO/Chairperson of the GEF. The Council wished, in particular, to commend the CEO for bringing about much needed reforms at the GEF and believed that continuity in leadership will benefit the GEF in the challenging years ahead.

31. The Council looked forward to working with Ms. Barbut and offering her their full support. The Council asked the Secretariat to present to Council at the June 2009 Council meeting a paper exploring the option of making the CEO term and the replenishment cycle coterminous.

*Decision on Agenda Item 17 Other Business*

32. The Council decided to increase the budget for the review of fiduciary standards to \$250,000 in order that a high quality report may be presented to the Council meeting in June 2009.

33. The Council requested the Secretariat to arrange for an audit by the Internal Audit Department of the World Bank for its Spring meeting in 2011 and requested the Secretariat to arrange for further audits at four yearly intervals.

34. The Council endorsed the CEO's proposal to prepare, in consultation with the Director of the Evaluation Office (EO), an annual, Council-led performance review process for the CEO and the Director of EO in line with the core functions described in the Instrument and relevant Council decisions. The Council looked forward to a proposal at the June 2009 Council meeting and the first reviews in November 2009.

**CLOSURE OF THE MEETING**

35. The meeting closed on November 13, 2008.

## Annex IV

### **Document GEF/C.35/9, on recommendations concerning certain appointment, reappointment and performance objectives review processes, of 24 May 2009**



**Global Environment Facility**

GEF/C.35/9  
May 24, 2009

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GEF Council Meeting  
June 22-24, 2009

Agenda Item 17

**RECOMMENDATIONS CONCERNING CERTAIN APPOINTMENT,  
REAPPOINTMENT AND PERFORMANCE OBJECTIVE REVIEWS PROCESSES**



**Recommended Council Decision**

The Council, having reviewed *Recommendations Concerning Certain Appointment, Reappointment and Performance Objective Reviews Processes* (GEF/C.35/9), approves the recommendations contained within and, in particular agrees to:

- Recommend to the Fourth GEF Assembly the following amendment to the Instrument for the Establishment of the Restructured Global Environment Facility (the “Instrument”):

Replace the third through the fifth sentence of paragraph 21 as follows: “... The CEO shall be appointed to serve for four years on a full time basis by the Council. The CEO may be reappointed by the Council for one additional four year term.”

- Create a Selection and Review Committee to oversee the processes for appointing and reappointing the GEF CEO/Chairperson and the Director of the GEF Evaluation Office and for conducting GEF CEO/Chairperson and Director of the GEF Evaluation Office performance objective reviews.
- Adopt the processes set forth in this document for conducting performance objective reviews of GEF CEO/Chairperson and Director of the GEF Evaluation office immediately.
- Effective as of the time the Amendment becomes effective pursuant to Paragraph 34 of the Instrument, adopt the processes set forth in this document for appointing and reappointing the GEF CEO/Chairperson and the Director of the GEF Evaluation Office.

**Recommendations Concerning Certain Appointment, Reappointment  
and Performance Objective Reviews Processes**

1. The goal of this paper is to recommend to the Council processes for the appointment and reappointment of the GEF CEO/Chairperson and the Director of the GEF Evaluation Office and performance objectives review processes for the CEO/Chairperson and the GEF Evaluation Office Director.

2. Paragraph 21 of the GEF Instrument states: “The CEO shall be appointed to serve for three years on a full time basis by the Council on the joint recommendation of the Implementing Agencies. Such recommendation shall be made after consultation with the Council. The CEO may be reappointed by the Council. The CEO may be removed by the Council only for cause.” No specific process for appointing or reappointing the CEO/Chairperson is articulated, and the GEF currently lacks any formal process for reviewing the performance of the CEO/Chairperson. At the 34<sup>th</sup> meeting of the GEF Council, the *ad hoc* process used for reappointing the current CEO/Chairperson served as a reminder of this deficiency in the GEF Instrument. Therefore, the Council agreed to discuss, on the basis of a submission by the Secretariat, a CEO/Chairperson performance review process, as well as a process for the appointment/reappointment of the CEO/Chairperson.

3. On Monitoring and Evaluation, the GEF-3 policy recommendations included the following action to be undertaken: that the “GEF monitoring and evaluation unit, for purposes of evaluation, should be made independent, reporting directly to Council and its head proposed by the GEF CEO and appointed by the Council for a renewable term of five years.” This proposed action for GEF-3 was implemented by Council in 2003 when it decided to:

- “appoint the Monitoring and Evaluation Director upon nomination by the CEO/Chair, for a 5 year term, which may be renewed only once.
- The recruitment process will be conducted in a transparent way and in consultation with GEF Council.
- The M&E Director can be removed only by decision of the Council.”<sup>1</sup>

4. These decisions were incorporated into the GEF Monitoring and Evaluation Policy that was approved by the GEF Council in February 2006.

5. There is no process in place for appointing, renewing the appointment of, or conducting a performance assessment of the Director of Evaluation. In addition, the current Terms of

<sup>1</sup> GEF/C.21/12.Rev.1 – Terms of Reference for an Independent Monitoring and Evaluation Unit, July 29, 2003. The GEF-3 Recommendations on Monitoring and Evaluation are provided as Annex III of Doc. GEF/C.21/12.Rev.1. The Monitoring and Evaluation Director changed to the Evaluation Director in the GEF M&E policy, when the final responsibility for monitoring was transferred to the GEF Secretariat.

