

# Building Blocks for the Green Climate Fund: Experiences from the Global Environment Facility

Presentation at the Workshop on Lessons Learned from Relevant Funds and Institutions for the Design of the Green Climate Fund

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#### **#1: SEEK A LEGAL PERSONALITY**

1991: Pilot Facility inside World Bank

1994: Restructuring

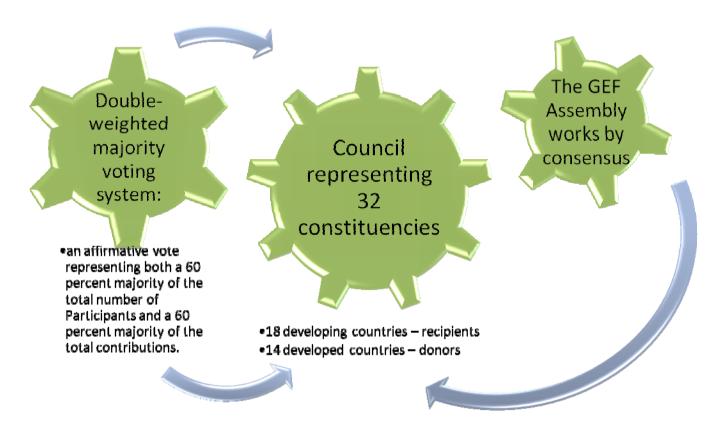
\* architecture for functional independence

\* World Bank for administrative support

2011: GEF has no legal personality



# # 2: EXECUTIVE GOVERNING BODY NEEDS A MAJORITY VOTING ARRANGEMENT



# #3: BUILD A NETWORK, NOT A PARTNERSHIP

1991-1999: Started as a partnership among World Bank, UNDP, UNEP and expanded to 10 agencies

Shift to network of agencies based on value-addition and comparative advantage

Network integrates STAP, Evaluation Office and the GEF-NGO Network GEF manages, the LDCF, SCCF, Nagoya Protocol Implementation Fund and provides Secretariat services to the Adaptation Fund Board.

Further widening of GEF network under way – with qualified national entities



### # 4: AIM FOR PROJECTS DELIVERING MULTIPLE BENEFITS

The GEF was established to serve multiple environmental agreements

Is not a vertical fund – supports projects delivering multiple benefits – ARPA project

Wide range: small grants (\$15,000) to large programs (\$150 million)

Largest funder of forest programs -- \$1 billion

Best leveraging – 1:4 – of any grant mechanism



#### # 5: ESTABLISH CLEAR PROJECT FINANCING RULES



"Incremental reasoning" provides the basis for GEF financing.



Baseline project ensures that the project is targeted towards a country's development priorities



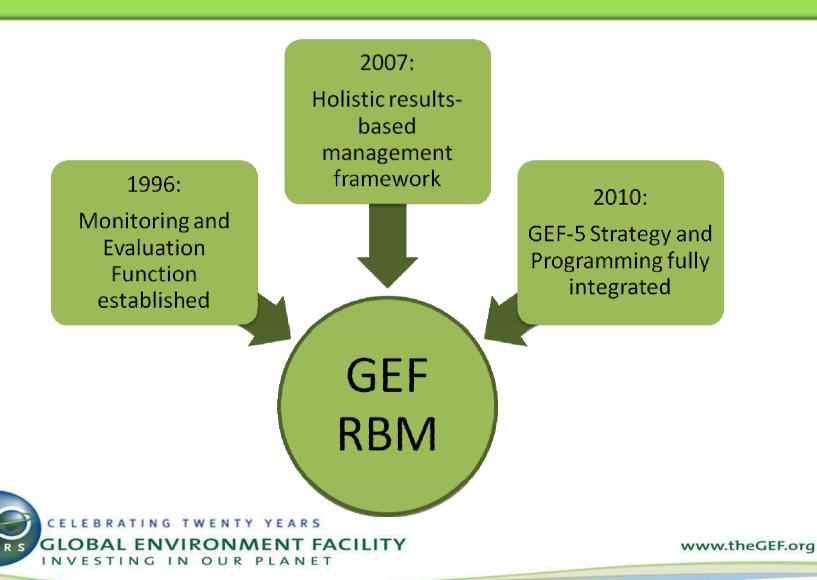
Baseline financing ensures that other actors are engaged in the project.



