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**Conference of the Parties to the Convention on Biological Diversity**
**Sixteenth meeting**
Cali, Colombia, 21 October–1 November 2024
Item 11 of the provisional agenda*
**Resource mobilization and financial mechanism**

# Sixth quadrennial review of the effectiveness of the financial mechanism: report by the independent evaluator

## Note by the Secretariat

1. Further to the provisions of the terms of reference for the sixth review of the effectiveness of the financial mechanism established under the Convention on Biological Diversity adopted by the Conference of the Parties in its decision 15/15 (annex IV, para. 5), the Secretariat contracted an experienced independent evaluator to undertake the sixth review of the effectiveness of the financial mechanism for the Convention, in accordance with relevant United Nations instructions for the recruitment of consultants and individual contractors.

2. The independent evaluator submitted his draft synthesis report and recommendations to the secretariats of the Convention and the Global Environment Facility, and subsequently finalized his report on the sixth review. The Secretariat has issued the independent evaluator’s synthesis report on the six review, together with a draft decision, in document CBD/COP/16/7.

3. The full report from the Independent Evaluator is reproduced in the annex to the present note, in the form and language in which it was received by the Secretariat.

* CBD/COP/16/1.

## Annex

# SIXTH QUADRENNIAL REVIEW OF THE EFFECTIVENESS OF THE FINANCIAL MECHANISM

**Synthesis Report by the Independent Evaluator**
**September 2024**

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## I. Executive Summary

1. In accordance with Article 21, paragraph 3, and building upon the experience of the past five reviews, the Conference of the Parties (COP) will undertake its sixth review of the effectiveness of the financial mechanism at its sixteenth meeting and will take appropriate action to improve the effectiveness of the mechanism as necessary.

2. Under the authority of the COP the Executive Secretary will contract an experienced independent evaluator to prepare a report to inform the review.

3. The independent evaluator was appointed in March 2024 by the Secretariat for the Convention on Biological Diversity (CBD) to prepare a synthesis report along with recommendations (Report) to support the Sixth Quadrennial Review (Review) of the effectiveness of the financial mechanism, operated by the Global Environment Facility (GEF) on an ongoing and interim basis, along the terms of reference set out at Decision 15/15, Annex IV, of the fifteenth meeting of the COP.

4. This Report considered GEF's activities for the period 1 July 2017 to 30 June 2024 with the criteria outlined in Decision 15/15, as well as the wider context of international finance for biodiversity, to inform its conclusions and recommendations. The period considered spanned the last nine months of GEF-6, the entire period of GEF-7 and the first 24 months of GEF-8. The Report considered the activities of the entire GEF System, including the Implementing Agencies (IA).

5. During the period considered, significant events, such as the establishment of the Global Biodiversity Framework Fund (GBF Fund) and the establishment of the Advisory Committee on Resource Mobilisation by the COP in Decision 15/7, demonstrate concerted efforts by both Parties and GEF to scale up financing for biodiversity conservation with a view to close the biodiversity finance gap, estimated in the Global Biodiversity Framework to be at $700 billion a year between 2023 and 2030.

6. While this Report concludes that the GEF has made significant progress between GEF-6 and GEF-8 in the areas reviewed, improvement is possible and important in order to enhance support in the fulfilment of the CBD's objectives. In particular, support of Least Developed Countries (LDCs) and Small Island Developing States (SIDS), improved country ownership or drivenness, increased access to organisations in recipient countries and increased participation of Indigenous Peoples and local communities (IPLC).

7. The Report is primarily based on the responses given by Parties and the GEF Secretariat to the Questionnaire sent to the national focal points of the CBD and its Protocols, and the GEF.

## II. Main Conclusions and Recommendations

This Report analysed the effectiveness of the GEF as the institutional organisation operating the financial mechanism in four main areas:

a. its conformity with COP guidance;
b. its role in resource mobilisation, namely:
   (i) the provision and mobilisation of timely, predictable and adequate resources
   (ii) the mobilisation of new and additional funds;
c. the effectiveness and efficiency of the GEF in the following areas:
   (i) catalysing and enhancing national implementational measures for achieving global biodiversity goals and targets, including those that relate to the Protocols;
   (ii) supporting the implementation of the SDGs that contribute to achieving the objectives of the CBD;
   (iii) its processes and procedures for the deployment of resources for programmes;
   (iv) overseeing, monitoring and evaluating the activities financed by its resources; and
   (v) supporting the objectives of the CBD and its Protocols in synergy with implementation of other pertinent multilateral environmental agreements (MEAs) in a manner that is consistent with their respective mandates;
d. the institutional structure of the GEF, with a particular focus on:
   (i) representation at GEF Council
   (ii) institutional learning and knowledge management
   (iii) transparency in decision-making, stakeholder engagement and civil society
   (iv) gender

*Conformity with COP Guidance*

The relationship between the GEF and the COP is underpinned by a Memorandum of Understanding (MOU) and the Instrument for the Establishment of the Restructured Global Environment Facility (Instrument). The section analyses the implementation of the MOU and Instrument and conformity of GEF activities with COP guidance.

In respect of MOU implementation, the COP has largely followed its guidance obligations. There are nevertheless areas of potential improvement. Greater strategic prioritisation of elements that the GEF should focus on is the main area that needs improvement. For example, COP 15's consolidated previous guidance also sets out programme priorities in relation to the articles within the CBD but does not rank them in order of importance. As observed in the Fourth Review, the CBD's lack of prioritisation may result in the fragmentation of GEF's limited resources and achievement of limited impact in many areas, as opposed to concentrated impact in a few areas. The United Nations Framework Convention on Climate Change (UNFCCC) COP has established a Standing Committee on Finance (SCF) to (i) improve the coherence and coordination in the delivery of climate change financing; (ii) rationalise the financial mechanism; (iii) mobilise financial resources and (iv) measure, report and verify support provided to developing country Parties. The UNFCCC COP considers this has improved the quality of the guidance. A similar committee for the CBD deserves re-consideration.[1]

The GEF has largely conformed to COP guidance in the implementation of the goals and objectives for the biodiversity focal area. One key aspect is the quick launch of the GBF Fund following COP 15.

More can be done to ensure that reporting standards conform to MOU requirements. This includes information on projects in the area of biological diversity funded by GEF outside the CBD, and how GEF has responded to the needs assessment by COP, in order for the COP to develop more effective guidance.

*Resource mobilisation*

The section on resource mobilisation analyses the effectiveness of the GEF in (i) providing and mobilising financial resources to enable all recipient country Parties to meet the agreed full incremental costs to them of implementing measures, bearing in mind the need for predictable, timely and adequate funds; and (ii) mobilising new and additional funds.

The resources of the financial mechanism are provided in a relatively predictable manner due to the implementation of the System for Transparent Allocation of Resources (STAR). It is too early to know if not applying the STAR allocation to the GBFF will affect the predictability of this Facility.

Improvements have been made in terms of timely disbursements of funds to eligible countries. Between GEF-6 and GEF-8, the biodiversity focal area received between 29.2% to 36% of the total focal area resources. In terms of absolute figures, the total resources allocated to the biodiversity focal area also trended upwards together with the other focal area except for climate change, which has seen a drop in terms of both proportion and value of funding since GEF-5.

The GEF is in the process of streamlining its project cycle, and this will likely have a positive impact on the timely disbursements of funds.

In respect of mobilising new and additional financial resources, Article 21.1 of the CBD encourages voluntary contributions to the provision of financial resources to developing

[1] A standing committee on finance was considered at COP-14 in light of the previous review of effectiveness.

countries from developed country parties, other countries and sources. The need for catalysing additional finance was highlighted at each COP since COP11.

For the GEF, cofinancing is an important and main additional source of funding to augment resources for financed activities: it is mandated for all GEF-financed Full-Sized Projects (FSPs), Medium-Sized Projects (MSPs) and programs. Between GEF-6 and GEF-8, the ratio of GEF dollar to cofinance increased from $6.30 mobilised for every dollar invested to $8.20 for the biodiversity focal area.

Through various projects and programmes, the Green Climate Fund (GCF) provides considerable support that also directly helps with the implementation of the Convention. Of their 270 projects, over 100 projects with an investment of over US$5 billion of GCF funds and another US $7 billion in cofinancing support activities that also implement the Convention. Their main enabling activities – the Readiness and Preparatory Programme - will deliver up to US $600 million to over 140 countries over the next four years that due to the interconnected nature of the aims of the Convention and the UNFCCC could also support the implementation of the CBD and National Biodiversity Strategies and Action Plans (NBSAPs) as a contribution to addressing climate change. They have over 130 Accredited Entities and more than 100 additional organisations undergoing the process of accreditation which provides important lessons for access for the financial mechanism and the GEF. Article 20.3 provides that Parties may provide financial resources related to the implementation of this Convention through other multilateral channels. It is worth therefore exploring with the Green Climate Fund how to better collaborate so that its support for biodiversity and the implementation of the Convention can be better included in the work of the financial mechanism.

More can be done to consistently ensure that funds are paid out in a timely manner and to improve the adequacy of funds by encouraging voluntary contributions from the relevant Parties and to explore additional avenues of funds in order to close the financing gap for biodiversity, such as through the private sector and philanthropy. To-date, in respect of actual investments as opposed to in-kind investments mobilised as co-finance, funds from the private sector lag behind those from GEF Agencies and recipient governments.

The need to mobilise funds from other sources is especially important since the areas that need greater resources, such as the LDCs/SIDS generate lower levels of co-financing.

The GEF plays a crucial role in developing the pathway towards Target 19 of the GBF in terms of resource mobilisation. In particular, objective three of the GEF-8 Biodiversity Focal Area strategy aims to increase mobilization of domestic resources for biodiversity and supports countries to develop biodiversity finance plans and Action Area Four of the GBF Fund, which addresses Target 19 among others, aims, inter alia, to catalyse and diversify funding sources. However, as at 8 February 2024, only countries have contributed to the GBF Fund which highlights the continuing need of catalysing new and additional sources of funds for biodiversity. Moreover, despite an encouraging contribution from one donor (Canada) in August 2023, other contributions have been few and generally small.

*Effectiveness and efficiency of activities funded by GEF*

Enhancing national implementation measures

GEF is generally effective in catalysing and enhancing national implementation measures to fulfil Convention objectives. The indicators for GEF-7 represents greater ambition over various sectors of biodiversity conservation and sustainable use, except in respect of globally over-exploited fisheries, which saw a downgrade of 13% target achieved compared to the previous target of 20%. For GEF-8, at the midway mark, targets in respect of core indicators such as the creation or improved management of MPAs have been reached, while other targets, such as GHG emissions mitigated and areas of land and ecosystems under restoration are close to completion.

However, there is room for improvement in terms of strengthening local capacities and infrastructure of SIDS and LDCs for the long-term sustainability of projects. For LDCs, 72% of projects were rated in satisfactory range for outcomes, lower than the 80% in the overall GEF portfolio. 46% of projects in LDCs were rated in the likely range for sustainable outcomes, lower than overall GEF portfolio of 63%. The below-average ratios are concerning in light of GEF's long and intensive engagement in LDCs and their importance of many of them as biodiversity hotspots. For SIDs, as at 2018, 61.40% of 44 biodiversity projects had likely ratings on sustainability and 81.80% had satisfactory outcomes.

There is growing support for increasing direct access to resources, in particular for IPLCs to enhance biodiversity policy outcomes. The UNDP Small Grants Programme provides support for this proposition. Recently established funds such as the GBFF, the GCF and the UNFCCC Fund for responding to Loss and Damage emphasise intentional or direct access more than earlier funds. The GEF Secretariat, which coordinates the formulation and oversees the implementation of program activities pursuant to the joint work program, and the GEF IA, which assist countries in identifying and preparing project proposals and then oversee project execution on the ground, play an important role in determining the direction of pipeline projects and, consequently, of the country priorities that are implemented. Greater efforts are needed to ensure that projects and programmes are genuinely country driven, owned and led which means more programmatic approaches, proposals more closely tied to NBSAPs and COP guidance, more capacity-building for recipient countries and more organisations based in developing countries be given more opportunities to participate more directly in the GEF. Ultimately, capacity-building of all eligible Parties, especially LDCs and SIDs, is important for sustainable development in the long-run.

For the Nagoya Protocol on Access and Benefit-Sharing, feedback on GEF's efficiency and effectiveness is mixed. This included feedback that (i) the disbursement of funds was lengthy;

and (ii) disbursements were not linked to the deadline to submit the relevant reports. In respect of regional collaboration to achieve the aims of the Protocol, the main barriers highlighted were a lack of commonality. This included (i) divergent priorities; (ii) lack of legal frameworks; (iii) unequal technical, administrative and financial capacities.

In respect of the Cartagena Protocol on Biosafety, the main feedback related to the timing of fund disbursement, the lack of emphasis on biosafety issues in programming directions and the lack of a specific funding window for the Protocol. The developing countries which provided a response to the question of creating a standalone window for biosafety were unanimous in their support.

Supporting implementation of the SDGs

In relation to the linkages between the SDGs and the objectives of the CBD, both COP and GEF recognise that biodiversity plays a central and economic role in ensuring the fulfilment of the SDGs. The majority of Parties felt that the GEF contributes towards the implementation of the SDGs.

Processes and Procedures

The processes and procedures for the disbursements of funds depend largely on the type of projects concerned. FSPs were projects over US$2 million and now US$5 million and subject to a two-step approval process, while MSPs were projects less than or equivalent to US$2 million and now US$5 million and require only one step. Enabling Activities (EAs) are projects for the preparation of a plan, strategy or report to fulfil commitments under a convention. The average time for Full-sized projects, Medium-sized projects and Enabling Activities between a Project Identification Form submission to an agency's first disbursement has increased between FY15 to FY24.

The disbursement ratio has remained constant between 18% and 25%, demonstrating that funds are disbursed relatively quickly once a project is implemented.

The GEF is currently streamlining project cycles. In GEF-8, all project templates have been streamlined and harmonized across the Least Developed Countries Fund, Special Climate Change (SCCF) Fund and GEF Trust Fund, and full flexibility has been provided in STAR programming. In February 2024, the GEF Council increased the cap on MSPs to US$5 million. Further measures are under consideration at the levels of the GEF partnership, the GEF Secretariat, GEF agencies, Operational Focal Points and executing entities, as well as measures to clarify project-related costs and exception criteria related to dual execution and implementation role for GEF agencies. Such measures are expected to reduce the time taken for the disbursements of funds.

The GEF has also indicated that work is underway to assess potential efficiency gains to harmonise certain processes of the GEF, the GCF, the Climate Investment Funds (CIFs) and the Adaptation Fund. Gains include fast-tracking incentives for sequential, parallel, complementary or joint investments to target common areas of interests and to increase attractiveness of complementary GEF-GCF funding by fostering collaborative and coordinated programming.

Oversight, monitoring and evaluation activities

The main GEF documents which evaluate biodiversity results are (i) the Independent Evaluation Office's Annual Performance Review (APRs); (i) the GEF Monitoring Report (GMR); and (iii) Strategic Country Cluster Evaluations (SCCEs). These reports depend on the effective participation of stakeholders to provide an overview of GEF portfolio activities, as well as project impacts and sustainability throughout a replenishment period.

In 2023, the APR reflected that biodiversity conservation was second most likely to result in behavioural changes (a key intermediate outcome for the achievement of global environmental benefits) after climate adaptation, after considering relevant projects between GEF-6 and GEF-7.

In both APRs and GMRs, biodiversity performance is not measured against COP guidance or CBD objectives. In APRs, GMRs and SCCEs, there is a general lack of robust evaluation on the impact of projects on vulnerable and significant populations, such as indigenous peoples and local communities, in particular with respect to how the relevant safeguards and policies concerning such groups have been adhered to, and whether they are actively engaged in a project and receiving benefits arising.

Synergy with relevant MEAs

GEF plays a pivotal role in synergising the implementation of pertinent MEAs with the CBD. The GEF has operationalised the COP's guidance through, inter alia, implementation of multi-focal area projects and the launch of the Integrated Approaches Pilot in GEF-6. Other projects that advance the objectives of MEAs for which the GEF is not the institutional structure operating the financial mechanism include the Wildlife Conservation for Development Integrated Program which addresses global priorities framed by the CBD, UNFCCC, United Nations Convention to Combat Desertification (UNCCD), the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and the Convention on the Conservation of Migratory Species of Wild Animals (CMS). The CBD COP facilitates the transmission of guidance to the GEF to support activities under the other biodiversity conventions.

However, more is needed in terms of enhancing the coherence and complementarity with these MEAs. While developing contracting Parties were generally of the view that GEF was efficient and effective, suggestions on how to improve efficacy include additional financial resources, and more efforts to enhance coherence and complementarity between various international initiatives.

*Structure and operation of the GEF*

Representation and operational decision-making

Representation at the Council balances recipient and non-recipient countries. The Instrument establishes that countries shall be grouped in 32 constituencies, with 18 constituencies composed of recipient countries and 14 constituencies composed principally of donor countries. The Rules of Procedure for the GEF Council provide the procedure for determining which country belongs to which constituency and how counties can change constituencies. Currently, representation does not adequately consider nuances such as equitable or geographical distribution of countries, like the Adaptation Fund, countries with the largest indices of biodiversity (megadiverse countries) or countries with a significant number of vulnerable or indigenous peoples. Not properly representing these significant aspects in the governance of the GEF is an important difference with the CBD and ultimately undermines the support of Parties for GEF as the operating entity of the financial mechanism. The ninth replenishment of the GEF provides an opportunity to reconsider representation in the Council so it can more align with the Convention.

The Fifth Review found that while the GEF continues to be a transparent organisation in terms of its governance, it is less so in terms of its management. It found, in response to a survey on GEF governance, that only half of stakeholder respondents that were surveyed on GEF governance believed that its operational decision-making is appropriately transparent. The Review concluded with the importance of a continued focus on the integrative principle in GEF programming with an emphasis on improving efficiency, transparency, innovation and additionality. In the seventh Comprehensive Evaluation (OPS 7), it was found that the roll-out of GEF-7 impact programs was more transparent and inclusive, including the process for country selection. However, no examples have been provided.

Indigenous Peoples and Local Communities

One of the key requirements for the implementation of GEF projects is the Community-Based Approach (CBA), which is aimed at providing support for participatory engagement, community mobilisation and civil society organisation in programme implementation.

In respect of IPLCs, about 17% of GEF-7 Full-sized projects and Medium-sized projects have substantive engagement of indigenous peoples and local communities. The GEF Small Grants Programmes is a longstanding and exemplary example of such engagement. A recent engagement initiative is the pilot Inclusive Conservation Initiative that aims to provide support as directly as possible to indigenous peoples and local communities to conserve biodiversity, deliver other global environmental benefits and provide development benefits. Recommendations have been made to GEF-8 to increase additional resources for the Initiative. However, there is also no systematic tracking of financial support provided to indigenous peoples and local communities, women or youth due to difficulties in establishing baselines. There also does not appear to be specific indicators to measure the benefits conferred on indigenous peoples and local communities. The early work of the GBFF along with its aspirational target of 20% for indigenous peoples and local communities is widely recognised as an important response to increasing engagement and access for indigenous peoples and local communities, although it is too early to know if this will lead to improved engagement and outcomes for indigenous peoples and local communities.

Civil Society Organisations (CSOs)

Stakeholder engagement in respect of Civil Society Organisations appear to have stagnated over the last decade. While about a third of the CSO respondents surveyed for OPS-7 rated the GEF as "good" in the way it engages with civil society in the formulation of policies, guidelines, and strategies, interactions between civil society and GEF agencies or governments are limited. Perceptions of fair representation of major stakeholder groups and election processes are less favourable as at 2022 than in 2016.

Gender policy

One of the key issues which arose during the evaluation of GEF's approach to CBAs is that its Gender Policy is supportive of CBAs but does not mandate them; this is despite the fact that one of the gender gaps the policy aims to address is the unbalanced participation and decision-making in environmental planning and governance. At the same time, the trend of gender equality has been improving with each GEF cycle. While as at 2018, progress has been modest in terms of the number and share of GEF projects that can be considered gender-mainstreamed, these numbers improved significantly at the end of GEF-7 in June 2022.

*General Conclusions and Recommendations*

Between GEF-6 and GEF-8, the GEF has made significant progress in the areas reviewed, namely, its conformity with COP guidance, its role in resource mobilisation and in supporting the implementation of activities that achieve the objectives of the CBD, including its policies and procedures. Nevertheless, improvement is possible and important. Cognisant that many of the recommendations of this Report overlap with the draft recommendations prepared by SBI at its fourth meeting and do not therefore need to be repeated here, this Report proposes the following additional recommendations for the consideration of the COP.

Notes that GEF has made significant progress between GEF-6 and GEF-8 in its conformity with COP guidance, its role in resource mobilization and in supporting the implementation of activities that achieve the objectives of the CBD, including its policies and procedures. GEF is generally effective in catalysing and enhancing national implementation measures to fulfil Convention objectives;

Notes that GEF's effectiveness is limited by the: (i) availability of financial resources for eligible countries from donors; (ii) lack of strategic prioritisation of focus areas or priorities from the COP; and (iii) the need for a more country ownership or a stronger country-driven approach to GEF-financing within the GEF system.

Recognises that the resources of the financial mechanism are provided in a relatively predictable manner due to the implementation of the STAR allocation and improvements have been made in terms of timely disbursements of funds to eligible countries and the streamlining of the GEF project cycle will likely have a positive impact on the timely disbursements of funds;

*Recommendations directed at the Conference of the Parties*

1. Recognising the importance of making further efforts to prioritize its guidance and develop guidance that is more actionable and measurable in order to better guide the GEF, decides to establish at its next meeting a standing committee on the financial mechanism, modelled on the UNFCCC SCF, and requests SBI to make recommendations in this regard;

2. Recalling that Article 20.3 provides that Parties may provide financial resources related to the implementation of this Convention through other multilateral channels, request the Executive Secretary to liaise with the Secretariat of the Green Climate Fund to enhance collaboration with and support for the Convention;

*Recommendations directed at the Global Environment Facility and the Conference of the Parties*

3. Recognising more country and local leadership is urgently needed, recommends that the COP and the GEF promote more programmatic approaches, increase support for locally focused capacity building and increase enabling activities noting that these are activities for the preparation of a plan, strategy or report to fulfill commitments under the Convention and the Protocols;

*Recommendations directed at the Global Environment Facility*

4. Encourages further efforts by the GEF to relax the co-financing requirements for LDCs, SIDS and the biodiversity focal area for the GEF Trust Fund as has been done for the GBF Fund;

5. Requests the GEF to redouble its efforts to encourage voluntary contributions from all Parties, in particular developed countries and other Parties and countries in a position to provide resources, and to mobilize resources from other sources, especially from the private sector, philanthropy and sustainable finance instruments, in order to improve the adequacy of funds and address the financing gap for biodiversity;

6. Recognizing that while the GEF has taken steps over the years to enhance the quality of their reports, recommends the GEF improve its effort to meet fully all its reporting requirements, in particular to include: information on projects in the area of biological diversity funded by GEF outside the CBD and how GEF has responded to the needs assessment by COP, under the Memorandum of Understanding in order for the COP to develop more effective guidance;

7. Recalling Article 21.1 provides that the financial mechanism shall operate in a democratic and transparent manner for the purposes of the Convention, invites the Council and the Assembly of the Global Environment Facility to promote equitable or geographical representation of countries, representation of countries with significant biological diversity and representation of countries with significant populations of indigenous peoples in the Council, and to consider reforming its governance as part of the GEF-9 replenishment process;

8. Recognising the need to strengthen country and local leadership and ownership recommends the GEF to further promote such strengthening and review the role of the IAs in these respects with a view to promoting more direct engagement of partners in developing countries;

9. Recalling the limited number of projects for the Protocols, calls upon the GEF to continue to re-examine the modalities to enhance the effectiveness of processes for funding of activities under the Protocols and to encourage country take-up and to consider setting up a standalone window for biosafety to enhance implementation of the Cartagena Protocol.