Reference for the Evaluation Office (“EO”) provides that the Director of Evaluation be reappointed on the recommendation of the CEO/Chairperson, but there is a tension between the EO’s independence from the GEF CEO/Chairperson and Secretariat and this appointment process. Therefore, the Council also agreed to discuss new processes for the appointment, for the reappointment, and for an annual performance review of the Director of Evaluation.

6. To facilitate all of these processes, it is recommended that the Council establish a Selection and Review Committee comprised of 6 Council members, including three from contributing participants and three from recipient participants. Members from each group will recommend the members of the Committee, who will then be endorsed by the full Council. The Committee will report to the Council annually or as needed. To maintain confidentiality, this would be done via executive session.

### **CEO/Chairperson Appointment Process**

7. As noted above, the GEF Instrument does not articulate a comprehensive process for the appointment or reappointment of the GEF CEO/Chairperson. It is recommended, therefore, that the Council adopt such processes.

8. For the CEO/Chairperson appointment process, the following steps are recommended:

- (a) At the Council meeting at least six months prior to the expiration of the term of the CEO, Council decides either: (i) to reappoint the incumbent CEO, if another term is permitted; or (ii) to start the process for selection of a new CEO.
- (b) If a new CEO is to be selected, at the same Council meeting, the Council will approve a terms of reference for the position, the terms of reference for an independent consulting firm (executive search firm), and the budget to support the process. The Selection and Review Committee will oversee the recruitment process including the process for advertising the position.
- (c) An independent executive search firm will be selected by the Secretariat, using the terms of reference supplied by Council.
- (d) Position will be advertised. Council Members and participant governments may suggest candidates directly to the search firm.
- (e) Initial screening to prepare a list of all applicants meeting criteria/qualifications will be done by the outside consulting firm with advice of the Selection Committee. The firm will screen all applicants and recommend those who meet the criteria/qualifications specified in the TOR.
- (f) Selection and Review Committee prepares preliminary short list of up to ten candidates.

- (g) Selection and Review Committee to consult with Council members on the preliminary short list.
- (h) Selection and Review Committee prepares a final short list of candidates to be interviewed, interviews candidates, and consults with Council members.
- (i) Based on its interviews and consultations, the Selection and Review Committee, makes a recommendation to the Council of three candidates, in order of preference, for the Council's final consideration and decision.
- (j) The Council appoints the CEO at the Council meeting just prior to the expiration of the term of the incumbent CEO."

9. It is important to note that the GEF Instrument currently confers on the three GEF Implementing Agencies (IAs) a role in the appointment of the CEO. Paragraph 21 of the GEF Instrument states: "The CEO shall be appointed to serve for three years on a full time basis by the Council on the joint recommendation of the Implementing Agencies. Such recommendation shall be made after consultation with the Council." The primary reason to change this rule is because at times staff from one or more of the Agencies is nominated for the CEO/Chairperson position, raising conflict of interest questions if their own Agency is on the nominating Committee.

10. It is recommended, based on the above reasoning, that the language of the GEF Instrument be altered to remove the role that the IAs currently play in the appointment of the CEO/Chairperson. The CEO/Chairperson appointment should be undertaken solely by the Council. Specific changes to the third through the fifth sentences of paragraph 21 of the Instrument are, therefore, recommended, as reflected below in paragraph 14 of this document.

#### **CEO/Chairperson Reappointment Process**

11. For the CEO reappointment consideration process, the following steps are recommended:

12. At the Council meeting at least 6 months prior to the end of the CEO/Chairperson's term, the Selection and Review Committee will put forth a recommendation to the Council on whether or not to reappoint the current CEO/Chairperson. The Committee will consult broadly among Council members and will consider the outcome of the CEO/Chairperson performance review in making its recommendation. At the same Council meeting, the Council will consider, in Executive Session, the recommendation of the Committee and take a decision on the reappointment of the CEO/Chairperson.

13. It is also recommended that the language of the Instrument be altered to limit the CEO/Chairperson term to one reappointment only, or in other words, a total of two consecutive terms and, at the same time, to provide for a four instead of a three year term. A term limit will help to keep the GEF a modern multilateral agency, which should not be controlled by any one person or viewpoint for too long of a time period. A four instead of a three year term will

provide the CEO/Chairperson with more time to implement reforms and/or policy decisions in an effective manner. Three years is a relatively short period to see the results of reforms or new policies and is shorter than terms of the heads of other IFIs.<sup>2</sup>

14. To effectuate all of the above recommended changes, the following changes to Paragraph 21 of the GEF Instrument are recommended:

“... The CEO shall be appointed to serve for four years on a full time basis by the Council. The CEO may be reappointed by the Council for one additional four year term.”

#### **GEF CEO Performance Objectives Review:**

15. The GEF and the CEO/Chairperson would benefit by instituting a process to provide an annual performance review during each year of the term of the GEF CEO/Chairperson.

16. It is recommended that the GEF Council Selection and Review Committee manage the review. The Secretary of the GEF Council will support the activities of the Committee.

17. Directly following the appointment/reappointment of the CEO/Chairperson and at one year intervals after that, the Committee and the CEO/Chairperson will have an informal discussion to establish the expectations for the CEO/Chairperson and to jointly identify which objectives the CEO/Chairperson should pursue in the coming year. These objectives should be based on the core functions of the CEO/Chairperson set forth in the GEF Instrument, as well as on the terms of reference of the appointment announcement. Discussion points based on these objectives might include:

- Has the CEO/Chairperson led Council efforts to shape policies, programs and projects that assist in the protection of the global environment, consistent with the objectives and priorities of the global environmental conventions and agreements?
- Has the Secretariat, under the direction of the CEO/Chairperson, effectively implemented the decisions of the Assembly and Council, including but not limited to the implementation of the adopted business plans and replenishment policy recommendations of the GEF?
- Has the Secretariat, under the direction of the CEO/Chairperson, coordinated the formulation and overseen the implementation of program activities pursuant to the joint work program?