UNFCCC, Article 4, paragraph 3



# # 6: KEEP THE BIG PICTURE IN MIND - FOCUS ON RESULTS FROM THE BEGINNING



## #7: ESTABLISH AN INDEPENDENT EVALUATION SYSTEM

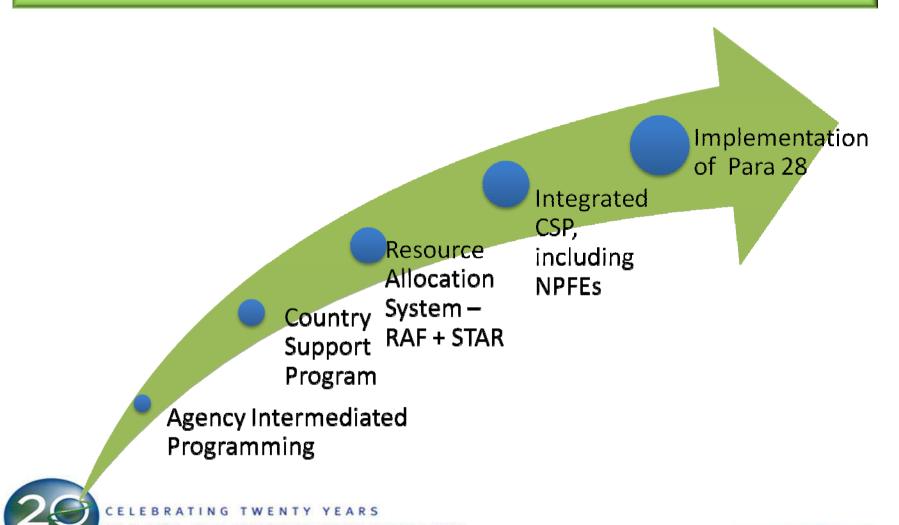
GEF Evaluation
Office 2006

Networks
with EOs of
GEF
Partners

Reports regularly to the GEF Council



### # 8: MAKE COUNTRY OWNERSHIP THE DRIVING FORCE



INVESTING IN OUR PLANET

#### # 9: ESTABLISH A STRUCTURED FUNDING APPROACH

Replenishment Process keeps GEF agile but focused Opportunity to take stock – Overall Performance Study

Opportunity to undertake fundamental reform – policy recommendations

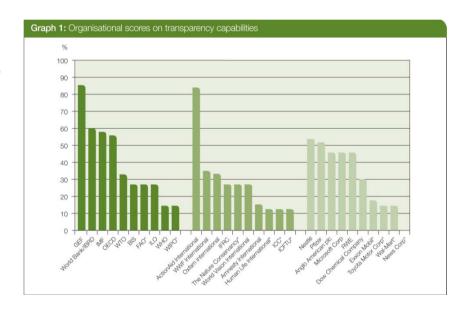
Opportunity for donors to indicate medium-term commitments – burden sharing.

Opportunity for all countries to engage in setting strategic direction – Assembly endorsement of replenishment package.



### **#10: ESTABLISH FULL TRANSPARENCY**

- ✓ All aspects of GEF policies and operations are transparent – GEF website.
- ✓ GEF NGO network participate in Council meetings & Replenishment process
- ✓ STAP connects with wider scientific network
- ✓ GEF rated highest in transparency – 2006 Global Accountability Report of the One World Trust.



# THE GEF ARRANGEMENT AT THE INTERNATIONAL LEVEL