10. Encourages the GEF to expand the flexibility in project proposal processes, including in co-financing requirements, as well as increase resources directly for the least developed countries, small island developing States and indigenous peoples and local communities;

11. Recalling the importance of the contribution of indigenous peoples and local communities to implementing the Convention and welcoming the support the GEF currently provides for indigenous peoples and local communities, requests the GEF to further promote support for indigenous peoples and local communities such as promoting leadership and partnership in projects, recognising indigenous knowledge as a basis for eligible activities, using targeted indicators to monitor projects and to consider a target for funding to support the priorities of indigenous peoples and local communities across the biodiversity programme of the GEF Trust Fund as whole;

12. Recognising that the GEF effectively monitors and evaluates its activities regularly, in alignment with the GEF Results Measurement Framework, invites the GEF to consider linking implementation outcomes in the GEF-9 Results Measurement Framework,

Annual Performance Reviews and Strategic Country Cluster Evaluations to convention objectives, such as those of the CBD;

13. Encourages the GEF to contribute to the implementation of the whole-of-government and whole-of-society approach for the Kunming-Montreal Global Biodiversity Framework by continuing to enhance effective engagement with civil society organizations, women and youth, indigenous peoples and local communities, private sector, philanthropic and conservation organizations, and other major stakeholder groups.

**Table of Abbreviations**

| | |
|---|---|
| APR | Annual Performance Review |
| CBA | Community-Based Approach |
| CBD | Convention on Biological Diversity |
| CIF | Climate Investment Fund |
| CITES | Convention on International Trade in Endangered Species of Wild Fauna and Flora |
| CMS | Convention on the Conservation of Migratory Species of Wild Animals |
| COP | Conference of the Parties |
| CPI | Country Performance Index |
| CSO | Civil Society Organisation |
| EA | Enabling Activity |
| FSP | Full-Sized Projects |
| GBF | Global Biodiversity Framework |
| GBFF | Global Biodiversity Framework Fund |
| GBI | Global Benefits Index |
| GCF | Green Climate Fund |
| GDP | Gross Domestic Product Index |
| GEF | Global Environment Facility |
| GMR | GEF Monitoring Report |
| IA | Implementing Agency |
| IAP | Integrated Approaches Pilot |
| IEO | Independent Evaluation Office |
| IP | Indigenous Peoples |
| IP | Integrated Program |
| KM | Knowledge Management |
| LC | Local Communities |
| LDC | Least Developed Country |
| M&E | Monitoring & Evaluation |
| MDB | Multilateral Development Bank |
| MEA | Multilateral Environmental Agreement |
| MOU | Memorandum of Agreement |
| MSP | Medium-Sized Projects |
| NBSAP | National Biodiversity Strategies and Action Plans |
| NPIF | Nagoya Protocol Implementation Fund |
| ODA | Official Development Assistance |
| ODF | Official Development Finance |
| PIF | Project Identification Form |
| PPG | Project Preparation Grant |
| RMF | Results Management Framework |
| SBI | Subsidiary Body on Implementation |
| SCCE | Strategic Country Cluster Evaluation |
| SCCF | Special Climate Change Fund |
| SCF | Standing Committee on Finance |
| SDG | Sustainable Development Goal |
| SIDS | Small Island Developing States |
| STAP | Scientific and Technical Advisory Panel |
| STAR | System for Transparent Allocation of Resources |
| TOR | Terms of Reference |

| | |
|---|---|
| UNCCD | United Nations Convention to Combat Desertification |
| UNFCCC | United Nations Framework Convention on Climate Change |

## III. Acknowledgement and appreciation

The support and input of the Secretariats of the CBD and the GEF and contracting Parties to the CBD in the preparation of this Report is acknowledged with appreciation. The recommendations provided in the Report have benefited from the input of the Secretariat of the GEF and are largely supported by the Secretariat of the GEF, with some exceptions.

## V. Introduction

The sixth review of the effectiveness of the financial mechanism is conducted in accordance with the terms of reference set out at Annex IV to Decision 15/15 of the COP to the CBD. For this purpose, effectiveness will include the following:

(a) The conformity of the activities of the GEF, as the institutional structure operating the financial mechanism, with the guidance of the COP;

(b) The effectiveness of the financial mechanism in providing and mobilizing financial resources to enable all recipient country Parties to meet the agreed full incremental costs to them of implementing measures which fulfil the obligations of the Convention and its Protocols and to benefit from its provisions, taking into account the need for predictability, adequacy and timely flow of funds;

(c) The effectiveness of mobilizing financial resources from all sources to support national implementation, including national biodiversity strategies and action plans and national biodiversity finance plans, of the Convention and its Protocols. The efficiency of the financial mechanism in providing and mobilizing financial resources, as well as, in accordance with the guidance of the Conference of the Parties, overseeing, monitoring and evaluating the activities financed by its resources, as appropriate;

(d) The effectiveness of catalysing and enhancing national implementation measures for achieving global biodiversity goals and targets, including those that relate to the Protocols;

(e) The efficiency and effectiveness of the activities funded by the GEF on the implementation of the Convention and the achievement of its three objectives, as well as, as applicable, of its Protocols, taking into account the guidance provided by the COP;

(f) The efficiency and effectiveness of supporting implementation of Sustainable Development Goals that contribute to achieving the objectives of the Convention and its Protocols;

(g) The efficiency and effectiveness of processes and procedures for the deployment of resources for programmes;

(h) The effectiveness and efficiency in supporting the objectives of the Convention and its Protocols in synergy with implementation of other pertinent multilateral environmental agreements, in a manner that is consistent with the mandates of respective multilateral environmental agreements.

The review covers all the activities of the GEF for the **period 1 July 2017 to 30 June 2022**. Given the significant developments and activities of the CBD and the financial mechanism, such as the adoption of the GBF and the operationalisation of the GBFF, this Report will also take into account subsequent significant activities and developments from **30 June 2022 to 30 June 2024.** The Report therefore covers the activities for the last nine months of GEF-6 (1 July 2017 – 31 March 2018), the entire GEF-7 (1 July 2018 – 30 June 2022) and significant events within the first 24 months of GEF-8 (1 July 2022 – 30 June 2024).

The present Report sets out key findings and recommendations in line with the criteria set out above and in accordance with the methodology outlined in Section IX.

## VI. Background

### *a. Financial resources and mechanism*

Articles 20 sets out obligations governing financial resources.

Article 20.1 sets out the financial obligations of each contracting party "to provide, in accordance with its capabilities, financial support and incentives in respect of those national activities which are intended to achieve the objectives of [the CBD], in accordance with its national plans, priorities and programmes."

Under Article 20.2, developed country parties are obligated to provide new and additional financial resources to enabling developing country parties to meet the agreed full incremental costs to them of implementing measures which fulfil the obligations of the CBD and to benefit from its provisions. The costs are agreed between a developing country party and the institutional structure referred to in Article 21 in accordance with policy, strategy, programme priorities, eligibility criteria and an indicative list of incremental costs established by the COP. Other parties, including countries undergoing the process of transition to a market economy, may voluntarily assume the obligations of the developed country parties. For the purpose of Article 20.2, the COP shall at its first meeting, establish a list of developed country parties and other parties which voluntarily assume the obligations of the developed country parties. The COP is obliged to periodically review and, if necessary, amend the list. The current list is derived from COP 8, and COP Decision 15/7 directed the Executive Secretary to 'issue a notification inviting developing country Parties and Parties with economies in transition to consider, taking into account national circumstances, whether they are in a position to voluntarily assume the obligations of the developed country Parties in accordance with Article 20 of the Convention, and, if so, to indicate this to the Executive Secretary.'

Article 20.2 also envisages financial contributions from non-state sources. For example, contributions from other countries and sources on a voluntary basis is encouraged. Finally, the implementation of these commitments shall take into account the need for adequacy, predictability and timely flow of funds and the importance of burden-sharing among the contributing parties in the list.

Article 20.3 provides alternative channels of financing. Developed country parties may provide, and developing country parties avail themselves of, financial resources related to the implementation of the CBD through bilateral, regional and other multilateral channels.

Article 20.4 recognises that the extent to which developing country Parties will effectively implement their commitments under the CBD will depend on the effective implementation by developed country Parties of their commitments related to financial resources and transfer of technology and will take fully into account the fact that economic and social development and eradication of poverty are the first and overriding priorities of the developing country Parties.

Articles 20.5 to 20.7 set out the position of vulnerable states. Article 20.5 recognises the special position of least developed countries, in that parties shall take full account of the specific needs and special situation of least developed countries in their actions with regard to funding and transfer of technology, while Article 20.6 mandates that contracting parties shall also take into consideration the special conditions resulting from the dependence on, distribution and location of, biological diversity within developing country parties, in particular small island states. Finally, Article 20.7 obliges contracting parties to give consideration to the special situation of developing countries, including those that are most environmentally vulnerable, such as those with arid and semi-arid zones, coastal and mountainous areas.

Article 21 sets out the financial mechanism employed by the CBD. Article 21.1 states that there "shall be a mechanism for the provision of financial resources to developing country Parties for purposes of this Convention on a grant or concessional basis the essential elements of which are described in this Article".[2] For instance, it sets out that the provision of financial resources is on a grant or concessional basis, with the mechanism functioning under the authority and guidance of, and be accountable to, the COP. The COP decides on the institutional structure to carry out the operations of the financial mechanism at its first meeting. The COP will also determine the policy, strategy, programme priorities and eligibility criteria relating to the access to and utilisation of such resources. The contributions shall be such as to take into account the need for predictability, adequacy and timely flow of funds referred to in Article 20 in accordance

[2] Interestingly more recent instrument such as the BBNJ Agreement establish their financial mechanism in the following manner: Article 52.3 "A mechanism for the provision of adequate, accessible, new and additional and predictable financial resources under this Agreement is hereby established."

with the amount of resources needed to be decided periodically by the COP and the importance of burden-sharing among the contributing parties included in the list referred to in Article 20.2. Voluntary contributions may also be made by the developed country parties and by other countries and sources. Significantly, the mechanism shall operate within a democratic and transparent system of governance.

Articles 21.2 – 21.3 set out the scope of the COP's responsibilities vis-à-vis the financial mechanism. As an elaboration of the specific obligations under Article 21.1, Article 21.2 sets out that the COP shall, at its first meeting, determine the policy, strategy and programme priorities, as well as detailed criteria and guidelines for eligibility for access to and utilisation of the financial resources including monitoring and evaluation on a regular basis of such utilisation. The COP shall decide on the arrangements to give effect to Article 21.1 after consultation with the institutional structure.

Article 21.3 mandates that the COP review the effectiveness of the financial mechanism, including the criteria and guidelines referred to in Article 21.2, not less than two years after the entry into force of the Convention and thereafter on a regular basis, and to take appropriate action to improve the effectiveness of the financial mechanism if necessary. Article 21.4 mandates that the contracting parties consider strengthening existing financial institutions to provide financial resources for the conservation and sustainable use of biological diversity. Finally, Article 39 sets out that "[p]rovided that it has been fully restructured in accordance with the requirements of Article 21, the Global Environment Facility...shall be the institutional structure referred to in Article 21 on an interim basis, for the period between the entry into force of this Convention and the first meeting of the Conference of the Parties or until the Conference of the Parties decides which institutional structure will be designated in accordance with Article 21."

It is noteworthy that to-date, the GEF continues to function as the Convention's financial mechanism on an interim and ongoing basis.[3] This is despite the fact that at COP 2, the Conference of the Parties had decided that it the GEF "shall continue to serve as the institutional structure to operate the financial mechanism under the Convention on an interim basis...until a decision will be taken on which institutional structure is to be designated... The Conference of the Parties shall endeavour to make such a decision at its third meeting."[4] However, this issue was not revisited at COP 3 nor at any subsequent COP. As at COP 15, the GEF continues to operate the financial mechanism of the Convention "on an interim and ongoing basis."[5]

[3] Decision 15/15.
[4] Decision II/6.
[5] Decision 15/15.

### *b.* ***Brief Comparison with UNFCCC***

Apart from the CBD, the GEF serves as the financial mechanism for, *inter alia*, the UNFCCC and the UNCCD (known collectively as the 'Rio Conventions'). Brief observations of the structure and scope of the financial mechanisms under the CBD and UNFCCC are made here, which will inform some of the analysis below.

First, the UNFCCC explicitly allows more than one international entity to operate the financial mechanism.[6] To-date, both the GEF and the Green Climate Fund are operating entities of the financial mechanism. Article 11.2 of the UNFCCC also requires that the financial mechanism have an equitable and balanced representation of all parties within a transparent system of governance. Apart from the financial mechanism set out in Article 11, developing countries and LDCs also have access to (i) the Adaptation Fund, established under the Kyoto Protocol and managed by the Adaptation Fund Board, which finances concrete adaptation projects and programmes in developing country Parties to the Protocol that are particularly vulnerable to the adverse effects of climate change; (ii) the SCCF , managed by the GEF, which finances projects relating to: adaptation; technology transfer and capacity-building; energy, transport, industry, agriculture, forestry and waste management; and economic diversification for developing countries; and (iii) the LDC Fund, managed by the GEF, which assists LDCs to carry out, *inter alia*, the preparation and implementation of national adaptation programmes of actions.

On the other hand, the activities under the CBD and its protocols are financed by the financial mechanism under Article 21. Article 21.1 of the CBD sets out that the operation of the financial mechanism 'shall be carried out by such institutional *structure*' (emphasis added). Article 21.1 requires that the mechanism operate within a 'democratic and transparent system of governance'. Finally, Article 11.3 of the UNFCCC requires that the COP and operating entities of the financial mechanism agree upon arrangements to give effect to Articles 11.1 – 11.3. The CBD's COP also has full power to decide on arrangements to give effect to Article 21.1, after consultation with the operating entity.[7]

At the UNFCCC's sixteenth session of the COP, Parties decided to establish the SCF to assist the COP in exercising its functions in relation to the Financial Mechanism of the Convention. This involves:

(a) improving coherence and coordination in the delivery of climate change financing;
(b) rationalization of the Financial Mechanism;
(c) mobilization of financial resources; and

[6] United Nations Framework Convention on Climate Change, opened for signature 4 June 1992, 1771 UNTS 107 (entered into force 21 March 1994) art 11.1 which provides "Its operation shall be entrusted to one or more existing international entities."

[7] Convention on Biological Diversity, opened for signature on 5 June 1992, 1760 UNTS 79 (entered into force 29 December 1993), art. 21.2.

(d) measurement, reporting and verification of support provided to developing country Parties.

The Committee meets at least twice a year. The COP reviews the functions of the Standing Committee on Finance at each meeting. At its last meeting in 2023 the COP Parties acknowledged the contributions and positive performance of the SCF in assisting, informing and advancing the work of the COP in exercising its function in relation to the Financial Mechanism. The COP requested the SCF to continue to provide and enhance the dissemination and utilization of specific and targeted outputs and recommendations in order to effectively advance the work of the COP. The COP also encouraged the SCF to prioritize specific areas of work in the light of its workload in a given year and emphasized the need to continue to enhance all the functions of the SCF.

### c. *Structure of the GEF*

The GEF was established in 1991 by Resolution 91-5 of the Executive Directors of the World Bank as a pilot program to assist in the protection of the global environment and promote environmentally sound and sustainable economic development.[8] In 1992, participants in the GEF agreed that its structure and modalities should be modified. Discussions between the participants resulted in the 1994 Instrument for the Establishment of the Restructured Global Environment Facility (the '1994 Instrument'). The Instrument is regularly updated, and underwent four additional amendments by the Second, Third, Fourth and Fifth GEF Assemblies, resulting in the latest Instrument for the Establishment of the Restructured Global Environment Facility (2019) (the '2019 Instrument').

The 2019 Instrument sets out, *inter alia*, the scope, objectives, governance and structure of the GEF, which comprises the (i) Assembly; (ii) Council; (iii) Secretariat; (iv) IAs; and (v) Scientific and Technical Advisory Panel (STAP). The GEF shall operate, on the basis of collaboration and partnership among the IAs, as a mechanism for international cooperation for the purpose of providing new and additional grant and concessional funding to meet the agreed incremental costs of measures to achieve agreed global environmental benefits in, *inter alia*, biological diversity.[9]

The GEF Assembly consists of the Representatives of all Participants and meets once every three years.[10] The function of the Assembly is to (a) review the general policies of the Facility; (b) review and evaluate the operation of the Facility on the basis of reports submitted by the Council; (c) keep under review the membership of the Facility; and (d)

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[8] Report of the GEF Participants Meeting (March 14 – 16, 1994) iii.
[9] 2019 Instrument [2.a].
[10] Ibid [13].

consider, for approval by consensus, amendments to the present Instrument on the basis of recommendations by the Council.[11]

The Council is responsible for developing, adopting and evaluating the operational policies and programs for GEF-financed activities, in conformity with the Instrument and fully taking into account reviews carried out by the Assembly. Where the GEF serves for the purposes of the financial mechanisms of the conventions referred to in paragraph 6 of the Instrument, the Council shall act in conformity with the polices, program priorities and eligibility criteria decided by the Conference of the Parties for the purposes of the convention concerned.[12] The Council's obligations include, *inter alia*:[13]

(a) Keeping under review the operation of the Facility with respect to its purpose, scope and objectives;

(b) Ensuring that GEF policies, programs, operational strategies and projects are monitored and evaluated on a regular basis;

(c) direct the utilization of GEF funds, review the availability of resources from the GEF Trust Fund and cooperate with the Trustee to mobilize financial resources;

(d) approve and periodically review operational modalities for the Facility, including operational strategies and directives for project selection, means to facilitate arrangements for project preparation and execution by organizations and entities referred to in paragraph 28, additional eligibility and other financing criteria in accordance with paragraphs 9.b and 9.c respectively, procedural steps to be included in the project cycle, and the mandate, composition and role of STAP;

(e) act as the focal point for the purpose of relations with the Conferences of the Parties to the conventions referred to in paragraph 6, including consideration, approval and review of the arrangements or agreements with such Conferences, receipt of guidance and recommendations from them and compliance with requirements under these arrangements or agreements for reporting to them;

(f) in accordance with paragraphs 26 and 27, ensure that GEF-financed activities relating to the conventions referred to in paragraph 6 conform with the policies, program priorities and eligibility criteria decided by the Conference of the Parties for the purposes of the convention concerned.

[11] Ibid [14].
[12] Ibid [15].
[13] Ibid [20].

Annex E of the Instrument sets out the requirements for the constituencies of the Council. The Council shall consist of 32 Members representing constituency groupings formulated and distributed taking into account the need for balanced and equitable representation of all Participants and giving due weight to the funding efforts of all donors. The Council comprises 16 Members from developing countries, 14 Members from developed countries and 2 Members from the countries of central and eastern Europe and the former Soviet Union. There shall be an equal number of Alternate Members. The Member and Alternate representing a constituency shall be appointed by the Participants in each constituency. Unless the constituency decides otherwise, each Member of the Council and each Alternate shall serve for three years or until a new Member is appointed by the constituency, whichever comes first. A Member or Alternate may be reappointed by the constituency. Members and Alternates shall serve without compensation. The Alternate Member shall have full power to act for the absent Member.[14]

The Secretariat shall service and report to the Assembly and the Council. It shall operate in a functionally independent and effective manner, and exercise functions, including *inter alia*: [15]

(a) coordinate the formulation and oversee the implementation of program activities pursuant to the joint work program, ensuring liaison with other bodies as required, particularly in the context of the cooperative arrangements or agreements referred to in paragraph 27;

(b) in consultation with the IAs, ensure the implementation of the operational policies adopted by the Council through the preparation of common guidelines on the project cycle. Such guidelines shall address project identification and development, including the proper and adequate review of project and work program proposals, consultation with and participation of local communities and other interested parties, monitoring of project implementation and evaluation of project results;

(c) review and report to the Council on the adequacy of arrangements made by the IAs in accordance with the guidelines referred to above, and if warranted, recommend to the Council and the IAs additional arrangements for project preparation and execution under paragraphs 20(f) and 28;

(d) coordinate with the Secretariats of other international bodies, in particular, the Secretariats of the conventions referred to in paragraph 6 and the Secretariats of the Montreal Protocol on Substances that Deplete the Ozone Layer and its Multilateral Fund;

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[14] Ibid [16].
[15] Ibid [21].

(e) there shall be an independent evaluation office headed by a director, appointed by and reporting to the Council, whose responsibility it is to carry out independent evaluations consistent with decisions of the Council.

The GEF has, to-date, 18 IAs.[16] These agencies are accountable to the Council for their GEF-financed activities, including the preparation and cost-effectiveness of GEF projects, and for the implementation of the operational policies, strategies and decisions of the Council within their respective areas of competence and in accordance with an interagency agreement to be concluded on the basis of the principles of cooperation set forth in Annex D to the 2019 Instrument. The agencies are obliged to cooperate with the Participants, the Secretariat, parties receiving assistance under the GEF, and other interested parties, including local communities and non-governmental organizations, to promote the purposes of the Facility.[17]

Finally, the STAP, established by UNEP in consultation with UNDP and the World Bank, functions as the advisory body to the GEF.[18]

### *d. Relationship between the COP and GEF*

The COP and GEF are distinct entities whose relationship is governed by three key documents, namely: (i) the 1996 MOU between the COP and the Council of the GEF; (ii) the 2019 Instrument; and (iii) COP Decision 15/15 welcoming the GEF as the institutional structure operating the financial mechanism of the Convention on an interim and ongoing basis. Both the obligations within the MOU and the 2019 Instrument form part of the review of the effectiveness of the financial mechanism as they delineate the scope of obligations between the COP and the GEF. The obligations set forth in both documents will be referenced where appropriate in the review.

The MOU sets out the relationship between COP and GEF. The relevant articles are set out at Appendix E.

In respect of specific provisions in the 2019 Instrument governing the relationship between the COP and GEF, Articles 6.b, 27 and 31 are directly relevant, and are also reproduced at Appendix E.

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[16] https://www.thegef.org/partners/gef-agencies
[17] 2019 Instrument (*supra* n. 9) [22].
[18] Ibid [24].

e. ***Significant events post GEF-7***

Two significant events occurred since the implementation of GEF-7, namely, the COVID-19 pandemic in March 2020, and the adoption of the Kunming-Montreal Global Biodiversity Framework at COP 15 in 2022 to support the achievement of the Sustainable Development Goals ('SDGs') and build on the CBD's Strategic Plans.[19] An essential element to the GBF is the GBFF, which was launched at the 7th GEF Assembly. The analysis of the effects of both COVID-19 and GBFF will be elaborated on in the sections below where appropriate.