<sup>2</sup> Terms for other heads of IFIs are generally four to five years; for example: World Bank (5 years); ADB (5 years); IADB (5 years); and IFAD (four years).

- Has the Secretariat, under the direction of the CEO/Chairperson ensured the implementation of the operational policies adopted by the Council?
- Has the CEO/Chairperson provided leadership to help shape strategic thinking in international governance structures such as the GEF Council?
- Has the CEO/Chairperson promoted collaboration within the GEF partnership of Implementing and Executing Agencies, and fostered the development of existing and new partnerships designed to advance the cause of the GEF, including those with the private sector and the NGO community?

18. A written summary of the discussion will be prepared and will be used as a basis for a subsequent discussion 12 months later, the end of the review period.

19. At the end of the review period, the Committee and the CEO/Chairperson will hold a discussion to consider the achievements and challenges since their last meeting. These discussions will include input from a self assessment by the CEO. The Committee and the CEO/Chairperson will talk about the overall CEO/Chairperson performance in relation to the objectives established during the first discussion and consider ways to build upon the strengths of the CEO/Chairperson, as well as ideas for improving performance. They will end the discussion by jointly agreeing on objectives for the next year using the process articulated in paragraph 17 and 18 above. A written summary of the discussion will be prepared and will be used as a basis for a subsequent discussion 12 months later.

20. The Committee will provide an oral report of the process to Council in Executive Session, which will note any advice and recommendations provided.

21. Adjunct to and for the purposes of informing the performance appraisal process only, inputs from the WB staff survey, if performed, and a 360 degree feedback survey will be available. The 360 degree survey should be conducted as a means to enhance executive development and provide the Selection and Review Committee with greater information and input. The Council requests that the Selection and Review Committee work with the CEO to design a survey that incorporates or is consistent with the following:

- It would survey a *sample* of secretariat staff and key GEF stakeholders who work with the CEO on a regular basis and are able to provide meaningful feedback.
- The Committee and CEO would reach agreement on who would be surveyed.
- Such stakeholders could include: Implementing and Executing Agencies, heads of the Convention Secretariats, recipient and donor country governments (excluding those represented on the Committee), and NGOs.
- Questions should relate to observable concrete actions linked to core executive competencies (see below for some examples).

- Results from the survey should be confidential to the CEO and members of the Committee.

22. It will be important for the CEO and the Committee to have advice from human resource professionals in the design and implementation of the above, and also with regard to the similar processes for the EO Director (see paragraphs 26-28). The Committee should be empowered to work with the CEO to hire a third party contractor to advise the Selection and Review Committee and the CEO and EO Director on issues related to performance assessment and 360 degree feedback surveys. The cost for this shall be clearly reflected in GEF Secretariat budgets. Moreover, this third party professional could implement the 360 feedback survey, provide the CEO directly with the feedback, and provide the Committee with a summary of the responses received.

23. Given that the GEF CEO has not had any merit-based pay increases, a mechanism should be found to ensure that the performance appraisal process links with the World Bank's system for determining merit-based pay adjustments.

*Possible Questions for a 360 Degree Survey—a narrative response to be provided for each question*

#### Leadership & Vision

- Articulates a clear vision for the future of the GEF, including elaboration of short and long-term goals?
- Leads the GEF partnership in a strategic manner, facilitating difficult decisions that lead to increased impact and effectiveness?
- Leads Council effectively so that the Council adopts clear, actionable decisions?

#### Communication

- Communicates with partners clearly and effectively so they have a solid understanding of GEF priorities and goals?
- Provides clear guidance to partners so they have good understanding of GEF Secretariat expectations?

#### Management & Resource Oversight

- Ensures that GEF resources are used efficiently by holding Secretariat staff and partners accountable?
- Ensures that Secretariat decisions on the GEF work program and project pipeline are taken in a transparent manner according to clear criteria linked to the GEF's focal area strategies?
- Implements Council decisions fully and effectively?

#### Promotion of Collaboration

- Reaches out to stakeholders for input on key decisions impacting the GEF network?

#### Evaluation Director Appointment and Reappointment Processes

24. The Council decision of 2003 does not articulate a comprehensive process for the appointment or reappointment of the Evaluation Director, except to state that this process should be transparent and be established in consultation with the Council. It is recommended, therefore, that the Council adopt the same process as that used for the GEF CEO/Chairperson for appointing and reappointing the Director of the GEF Evaluation Office.

#### Evaluation Director Performance Objectives Review:

25. The GEF and the Evaluation Director would benefit by instituting a process that mirrors the process outlined above for the performance objectives review of the CEO/Chairperson to provide an annual performance review during each of the five years of his or her term.

26. The specific objectives to be jointly agreed by the EO Director and the Committee should be based on the core functions of the Director set forth in his/her Terms of Reference, as well as in the GEF Monitoring and Evaluation Policy and the job description of the appointment announcement. Discussion points based on these objectives might include:

- Has the Director provided evaluative evidence to the Council, the CEO, the GEF Secretariat and Agencies to improve their efforts to assist in the protection of the global environment, consistent with the objectives and priorities of the global environmental conventions and agreements?
- Has the Evaluation Office, under the direction of the Director, effectively implemented the decisions of the Assembly and Council on evaluation and on the programming of evaluations, as incorporated in the four-year rolling work plan and budget of the Office?
- Has the Evaluation Office, under the direction of the Director, coordinated and overseen the implementation of monitoring and evaluation of GEF supported activities by the GEF Secretariat and Agencies?