## VII. Previous Reviews and Main Recommendations

The financial mechanism has undergone five reviews since the coming into force of the Convention. While the first review was conducted as an in-house exercise by the CBD Secretariat, and the fifth review adopted the sixth overall performance study of the GEF by its Independent Evaluation Office (IEO),[20] the remaining three reviews were conducted by independent evaluators.

The main recommendations are provided in Appendix F. Many of these recommendations still resonate today and remain issues for the effectiveness of the Financial Mechanism and this Review. Some examples include:

*Second Review (14 January 2002, 6th COP)*

(a) The COP: (i) Instruct the GEF Secretariat and its IAs to support the systems approach to capacity development, as promoted through the CDI initiative and the mainstreaming of capacity development support within the GEF portfolio, supporting a wider scope of capacity development areas and recipients, at all levels; (ii) Instruct the GEF Secretariat and its IAs to support projects that build capacities for effective, participatory monitoring and evaluation into management systems, especially at the local level, to ensure adequate monitoring of biodiversity impacts; (iii) instruct the financial mechanism to put greater emphasis on the incorporating and integrating of local traditional and indigenous knowledge into BD projects (iv) encourage the GEF Secretariat and its IAs to promote the effective involvement (not just consultation) of a whole new set of players in new kinds of projects in order to achieve the necessary results in sustainable use and benefit sharing.

*Fourth Review (26 March 2012, 12th COP)*

[19] https://www.cbd.int/gbf

[20] https://www.cbd.int/financial/gefreview.shtml

(b) The COP may wish to streamline guidance to the GEF through a more regular and systematic process. A mechanism such as a working group (e.g., similar to the working group established at WGRI-3) could be implemented to review new guidance for repetitiveness, amend/remove older items of guidance as appropriate, and develop a more condensed set of guidance to convey to the GEF during or after each COP.

(c) To-date, under GEF-5, country requests and GEF approvals for biodiversity funding have not fully aligned with the notional allocations identified for each objective in the GEF-5 biodiversity strategy.

(d) The GEF, in collaboration with the Agencies, should continue to streamline the project cycle by adopting reforms related to co-financing and monitoring and reporting requirements, as suggested by the GEF Evaluation Office in OPS-5.

(e) The CBD and GEF should coordinate regarding how to measure progress in achieving the Aichi Targets. The CBD and GEF should consider establishing a more formal mechanism for harmonizing the indicators that are reported on in the biodiversity portfolio.

(f) The GEF should consider expanding the number and variety of donors from both Organisation for Economic Co-operation and Development (OECD) countries and middle-income countries, including subnational states/provinces, that have not previously contributed and are increasingly in a position to do so.

*Fifth Review (December 2017, 14th COP)*

(g) The GEF will need to adapt its strategy to improve its engagement with the private sector. Specifically, the private sector should be viewed more broadly than just as a source of financing. There are various opportunities to engage the private sector in areas other than finance. For example, the GEF can affect industry practices by facilitating certifications and research, as well as changing sourcing and production practices along the supply chain.

(h) Where conditions are not ripe for investment, such as in biodiversity conservation, long term regulatory and policy intervention by the GEF can help to catalyse private sector investment.

(i) Operational governance must be strengthened across the partnership. Ground rules for cooperation among Agencies must be established to support the implementation of multifocal area efforts and the expansion of programs. The GEF

Secretariat should develop and clearly communicate the criteria for program selection and design. Similarly, the selection of Agencies by country governments should be based on clear criteria and comparative advantage. Addressing the potential for conflicts of interest arising from the overlapping roles between implementing and executing Agencies—including for international civil society organization partner Agencies—is imperative.

## VIII. Terms of Reference (TOR) for Review

For the purposes of this Review, the COP considers effectiveness and the objectives of the Review to include:

(a) The conformity of the activities of the GEF, as the institutional structure operating the financial mechanism, with the guidance of the Conference of the Parties;

(b) The effectiveness of the financial mechanism in providing and mobilizing financial resources to enable all recipient country Parties to meet the agreed full incremental costs to them of implementing measures which fulfil the obligations of the Convention and its Protocols and to benefit from its provisions, taking into account the need for predictability, adequacy and timely flow of funds;

(c) The effectiveness of mobilizing financial resources from all sources to support national implementation, including national biodiversity strategies and action plans and national biodiversity finance plans, of the Convention and its Protocols. The efficiency of the financial mechanism in providing and mobilizing financial resources, as well as, in accordance with the guidance of the COP, overseeing, monitoring and evaluating the activities financed by its resources, as appropriate;

(d) The effectiveness of catalysing and enhancing national implementation measures for achieving global biodiversity goals and targets, including those that relate to the Protocols;

(e) The efficiency and effectiveness of the activities funded by the GEF on the implementation of the Convention and the achievement of its three objectives, as well as, as applicable, of its Protocols, taking into account the guidance provided by the COP;

(f) The efficiency and effectiveness of supporting implementation of SDGs that contribute to achieving the objectives of the Convention and its Protocols;

(g) The efficiency and effectiveness of processes and procedures for the deployment of resources for programmes; and

(h) The effectiveness and efficiency in supporting the objectives of the Convention and its Protocols in synergy with implementation of other pertinent multilateral environmental agreements, in a manner that is consistent with the mandates of respective multilateral environmental agreements.

As described by COP, the effectiveness and efficiency of the financial mechanism shall be assessed taking into account, inter alia:

(a) The actions taken by GEF in response to the guidance of the Conference of the Parties;

(b) The extent to which eligible countries receive timely, adequate and predictable funds to enable countries to meet the agreed full incremental cost to them of implementing measures that fulfil the obligations under the Convention and its Protocols, that generate global environmental benefits;

(c) Information provided by Parties related to performance in delivering GEF projects, including effectiveness and efficiency of access modalities and competence and capacity required to use these modalities;

(d) Percentage of recipient countries that have received financial support from the financial mechanism to implement global biodiversity goals and targets, including those related to the Protocols;

(e) Percentage of biodiversity funding through the financial mechanism to support the achievement of the global goals and targets;

(f) Trend in co-financing and non-grant financing in the biodiversity area enabled by the financial mechanism;

(g) Trend in financing global, regional and subregional biodiversity projects under the financial mechanism;

(h) Trend in project and programme financing taking into consideration synergies among conventions that have designated GEF to operate their financial mechanism;

(i) Trend in project financing targeted at biodiversity-related conventions and agreements taking into consideration synergies between them;

(j) Trend in timeframes for project development and resource disbursement, including time between the approval of the concept notes (PIF) and the first disbursement;

(k) Trend in project financing targeted at, and/or led by indigenous peoples and local communities, women and youth;

(l) Trend in the number of capacity-building activities that enable Parties and stakeholders to access to GEF financing, including information events on the financial mechanism organized for the Parties and stakeholders of the Convention and its Protocols; and

(m) Trend in project financing leading to high sustainability or durability ratings and results achieved from GEF-supported biodiversity programming in relation to expected results planned by GEF through this programming.

While the TORs are focused on GEF's past performance against a set of criteria, this Report will also reflect on the operations of the GEF and the financial mechanism in the wider context of international finance for biodiversity to inform its conclusions and recommendations.

The COP had, in decision 15/7, established the Advisory Committee on Resource Mobilisation to, *inter alia*, assess gaps and overlaps in the current financial landscape, and to identify opportunities to strengthen, simplify and reform existing instruments to strengthen the current finance landscape for biodiversity.[21] The Advisory Committee found, *inter alia*, the following:

(a) The global landscape of biodiversity finance is characterized by a fragmented and diverse array of funding mechanisms that vary significantly in their purpose, scale, and size. This diversity may be beneficial as it allows for tailored approaches to address the unique ecological, social and economic contexts of each region or country. Specialisation on funding mechanisms may allow specific environmental challenges and conservation needs of recipient countries to be met, thereby enhancing the effectiveness and relevance of biodiversity conservation efforts.

(b) Biodiversity finance is increasingly being integrated into national and international policy levels, yet notable gaps exist, especially when addressing macroeconomic issues. The development and implementation of comprehensive biodiversity metrics and taxonomies and the incorporation of these into ecosystem accounting are essential to build a stronger economic and case for biodiversity.

(c) Integrating climate and biodiversity finance with a view to leverage synergies and address overlapping drivers of climate change and biodiversity loss is an important ongoing task. By aligning finance across sectors, including a shift towards green infrastructure, ecosystem-based approaches and/or nature-based solutions, there is potential for more impactful biodiversity policy efforts and a reduction in biodiversity loss.

(d) The private sector can potentially play a key role in achieving the GBF targets, but barriers such as the absence of clearly defined transition pathways and a lack of standardized data and metrics hinder the scalability of private biodiversity investments

[21] CBD/SBI/4/INF/10.

(e) Indigenous peoples and local communities, women, and youth receive a minor share of biodiversity-related ODF and often lack access to biodiversity finance. Financial contributions from indigenous peoples and local communities to conservation, both monetary and in-kind, are significant yet challenging to quantify. Growing evidence suggests that increasing access to resources to indigenous peoples and local communities, women and youth could enhance biodiversity policy outcomes by harnessing and strengthening their role as biodiversity stewards, including by creating dedicated funding streams and simplifying access.

In light of the above, this Report will consider the following information:

(a) GEF's operating structure. For example, GEF has a growing mandate with regards to supporting Parties to implement the CBD through support provided by the GEF Trust Fund (GEF TF) and the GBFF. The Report will assess how and whether the reforms underway with regards to staffing and structure of the GEFSEC are fit for this purpose.

(b) GEF's policies and procedures. For example, GEF had already been reviewing its policies and procedures to improve access to GEF funds. This includes an internal review of the current project cycle of the GEF and the Least Developed Countries Fund (LCDF) and the Special Climate Change Fund (SCCF) Trust Funds. These analyses are leading to a series of proposed modifications that aim to increase efficiency while preserving the GEF principles of accountability, transparency, and compliance. The Report considers this progress and on simplifications of the project cycle for the GBFF and assess if these reforms are responsive to calls for increased access and efficiency in GEF's project cycle, under 'Processes and Procedures'.

(c) GEF's governance. The GEF is re-examining its governance modalities to enable expanded relationships along several different dimensions including through engagement with the private sector and philanthropic entities through programming and policies that enable the creation of key partnerships and platforms. For example, the GBFF has been established to receive financing from all sources, which may include philanthropic organizations and the private sector, among others. This has included the possibility for the Council to establish an advisory group or advisory groups, which may include non-sovereign contributors, as well as an agreement to establish an auxiliary body which will include representatives of GBF Fund Participants which are developing countries with areas of particular importance for biodiversity and ecosystem functions and services, for the purpose of providing advice and recommendations to the GBF Fund Council, while recognizing that the GBF Fund Council remains the decision-making body. The Report assesses how these innovations in governance will help enhance the engagement of stakeholders and developing countries in the Council, and address improving the effectiveness and efficiency of the GEF, under ‘Structure and Representation’.

(d) Inclusiveness. The GEF is examining its programming, policy, and governance frameworks to increase engagements with non-state actors such as IPLCs, civil society, women and youth groups. The Report assesses and suggests if the initial changes undertaken in these areas within the GBFF, for example through the creation of specific observer seats in the GBFF Council and aspirational targets for IP programming, would be useful to support within the GEF TF and how this increased engagement could be undertaken to improve GEF’s effectiveness, under ‘IPLCs’.

Assessing GEF performance against its own Core Indicators. The GEF has its own monitoring system to evaluate its performance against an array of indicators relevant to the Review and the Review analyses how effective GEF has been in meeting its own performance indicators under ‘Effectiveness and efficiency of activities funded by GEF’.

## IX. Methodology

The Report has been undertaken in accordance with the objectives, methodology and criteria set out in annex IV to decision 15/15. These provide that the Review will cover all the activities of the institutional structure operating the financial mechanism for the period from 1 July 2017 to 30 June 2022. Given the significant subsequent developments related to the financial mechanism and activities of the CBD and GEF, such as the adoption of the Global Biodiversity Framework (GBF) and the operationalisation of the Global Biodiversity Framework Fund, this Report will also take into account significant activities and developments from 30 June 2022 to 30 June 2024.

The methodology includes the following steps:

1. Provision to the Subsidiary Body on Implementation (SBI-4) of document CBD/SBI/4/INF/17;
2. A presentation by the independent evaluator at SBI-4 outlining the Report;
3. Participating in SBI 4 and reviewing the statements and recommendations relevant to the review of the Financial Mechanism;
4. Structured interviews with Parties to the Convention and its Protocols and other stakeholders at SBI-4;
5. A desk study of key documents from the CBD, GEF and other entities;
6. A portfolio analysis with data from the GEF;
7. An online questionnaire;
8. Interviews with Parties online as requested;

9. Interviews with the SCBD, the GEFSEC, various GEF agencies (e.g. UNDP, the United Nations Environment Programme (UNEP) and the UN Food and Agriculture Organisation);
10. A draft report by the independent evaluator submitted to the SCBD for comment;
11. A revised report made available to GEFSEC for its review and comments; and
12. Final report provided by the independent evaluator to the Secretariat.

***a. SBI 4***

The review of the Financial Mechanism was on the agenda of SBI 4.

The proposed method for this review was presented to the SBI in document CBD/SBI/4/INF 17 which was accepted by the SBI.

Statements were made by the following on agenda item 4b on the review of the FM: Australia, Canada, European Union (*Austria, Denmark, France, Finland, Germany, Greece, Iceland, Ireland, Italy, Luxembourg, Portugal, Netherlands, Norway, Slovenia, Spain and Sweden), Japan, New Zealand, Norway, Switzerland, United Kingdom, Argentina, Brazil, China, Colombia, Cuba, Democratic Republic of Congo, Ethiopia, Fiji, India, Kenya, Lebanon, Malawi, Mexico, Nigeria, Pacific Islands (Cook Islands, Fiji, Tonga and Vanuatu), Russia, South Africa, Syria, Türkiye, and Venezuela. A summary of their statements are provided in the Appendix B to this document.

The SBI emphasised in its recommendation to COP for its decision the following topics of relevance for the Review:

- The full application of the provisions of Article 21 and of access for all eligible Parties;
- The valuable role of the Global Environmental Facility as the institutional structure operating the financial mechanism;
- The importance and commitment of the COP to reviewing the effectiveness of the financial mechanism periodically;
- The lack of project proposals from eligible countries to support the implementation of the Cartagena Protocol and the Nagoya Protocol
- The level resources in a manner commensurate with the challenges and needs of developing country Parties;
- The contributions of the integrated programmes of the Global Environment Facility towards achieving the targets of the GBF;
- The significant portion of other focal area resources under the GEF that contribute to the implementation of the Framework;
- The efforts by the GEF to harness synergies among other biodiversity-related conventions and to address multiple environmental challenges in a holistic manner;

- The enhanced support provided by the Global Environment Facility to indigenous peoples and local communities for the implementation of the Framework, including through the aspirational programming share of 20 per cent at portfolio level by 2030 in the Global Biodiversity Framework Fund; and
- The efforts by the Global Environment Facility to support policy coherence and streamlining measures.

The recommendations of SBI for the COP related to the review of the Financial Mechanism and the other issues raised in this Report are provided in Appendix C.

***b. Interview and survey questions***

An important part of the Report, mandated by the COP, was collecting information directly from Parties and other stakeholders. This started through structured interviews conducted on the margins of SBI-4 based on the Questionnaire developed in conjunction with the Secretariat and the GEFSEC. Interviews were undertaken with the following at SBI 4: the Africa Group, EU (Belgium, Denmark, Netherlands, Hungary and Sweden), Brazil, Colombia, Russia, Canada, Belgium, Spain, Japan, IIFB Caucus, GEFSEC, UNEP, UNEP IEO, UNDP, FAO, UNEP WCMC and CBD SEC. These interviews focused on the proposed process as outlined in CBD/SBI/4/INF/17 and the key priorities for the Review.

The main issues highlighted in these interviews at SBI 4 can be summarised as follows:

(a) Support for the method presented in CBD/SBI/4/INF/17;

(b) Some Parties thought the recent reforms by the GEF to its policies and procedures to improve access to GEF funds were responsive to calls for increased access and efficiency in GEF's project cycle and some Parties thought they did not;

(c) The new modalities developed by GEF in respects of its governance modalities, such as the speed with which it developed the GBFF, the GBFF's ability to receive financing from all sources, the possibility for the GEF Council to establish groups that could include non-sovereign contributors, an auxiliary body which will include representatives of GBF Fund Participants which are developing countries with areas of particular importance for biodiversity, the creation of specific observer seats in the GBFF Council and aspirational targets for IPLC programming, could provide important lessons to improve effectiveness of the GEF Trust Fund;

(d) The funds available for the biodiversity portfolio of the Financial Mechanism was a challenge to the effectiveness of the Financial Mechanism;

(e) The need to broaden the financial basis for the Financial Mechanism and consider ways to attract funds from new donors and private sources such as philanthropy and private sector;

(f) Varying views as to the usefulness of the cofinancing requirements;

(g) Direct access for IPLCs or focused or intentional support for IPLCs would improve the effectiveness of the Financial Mechanism such as a dedicated programme like SGP or a target for the GEF Trust Fund;

(h) COP guidance needs to be clearer, more actionable and its implementation measurable;

(i) Lack of projects for Nagoya and Cartagena needs addressing;

(j) Access to the Financial Mechanism is not in line with UN procedures;

(k) Country ownership and prioritise need to be further developed;

(l) The rapid launch of the GBFF was applauded and its innovations provide important lessons for enhancing the engagement of stakeholders and developing countries in the Council, and address improving the effectiveness and efficiency of the GEF.

The Questionnaire was sent to the national focal points of the Convention and of the Protocols. Two webinars were organised to support the questionnaire. There was also an offer in the Questionnaire to provide additional information in a direct interview with the evaluator. The Questionnaire is set out at Appendix A.

This list of questions is broad and some of the questions are complex. Accordingly, the respondents and interviewees were requested to provide information for only those questions they feel are relevant and will not be expected to answer all the questions. As at August, 25 Contracting Parties provided written responses to the questionnaire: three were developed country Parties and other Parties that voluntarily assume the obligations of developed country Parties while 22 were developing country Parties.[22]

### c. ***Desk study of documents from the CBD, GEF and other entities***

The Report also drew upon, *inter alia*, the following sources of information (i) documents from the GEF as set out in Appendix D; (ii) documents from the CBD and other entities , also set out in Appendix D, (iii) GEF's response to the questionnaire set out above, including clarifications; (iv) information provided by contracting Parties regarding the financial mechanism, through national reports and other submissions, responses to surveys and/or interviews and/or the questionnaire set out above; (v) Information

[22] As listed in the annex to decision VIII/18.

provided by indigenous peoples and local communities, women and youth and relevant stakeholders related to GEF-funded projects.

d. ***Limitations***

Given that the resources allocated for the Report were significantly less than the amount set out in the voluntary budget, the steps undertaken for the Report were necessarily limited. Accordingly, this is a Report and not a full evaluation of the effectiveness and efficiency of the GEF as the operating entity of the financial mechanism. Furthermore, due to budget limitations, no field visits to countries were conducted.

## X. GEF's conformity to COP guidance

In accordance with Decision 15/15,[23] one of the criteria for determining the effectiveness of GEF is the conformity of its activities with COP guidance. This section also analyses this issue in light of stakeholders' responses to the following questions:

(a) How do the activities of the Global Environment Facility, as the institutional structure operating the financial mechanism of the Convention and its Protocols, conform with the guidance of the Conference of the Parties?

(b) Are the actions taken by the Global Environment Facility in response to the guidance of the Conference of the Parties adequate?

### a. Implementation of the MOU and Instrument

Articles 2.1, 3.2 and 3.3 of the MOU provide the starting point for COP and the GEF obligations. A table setting out the overview of the conformity to MOU obligations for both the COP and the GEF is set out below. The analysis does not delve into the sufficiency of actions but whether the report structure as a whole meets the obligations in the MOU.

| **MOU obligation** | | **Party** | **Implementation (Y/N/P[24])** |
|---|---|---|---|
| Article | Obligation | | |
| 2.1 | COP to determine:<br><br>(a) Policy and strategy<br>(b) Programme priorities<br>(c) Eligibility criteria<br>(d) Indicative list of incremental cost<br>(e) List of developed country Parties<br>(f) Any other matters relating to Article 21, including periodic determination of amount of resources needed | COP | <br><br>Y<br>Y<br>Y<br>N[25]<br><br>Y[26]<br><br>P[27] |
| 2.2 | Council to communicate to COP all relevant information, including information on the projects in the area of biological diversity | GEF | |

[23] Annex IV
[24] Y = Yes, N = No, P = Partial
[25] Draft guidelines and list of eligible incremental activities?
[26] Update of list underway pursuant to Decision 15/7
[27] Needs assessment conducted in line with decision X/6[27]; Second determination of funding requirement

| MOU obligation | | Party | Implementation (Y/N/P[24]) |
|---|---|---|---|
| Article | Obligation | | |
| | funded by GEF outside the framework of the financial mechanism of the Convention | | P[28] |
| 3.1 | The Council will prepare and submit a report for each ordinary meeting of the COP | GEF | Y |
| 3.2 | The reports will include specific information on how the Council, its Secretariat, its Implementing and Executing Agencies have applied COP guidance and implemented the policy, strategies programme priorities and eligibility criteria determined by the COP, its other decisions as communicated to GEF, under Article 21. The Council should also report on its monitoring and evaluation (M&E) activities concerning projects in the biodiversity focal area | GEF | Y |
| 3.3 | The reports will provide detailed information on the biodiversity focal area, including:<br><br>(a) Information on how GEF has responded to the guidance provided by the Conference of the Parties including, where appropriate, through its incorporation in the GEF operational strategy and operational programmes;<br><br>(b) The conformity of the approved work programmes with guidance of the Conference of the Parties<br><br>(c) A synthesis of the different projects under implementation and a listing of the projects approved by the Council in the biodiversity focal area | GEF | Y<br><br>Y<br><br>Y<br><br>P[29] |

[28] While the GEF reports to COP between COP 13 and 15 and the Preliminary Report includes projects in the area of biological diversity funded by the GEF outside the framework of the CBD by elaborating on the projects in other focal areas, the reports do not demonstrate in detail how these projects have contributed in meeting COP guidance on, for example, the Aichi Biodiversity Targets. Instead, they focus more on co-financing outcomes.
[29] The GEF should elaborate on sources on funding (e.g., whether they come from GEF Agencies, private sectors, recipient governments and so on) that have been allocated to each project.

| MOU obligation | | Party | Implementation (Y/N/P[24]) |
|---|---|---|---|
| Article | Obligation | | |
| | (d) A financial report with an indication of the financial resources allocated to these projects<br><br>(e) A list of project proposals submitted for approval to the Council including reporting on their approval status and, in cases of projects not approved, the reasons therefore<br><br>(f) A review of the project activities approved by GEF and their outcomes, including information on funding and progress in implementation<br><br>(g) Additional financial resources leveraged by GEF for the implementation of the Convention. | | N[30]<br><br>Y<br><br>Y |
| 3.4 | Reports submitted by the Council will cover all GEF-financed activities carried out for the purpose of the Convention | GEF | Y |
| 3.5 | The Council will also provide information on other matters concerning the discharge of its functions under Article 21,paragraph 1, as may be requested by the COP | COP<br><br>GEF | Y[31]<br><br>Y[32] |
| 4.2 | If a Party considers that a decision of the Council regarding a specific project was not made in compliance with the policies, programme priorities and eligibility criteria established by the COP in the context of the Convention, the COP should analyse the observations presented to it by the Party and take decisions on the basis of compliance with such policy, strategy, programme priorities and eligibility criteria. In the event | COP | Y |

[30] GEF has clarified that it prioritises providing upstream guidance to Parties and agencies so that project proposals submitted to GEF for funding are fully aligned with GEF eligibility criteria and are technically sound. As a result, project submitted for approval to Council has been approved by Council. For the review period, 16 PIFs out of 342 projects and programs submitted were rejected or deemed ineligible for funding and therefore not submitted to Council for approval. GEF does not track projects that have not been formally submitted to GEF.

[31] COP has not requested for information

[32] See for e.g, Report to COP 15 on GEF Support to Innovation, Preliminary Report to COP 16 on GEF Support to Policy Coherence.

| MOU obligation | | Party | Implementation (Y/N/P[24]) |
|---|---|---|---|
| Article | Obligation | | |
| | that the COP considers that this specific project decision does not comply with the policy, strategy, programme priorities and eligibility criteria established by the COP, it may ask the GEF Council for further clarification on the specific project decision. | | |
| 4.3 | The COP will periodically review the effectiveness of the financial mechanism in implementing the Convention and communicate to the Council relevant decisions taken by the Conference of the Parties as the result of such review | COP | Y |
| 1.1 | The COP will make an assessment of the amount of funds necessary to assist developing countries, in accordance with the guidance provided by the COP, in fulfilling their commitments under the Convention over the next GEF replenishment cycle, taking into account: Guidance to the financial mechanism from the COP which calls for future financial resources; The information communicated to the COP in the national reports submitted in accordance with Article 26 of the Convention; National strategies, plans or programs developed in accordance with Article 6 of the Convention; Information communicated to the COP from GEF on the number of eligible programmes and projects that were submitted to GEF, the number that were approved for funding, and the number that were turned down owing to lack of resources; Experience gained by those concerned in the implementation of projects. | COP | Y |
| 1.2 | On the occasion of each replenishment, GEF will, in its regular report to the COP indicate how it has responded during the replenishment cycle to the previous assessment by the COP prepared in | GEF | P[33] |

[33] GEF's report to COP 12 mentioned the 6th replenishment of the GEF without elaborating on how it has responded to the needs assessment. Information on replenishment was provided to COP 15. GEF has

| MOU obligation | | Party | Implementation (Y/N/P[24]) |
|---|---|---|---|
| Article | Obligation | | |
| | accordance with paragraph 5.1 and inform the COP of the conclusion of replenishment negotiations | | |
| 1.3 | On the basis of GEF's regular report, the COP will review the amount of funding necessary for the implementation of the Convention, on the occasion of each replenishment of the financial mechanism | COP | Y |
| 7 | The Secretariat of the Convention and the Secretariat of GEF will communicate and cooperate with each other and consult on a regular basis to facilitate the effectiveness of the financial mechanism in assisting developing country Parties to implement the Convention.<br><br>The two secretariats will consult on the project proposals under consideration for inclusion in a proposed work programme, especially with regard to the consistency of the project proposals with the guidance of the COP.<br><br>Official documentation of GEF will be made available to the Secretariat of the Convention on Biological Diversity | COP/GEF<br><br>COP/GEF<br><br>GEF | Y<br><br>Y<br><br>Y |

Under Article 31 of the 2019 Instrument, the GEF Secretariat is also obliged to prepare an annual report on the activities of the GEF and not conveyed to each under Article 6 of the Instrument.

| Article | GEF Obligations | Implementation |
|---|---|---|
| 31 | The Council shall approve an annual report on the activities of the GEF.<br><br>The report shall be prepared by the Secretariat and circulated to all Participants. | Y |

also indicated that information on GEF-9 replenishment and its response to the next needs assessment will be provided in its report to COP 17.

| Article | GEF Obligations | Implementation |
|---|---|---|
| | It shall contain information on the activities carried out under the GEF, | |
| | (a) including a list of project ideas submitted for consideration | N |
| | (b) a review of the project activities funded by the Facility and their outcomes. | Y |
| | (c) The report shall contain all the information necessary to meet the principles of accountability and transparency that shall characterize the Facility as well as the requirements arising from the reporting arrangements agreed with each COP to the conventions referred to in paragraph 6. | P[34] |
| | (d) The report shall be conveyed to each of these Conferences of the Parties, the United Nations Commission on Sustainable Development and any other international organization deemed appropriate by the Council. | Not sure |

b. COP guidance to GEF

A common key finding of the first to third reviews of the financial mechanism was that COP guidance was generally too broad and not strategic. At the fourth meeting of the Ad Hoc Open-ended Working Group on the Review of Implementation (WGRI 4), eight recommendations were forwarded to COP 11, one of which was that the COP adopt a four-year outcome-oriented framework of programme priorities for the period 2014 – 2018 for GEF to implement and report back to COP 13.[35] This was a move from the Four-Year Framework of Programme Priorities Related to Utilisation of GEF Resources adopted at COP 9.

Of relevance to the period for this Review are the four-year outcome-oriented framework of programme priorities 2018 – 2022 and 2022 – 2026.

| Period | Four-year outcome-oriented framework of programme priorities |
|---|---|

[34] As (a) does not seem to have been carried out
[35] https://sdg.iisd.org/news/cbd-wgri-4-forwards-eight-recommendations-to-cop-11-message-to-uncsd/.

| | |
|---|---|
| 2018 – 2022 (COP 13) | (a) Priority Cluster I: Mainstream biodiversity across sectors as well as landscapes and seascapes<br><br>(b) Priority Cluster II: Address direct drivers to protect habitats and species<br><br>(c) Priority Cluster III: Further develop biodiversity policy and institutional framework |
| 2022 – 2026 (COP 15) | (a) The Kunming-Montreal Global Biodiversity Framework, including its goals and targets<br><br>(b) National biodiversity strategies and action plans (NBSAPs);<br><br>(c) National biodiversity finance plans;<br><br>(d) The implementation of the three objectives of the Convention;<br><br>(e) The implementation support mechanisms adopted under the Convention associated with the Kunming-Montreal Global Biodiversity Framework related to: mobilizing sufficient resources from all sources towards implementing the Framework and achieving its goals and targets; mainstreaming; capacity-building and development; generation, management and sharing of knowledge for effective biodiversity planning, policy development and coherence, decision-making and implementation; and technical and scientific cooperation, technology transfer and innovation.<br><br>(f) The mechanisms for planning, monitoring, reporting and review<br><br>(g) The enabling conditions outlined in the Kunming-Montreal Global Biodiversity Framework required for its implementation<br><br>(h) The Implementation Plan for the Cartagena Protocol on Biosafety11 and the Capacity-building Action Plan for the Cartagena Protocol on Biosafety<br><br>(i) The guidance to the Global Environment Facility on programme priorities to support the implementation of the Nagoya Protocol on Access and Benefit-sharing adopted by the Conference of the Parties serving as the meeting of the Parties to the Protocol at its fourth meeting |

While the outcome-oriented framework of programme priorities was first adopted in 2014, this Review is the first to examine its impact on relevant stakeholders such as GEF and contracting Parties. While no explicit references were made to the programme priorities, GEF's OPS5 found in 2014 that several features of convention guidance (across the conventions for which it operates as the financial mechanism) made operationalisation by the GEF challenging, namely ambiguous language, lack of prioritisation, cumulative nature and repetition.[36] This feedback was not repeated in OPS6, where GEF acknowledged in 2018 that the 'CBD has eliminated repetitive messages and updated its guidance'.[37] However, the explicit and technical nature of CBD's guidance, such as (i) establishing a consolidated list of programme priorities that defines what should be financed; and (ii) an outcome-oriented framework does not give the GEF much flexibility in developing a biodiversity focal area strategy, compared to UNFCCC's guidance on mitigation which focuses on national obligations.[38]

The difference in specificity of guidance issued by CBD and UNFCCC may be due to the varying specificity of obligations across the two Conventions. For example, the CBD imposes specific substantive obligations on contracting Parties such as under Articles 6 – 19. On the other hand, the UNFCCC gives parties greater discretion on the implementation of appropriate programmes as part of their UNFCCC commitments.[39] Another reason is that the UNFCCC SCF has more time and expertise to review and consolidate UNFCCC COP guidance.

Another aspect of streamlining is that since the reporting period of the Fourth Review, the COP has incorporated guidance to GEF in a single decision,[40] including the identification of priority issues aimed to provide support for cross-cutting issues and capacity-building, resulting in a more efficient delivery of COP guidance.

In respect of MOU implementation, the COP has largely followed its guidance obligations. However, there are areas of improvement. For example, key feature of the CBD is its adoption of incremental costs as a principle for financial assistance. Article 20.2 obliges developed country Parties to 'provide new and additional financial resources to enable developing country Parties to meet the agreed full incremental costs to them of implementing measures which fulfil [Convention obligations and to benefit from its provisions and which costs are agreed between a developing country Party and the institutional structure referred to in Article 21, in accordance with policy, strategy, programme priorities and eligibility criteria and an indicative list of incremental costs established by the [COP]'. Articles 6 through 14 of the CBD indicate the types of activities that are eligible and the Intergovernmental Committee on the CBD proposed a draft indicative list of incremental costs which set out the cost elements of relevant Convention articles. To-date, no update has been given on whether COP will clarify the implementation of the draft list. Instead, the GEF has in place its Operational Guidelines for Incremental Costs Policy to determining the incremental costs of a GEF project

[36] OPS5 p 45.
[37] OPS6 p 14.
[38] Ibid.
[39] See, for e.g, Article 4.
[40] Decision XIII/21, annex II, paragraph 52

through a five-step simplified scenario to determine the incremental cost of a project and negotiate the role of co-financing.[41]

More generally, the COP's guidance does not prioritise elements that the GEF should focus on. For example, guidance from COP-11, which cover the GEF-6 period, directed the GEF to support its programme priorities for the period 2014 – 2018, including the Strategic Plan for Biodiversity 2011 – 2020 and its Aichi Biodiversity Targets, the Strategic Plan for the Cartagena Protocol on Biodiversity, the implementation of the Nagoya Protocol on Access and Benefit-Sharing without specifying priority areas[42] In COP 15, the four-year outcome-oriented framework of programme priorities also extends to include the GBFF in its entirety, including 'its goals and targets which define the outcomes being sought.'[43] COP 15's consolidated previous guidance also sets out programme priorities in relation to the articles within the CBD instead of ranking them in order of importance. As observed in the Fourth Review, the CBD's lack of prioritisation may result in the fragmentation of GEF's limited resources and achievement of limited impact in many areas, as opposed to concentrated impact in a few areas.[44] This issue was also highlighted in GEF-6, where it was noted that the estimate of the amount of resources required for the GEF-6 period ranged from US$35 – 87 billion for GEF-eligible countries and, after applying various co-financing ratios, the GEF incremental amount ranged from US$5 billion to US$ 29 billion.[45]

In light of the experience in developing guidance in the CBD and UNFCCC that is more prioritised and implementable, it is worth noting the experience of the UNFCCC which established the Standing Committee on Finance. This was also recommended in [fifth] review of the financial mechanism.[46]

c. Conformity of GEF activities with COP Guidance

The GEF has, since the reporting period of the Fourth Review, compiled a table of COP guidance in each of its report to the COP. From GEF's reports arising from the guidance issued by the COP between COP 12 and 15 and the review of GEF's strategic objectives in its Biodiversity Focal Area Strategies for GEF-6, 7 and 8, it can be concluded that COP's guidance have largely been implemented by the GEF. The Third and Fourth Reviews of the Financial Mechanism also came to similar conclusions on this area, with the Third Review noting that the 'GEF has been responsive to most COP guidance on program themes, priorities and programs of work provided over the period of review'[47] and the Fourth Review noting that the 'GEF has been largely responsive to guidance from the COP,

[41] GEF, Operational Guidelines for the Application of the Incremental Cost Principle p i.
[42] GEF-6 Programming Directions p 9.
[43] Decision 15/15 p 5.
[44] IEO, Sixth Comprehensive Evaluation of the GEF p 8.
[45] GEF-6 Programming Directions p 9.
[46] COP Decision 14/8.
[47] Third Review submitted by Stratos (26 February 2008, 9th COP) p 13.

within its means, in the GEF-4 and GEF-5 Focal Area Strategies, project approvals, and GEF reports to the COP'.[48]

In respect of the current Report, key examples of GEF's conformity to COP guidance are set out below. The excerpts of GEF's tables indicating how they have responded to COP guidance can be found at Appendix G.

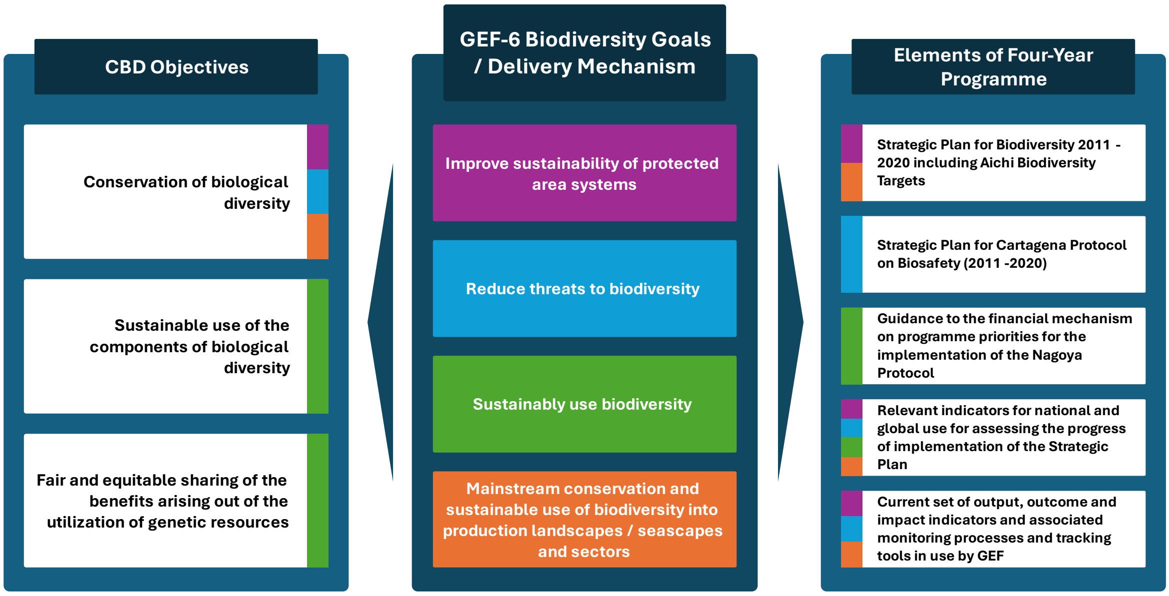



*Figure 1: GEF-6 Mapping*

[48] Fourth Review submitted by ICF International (26 March 2014, 12th COP) p 5.

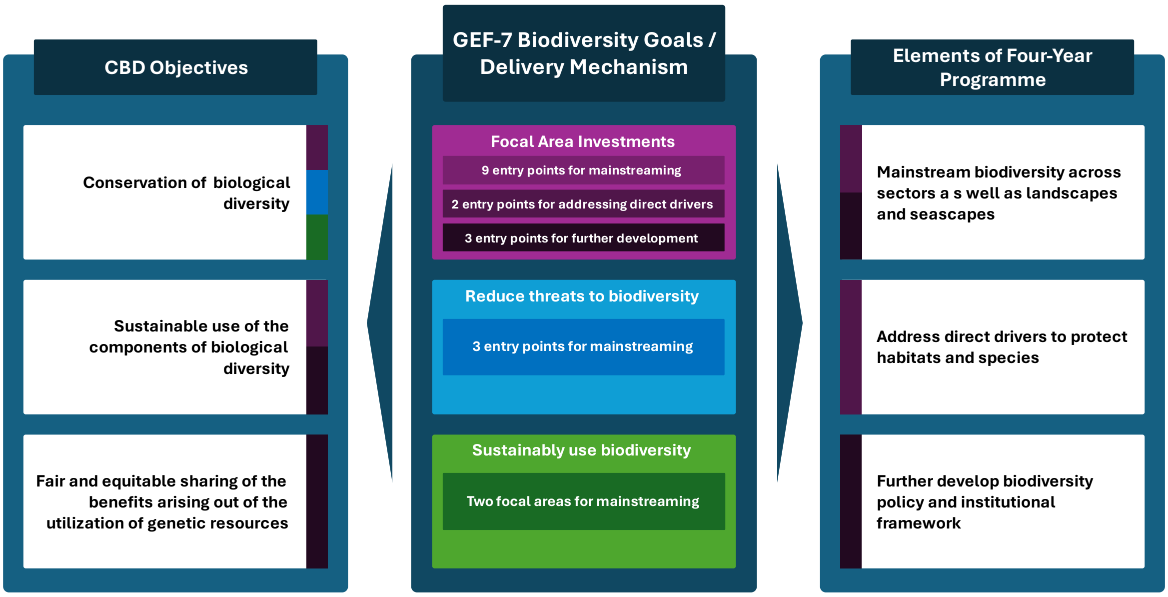



*Figure 2: GEF-7 Mapping*

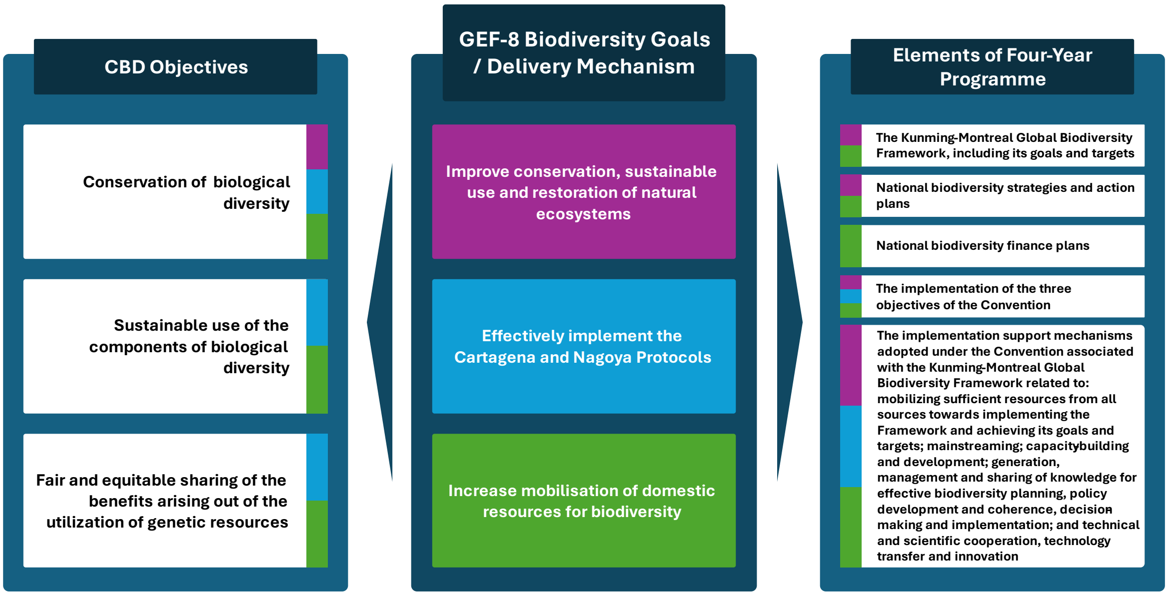



*Figure 3: GEF-8 Mapping*

From GEF-8, a key aspect of the GEF's work has been the relatively quick launch of the GBFF. The Conference of Parties had, at COP 15, requested that the GEF establish in 2023, and until 2030 unless the COP decides otherwise, a special trust fund to support the implementation of the GBF.[49] The GBFF was launched at the GEF's 7th Assembly in August 2023[50] and the 1st Council meeting of the GBFF, which saw the launch of the GBFF's first

[49] Decision 15/15 [20].
[50] https://www.thegef.org/newsroom/press-releases/new-global-biodiversity-fund-launched-vancouver

work programme, took place on 8 – 9 February 2024. The work program approved by the Council totals USD 203.4 million for 21 projects to address urgent climate change adaptation priorities in 16 LDCs and eight non-LDC small island developing States (SIDS), and comprises one multi-country project and 20 national projects.[51]

d. Contracting party views

The Report sought feedback from Contracting parties on their views in respect of the following questions:

1. How do the activities of the Global Environment Facility, as the institutional structure operating the financial mechanism of the Convention and its Protocols, conform with the guidance of the Conference of the Parties?

2. Are the actions taken by the Global Environment Facility in response to the guidance of the Conference of the Parties adequate?

In respect of Question 1, both developed and developing Contracting parties were largely in agreement that GEF activities were largely in conformity with COP guidance. Some of the developing countries, however, were of the view that GEF effort were restricted by limited resources. One developing country was of the view that COP guidance itself should be better aligned with the Goals of the Global Biodiversity Framework while another was of the view that GEF was not a dedicated structure operating the financial mechanism and this was not in compliance with the CBD.

In respect of Question 2, developed countries were in agreement that GEF actions were adequate. Responses from developing countries were mixed. Nine countries were of the view that GEF actions were adequate, with a few pointing out the quick establishment of the GBF. However, there were qualifications. Examples include (i) not being sure that the GBF would be implemented to expectation; (ii) acknowledging that country decisions influence the adequacy of GEF actions; (iii) an overemphasis on projects focused on the expansion of protected areas; (iv) GEF should work to ensure that all eligible countries can access GEF funds, improve governance and standards of IAs and towards the implementation of the Nagoya and Cartagena Protocols.

e. Other observations

According to the GEF Secretariat, COP guidance may be counterproductive to effective GEF interventions. For example, COP 13 requested that GEF consider improving its access modalities, including enabling the participation of a number of additional national agencies from developing countries.[52] However, GEF found that increased

[51] https://enb.iisd.org/global-environment-facility-council-meeting-66-8feb2024
[52] Decision XIII/21.

competition among a larger number of agencies, coupled with the introduction of country allocations, has at times been counterproductive. Moreover, the expansion of the partnership has resulted in some cost increases, such as the cost for countries and the Secretariat to manage relations across a larger number of agencies.[53]

The GEF's effectiveness is also country-driven.

First, guidance from COP 12 required the GEF to consider mechanisms for, *inter alia*, (i) supporting the updating and finalization of national biosafety frameworks. However, as at COP 13, only one project (Malaysia: Institutional Capacity to Enhance Biosafety Practices in Malaysia) totalling $995,000 had been submitted for support in biosafety in GEF 6). In COP 15, the guidance was for GEF to effectively implement the Implementation Plan for the Cartegena Protocol on Biosafety and the Capacity-building Action Plan for the Cartagena Protocol on Biosafety. However, while two of GEF's Biodiversity Focal Area strategy supports capacity building for the implementation of the Cartagena Protocol, no country had requested support from GEF in the reporting period. Another example arising from COP 15 would be the guidance to GEF on programme priorities to support the implementation of the Nagoya Protocol on Access and Benefit-Sharing. Only one project in Brazil was approved under GEF's Biodiversity Focal Area Objective Two (supporting capacity building and priorities), while one project to support national implementation and associated capacity building submitted by Burkina Faso is under review.