- Has the Director promoted collaboration within the GEF partnership on monitoring and evaluation issues, including the professional international evaluation community, in order to ensure that the GEF follows best international practice on monitoring and evaluation in its policy and in its evaluation practices?

27. Adjunct to and for the purposes of informing the performance appraisal process only, inputs from the WB staff survey, if performed and a 360 degree feedback survey will be available. The 360 degree feedback survey will also be conducted of the EO Director as a means to enhance executive development and provide the Selection and Review Committee with greater information and input. The Council requests that the Selection and Review Committee work with the Director of EO, and any third-party professional hired per paragraph 23 above, to design a survey that incorporates or is consistent with the points listed in paragraph 21.

## Annex V

### Document GEF/C.35, a joint summary of the chairs of the GEF Council meeting held from 22 to 24 June 2009



Global Environment Facility

June 26, 2009

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#### JOINT SUMMARY OF THE CHAIRS GEF COUNCIL MEETING JUNE 22-24, 2009

##### OPENING OF THE MEETING

1. The meeting was opened by Ms. Monique Barbut, Chief Executive Officer/Chairperson of the Facility.

##### ELECTION OF A CHAIRPERSON

2. The Council elected Mr. Alfred Oteng-Yeboah, the Council Member representing the constituency of Benin, Cote d'Ivoire, Ghana, Guinea, Liberia, Nigeria, Sierra Leone, and Togo as its elected Co-Chair.

##### ADOPTION OF THE AGENDA

3. The Council approved the provisional agenda set forth in document GEF/C.35/1/Rev.2.

##### STATEMENTS BY EXECUTIVE SECRETARIES OF THE CONVENTIONS

4. The Council heard statements from Ms. Preeti Bhandari, representing Mr. Yvo de Boer, Executive Secretary of the UN Framework Convention on Climate Change, Mr. Donald Cooper, Executive Secretary, of the Stockholm Convention on Persistent Organic Pollutants, Mr. Paul Horwitz, Deputy Executive Secretary of the Ozone Secretariat, Ms. Marcia Levaggi, Manager of the Adaptation Fund Board Secretariat, and Mr. Luc Gnacadja, Executive Secretary of the UN Convention to Combat Desertification.

##### DECISIONS

5. The Council approved the following decisions with respect to the items on its agenda:

##### *Decision on Agenda Item 5 Relations with the Conventions*

6. The Council considered document GEF/C.35/3/Rev.1, *Relations with the Conventions and Other International Institutions*, and welcomed the proposed activities to implement the guidance and decisions that have been approved by the Conferences of the Parties to the global environmental conventions. The Council requested the Secretariat and the GEF

Agencies to continue to work with recipient countries to reflect the guidance and national priorities in their GEF programming and activities.

*Decision on Agenda Item 6 Report by the Chair of the Scientific and Technical Advisory Panel*

7. The Council, noting that the Scientific and Technical Advisory Panel had previously provided to the Council *A Science Vision for GEF-5: Proposals from the Scientific and Technical Advisory Panel* (GEF/C.34/Inf.14), and further noting the *Draft Report of the April 2009 STAP Meeting* (GEF/C.35/Inf.9), welcomed and endorsed the recommendations of STAP regarding science and technology guidance provided in document GEF/C.35/13, *Recommendations for Improved Science and Technology Guidance in the GEF*.

*Decision on Agenda Item 7 Annual Country Portfolio Evaluation Report-2009 and Management Response*

8. The Council, having reviewed document GEF/ME/C.35/1, *Annual Country Portfolio Evaluation Report-2009*, document GEF/ME/C.35/2, *Management Response to the Annual Country Portfolio Evaluation Report-2009*, and having taken note of the three Country Portfolio Evaluations in Cameroon, Egypt, and Syria (GEF/ME/C.34/Inf. 3 and GEF/ME/C.35/Inf. 2-3) requested the Secretariat to:

- (a) Explore within the GEF partnership modalities to address the significant gap of available resources for combating land degradation to support key challenges facing countries like Egypt, Syria, and Cameroon;
- (b) Conduct a survey of countries in exceptional situations concerning limited access to GEF partner International Financial Institutions, like Syria.

*Decision on Agenda Item 8 Peer Review of the GEF Evaluation Function*

9. The Council, having reviewed document GEF/ME/C.35/3, *Peer Review of the GEF Evaluation Function*, requested the Evaluation Office to take the findings and recommendations of the Peer Review, as well as comments made during the Council meeting, into account when preparing a revision of the GEF Monitoring and Evaluation Policy, to be presented to Council at its meeting in the second half of 2010. Furthermore, the main findings, conclusions and recommendations of the Peer Review should be incorporated in the Fourth Overall Performance Study of the GEF.

*Decision on Agenda Item 9 Four-Year Work Program and FY10 Budget of the GEF Evaluation Office*

10. The Council reviewed document GEF/ME/C.35/4/Rev.1, *Four-Year Work Program and FY10 Budget of the GEF Evaluation Office*, but postponed adopting a decision on this agenda item pending its discussion under agenda item 16. The text of the decision can be found under agenda item 16.