Second, GEF resources are limited and not protected against external fluctuations despite the critical role it plays in the mobilisation of resources at the domestic level and in support of CBD objectives. At the same time, participants are unable to agree on protective measures, such as hedging,. For example, COP 14 requested GEF to continue its efforts to minimize the potential consequences of the projected shortfall for its support to developing countries, aiming to fulfil the relevant programming directions of the sixth replenishment of the GEF and with a view to maintaining the level of support to GEF recipient countries. However, GEF's response was that participants to the GEF-7 replenishment indeed explored additional measures. While the participants discussed the hedging option in detail, including a proposed foreign exchange risk management framework, hedging costs and collateral requirements, they had differing views on the hedging proposal presented and, on balance, expressed a preference to defer the decision to a later date.

f. Recommendations

The GEF has largely conformed to COP guidance in the implementation of the goals and objectives for the biodiversity focal area. At the same time, its effectiveness is limited by,

[53] GEF Report to COP 14 p 26.

*inter alia*, the availability of financial resources for eligible countries, the lack of strategic prioritisation of focus areas and a country-driven approach to GEF-financing.

This Report provides the following recommendations arising from this Section:

1. The COP should establish a standing committee on the financial mechanism with a view to enhancing its strategic direction to the financial mechanism, including by prioritizing its guidance and developing guidance that is more actionable and measurable.

2. The GEF should make additional efforts to meet fully all its reporting requirements, and in particular to include information on projects on biological diversity funded by GEF outside the Convention, how GEF has responded to the needs assessments prepared by the COP under the MOU in order to enable the COP to improve the quality of its guidance.

## XI. Resource Mobilisation

*a. Providing and mobilising funds*

This section analyses the effectiveness of the GEF in providing and mobilising financial resources to enable all recipient country Parties to meet the agreed full incremental costs to them of implementing measures which fulfil the obligations of the CBD and its Protocols and to benefit from its provisions, taking into account the need for predictability, adequacy and timely flow of funds.

Contracting parties' answers to the following questions are also taken into account:

(a) How effective is the Global Environment Facility in providing and mobilizing financial resources to enable all recipient country Parties to meet the agreed full incremental costs to them of implementing measures which fulfil the obligations of the Convention and its Protocols and to benefit from its provisions, taking into account the need for predictability, adequacy and timely flow of funds?

(b) To what extent do eligible countries receive timely, adequate and predictable funds to enable countries to meet the agreed full incremental cost to them of implementing measures that fulfil the obligations under the Convention and its Protocols, that generate global environmental benefits?

*(i) Predictability and timeliness*

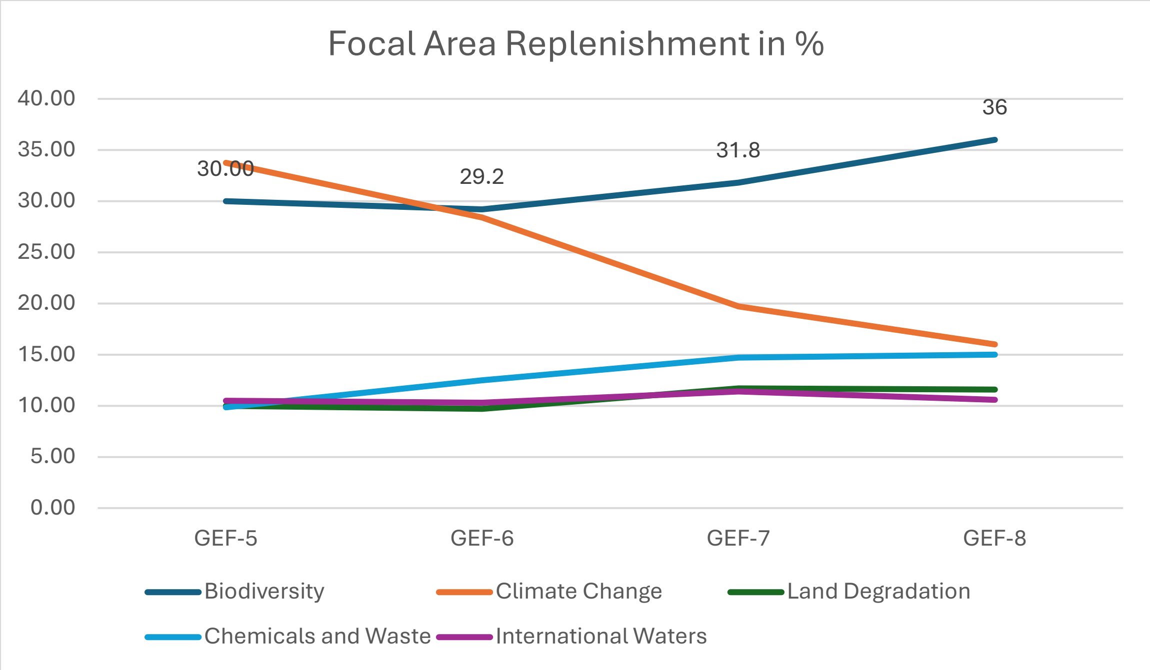
The predictability and timeliness of GEF funds are determined by, amongst others, the allocation framework in place and project life cycle. Funds are provided by participating donor countries and made available to developing countries and countries with economies in transition via the GEF Trust Fund.[54] Between GEF-6 and GEF-8, the biodiversity focal area received between 29.2% to 36% of the total focal area resources. In terms of absolute figures, the total resources allocated to the biodiversity focal area also trended upwards with the other focal area except for climate change, which has seen a drop in terms of both proportion and value of funding since GEF-5.

***Allocations by focal areas (US$ mil)***

| Focal Area | GEF-5 | GEF-6[55] | GEF-7[56] | GEF-8[57] |
|---|---|---|---|---|
| Biodiversity | 1,200 | 1,296 | 1,292 | 1,919 |
| Climate Change | 1,350 | 1,260 | 802 | 852 |
| Land Degradation | 400 | 431 | 475 | 618 |
| Chemicals and Waste | 395 | 554 | 599 | 800 |
| International Waters | 420 | 456 | 463 | 565 |
| Total Focal Area Resources | 4,000 | 3997 | 3631 | 5143 |

*Table 1: Summary of Negotiations for GEF-7 and GEF-8*

[54] https://www.thegef.org/who-we-are/funding
[55] Summary of Negotiations of the 7th Replenishment of the GEF Trust Fund.
[56] Summary of Negotiations of the 7th Replenishment of the GEF Trust Fund.
[57] Summary of Negotiations of the 8th Replenishment of the GEF Trust Fund.




*(ii) Allocations by country*

The GEF has been using STAR since GEF-5. This is a performance-based framework for the allocation of resources from the GEF Trust Fund to countries over a replenishment period specifically for biodiversity, climate change and land degradation focal area allocations to countries.[58]

The STAR allocation takes into consideration various high-level and sub-indices, which include the Global Benefits Index (GBI), which has sub-indices for biodiversity, climate change and land degradation, Country Performance Index (CPI), which has sub-indices for GEF portfolio performance and institutional assessment, and Gross Domestic Product Index (GDP). The Country Score is the product of GBI, CPI and the GDP Index, and the Country Share is the quotient of the Country Score divided by the Sum of Country Scores for all STAR Recipient Countries.

One of the key elements of STAR is the establishment of floors and ceilings to provide recipient countries a minimum level of funding for programming GEF activities, whereas ceilings pnt concentration of GEF resources in a GEF recipient country.[59] Both GEF-6 and GEF-7 STAR allocation guidelines differentiated only between LDCs [60] and non-LDCs. For GEF- 6, the floor was set at US$2 million for LDCs and $1.5 million for non-LDCs. For GEF-7, the floor was set to US$2 million for non-LDCs and US$3 million for LDCs for the biodiversity focal area while the ceiling was 10% of the total Focal Area Allocation.[61] For

[58] Policy for the System for Transparent Allocation of Resources (2018) (Policy: GA/PL/01)
[59] IEO, Evaluation of the GEF's System for Transparent Allocation of Resources (July 2018) (Evaluation Report No. 130) p 14.
[60] As defined by the United Nations
[61] 2018 STAR policy (*supra* n. 58) p 7; Evaluation of the GEF's System for Transparent Allocation of Resources (*supra* n. 59).

GEF, SIDS were included in the minimum allocation floor, which rose to US$ 4 million. The focal area ceiling was reduced to 6%.[62] Further, the exponent given to the GDP Index increased from -0.12 to -0.16 to allow for greater equity for LDCs and SIDS.[63]

Second, as at GEF-8, countries have full flexibility as to how they wish to utilise allocated resources across the three focal areas. This gives parties increased autonomy compared to GEF-6 and GEF-7, where parties had full flexibility only up to US$ 7 million. For GEF-6, parties had flexibility for US$ 2 million for allocated amounts exceeding US$ 7 million, and for GEF-7, US$ 2 million or 13% of total country allocation, whichever higher, for allocated amounts exceeding US$ 7 million.[64]

Between GEF-7 and GEF-8, the STAR utilization rates for the Biodiversity focal area for LDCs and SIDS is as follows:

| **Biodiversity Focal Area** | **GEF-6**[65] | **GEF-7**[66] | **GEF-8**[67] |
|---|---|---|---|
| LDCs | % | 93% | 63% (in progress) |
| SIDs | 97% | 90% | 52% (in progress) |

*Table 2: Utilisation Rate (%)*

[62] Ibid p 4
[63] Ibid p 5.
[64] Updating the System for Transparent Allocation of Resources (STAR) (19 May 2022) (GEF/C.62/04)p 3.
[65] GEF Corporate Scorecard May 2018.
[66] GEF Corporate Scorecard June 2022 for projects approved from June 2018 to June 2022 Work Program, p 9.
[67] GEF Corporate Scorecard June 2024 for projects approved from July 2022 to June 2024 Work Program, p 8.

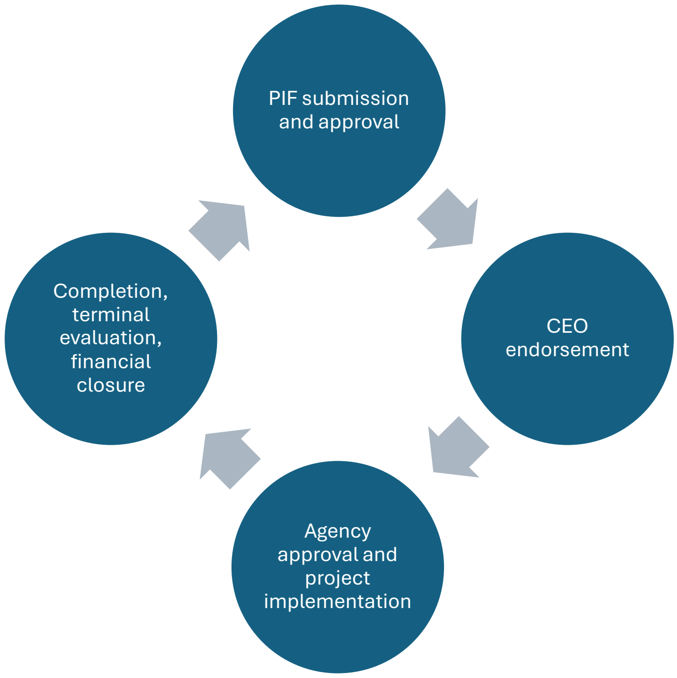



*Figure 4:Life cycle of GEF project excerpted from Project and Program Cycle Policy (20 December 2018)*

The general life cycle of GEF projects is initiated by the submission of a Project Identification Form (PIF). If approved by the Council, the Chief Executive Officer endorses a detailed project description and an Implementing Agency is chosen. This marks the start of project implementation. Streamlining the GEF process may improve project cycle and operational efficiency, reducing transaction costs in key areas.[68] GEF projects are generally classified into four categories:[69]

(a) FSP with GEF project financing of more than US$2 million;
(b) MSP with GEF project financing of US$2 million or less;
(c) EA;
(d) Program: a longer-term and strategic arrangement of individual yet interlinked projects that aim at achieving large-scale impacts on the global environment.

In terms of disbursement timeliness, for FY 2023, agencies reached first disbursements within less than 18 months for 82% of approved projects. This was 3% down from FY 2022, but represented a general upward trend from FY 2019 (78%).[70] The trend of disbursements for GEF-7 and GEF-8 for MSPs and FSPs are set out below:

[68] GEF, 'Streamlining the GEF Project Cycle: Report from the Working Group on the Streamlining Process' p 3.
[69] https://www.thegef.org/projects-operations/how-projects-work
[70] GEF Monitoring Report 2023 p 17.

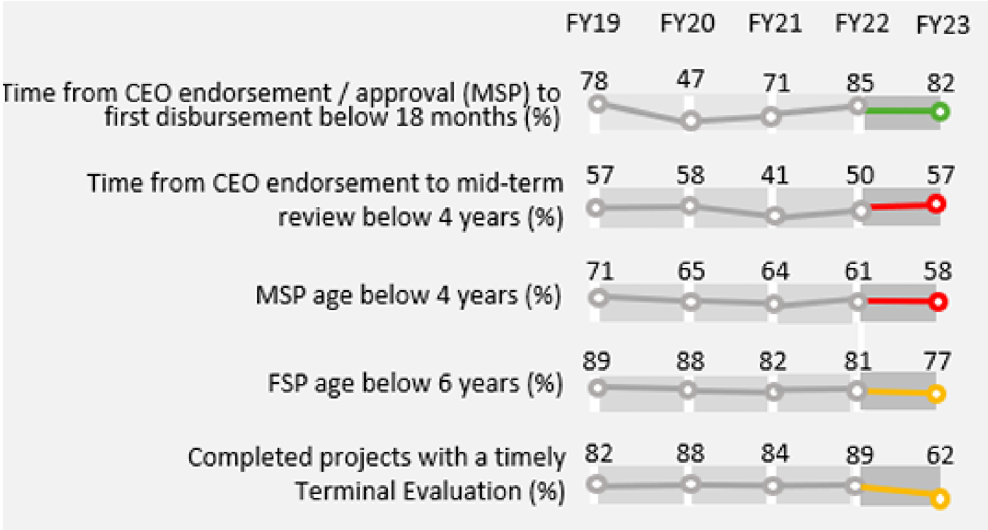



*Figure 5: GEF Monitoring Report 2023*

Within the specific context of the CBD, relevant funds also include the Nagoya Protocol Implementation Fund (NPIF) and the GBFF to scale up financing for the implementation of the GBF. While the Nagoya Protocol entered into force on 12 October 2014, the NPIF became operational in March 2011 to facilitate the early entry into force and implementation of the Protocol.[71] Projects under the NPIF are supported mainly through the GEF Medium Size Project modality. As will be elaborated on below, this has implications on co-financing and GEF's ability to mobilise new and additional funds from the private sector. The NPIF was only utilised in GEF-5 to the sum of US$14.3 million, and was not utilised in GEF-6 or GEF-7.

The GBFF was launched at the 64th GEF Council Meeting between 26 and 29 June 2023.[72] The Policy on Allocation of Resources for the GBFF operationalises the allocation of resources through programming tranches triggered by financial capitalisation thresholds.[73] This is meant to improve predictability for recipient countries while accommodating financial contributions on a rolling basis, and predefining the size of programming tranches will enable recipient countries to anticipate and prepare adequately-sized project proposals.[74] Currently, the Work Program for the GBFF consists of two projects in Brazil and one Project in Mexico in the sum of US$37,824,000.[75]

Contracting parties' responses on the predictability and timeliness of funds were varied. While the developed countries and at least three developing countries were of the view

[71] GEF, Nagoya Protocol Implementation Fund https://www.thegef.org/sites/default/files/documents/NPIF_brochure_-_English.pdf
[72] Establishment of a new Trust Fund: Global Biodiversity Framework Fund (GEF/C.64/05/Rev.01).
[73] Policy on Allocation of Resources for the Global Biodiversity Framework Fund (GBFF) (GEF/GBFF.01/03/Rev.01) p 1
[74] Ibid.
[75] Work Program for Global Biodiversity Framework Fund (GBFF) (GEF/GBFF.02/03) p 5.

that STAR allocations helps keep fund amounts predictable, at least 6 developing countries felt that the funds were not disbursed in a timely manner. The reasons given included delays from IAs, procedures which makes access difficult and domestic political contexts which may delay project implementation.

*(iii) Adequacy of funds*

In respect of the adequacy of funds, contracting Parties' responses were again varied. The developed countries were of the view that GEF 'is very effective' in providing and mobilising financial resources for the CBD and that it is an 'effective and efficient financial mechanism'.

The responses received from developing countries, however, were more mixed. For example, one country highlighted that the funding available is generally sufficient, although there is still a need to enhance the availability of resources to fully meet recipient nations' requirements. Another feedbacked that the GEF was 'very effective, especially with the fast-track systems established, and the new contributors identified'. On the other hand, at least five developing countries were of the view that funds were inadequate. One feedbacked that 'GEF's concessional resources are insufficient to cover all the obligations assumed in the conventions'. Another observed that 'the amount received or utilized did not fully meet the criteria of predictable, adequate and timely flow of funds'. Yet another mentioned that the GEF financial resources 'have not been increasing at the pace that is required to meet the environmental challenges'.

b. Mobilising new and additional funds

This section reviews the effectiveness of the GEF in mobilising new and additional financial resources to support national implementation such as national biodiversity strategies and action plans and national biodiversity finance plans of the CBD and its Protocols.

The key questions that this Report seeks to answer are the following:

(a) how effective has the Global Environment Facility been in mobilizing financial resources for the review period from all sources to support national implementation, including national biodiversity strategies and action plans and national biodiversity finance plans, of the Convention and its Protocols?

(b) What role does the Global Environment Facility play in developing the pathway to Target 19 of the Kunming-Montreal Global Biodiversity Framework?

*(i) Resource Mobilisation in the CBD*

Resource mobilisation is an urgent issue in biodiversity: the GBF estimates the biodiversity finance gap at US$700 billion a year between 2023 and 2030, demonstrating a pressing need for the mobilisation of new and additional resources. Article 21.1 encourages voluntary contributions to the provision of financial resources to developing countries from developed country parties, other countries and sources. The importance of additional financial resources was highlighted as early as COP 1, where the COP requested the Secretariat to present to COP 2 a study on the availability of financial resources additional to those provided through the GEF, and on the ways and means for mobilising and channelling such resources.[76] The Advisory Committee on Resource Mobilisation will also present to COP 16 on, *inter alia*, the following issues:

(a) Review the strategy for resource mobilization to fully align it with the Kunming-Montreal Global Biodiversity Framework and ensuring that it will provide a solid basis for guiding Parties and other actors towards the mobilization of adequate resources, commensurate with the ambition of the Framework;

(b) Explore the current finance landscape with a view to assessing gaps and overlaps, and to identifying opportunities to strengthen, simplify and reform existing instruments to strengthen the current finance landscape for biodiversity;

(c) Explore proposals for a global instrument on biodiversity finance to mobilize resources from all sources, commensurate with the ambition of the GBFF.

The replenishment of the GEF Trust Fund is based on the determination of funding requirements set out at Article 5 of the MOU. In particular, Article 5.1 sets out that the COP will make an assessment of the amount of funds that are necessary to assist developing countries taking into account the criteria set out therein. The third funding needs was conducted in 2021 for the replenishment period of GEF-8.

*(ii) Relevant COP decisions*

In relation to GEF-6, the need for catalysing additional finance was also highlighted at COP 11,[77] which targeted for, *inter alia*, at least 75% of parties provided with adequate financial resources to have reported domestic biodiversity expenditures[78] and to have prepared national financial plans for biodiversity by 2015.[79] COP 12 also called for the

[76] Decision I/2.
[77] UNEP/CBD/COP/11/35 Appendix II
[78] Ibid (c).
[79] Ibid (d).

GEF to enhance its catalytic role in mobilising new and additional financial resources while not compromising project goals.[80]

In relation to GEF 7, COP 13 directed the GEF to, *inter alia*, (i) mobilise co-financing and other modes of financing for its projects related to implementation of the CBD, and apply co-financing arrangements in ways that do not create unnecessary barriers and costs for recipient parties to access GEF funds; (ii) support diffusion and facilitate replication and scaling up, of new and innovative financing mechanism initiatives that have proved to be successful; and enhance its catalytic role in mobilising new and additional financial resources while not compromising project goals; (iii) consider joint-financing, in partnership with other international financial instruments, of projects designed to achieve the objectives of more than one Rio convention.[81]

At COP 15, the COP directed the GEF to (i) establish a dedicated and accessible fund in 2023 for the GBF that can quickly mobilise and disburse new and additional resources from all sources commensurate with the ambition of the Framework; (ii) to engage all multilateral development banks and other international financial institutions in the design and operationalisation of the GBFF with the view of leveraging additional resources; (iii) to enhance its catalytic role in mobilising new and additional financial resources while not compromising project goals.[82]

*(iii) What financial sources has GEF mobilised to support national implementation of the CBD and its Protocols?*

Cofinancing is an important and main additional source of funding to augment resources for financed activities. The GEF Cofinancing Policy 2018 mandates co-financing for 'all GEF-financed FSPs, MSPs and programs. Co-Financing is encouraged for all EAs'.[83] EA support is generally provided for (i) revising NBSAPs in line with CBD's strategic plan; (ii) implementation of guidance related to the Clearing House Mechanism; and (iii) National Reports.