*Decision on Agenda Item 10 Re-Appointment of the Director of the Evaluation Office*

11. The Council unanimously approved the reappointment of Mr. Robert van den Berg as Director of the GEF Evaluation Office for a second five year term. The Council commended Mr. van den Berg for the high-quality of the work of the Evaluation Office during his tenure.

*Decision on Agenda Item 11 GEF Agency Fiduciary Standards*

12. The Council, having reviewed document GEF/C.35/5, *Status of the GEF Agencies with Respect to Minimum Fiduciary Standards*, requested:
- (a) for AfDB: that no funding be provided until a report by the consultant is circulated for Council decision on a no-objection basis;
  - (b) for UNIDO: that a revised monitorable action plan be presented for Council decision on a no-objection basis before the next Council Meeting, after which date PIFs will not be approved failing the presentation of an adequate action plan;
  - (c) each GEF Agency that has not fully met the minimum fiduciary standards to provide to Council, on an annual basis, information on progress made towards fulfilling their action plan based on the timeframes and details outlined in the Action Plan Tracker in Annex C; and
  - (d) the Secretariat to manage a third party process to review minimum fiduciary standards in 2013, and every four years thereafter.

*Decision on Agenda Item 12 GEF-5 System for Transparent Allocation of Resources*

13. The Council, having reviewed document, GEF/35.4/Rev.1, *Revised Scenarios and Options for a "System for Transparent Allocation of Resources" in GEF-5*, recommended that the GEF Secretariat, in a consultative and participative manner, in line with the mandate of the GEF in helping countries generate global environmental benefits and taking into account information on the size of the GEF-5 replenishment:
- (a) Prepare additional documentation on eligibility, taking into consideration the following issues: active and inactive countries, UN Sanctions, and country status with respect to the relevant Conventions and the GEF Instrument;
  - (b) Continue developing and refining Option A, including possible incorporation of elements proposed in Option B;
  - (c) Prepare another option with a composite allocation per country, if feasible, that:

- does not include International Waters, which would remain outside the scope of the STAR;
  - would seek to include biodiversity, climate change mitigation, land degradation, and chemicals;
  - provides flexibility in programming among the different GEF focal areas for countries with allocations below a certain threshold, particularly LDCs and SIDs;
  - includes mechanisms that help to ensure that overall programming targets for the different focal areas are met for countries with allocations higher than the above-mentioned threshold;
  - supports countries to implement the Conventions;
- (d) Prepare a new revision of the GBI for biodiversity and make suggestions for improving the GBI in other focal areas and other allocation indicators;
- (e) Further develop and revise the GEF Performance Index; and
- (f) Convene another meeting of the ad hoc committee of the Council before the next Council Meeting.

*Decision on Agenda Item 13 Approval of MoU between GEF Council and Kyoto Protocol CMP on Secretariat Services for Adaptation Fund Board*

14. The Council, having considered document GEF/C.35/6, *Note on the Memorandum of Understanding between the Conference of the Parties Serving as the Meeting of the Parties to the Kyoto Protocol and the Council of the Global Environment Facility Regarding Secretariat Services to the Adaptation Fund Board*, welcomed the opportunity to provide secretariat services to support the Adaptation Fund Board and approved the *Memorandum of Understanding between the Conference of the Parties Serving as the Meeting of the Parties to the Kyoto Protocol and the Council of the Global Environment Facility Regarding Secretariat Services to the Adaptation Fund Board*, as contained in Annex 1 to document GEF/C.35/6, and authorized the GEF Secretariat to provide all secretariat services to the Adaptation Fund Board, as reflected in the MoU, the *Rules of Procedure of the Adaptation Fund Board*, the *Role and Responsibilities of the Adaptation Fund Secretariat*, and the *Provisional Operational Policies and Guidelines for Parties to Access Resources from the Adaptation Fund*.
15. In approving this MoU, the Council clarified that the accountability of the Head of the Adaptation Fund Board Secretariat referred to in paragraph 3 of the MoU apply solely to issues pertaining to the Adaptation Fund and the use of its resources.

*Decision on Agenda Item 14 Reallocation of Remaining GEF-4 Resources*

16. The Council, having reviewed the document GEF/C.35/12, *Reallocation of Remaining GEF-4 Resources*, agreed with the principles for allocating the remaining GEF-4 resources outlined in the paper. The Council mandated the Secretariat to implement the allocation of the remaining GEF-4 resources in accordance with these principles, and, in collaboration with the Trustee, to undertake periodic reviews of the projected available resources and to adjust the allocations as needed.
17. The Council further requested the Secretariat to inform Council about future adjustments of allocations between focal areas and to prepare a report on the status of used and unused resources for the November 2009 Council meeting.

*Decision on Agenda Item 15 Work Program*

18. The Council reviewed the proposed work program submitted to Council in document GEF/C.35/7 and approved the work program<sup>1</sup> comprising 60 project concepts and endorsed the concepts and objectives of 3 new programmatic approaches, subject to comments made during the Council meeting and additional comments that may be submitted to the Secretariat by July 8, 2009.
19. Total resources requested in this work program amounted to \$248.84 million, which included GEF project grants and Agency fees. The approved work program is comprised of the following 60 Project Identification Forms (PIFs), 28 of which are submitted under 11 programmatic approaches (3 of which are new ones seeking Council endorsement):