According to a study by the OECD for the period 2015 to 2022, bilateral funding for biodiversity increased between 2015 and 2022 between 8% and 27%, although funds towards biodiversity as a principal objective decreased by 17%.[84] Significantly, biodiversity-related development finance from sources such as private philanthropies saw a general upward trend from from USD 501 million in 2017 to USD 700 million in 2022, and private finance mobilised with public finance has more than doubled, from USD 748

[80] Decision XII/30 p 2.
[81] Decision XIII/21 p 14.
[82] Decision 15/15.
[83] Article 7.
[84] OECD, 'Biodiversity and Development Finance 2015 – 2022' (2024) p 9.

million in 2021 to USD 1.8 billion in 2022.[85] While estimates of multilateral institutions'. Official Development Finance (ODF) for biodiversity grew between 716%-824% from 2015 to 2022, the share of biodiversity-related activities out of the total multilateral Official Development Finance portfolio remained relatively low (2%-3%, or USD 2.4-4.8 billion on average over the period).[86] The report concluded that mobilising private sector finance is essential to deliver on the GBF targets, but challenges remain. These include the fact that biodiversity and nature resource challenges are also location-specific, creating difficulties in identifying a problem and replicating a solution.[87]

Between GEF-6 and GEF-8, the ratio of GEF dollar to cofinance increased from $6.30 mobilised for every dollar invested to $8.2 for the biodiversity focal area. GEF has also noted that its stakeholders are increasingly interested in the use of blended finance to enhance private-sector engagement.[88]

| | **GEF-6** | **GEF-7** | **GEF-8** |
|---|---|---|---|
| **Co-financing ratio (X:1)** | 7.7 | 7.4 | 8.3 |
| **GEF financing ($m)** | 3,201 | 3,595 | 3,053 |
| **Co-financing ($m)** | 24,678 | 26,657 | 25,350 |

*Table 3:Overall co-financing ratio: GEF Portal as of 24 June 2024*

| | **GEF-6** | **GEF-7** | **GEF-8** |
|---|---|---|---|
| **Co-financing ratio (X:1)** | 6.3 | 7.9 | 8.2 |
| **GEF financing ($m)** | 1,415 | 1,621 | 1,929 |
| **Co-financing ($m)** | 8,862 | 12,827 | 15,802 |

*Table 4:Cofinancing for projects financed by the Biodiversity Focal Area, GEF Portal as of 24 June 2024*

*GEF-6*

In response to the guidance from COP 12, GEF indicated that it continues to strategically use multi-focal investments to leverage resources from other partners, with the

[85]Ibid.
[86] Ibid.
[87] Ibid p 62.
[88] GEF Cofinancing Policy 2018 (*supra* n. 83) p 13.

biodiversity focal area allocation reaching $454.9 million which leveraged $2.296 billion of co0financing for the period 1 July 2014 to 30 June 2016.[89] The provenance of these funding streams and GEF's attempts to mobilise new finance were not elaborated on in the report. In respect of the Cartagena Protocol, the GEF funded one country-based project (Malaysia) for the implementation of the Protocol, investing $1 million which leveraged $2 million in co-financing, and three umbrella regional projects for third national reports (Latin America and the Caribbean, Central and Eastern Europe Africa, Asia Pacific) for a grant amount of $3.96 million which leveraged an additional $3.1 million of co-finance.[90] In respect of the Nagoya Protocol, GEF invested $9 million for a leverage of $33.9 million in co-financing for three country-based projects (Peru, Nepal and South Africa) to strengthen national capacities, while a regional project on impact investment saw GEF funding from non-grant instrument pilot of $10 million for $48.3 million in co-financing.[91]

In response to the guidance from COP 13, GEF indicated that $1.540 billion of GEF resources leveraged $8.165 billion of cofinancing in respect of the Aichi Biodiversity Targets for a ratio of 1:5 through various funding streams, for the entire GEF-6 period. The Aichi Biodiversity Targets cross-cuts other focal areas such as climate change, international waters and sustainable forest management focal areas. In respect of sole biodiversity focal area contributing to the Aichi Targets, GEF project grants totalled $768.4 million, while co-financing totalled $3,620.1 million for a similar co-financing ratio of 1:5.

GEF indicated that joint financing opportunities were capitalised on, including the World Bank/GEF projects 'Sustainable Low Carbon Development in Colombia's Orinoquia Region' and the 'Mai-Ndombe REDD+ Integrated Project'.[92] In relation to national plans, GEF indicated that "virtually all" GEF-eligible countries had received support to revise their national biodiversity strategic action plans (NBSAPs), with GEF to support the "very few remaining countries" that have not revised their NBSAPs.[93] In relation to the Protocols, the GEF approved a global project to support 65 countries to produce an Interim National Report, with its investment of $1.4 million leveraging $1.1 million in co-financing for the Nagoya Protocol and approved six country-based projects (Brazil, Cambodia, Congo DR, Lesotho, Timor-Leste and Uganda) to strengthen technical, legal and institutional capacities for implementation. GEF invested $15.3 million and leveraged $50.4 million in co-financing.[94] In respect of the Cartagena Protocol, GEF funded three country-based projects (Cuba, Guatemala and Malaysia), investing $3.2 million and leveraging $4.6 million in co-financing.

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[89] GEF report to COP 13, p 25.
[90] Ibid p 17.
[91] Ibid.
[92] GEF report to COP 14, p 28.
[93] Ibid p 31.
[94] Ibid p 34.

*GEF 7*

The total value of GEF-7 investments towards the Aichi Biodiversity Targets was $2.04 billion, which leveraged cofinancing of $16.51 billion, resulting in a cofinancing ratio of 1:8.[95] This represents a significant uplift from the cofinancing ratio at GEF-6 (1:5) and is a factor of increased GEF resources and increased cofinancing. However, GEF-7 was also affected by the COVID-19 pandemic by disrupting the normal development process of GEF projects and the ability of countries to advance project designs in a timely and participatory manner.[96] Under GEF-7, GEF is accelerating the use of non-grant instruments for blended finance in support of delivering Global Environmental Benefits and to catalyze investments from capital markets at global and national levels aligned with focal area objectives.[97]

*GEF-8*

The GEF approved $72.04 million of financial support (exclusive of agency fees) for NBSAP revisions in 139 countries in GEF-8. This support follows on to the GEF-7 Early Action Grants which supported 138 countries with a total of $38.2 million to undertake initial activities to, among others, revise their NBSAPs.[98] A global program of support to fund national biodiversity finance plans was approved in November 2022 at the 63rd GEF Council and all remaining eligible countries were added to this program in the first quarter of 2023. A total of 91 countries are being supported with a total of $38.2 million in project financing (excluding Agency fee).[99]

A significant event in the GEF-8 cycle is the launch of the GBFF. As such, the GEF-8 Biodiversity Focal Area investments and associated programming also support the implementation of the GBFF. The total sum directed to the GBFF was $2 billion, which leveraged cofinancing of $13.9 billion.[100] A total of $1,918.80 million was allocated to the Biodiversity Focal Area.

GEF- 8 also saw the approval of four blended finance projects, supported with $66 million of GEF financing leveraging $1.378 billion.[101]

Overall, developed contracting parties were of the view that GEF is effective at mobilising resources from all sources to support national implementation. In respect of developing contracting parties, at least seven found that the GEF was effective or partially effective in mobilising resources, although there is room for improvement. Feedback include that GEF's impact is limited due to 'scattering of resources', insufficiency in the 'amount of

[95] GEF Preliminary Report to COP 16, p ii.
[96] GEF report to COP 15, p iv.
[97] Ibid p 13.
[98] GEFSEC response to Questionnaire.
[99] Ibid.
[100] GEF Preliminary Report to COP 16, p ii.
[101] GEF Preliminary Report to COP 16, p iii.

resources mobilized and ensuring financing aligns with national needs' and sectors such as the private sector and philanthropy not yet being fully engaged.

*GBFF*

The GBFF seeks to mobilise and distribute new and additional resources from public, private and philanthropic sources. In particular objective three of the GEF-8 Biodiversity Focal Area strategy aims to increase mobilization of domestic resources for biodiversity and supports countries to develop biodiversity finance plans. In addition, Action Area Four of the GBFF, which encompasses Target 19, aims, *inter* alia, to catalyse and diversify funding sources. However, as at 8 February 2024, only countries have voluntarily contributed to the GBFF which highlights the continuing need of catalysing new and additional sources of funds for biodiversity conservation.[102]

Majority of the contracting Parties are of the view that GEF plays a crucial role in developing the pathway to Target 19 in terms of resource mobilisation. One country highlighted funds from developed countries as the most important channel of financing, another highlighted that the GEF can facilitate financial flows for biodiversity conservation, sustainable use of natural resources and ecosystem restoration which are critical to achieving Target 19.

*(iv) Sources of financing and contribution to project implementation*

For both GEF-6 and GEF-7, projects realised 102% of the cofinancing amount committed at CEO endorsement/approval, although realisation rates were lower than expected for projects in LDCs (55%) and SIDs (81%).[103]

[102] https://www.cbd.int/financial/gbff.shtml
[103] IEO, Evaluation of Co-financing in the GEF (unedited, May 2018) p 36 – 37.

| Type | Cofinancing in $ million | | | Realization as percent of commitments at CEO Endorsement | |
|---|---|---|---|---|---|
| | CEO Endorsement | Mid-term | Completion | Mid-term | Completion |
| Trust Funds | | | | | |
| GEF Trust Fund | 2,589 | 1,005 | 2,693 | 39 | 104 |
| Other Funds | 148 | 68 | 109 | 46 | 74 |
| Cofinancing Type | | | | | |
| In-kind | 999 | 570 | 1,186 | 57 | 119 |
| Grant | 941 | 378 | 799 | 40 | 85 |
| Loan | 351 | 66 | 440 | 19 | 125 |
| Equity | 384 | 3 | 308 | 1 | 80 |
| Others & NA | 60 | 57 | 70 | 95 | 116 |
| Agency Type | | | | | |
| MDB | 694 | 116 | 433 | 17 | 62 |
| UN Orgs. | 1,913 | 849 | 2,140 | 44 | 112 |
| Others | 130 | 109 | 230 | 84 | 177 |
| Source Type | | | | | |
| Government | 1,224 | 734 | 1,254 | 60 | 102 |
| GEF agency | 655 | 171 | 431 | 26 | 66 |
| Private sector | 514 | 45 | 497 | 9 | 97 |
| CSO | 138 | 83 | 244 | 60 | 177 |
| Donor agency | 126 | 6 | 299 | 5 | 236 |
| Beneficiaries | 29 | 0 | 32 | 0 | 112 |
| Other sources | 51 | 34 | 45 | 67 | 88 |
| Country Category | | | | | |
| LDCs | 655 | 114 | 362 | 17 | 55 |
| SIDS | 128 | 18 | 104 | 14 | 81 |
| UMI & HI[1] | 454 | 200 | 578 | 44 | 127 |
| Others | 1,537 | 741 | 1,788 | 48 | 116 |
| Total | 2,736 | 1,074 | 2,803 | 39 | 102 |

*Table 5: Realisation of cofinancing for completed GEF-6 & GEF-7 projects*

For GEF-7, recipient country governments are the main source of co-financing, followed by GEF Agencies and the private sector. One-third of recipient country government co-financing was in-kind, followed by grants and 28% in public investments.[104]

[104] GEF, Progress Report on the Implementation of the Co-financing Policy (GEF/C.59/Inf.07) p 4.

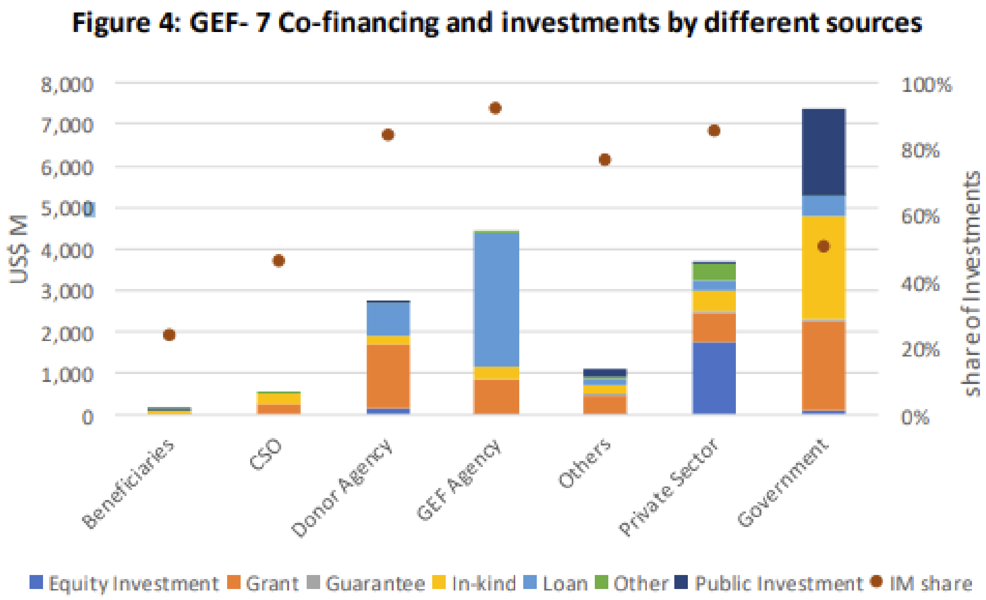



*Figure 6: Progress Report on the Implementation of the Co-Financing Policy*

In terms of actual investments mobilised, loans by GEF Agencies represent 23% of all investments, while investments in grants (35% of the total investments) are mobilized mainly by Governments and Agencies,[105]

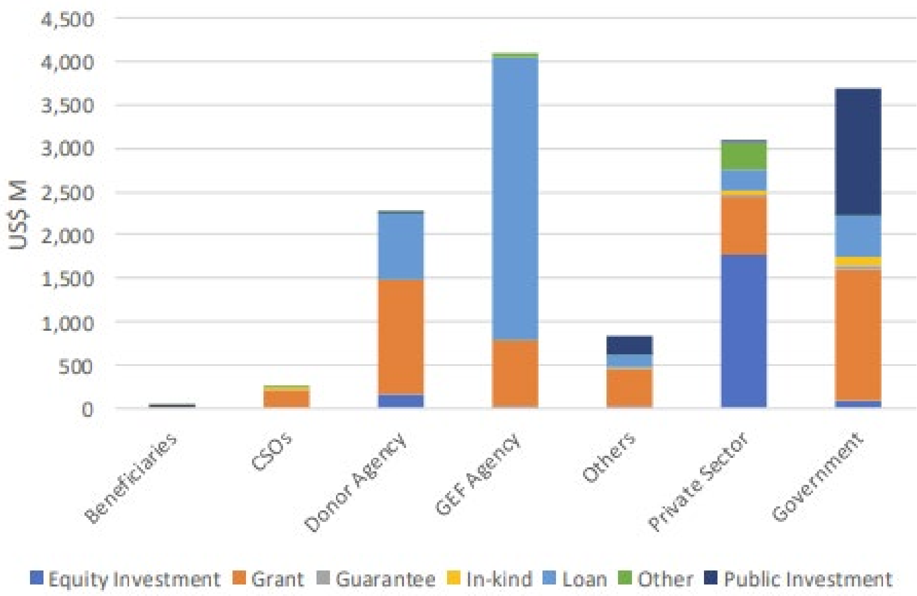



*Figure 7: Investments mobilized by sources and types of co-finance, Progress Report on the Implementation of the Co-financing Policy*

[105] Ibid p 5.

The Policy and Guidelines on Cofinancing give great flexibility to IAs on raising cofinancing; the Secretariat does not impose minimum thresholds and/or specific types or sources of co-financing or mobilised investment.[106] One of the findings of the IEO's Evaluation of Cofinancing in the GEF was that Agencies employ diverse approaches to raise cofinancing. For example, multilateral development banks primarily use their internal resources and adjust their cofinancing strategies based on the required level of concessionality and whether the project involves a loan investment or an advisory product.[107] UN Agencies and international NGOs take a more proactive approach in seeking external funding sources, engaging closely with executing partners to identify cofinancing avenues and often rely on in-kind contributions and funding from recipient governments.[108]

The sixth performance review of the GEF found a strong correlation between the quality of implementation, execution, outcome performance and level of materialised cofinancing, with materialisation of less than 50% of promised cofinancing negatively affects outcome ratings since planned activities are dropped or scaled down.[109] The seventh performance review found that, in particular, private sector projects have been associated with transformational change, one of the strategic priorities of the GEF, and as such, private sector cofinancing should be encouraged.[110]

The level of cofinancing commitments varied depending on the focal areas, with Projects in the International Waters and Climate Change Mitigation focal areas, as well as national and regional projects, tending to attract higher levels of cofinancing commitments. Conversely, projects focused on biodiversity conservation, those with a global scope, and those implemented in Least Developed Countries (LDCs) and Small Island Developing States (SIDS), generate lower levels of cofinancing:

[106] GEF Cofinancing Policy 2018 (*supra* n. 83), art. 5.
[107] Evaluation of Co-financing (*supra* n. 103) p 18.
[108] Ibid p 19.
[109] Ibid p 20.
[110] IEO, Seventh Comprehensive Evaluation of the GEF (January 2022) p 148.

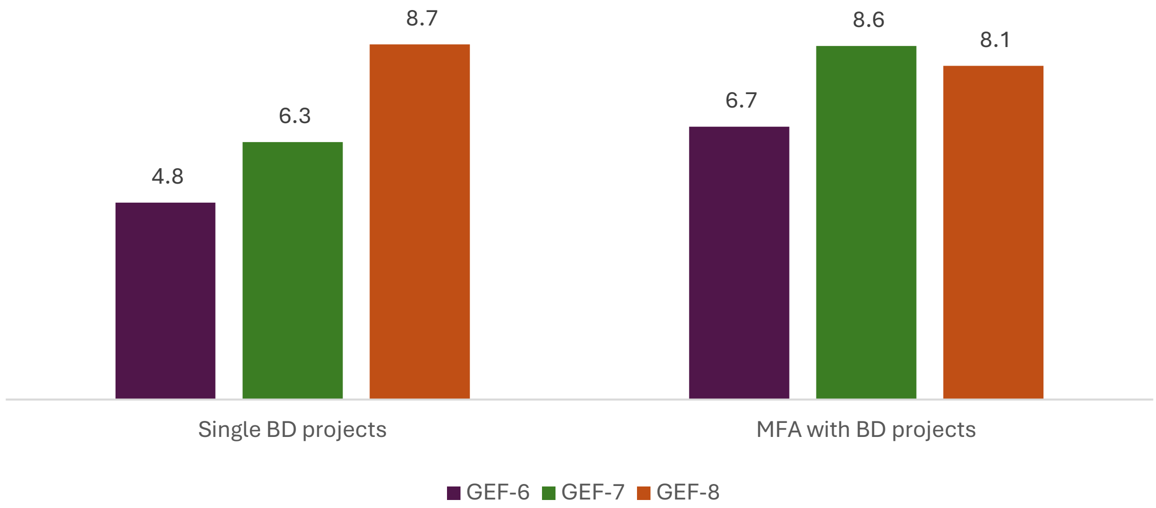



*Figure 8:Cofinancing Ratio by GEF phase, GEF Portal as of June 2024*

Further, while Official Development Assistance (ODA) accounts for 38% of total realised cofinancing in LDCs and 17% for LDCs, but has a realisation rate of 66% for LDCs and 17% of SIDs, lower than the portfolio average of 102%:[111]

*Table 14: Realization of ODA cofinancing*

| Country category | Realized in $ m (as % of CEO Endorsement) | | | As percent of aggregate cofinancing | | |
|---|---|---|---|---|---|---|
| | CEO Endorsement | Mid-term | Completion | CEO Endorsement | Mid-term | Completion |
| LDCs | 208 (100%) | 21 (10%) | 136 (66%) | 32% | 18% | 38% |
| SIDS | 15 (100%) | 0 (0%) | 2 (17%) | 11% | 0% | 2% |
| UMI & HI[1] | 12 (100%) | 0 (3%) | 4 (32%) | 3% | 0% | 1% |
| Others | 91(100%) | 4 (4%) | 131 (143%) | 6% | 1% | 7% |
| All countries | 314 (100%) | 25 (8%) | 271 (86%) | 11% | 2% | 10% |

Source: Evaluation analysis, for 118 completed GEF-6 & GEF-7 projects.
1/ Excludes SIDS.

*Table 6: Evaluation of Co-financing in the GEF*

While the GEF's updated cofinancing policy (2018) underscores the role of cofinancing in enhancing project effectiveness, sustainability, and the generation of broader environmental benefits, while also fostering partnerships, it is not without challenges. The IEO's evaluation on cofinancing examined the GEF approach to cofinancing, compared the GEF strategy with that of other multilateral organizations, and assessed the overall effectiveness of cofinancing in achieving the expected benefits. It also sought to understand how the GEF and its partners raise and manage cofinancing, as well as to identify factors influencing cofinancing commitments and their realization. The IEO's

[111]Evaluation of Co-financing in the GEF (*supra* n. 103) p 37 – 38.

evaluation is particularly pertinent to resource mobilisation under Article 20.2 of the CBD, which encourages contributions from "other countries and sources on a voluntary basis".

The evaluation found that the GEF's approach to cofinancing is ambitious and flexible, helping it raise cofinancing from diverse sources and attract high levels of funding. Cofinancing enhances the scale of activities, their effectiveness, and their sustainability by fostering national ownership. However, challenges include the realization of commitments, credible reporting, and difficulties in ensuring proportionality in project management costs.[112] In particular, GEF Agencies and recipient countries encounter significant challenges in securing cofinancing during project preparation: in respect of sources such as Multilateral Development Banks (MDBs), challenges include aligning GEF project approval timing with internal approval processes, sometimes leading to missed opportunities. In alignment with the feedback on the questionnaire given by the countries, majority of recipient respondents found, in IEO's evaluation, raising cofinancing to be challenging: some countries endeavour to ensure that each of their proposals meets the 7:1 ratio to facilitate a favourable appraisal by the GEF Secretariat, despite this ratio not being mandated.[113]

*Effect of COVID-19 on mobilising finance*

Overall, one-quarter of GEF projects experienced at least a 10% drop in cofinancing commitments from PIF approval to CEO endorsements. For example, 26.5% of FSPs that were approved before March 2020 but endorsed after March 2020 experienced a drop of at least 10% in cofinancing compared to a baseline of 14.9% for projects that were not exposed. The difference between the exposure between development and non-development banks was stark, highlighting the vulnerabilities faced by agencies which rely on external financing.

[112] Evaluation of Co-financing (*supra* n. 103) p 22.
[113] Ibid.

*(v) Conclusions and Recommendations*

The resources of the financial mechanism are provided in a relatively predictable manner due to the implementation of the STAR allocation and improvements have been made in terms of timely disbursements of funds to eligible countries. As will be elaborated in the sections below, the GEF is also in the process of streamlining its project cycle, and this will likely have a positive impact on the timely disbursements of funds. The GEF plays a crucial role in objective three of the GEF-8 Biodiversity Area, which aims to increase mobilisation of domestic resources, for biodiversity and supports countries to develop biodiversity finance plans and Action Area Four of the GBFF, which addresses Target 19 among others, aims, *inter alia*, to catalyse and diversify funding sources.

However, as at 8 February 2024, only countries have contributed to the GBF Fund which highlights the continuing need of catalysing new and additional sources of funds for biodiversity. Moreover, despite an encouraging contribution from one donor (Canada) in August 2023, other contributions have been few and generally small. More can be done to consistently ensure that the funds are paid out in a timely manner and to improve the adequacy of funds by encouraging voluntary contributions from the relevant contracting parties and to explore additional avenues of funds in order to close the financing gap for biodiversity. This is especially since the areas that need greater resources, such as the biodiversity focal area and LDCs/SIDs generate lower levels of co-financing. As demonstrated above, there are challenges with mobilising funds from key sources such as MDBs and ODAs, with the latter forming a significant portion of funding for LDCs but with realisation rates lower than portfolio average.

This Report provides the following recommendations:

1. The GEF should redouble its efforts to mobilize resources to support the implementation of the Convention and the Protocols and in particular to implement the Kunming-Montreal Global Biodiversity Framework, including by mobilizing voluntary contributions from Parties, in particular developed country Parties and other Parties in a position to contribute, and from other sources, including the multilateral development banks, the private sector, and philanthropy and through sustainable finance instruments, in order to improve the adequacy of funds and address the financing gap for biodiversity.

2. The GEF should consider further expanding the flexibility in project proposal processes, including in co-financing requirements, in particular for the least developed countries, small island developing States.

## XII. Effectiveness and efficiency of activities funded by GEF

This section addresses the effectiveness and efficiency of activities funded by the GEF by answering the following questions:

(i) How effective is the GEF in catalysing and enhancing national implementation measures for achieving global biodiversity goals and targets, including those that relate to the Protocols?

(ii) How does the GEF support implementation of the Sustainable Development Goals that contribute to achieving the objectives of the CBD?

(iii) How effective and efficient are the processes and procedures for the deployment of resources for programmes?

(iv) How effective is the GEF in overseeing, monitoring and evaluating the activities financed by its resources, as appropriate?

(v) How efficient and effective is the financial mechanism in supporting the objectives of the Convention and its Protocols in synergy with implementation of other pertinent MEAs in a manner that is consistent with the mandates of the respective MEAs?

(vi) How efficient is the Global Environment Facility in providing and mobilizing financial resources, as well as, in accordance with the guidance of the Conference of the Parties, in overseeing, monitoring and evaluating the activities financed by its resources, as appropriate?

This section will additionally consider responses to the following questions posed to Contracting parties:

(a) Do you have information related to performance in delivering Global Environment Facility projects including effectiveness and efficiency of access modalities and competence and capacity required to use these modalities?

(b) Do you have information related to performance in delivering Global Environment Facility projects including effectiveness and efficiency of access modalities and competence and capacity required to use these modalities?

(c) What are the three most important challenges affecting the efficiency and effectiveness of the Global Environment Facility and why?

(d) What are the three most important measures the Global Environment Facility should consider for improving its efficiency and effectiveness?

In relation to the Nagoya Protocol,

(a) What has been the experience, as well as lessons learned, in accessing and utilizing funds from the Global Environment Facility for the implementation of the Nagoya Protocol?

(b) What are the challenges to accessing and using Global Environment Facility funds?

(c) Are there possible barriers to regional collaboration?

In relation to the Cartagena Protocol,

(a) What has been the experience, as well as lessons learned, in accessing and utilizing funds for the implementation of the Cartagena Protocol?

(b) What are the challenges to accessing and using the Global Environment Facility funds?

(c) The relevance and process of creating a standalone window for biosafety

### *a. How effective is the GEF in catalysing and enhancing national implementation measures for achieving global biodiversity goals and targets, including those that relate to the Protocols?*

This section examines the efforts of the GEF in catalysing and enhancing national implementation plans for achieving global biodiversity goals and targets, including that of the Protocols through the use of its indicators and the progress made on the GBFF.

As at 2022, the GEF has invested more than US$5.2 billion to conserve biodiversity and use it sustainably, leveraging more US$13.4 billion in additional funds, supporting1,500 projects in more than 158 countries.[114]

*GEF's results for GEF-7 and GEF-8*

By May 2018, at the close of GEF-6, projects had improved the management of 360 million hectares of landscapes and seascapes for biodiversity conservation, surpassing the 300-million-hectare target. Additionally, 103 million hectares of production landscapes were improved, reaching 86% of the 120-million-hectare target.

[114] https://www.thegef.org/what-we-do/topics/biodiversity#results

The framework that the GEF uses to measure results was modified between GEF-6 and GEF-8. GEF-7 introduced a results framework with eleven core indicators and associated sub-indicators for the measurement of results across the five focal areas: (i) terrestrial protected areas created or under improved management for conservation and sustainable use; (ii) marine protected areas created or under improved management for conservation and sustainable us; (iii) area of land restored; (iv) area of landscapes under improved practices; (v) area of marine habitat under improved practices to benefit biodiversity; (vi) GHG emissions mitigated; (vii) number of shared water ecosystems under new or improved cooperative management; (viii) globally over-exploited fisheries moved to more sustainable levels; (ix) reduction, disposal/destruction, phase out, elimination and avoidance of chemicals of global concern and their waste in the environment and in processes, materials, and products (metric tons of toxic chemicals reduced); (x) reduction, avoidance of emissions of POPs to air from point and non-point sources; (xi) number of direct beneficiaries disaggregated by gender as co-benefit of GEF investments.

The targets for GEF-7 in respect of the core indicators compared to GEF-6 are set out below:

| | Core Indicators | Unit of Measure | GEF-6 Target | GEF-7 Target |
|---|---|---|---|---|
| 1 | Terrestrial protected areas created or under improved management for conservation and sustainable use | Mha | | 200 |
| 2 | Marine protected areas created or under improved management for conservation and sustainable use | Mha | | 8 |
| 3 | Area of land restored | Mha | | 6 |
| 4 | Area of landscapes under improved practices | Mha | | 320 |
| 5 | Area of marine habitat under improved practices to benefit biodiversity | Mha | | 28 |
| | Total area under improved management (sum of indicators 1 through 5) | Mha | 420 | 562 |
| 6 | GHG emissions mitigated | $MtCO_2e$ | 750 | 1,500 |
| 7 | Number of shared water ecosystems (fresh or marine) under new or improved cooperative management | Number | | 32 |
| 8 | Globally over-exploited fisheries moved to more sustainable levels | metric tons, % of fisheries by volume | 20% | 3,500 (13%)[16] |
| 9 | Reduction, disposal/destruction, phase out, elimination and avoidance of chemicals of global concern and their waste in the environment and in processes, materials, and products | metric tons of toxic chemicals reduced | 81 | 100 |
| 10 | Reduction, avoidance of emissions of POPS to air from point and non-point sources | grams of toxic equivalent gTEQ | | 1,300 |
| 11 | Number of direct beneficiaries disaggregated by gender as co-benefit of GEF investment[17] | number | | Monitored |

*Table 7:GEF-7 Results Architecture Table 1*

The indicators for GEF-7 represents greater ambition over various sectors of biodiversity conservation and sustainable use, except in respect of globally over-exploited fisheries, which saw a downgrade of 13% target achieved instead of 20%. At the close of GEF-7, the GEF Corporate Scorecard read as follows:

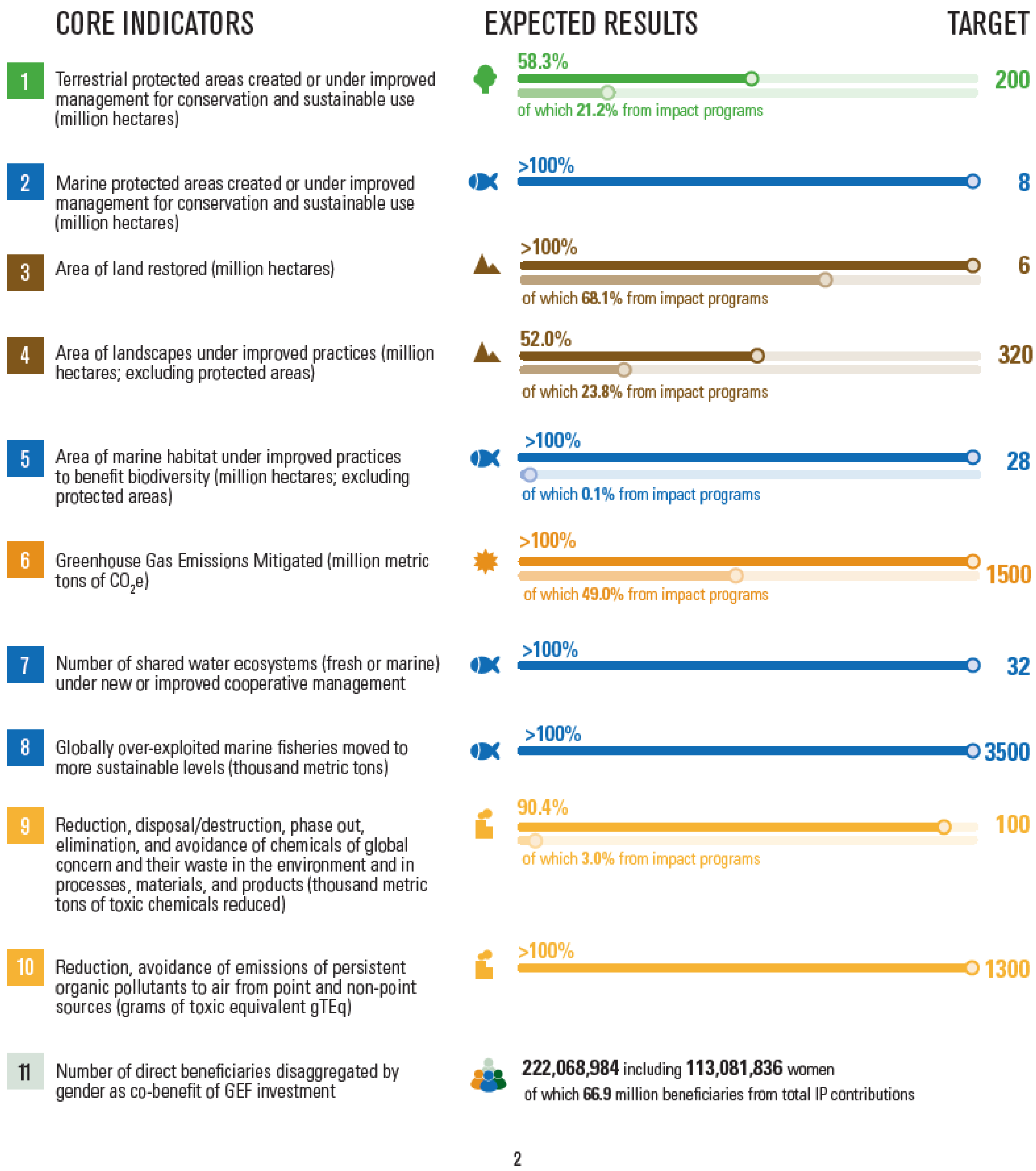



*Figure 9: GEF Corporate Scorecard, June 2022*

At the close of GEF-7, GEF-7 projects had created or improved the management of 116.6 million hectares of terrestrial protected areas, achieving 58.3% of the GEF-7 target. Furthermore, 160.8 million hectares of landscapes were under improved practices, accounting for 52% of the target. Additionally, 8 million hectares of marine protected areas and 6 million hectares of restored land were achieved, both surpassing their respective GEF-7 targets.

However, the effects of COVID-19 on projects in GEF-7 affected several aspects of project M&E. For example, 60% of projects had difficulty conducting the midterm review, with international consultants unable to conduct country missions and having to rely on desk reviews. Several terminal evaluation report that travel and health restrictions/risks also impeded the verification of results through field visits.[115]

It is also important to note that the core indicators focus on the first two objectives of the CBD (i.e., the conservation of biological diversity and the sustainable use of the components of biological diversity), and are limited in their ability to measure intangible benefits, such as the fair and equitable sharing of the benefits arising out of the utilization of genetic resources, which is the third objective of the CBD. As such, care should be taken to ensure that sufficient attention and resources are given to activities under the Nagoya Protocol such that the third objective can be achieved.

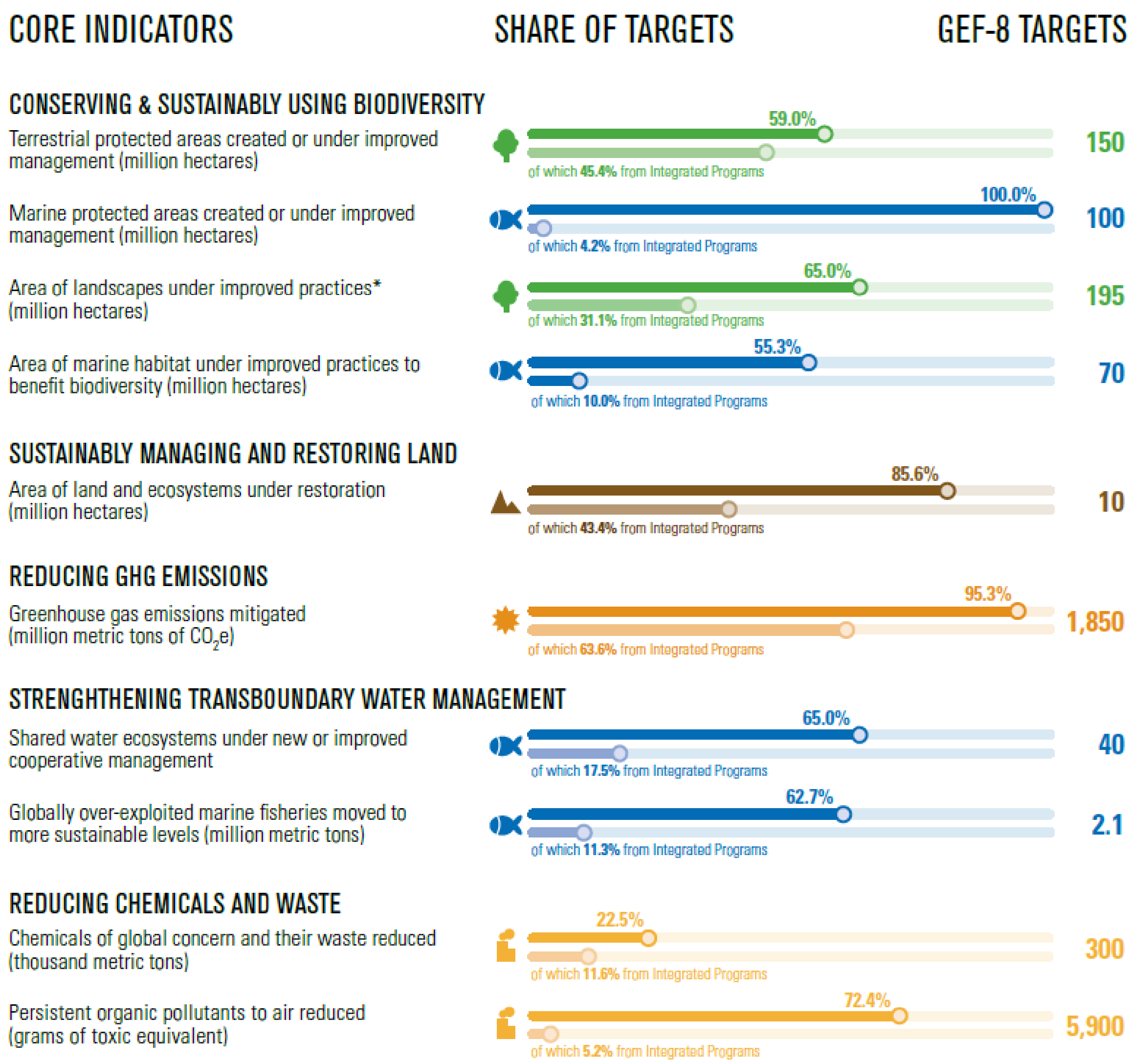
*GEF-8 Results Management Framework*

For GEF-8, the GEF-8 Results Management Framework (RMF) provides the framework for assessing the achievement of Global Environmental Benefits and operational performance across the GEF Partnership. The GEF-8 RMF is divided into two tiers: Tier 1 measures operational results through an aggregated Core Indicator data, while Tier 2 measures how the GEF has progressed in implementing operations.

The GEF Monitoring Report 2023 indicates that midway through implementation, 57% of projects indicate disbursement by partners, higher than 35% of the anticipated co-financing. This was above 2022's average of 51%. However, delays in making cofinancing resources early to support project progress continue, pointing to the need for regular engagement with cofinanciers. In the GEF's preliminary report to COP 16, it was noted that 60% of the biodiversity resources were programmed in 42% of the time duration of GEF-8.

As at June 2024, updates on GEF's targets are as shown below:

[115]IEO, Evaluation of the effects of the Covid-19 pandemic on GEF activities (1 November 2022) (GEF/E/C.63/02) p 34.




*This Core Indicator also includes a target of 85 million hectares for its sub-indicator 'Area of landscapes under sustainable land management in production systems' shared with the grouping of indicators 'Sustainably Managing and Restoring Land' under the GEF-8 Results Measurement Framework. To date, 50 percent of this sub-indicator target are achieved, including 16 percent from Integrated Programs.

*Figure 10: GEF Corporate Scorecard, June 2024*

It can be seen that at the midpoint of GEF-8, targets in respect of core indicators such as the creation or under improved management of marine protected areas have been reached, while other targets, such as GHG emissions mitigated and areas of land and ecosystems under restoration are close to completion.

*Biodiversity mainstreaming*

Biodiversity mainstreaming has been identified as a key element in the Four Year Outcome-Oriented Programme Framework by both COP 13 and COP 15. For both GEF-7 and GEF-8 (in particular, the GBF at Target 14), biodiversity mainstreaming remains a key pillar of biodiversity conservation and sustainable use.[116]

As at 2018, the GEF biodiversity mainstreaming portfolio comprises 471 projects amounting to $2.34 billion in grants and $12.73 billion in co-financing, with most being FSPs and multi-focal projects. Biodiversity mainstreaming projects are proportionally distributed across GEF regions, as set out below:

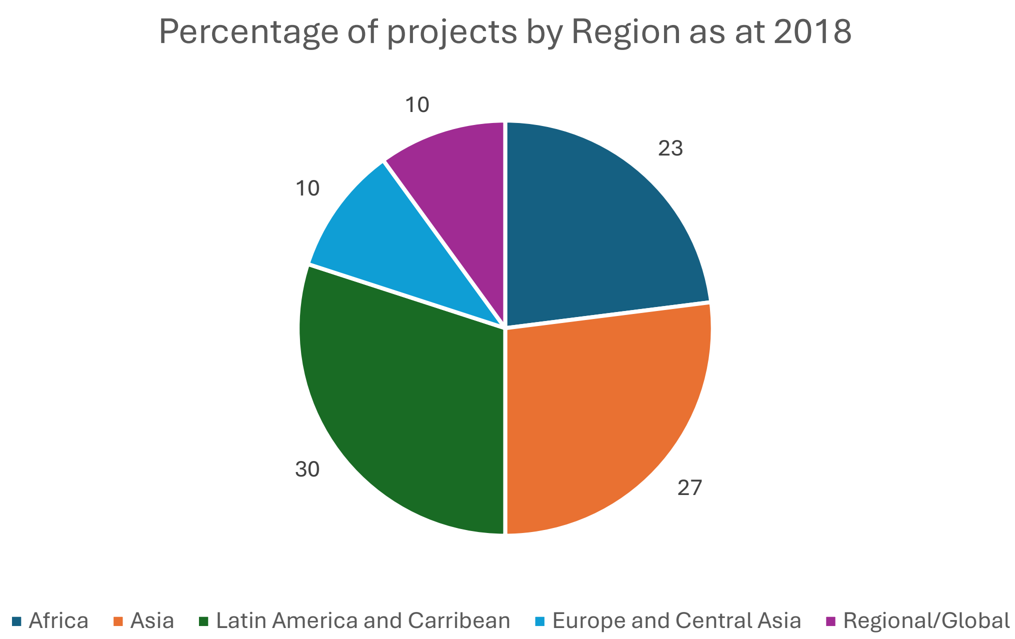



*Figure 11: Evaluation of GEF Support to Mainstreaming Biodiversity*

As at 2018, the majority of biodiversity mainstreaming projects are full size, representing 79% of the biodiversity mainstreaming portfolio.[117] One developing country gave feedback that the GEF should consider extending the life-cycle of mainstreaming projects beyond five years, as five years is insufficient to drive impact required for mainstreaming. In particular, initial phases of mainstreaming require time to build institutional trust and relationships, especially in new areas. It was suggested that GEF look at alternative modalities, including supporting clear social learning and knowledge management requirements to approach mainstreaming.

*Implementation and outcome progress*

Self-ratings are provided each year by Agencies provide an indication of the quality of implementation progress and likelihood of achieving project outcomes. Figure 1

[116] See GEF-7 Objective 1: Mainstream biodiversity across sectors as well as landscapes and seascapes.
[117] IEO, Evaluation of GEF Support to Mainstreaming Biodiversity (December 2019) p 10. However, note that the IEO did not give a breakdown as to how many comprised projects towards the Cartagena and Nagoya Protocols.

indicates that 82% of projects were rated in the satisfactory range for Implementation Progress in fiscal 2021, on par with 84% a year earlier. Separately, 87% projects were rated in the satisfactory range for the likelihood to achieve their Development Objective.

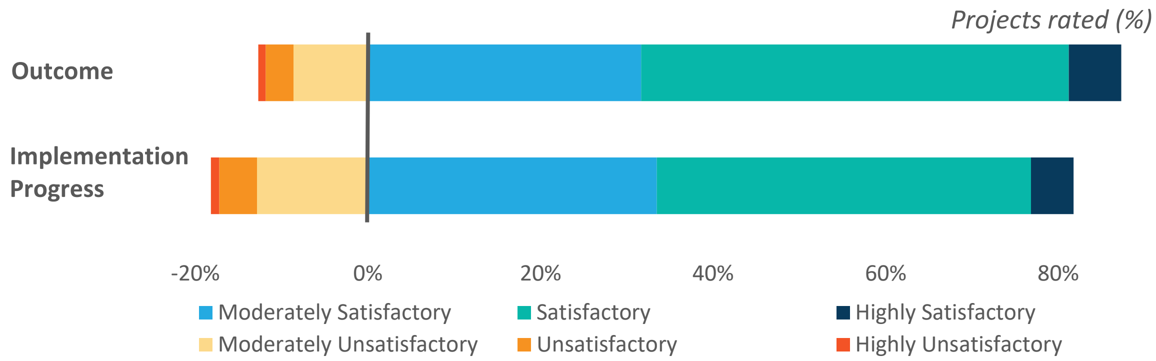



*Figure 12: Distribution of Outcome and Implementation Progress Ratings of Ongoing GEF Projects across All Focal Areas as of June 30, 2023*

85% of the portfolio of biodiversity projects under implementation were rated in the satisfactory range in achieving implementation progress and 89 percent were rated in the satisfactory range for the likelihood to achieve their Development Objective. This is higher than the GEF average. Further, 85% of multi-focal area projects, which often include biodiversity resources, have been rated in the satisfactory range in achieving implementation progress and 88 percent have been rated in the satisfactory range for the likelihood to achieve their Development Objective.