<sup>1</sup> The Council Member representing the United States of America, in light of its national legislation regarding its country's voting position for development projects financed by certain development institutions, opposed the following projects: **Cuba** : Enhancing the Prevention, Control and Management of Invasive Alien Species in Vulnerable Ecosystems (UNDP); **Global** (Albania, Bosnia-Herzegovina, Bulgaria, Algeria, Egypt, Croatia, Lebanon, Libya, Morocco, Montenegro, Macedonia, Syria, Tunisia, Turkey, Serbia) : MED Sustainable MED Governance and Knowledge Generation (World Bank) ; Syria : MED Coastal Rivers and Orontes River Basins Water Resources Management Project (World Bank); and **Regional** (Angola, Burundi, Djibouti, Eritrea, Ethiopia, Comoros, Rwanda, Sudan, Uganda, Congo DR) : AFLDC: Capacity Strengthening and Technical Assistance for the Implementation of Stockholm Convention National Implementation Plans (NIPs) in African Least Developed Countries (LDCs) of the COMESA Subregion (UNEP/UNIDO).

## BIODIVERSITY

- **Regional (Central African Republic, Congo, Cameroon, Gabon, Equatorial Guinea, Congo DR) :** CBSP Sustainable Financing of Protected Area Systems in the Congo Basin (UNDP) (GEF Project Grant : \$8,181,818)
- **Regional (Cameroon, Kenya, Madagascar, Mozambique, Senegal, South Africa) :** Supporting the Development and Implementation of Access and Benefit Sharing Policies in Africa (UNEP) (GEF Project Grant : \$1,177,300)
- **Regional (Antigua and Barbuda, Grenada, St. Kitts and Nevis, St. Lucia, St. Vincent and Grenadines) :** Sustainable Financing and Management of Eastern Caribbean Marine Ecosystems (World Bank) (GEF Project Grant : \$8,750,000)
- **Argentina :** Inter-jurisdictional System of Coastal-Marine Protected Areas (ISCOMPA) (UNDP) (GEF Project Grant : \$2,177,727)
- **Bolivia :** Biodiversity Conservation through Sustainable Forest Management by Local Communities (UNDP) (GEF Project Grant : \$5,500,000)
- **Brazil :** Integrated Management of the Ilha Grande Bay Ecosystem (FAO) (GEF Project Grant : \$2,400,000)
- **Cameroon :** CBSP Sustainable Community Based Management and Conservation of Mangrove Ecosystem in Cameroon (FAO) (GEF Project Grant : \$1,733,182)
- **Central African Republic :** CBSP Strengthened Management of the National Protected Areas System through Involvement of Local Communities (UNDP) (GEF Project Grant : \$1,768,182)
- **Costa Rica :** Consolidating Costa Rica's Marine Protected Areas (MPAs) (UNDP) (GEF Project Grant : \$1,212,027)
- **Cuba :** Enhancing the Prevention, Control and Management of Invasive Alien Species in Vulnerable Ecosystems (UNDP) (GEF Project Grant : \$5,018,182)
- **El Salvador :** Mainstreaming Biodiversity Management into Fisheries and Tourism Activities carried out in Coastal /Marine Ecosystems (UNDP) (GEF Project Grant : \$2,354,545)
- **India :** IND-BD Mainstreaming Coastal and Marine Biodiversity Conservation into Production Sectors in the Godavari River Estuary in Andhra Pradesh State (UNDP) (GEF Project Grant : \$6,023,636)
- **India :** Strengthening the Implementation of the Biological Diversity Act and Rules with Focus on its Access and Benefit Sharing Provisions (UNEP) (GEF Project

Grant : \$3,561,000)

- **Indonesia** : Promoting Sustainable Production Forest Management to Secure Globally Important Biodiversity (World Bank) (GEF Project Grant : \$3,300,000)
- **Mexico** : Integrating Trade-offs between Supply of Ecosystem Services and Land Use Options into Poverty Alleviation Efforts and Development Planning (UNEP) (GEF Project Grant : \$5,900,000)
- **Morocco** : MENARID - A Circular Economy Approach to Agro-Biodiversity Conservation in the Souss Massa Draa Region of Morocco (IFAD) (GEF Project Grant : \$2,647,272)
- **Pakistan** : Mountains and Markets: Biodiversity and Business in Northern Pakistan (UNDP) (GEF Project Grant : \$1,793,182)
- **Panama** : Mainstreaming Biodiversity Conservation through Low-impact Ecotourism in the SINAP (IADB) (GEF Project Grant : \$4,000,000)
- **Papua New Guinea** : PAS Forest Conservation and Protected Area Management (UNDP) (GEF Project Grant : \$7,000,000)
- **Philippines** : CTI Partnerships for Biodiversity Conservation: Mainstreaming in Local Agricultural Landscapes (UNDP) (GEF Project Grant : \$4,500,000)
- **Tanzania** : Strengthening the Protected Area Network in Southern Tanzania: Improving the Effectiveness of National Parks in Addressing Threats to Biodiversity (UNDP) (GEF Project Grant : \$5,304,550)
- **Venezuela** : Strengthening the Marine and Coastal Protected Areas System (UNDP) (GEF Project Grant : \$7,445,455)

#### CLIMATE CHANGE

- **Regional (Burundi, Kenya, Rwanda, Tanzania, Uganda)** : Promoting Energy Efficiency in Buildings in Eastern Africa (UNEP) (GEF Project Grant : \$2,853,000)
- **Algeria** : Integrated Approach for Zero Emission Project Development in the New Town of Boughzoul (UNEP) (GEF Project Grant : \$8,240,000)
- **Argentina** : Third National Communication to the United Nations Framework Convention on Climate Change (World Bank) (GEF Project Grant : \$2,439,210)



- **Armenia** : LGGE Improving Energy Efficiency in Buildings (UNDP) (GEF Project Grant : \$1,045,000)
- **Cambodia** : Reducing Greenhouse Gas Emissions through Improved Energy Efficiency in the Industrial Sector (UNIDO) (GEF Project Grant : \$1,240,000)
- **Chad** : SPWA-CC Promoting Renewable Energy Based Mini-grids for Rural Electrification and Productive Uses (UNIDO) (GEF Project Grant : \$1,758,182)
- **Colombia** : Energy Efficiency Standards and Labels in Colombia (S&L Colombia) (UNDP) (GEF Project Grant : \$2,500,000)
- **Egypt** : Improving the Energy Efficiency of Lighting and Building Appliances (UNDP) (GEF Project Grant : \$4,450,000)
- **Gambia** : SPWA-CC Promoting Renewable Energy Based Mini Grids for Productive Uses in Rural Areas in The Gambia (UNIDO) (GEF Project Grant : \$1,758,182)
- **Ghana** : SPWA-CC Promoting of Appliance Energy Efficiency and Transformation of the Refrigerating Appliances Market in Ghana. (under West Africa Energy Program) (UNDP) (GEF Project Grant : \$1,722,727)
- **Kazakhstan** : Energy Efficient Design and Construction in Residential Sector (UNDP) (GEF Project Grant : \$4,568,500)
- **Liberia** : SPWA-CC Installation of Multi-purpose Mini-hydro Infrastructure (for energy & irrigation ) (UNIDO) (GEF Project Grant : \$1,758,182)
- **Malaysia** : CF Industrial Energy Efficiency for Malaysian Manufacturing Sector (IEEMMS) (UNIDO) (GEF Project Grant : \$4,200,000)
- **Nigeria** : SPWA-CC Mini-grids based on Renewable Energy (small-hydro and biomass) Sources to Augment Rural Electrification (UNIDO) (GEF Project Grant : \$2,667,273)
- **Nigeria** : SPWA-CC Promoting Energy Efficiency in Residential and Public Sector in Nigeria (UNDP) (GEF Project Grant : \$2,677,273)
- **Peru** : Energy Efficiency Standards and Labels in Peru (UNDP) (GEF Project Grant : \$2,000,000)
- **Sierra Leone** : SPWA-CC Promoting Mini Grids based on Small Hydropower for Productive Uses in Sierra Leone (UNIDO) (GEF Project Grant : \$1,758,182)
- **South Africa** : Market Transformation through Energy Efficiency Standards and Labeling of Appliances in South Africa (UNDP) (GEF Project Grant : \$6,000,000)

- **Ukraine** : Improving Energy Efficiency and Promoting Renewable Energy in the Agro-Food and other Small and Medium Enterprises (SMEs) in Ukraine (UNIDO) (GEF Project Grant : \$5,140,000)
- **Vietnam** : Vietnam Clean Production and Energy Efficiency Project (World Bank) (GEF Project Grant : \$2,374,407)

#### INTERNATIONAL WATERS

- **Global (Albania, Bosnia-Herzegovina, Bulgaria, Algeria, Egypt, Croatia, Lebanon, Libya, Morocco, Montenegro, Macedonia, Syria, Tunisia, Turkey, Serbia)** : MED Sustainable MED Governance and Knowledge Generation (World Bank) (GEF Project Grant : \$3,000,000)
- **Regional (Algeria, Egypt, Lebanon, Libya, Morocco, Mauritania, Tunisia)** : MED Regional Coordination on Natural Resources Management and Capacity Building (TA) (World Bank) (GEF Project Grant : \$5,644,545)
- **Egypt** : MED Enhanced Water Resources Management (World Bank) (GEF Project Grant : \$6,682,500)
- **Syria** : MED Coastal Rivers and Orontes River Basins Water Resources Management Project (World Bank) (GEF Project Grant : \$3,050,000)
- **Tunisia** : MED Greater Tunis Treated Wastewater Discharge in the Mediterranean Sea. (World Bank) (GEF Project Grant : \$8,000,000)

#### LAND DEGRADATION

- **China** : PRC-GEF Partnership - Capacity and Management Support for Combating Land Degradation in Dryland Ecosystems (ADB) (GEF Project Grant : \$2,728,000)

#### MULTI FOCAL AREA

- **Global** : Development Market Place 2009: Adaptation to Climate Change (DM 2009) (World Bank) (GEF Project Grant : \$2,000,000)
- **Algeria** : MENARID Conservation of Globally Significant Biodiversity and Sustainable Use of Ecosystem Services in Algeria's Cultural Parks (UNDP) (GEF Project Grant : \$5,387,142)
- **Indonesia** : SFM Sustainable Forest and Biodiversity Management in Borneo (ADB) (GEF Project Grant : \$2,527,273)

- **Philippines** : CTI Integrated Natural Resources and Environmental Management Sector (ADB) (GEF Project Grant : \$3,530,000)
- **Tanzania** : SFM Sustainable Woodland Management in the Miombo Areas of Western Tanzania (UNDP/World Bank) (GEF Project Grant : \$2,745,000)

## POPs

- **Regional (Angola, Burundi, Djibouti, Eritrea, Ethiopia, Comoros, Rwanda, Sudan, Uganda, Congo DR)** : AFLDC: Capacity Strengthening and Technical Assistance for the Implementation of Stockholm Convention National Implementation Plans (NIPs) in African Least Developed Countries (LDCs) of the COMESA Subregion (UNEP/UNIDO) (GEF Project Grant : \$5,000,000)
- **Egypt** : Integrated and Sustainable POPs Management Project (World Bank) (GEF Project Grant : \$8,100,000)
- **Eritrea** : Prevention and Disposal of POPs and Obsolete Pesticides (FAO) (GEF Project Grant : \$2,150,000)
- **Honduras** : Strengthening National Management Capacities and Reducing Releases of POPs in Honduras (UNDP) (GEF Project Grant : \$2,650,000)
- **Mozambique** : Disposal of POPs Wastes and Obsolete Pesticides (FAO) (GEF Project Grant : \$1,950,000)
- **Nigeria** : Less Burnt for a Clean Earth: Minimization of Dioxin Emission from Open Burning Sources (UNDP) (GEF Project Grant : \$4,150,000)
- **Tajikistan** : POPs Pesticide Elimination, Mitigation and Site Management Project (World Bank) (GEF Project Grant : \$4,021,200)

20. With respect to the following three new programmatic approaches, the Council endorsed their objectives and requested that future full-sized project (FSP) PIFs, to be financed under these programmatic approaches, be included in the work programs submitted to the Council for approval:

### *Biodiversity*

- IND-BD: GEF Coastal and Marine Program (IGCMP)

### *International Waters*

- MED: Mediterranean Environmental Sustainable Development Program "Sustainable MED"

*POPs*

- AFLDC Program: Capacity Strengthening and Technical Assistance for the Implementation of Stockholm Convention National Implementation Plans (NIPs) in African Least Developed Countries (LDCs) and Small Islands Developing States (SIDS)

21. With respect to any PIF approved in this work program, either under one of the programmatic approaches or as a stand alone PIF, the Council requested the Secretariat to arrange for Council Members to receive a copy of the draft final project document that is submitted to the CEO for endorsement. Council Members may transmit to the CEO within four weeks any concerns they may have prior to the CEO's endorsing a project document for final approval by the GEF Agency.

*Decision on Agenda Item 16 FY10 Business Plan and Corporate Budget*

22. The Council, after having reviewed the *GEF Business Plan and Corporate Budget for FY10* (GEF/C.35/8), took note of the business plan and approved a FY10 Corporate Budget of \$26.825 million, comprising:

- (a) \$17.809 million for the Secretariat;
- (b) \$2.108 million for the STAP;
- (c) \$2.884 million for the Trustee; and
- (d) \$4.024 million for the Evaluation Office.

23. In approving the FY10 budget for the Trustee, the Council agreed with the proposal to resume the financing of audit costs incurred by the GEF Agencies in respect of audits of the financial statements on GEF resources received by Agencies for projects and project preparation activities.

24. The Council, having reviewed document GEF/ME/C.35/4/Rev.1, *Four-Year Work Program and FY10 Budget of the GEF Evaluation Office*, approved a budget of \$4,024,382 for FY10 to cover the cost of operating the GEF Evaluation Office and implementing its work program, including the completion of OPS4.

25. Regarding FY11 through FY14, Council took note of the proposed work program and activities and requested the Office to prepare annual budgets for Council consideration and approval in each of its June meetings.

*Decision on Agenda Item 17 GEF Trust Fund for Selected GEF-4 Programs*

26. The Council, having reviewed the document, *Options for Enhanced Financial Support to Selected GEF-4 Programs* (GEF/C.35/10), considered **Option A – Business-as-usual (status quo)** - as the most cost-effective and viable option for enhancing financial support to these three GEF-4 Programs.

*Decision on Agenda Item 18 Recommendations Concerning Certain Appointment, Reappointment and Performance Objectives Review Processes*

27. The Council, having reviewed *Recommendations Concerning Certain Appointment, Reappointment and Performance Objectives Review Processes* (GEF/C.35/9), approved the recommendations contained within and, in particular, agreed to:
- (a) Recommend to the Fourth GEF Assembly the following amendment to the Instrument for the Establishment of the Restructured Global Environment Facility (the "Instrument"):
 

Replace the third through the fifth sentence of paragraph 21 as follows: "... The CEO shall be appointed to serve for four years on a full time basis by the Council. The CEO may be reappointed by the Council for one additional four year term."
  - (b) Create a Council Selection and Review Committee to oversee the processes for appointing and reappointing the GEF CEO/Chairperson and the Director of the GEF Evaluation Office and for conducting GEF CEO/Chairperson and Director of the GEF Evaluation Office performance objectives reviews. In the process for selecting the CEO, this Committee will consult with different stakeholders, in particular the Implementing and Executing Agencies.
  - (c) Adopt the processes set forth in this document for conducting performance objectives reviews of GEF CEO/Chairperson and Director of the GEF Evaluation Office immediately.
  - (d) Effective as of the time the Amendment becomes effective pursuant to Paragraph 34 of the Instrument, adopt the processes set forth in this document for appointing and reappointing the GEF CEO/Chairperson and the Director of the GEF Evaluation Office.

*Decision on Agenda Item 19 Organization of the Fourth GEF Assembly*

28. The Council, having reviewed *Note on the Organization of the Fourth GEF Assembly* (GEF/C.35/11) approved the dates proposed to hold the Assembly in Punta del Este, Uruguay.
29. The Council requested the Secretariat to prepare for the next Council meeting a report on the progress that has been achieved in preparing the Assembly.

**CLOSURE OF THE MEETING**

30. The meeting closed on June 24, 2009.