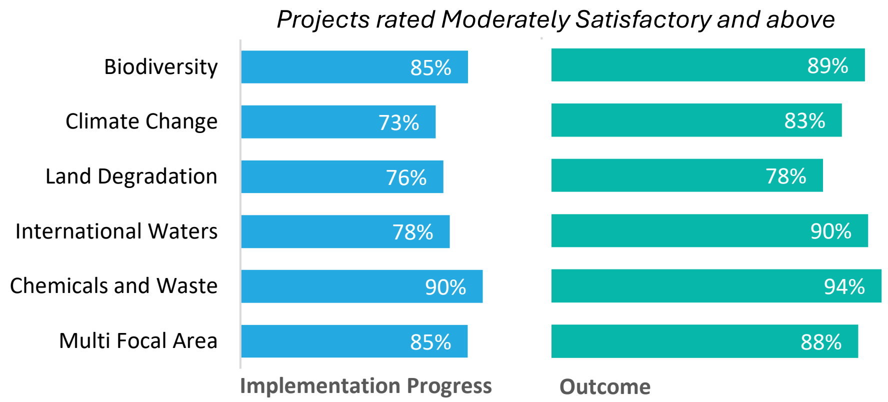



*Figure 13:Projects Rated in the Satisfactory Range by Focal Area as of June 30, 2023*

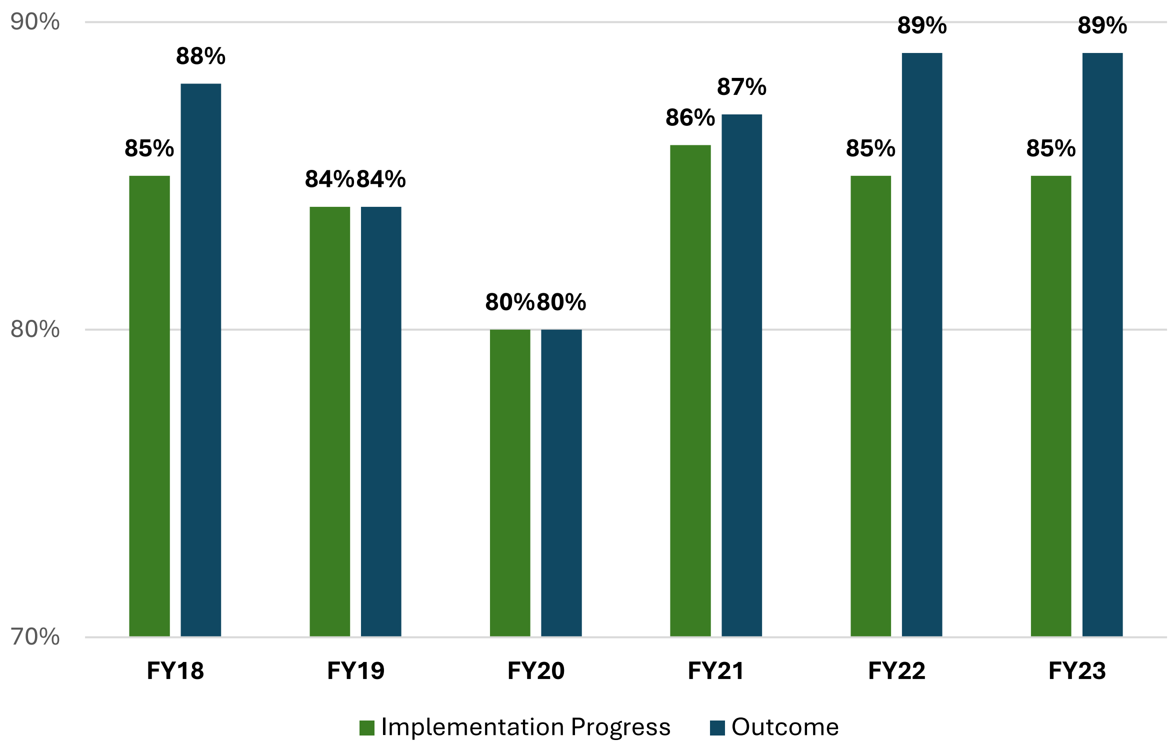



*Figure 14: Percentage Share of Biodiversity Projects Rated in the Satisfactory range by Fiscal Year*

While 85% of biodiversity mainstreaming projects had satisfactory outcomes, as compared to 82% for non-mainstreaming biodiversity projects and 83% for all biodiversity projects, biodiversity mainstreaming projects score lower on M&E design, M&E implementation and sustainability ratings.

*GEF's work in SIDS and LDCs*

While project outcomes has, on the whole, been satisfactory, sustainability of these outcomes (i.e., the extent to which a project's outcomes are durable and how a project is likely to achieve its expected long-term impact),[118] remains the greatest challenge for SIDs and LDCs.  Sustainability is important as it indicates whether a GEF-supported intervention or outcome is continued by original beneficiaries without GEF support so they can continue to reap the benefits, and is part of the analysis as to how GEF support may impact environmental status or address drivers of environmental degradation. A broad adaptation of GEF interventions leads to transformational processes by which widespread implementation of intervention results in global environmental benefits.[119]

[118] IEO, Strategic Country Cluster Evaluation of the Least Developed Countries (May 2022) (GEF/E/C.58/Inf.03/Rev.01) p 6.
[119] Ibid p 25.

SIDS

From GEF-4, the GEF has moved towards a more integrated programming to tackle the main drivers of environmental degradation and achieve impact at scale. [120] Regional projects are a predominant support modality for SIDs, and evaluations take a clustered country approach.

Overall, there was an increase in GEF support for SIDS, from 8% in GEF-5, to 9% in GEF-6 and 12% in GEF-7. Most SIDS use a combination of FSPs and MSP, EAs and small grants for projects. Biodiversity comprises 19.5% of the projects between 2014 and 2018. As at February 2024, it comprises the biggest component of GEF Programming for SIDS at US$788.7 million. [121]

| **Focal Area (Top 4 reviewed)** | **GEF- 6 (2014 – 2018)** | |
|---|---|---|
| | **# of Projects** | **%** |
| Climate Change | 13 | 31.7% |
| Mercury | 9 | 22.0% |
| Biodiversity | 8 | 19.5% |
| Multifocal | 7 | 17.1% |

*Table 8: Strategic Country Cluster Evaluation (SIDS)*

Many projects under one focal area generate co-benefits in other areas, especially between the areas of biodiversity and climate change (both mitigation and adaptation), but these co benefits are often not measured. [122] Based on the terminal evaluation dataset, 61.40% of 44 biodiversity projects had likely ratings on sustainability (i.e., the likelihood of continuation of project benefits after the completion of project implementation), and 81.80% had satisfactory outcomes. [123] 34, or 75.6% of SIDS projects had positive environmental outcomes, mainly in the area of biodiversity, deforestation/land degradation and water quality/quantity. While a few reports mentioned the risk of reversal, no time horizon was provided for.

[120] IEO, Strategic Country Cluster Evaluation of the Small Island Developing States (GEF/ME/C.57/02) p 5.
[121] SIDS and the GEF: Three Decades of Environmental Leadership and Innovation (Chart 2)
[122] Ibid p 13.
[123] Ibid p 22.

The effectiveness of GEF projects in SIDS is challenged by local contexts, including low institutional capacity, low environmental awareness and pressure from economic sectors to exploit environmentally sensitive areas.[124]

LDCs

The LDCs are low-income countries confronting severe structural impediments to sustainable development. Most LDCs are located in the Africa region. GEF support (grants) to LDCs in relation to the biodiversity focal area are delivered predominantly through FSPs. The share of multifocal projects increased from 11% in GEF-4 to 35% in GEF-6, with the largest percentage of multifocal projects addressing biodiversity, land degradation and climate change mitigation.[125] As at 2019, the performance of projects in LDCs was rated lower than the overall GEF portfolio on all measured dimensions.

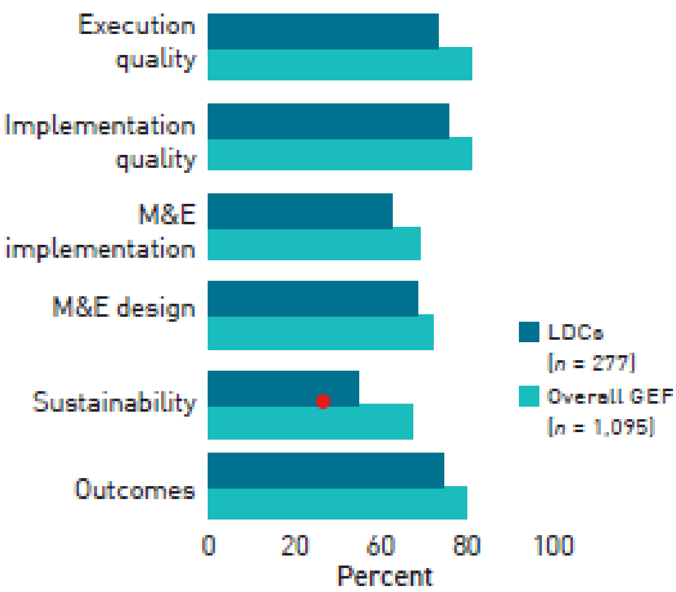



*Figure 15: Percentage of projects with performance ratings in the satisfactory/likely range (Strategic Country Cluster Evaluation (LDCs))*

In terms of project outcomes and likelihood of sustainability, 72% of projects were rated in satisfactory range for outcomes, lower than the 80% in the overall GEF portfolio. 46% of projects in LDCs were rated in the likely range for sustainable outcomes, lower than overall GEF portfolio of 63%. The below-average ratios are concerning in light of GEF's long and intensive engagement in LDCs and their importance as biodiversity hotspots. For example, the GEF has allocated a total of $4.78 billion, complemented by cofinancing

[124] Strategic Country Cluster Evaluation of the Small Island Developing States (*supra* n. 120) p 35.
[125] Strategic Country Cluster Evaluation of the Least Developed Countries (*supra* n. 118) p 14.

of $16.37 billion to Sub-Saharan Africa since 1992.[126] However, project performance in the African biomes remain significantly lower than the average GEF portfolio.

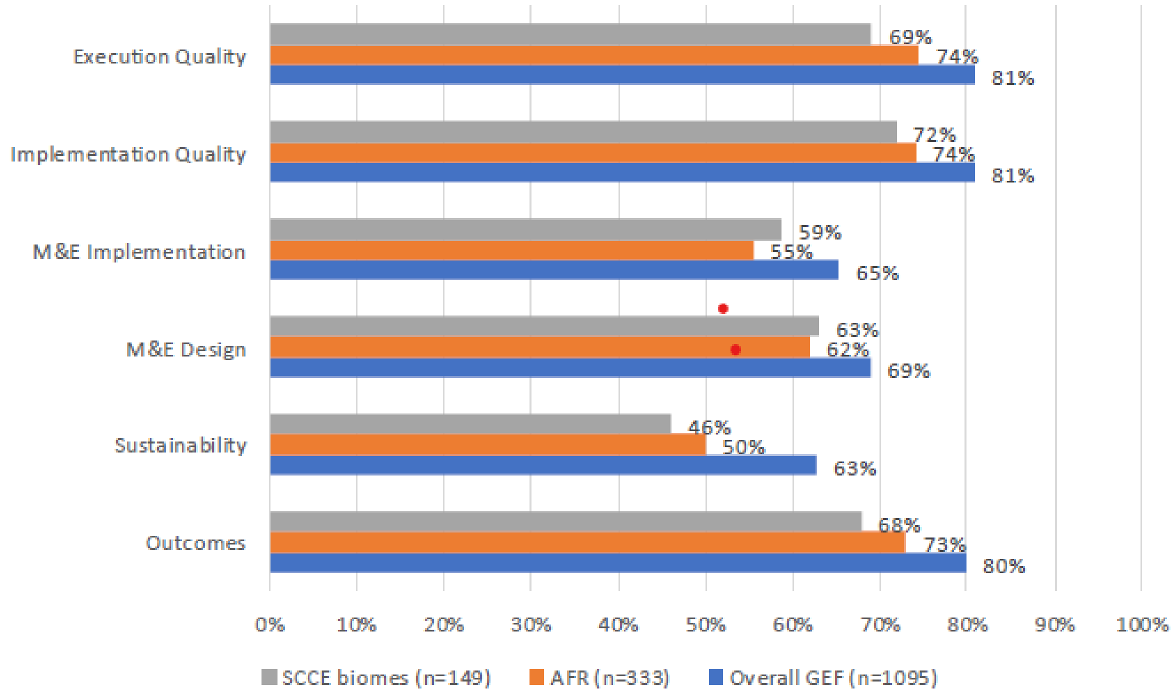



*Figure 16: APR rating comparisons (Strategic Country Cluster Evaluation: Sahel and Sudan-Guinea Savanna Biomes)*

Factors influencing sustainability include the lack of financial support of infrastructure or follow up, lack of sustained efforts by the executing agency, inadequate political support, low institutional capacities of key agencies, low levels of stakeholder buy-in and flaws in projects' theories of change.[127]

<u>*GEF support for Protocols*</u>

COP guidance in respect of the Cartagena and Nagoya Protocols include the implementation of GBF targets 13 (increase the sharing of benefits from genetic resources, digital sequence information and traditional knowledge) and 17 (strengthen biosafety and distribute the benefits of biotechnology). Action area 8 of the GBFF provides additional support to implement these targets.

Between 2018 and 2024, 8 projects were submitted to the GEF requesting support for the implementation of the Cartagena Protocol and approved for GEF financing totalling $15.3 million. Of note is the UNEP-GEF capacity-building project in respect of the Biosafety Clearing House (BCH). Currently in its third iteration to support the implementation of the

[126] IEO, Strategic Country Cluster Evaluation: Evaluation of Sahel, Sudan Guinea Savanna biomes (October 2020) (GEF/E/C.58/Inf.02/Rev.01)p 1.
[127] Strategic Country Cluster Evaluation of the Least Developed Countries (*supra* n. 118) p 28.

BCH by ‘providing support to eligible parties for GEF to build and sustain individual and institutional capacities for effective participation in the BCH in line with COP/MOP Decisions…’, the project aims at assisting 76 developing countries and economies in transition. As at March 2022, national workshops have had a direct impact by increasing by 30% national stakeholder awareness and knowledge on biosafety and the BCH. to establish national procedures and responsibilities, register national records in the BCH central portal, establish national BCH portals, identify regional biosafety centers for excellence and strengthened national policies and framework.[128]

In respect of the Nagoya Protocol, 16 projects were submitted to the GEF requesting support for its implementation and approved for GEF financing totalling $42.2 million. Two GBFF Project Preparation Grant (PPG) requests dedicated to support the implementation of the Nagoya Protocol have been approved for a total GBFF funding request of $2.5 million.

OPS 7 notes that GEF support for activities conducted under the Protocols fluctuates according to guidance from the CBD; none was recorded in GEF-6 or in GEF-7.[129]

*Contracting parties’ feedback*

Developing countries were generally of the opinion that GEF is effective in catalysing and enhancing national implementation measures. However, two countries were of the view that its effectiveness is limited in that there is not always a correlation between national priorities and the objectives of the projects financed. One felt that prioritising national needs is sometimes challenging. In relation to the protocols, one country felt that countries still need to strengthen the relationship between national priorities and international agreements. One felt that the programming direction and policies are often driven by donors are do not provide the necessary intervention to address or halt the loss of biodiversity and/or provide tangible results.

In relation to achieving the objectives of the convention, parties’ views were mixed. Eight developing country parties felt that GEF was generally effective in this regard. However, one country felt that the speed and adequacy of financing to specific country needs can be improved. Another country feedbacked that continued efforts to address funding gaps, enhance efficiency, strengthen local involvement and scale up successful models are crucial. Other feedback included that GEF projects have been focused on Objectives 1 and 2, and Objective 3 has been less included due to the lack of capacity from recipient countries to design such proposals and the limited assistance from GEF Secretariat and IAs in this regard. Another highlighted that access to funds can be challenging due to the

[128] https://www.unep.org/explore-topics/biosafety/what-we-do/capacity-building#:~:text=The%20BCH%20III%20project%20helps,Biosafety%20Clearing%20House%20(BCH).
[129] Seventh Comprehensive Evaluation of the GEF (*supra* n. 110) p 35.

complexity of procedures. Six countries highlighted that the process was lengthy and political administrations may change in the meantime.

In respect of the Nagoya Protocol, feedback on GEF's efficiency and effectiveness is mixed. A few countries feedbacked that the disbursement of funds was lengthy; one highlighted that it was not linked to the deadline to submit the relevant reports. One country reported that accessing the fund was a political process at the national level. Another suggested including the implementation of both Protocols in the Integrated Programs. In respect of regional collaboration to achieve the aims of the Protocol, the main barriers highlighted were a lack of commonality. This included (i) divergent priorities; (ii) lack of legal frameworks; (iii) unequal technical, administrative and financial capacities.

In respect of the Cartagena Protocol, the main feedback related to the timing of fund disbursement, the lack of emphasis on biosafety issues in programming directions and the lack of a specific funding window for the Protocol. The developing countries which provided a response to the question of creating a standalone window for biosafety were unanimous in their support.

### b. How does the GEF support implementation of the SDGs that contribute to achieving the objectives of the CBD?

Biodiversity plays a central and economic role in ensuring the fulfilment of SDGs, and explicitly engage the implementation of SDGs 14 (Conserve and sustainably use the oceans, seas and marine resources for sustainable development) and 15 (Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification and halt and reverse land degradation and halt biodiversity loss), although biodiversity engages all SDGs at varying levels.

The guidance issued by COP 13 had directed, *inter alia*, that the 'GEF continue and further strengthen integrated programming as a means to harness opportunities for synergy in implementing related multilateral environmental agreements as well as the 2030 Agenda for Sustainable Development and its Sustainable Development Goals, in particular Sustainable Development Goals 14 and 15'. The GEF-7 Programming Directions set out the delivery mechanisms for CBD's Four Year Framework of Program Priorities: (i) mainstream biodiversity across sectors, landscapes and seascapes; (ii) address direct drivers to protect habitats and species; and (iii) further develop biodiversity policy and institutional framework. The GEF's delivery mechanisms include specific focal area investments and the engagement of other focal areas, such as international waters/sustainable fisheries.

In respect of GEF-8, the Programming Directions encourage the use of integrated programs to generate global environmental benefits, which serve as the basis for achieving several of the SDGs.[130] Biodiversity cross-cuts almost all of the areas of integrated programming in a major way, demonstrating the inextricable link between fulfilment of the CBD's objectives and the SDGs.

The GBF also has a symbiotic relationship with the SDGs. This is recognised by Section D, which states that the GBF 'is a contribution to the achievement of the [SDGs]...' and 'progress towards the [SDGs]...is necessary to fulfill the goals and targets of the Framework'.

Majority of contracting parties felt that the GEF contributes towards the implementation of the SDGs. Suggestions on how to enhance the implementation include incorporating indicators from SDGs to monitor the contributions to the CBD, continued efforts to scale up successful initiatives, address funding gaps, strengthen local involvement and enhance coordination to optimise the impact of GEF-funded activities to achieve SDGs and CBD objectives, and being more explicit in demonstrating how activities and outputs are in support of the SDGs. One country felt that there are too many themes to address and this weighs down the GEF. Another felt that the impact is mixed, without giving reasons.

***c. How effective and efficient are the processes and procedures for the deployment of resources for programmes?***

The processes and procedures for the disbursements of funds depend largely on the type of projects concerned. During the reporting period, FSPs were projects over US$2 million and subject to a two-step approval process, while MSPs were projects less than or equivalent to US$2 million. The average time for FSPs, MSPs and EAs between a PIF submission to an agency's first disbursement has increased between FY15 to FY24. The key stages in the GEF FSP are set out below:

[130] GEF-8 Programming Directions, p 2.

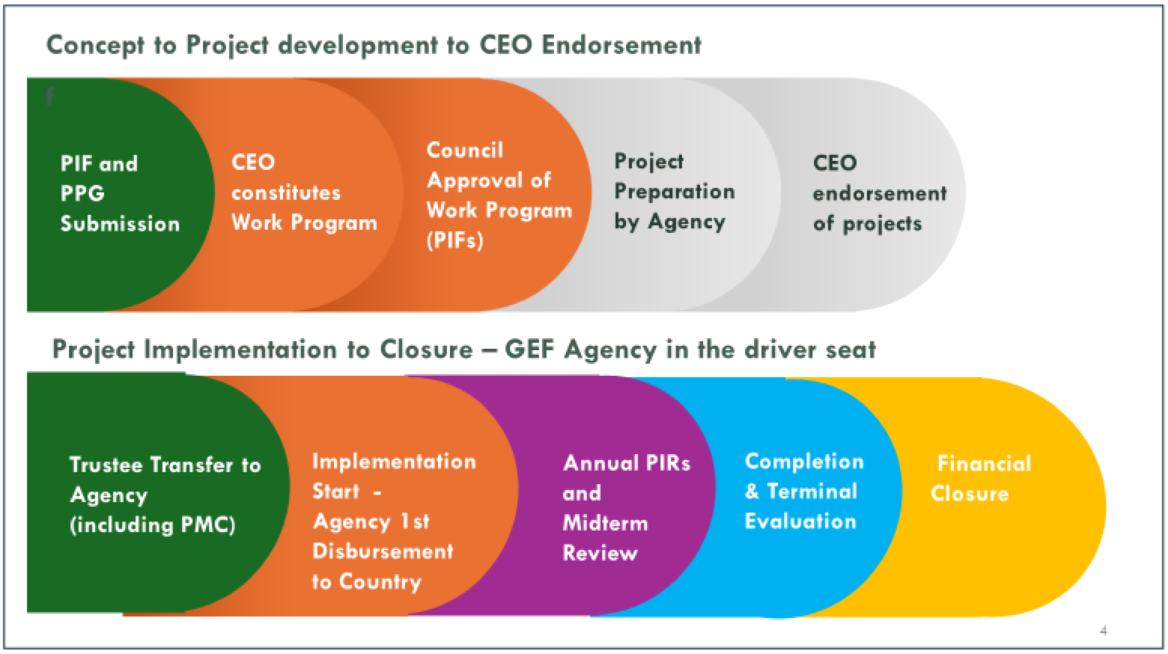



*Figure 17: Streamlining the Project Cycle: Report from the Working Group on the Streamlining Process*

The COVID-19 pandemic affected several aspects of the GEF activity cycle in relation to GEF-7. For example, while approvals for the GEF-7 PIF submissions were achieved at a faster rate than preceding periods (GEF-4 to GEF-6), the timing from PIF approval to CEO endorsement was slower for GEF-7 compared with the same earlier periods.[131] The speed of first disbursement was also slower in FY20 (COVID-19).

| FY (Fiscal Year) of CEO endorsement | Avg Time | FY15 | FY16 | FY17 | FY18 | FY19 | FY20 | FY21 | FY22 | FY23 | FY24 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **FULL-SIZED PROJECTS (FSPs)** | | | | | | | | | | | |
| **Time Spent (FSPs)** | **30.4** | **29.7** | **29.6** | **29.5** | **29.2** | **32.9** | **37.9** | **29.3** | **28.3** | **30.1** | **27.9** |
| Sample size | 102 | 137 | 96 | 140 | 111 | 47 | 76 | 82 | 179 | 107 | 40 |
| **MEDIUM-SIZED PROJECTS (MSPs)** | | | | | | | | | | | |
| **Time Spent (MSPs)** | **18.5** | **15.9** | **18.8** | **15.6** | **15.1** | **22.6** | **16.2** | **22.1** | **17.1** | **22.3** | **19.8** |
| Sample size | 49 | 81 | 66 | 40 | 57 | 29 | 19 | 42 | 76 | 52 | 26 |
| **ENABLING ACTIVITIES (EAs)** | | | | | | | | | | | |
| **Time Spent (EAs)** | **4.1** | **3.3** | **2.0** | **2.6** | **3.8** | **2.8** | **4.0** | **4.8** | **5.5** | **8.6** | **3.4** |
| Sample size | 30 | 29 | 52 | 38 | 30 | 19 | 23 | 10 | 63 | 7 | 27 |

*Table 9: Average time from PIF submission to CEO Endorsement across FY15 to FY24 (months)*

[131] Seventh Comprehensive Evaluation of the GEF (*Supra* n. 110) p 26 – 27.

| FY for 1st Agency disbursement to country | Avg Time | FY15 | FY16 | FY17 | FY18 | FY19 | FY20 | FY21 | FY22 | FY23 | FY24 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **FSP** | **43.3** | 38.6 | 41.5 | 39.8 | 39.9 | 43.7 | 50.7 | 53.6 | 39.6 | 42.3 | 43.5 |
| **MSP** | **28.9** | 21.2 | 24.7 | 27.9 | 28.0 | 30.2 | 31.0 | 34.7 | 28.4 | 30.3 | 32.8 |
| **EA** | **16.5** | 13.8 | 15.7 | 14.1 | 20.9 | 24.2 | 15.6 | 15.5 | 18.5 | 10.6 | NA |

*Table 10: Table 2. Average time from PIF Submission to Agency First Disbursement to Country (FY15 to FY24) - months*

The disbursement ratio, which measures the funds disbursed during a fiscal year against the undisbursed balance at the beginning of the fiscal year has remained constant at between 18% to 25%, demonstrating that funds are disbursed relatively quickly once a project is implemented.

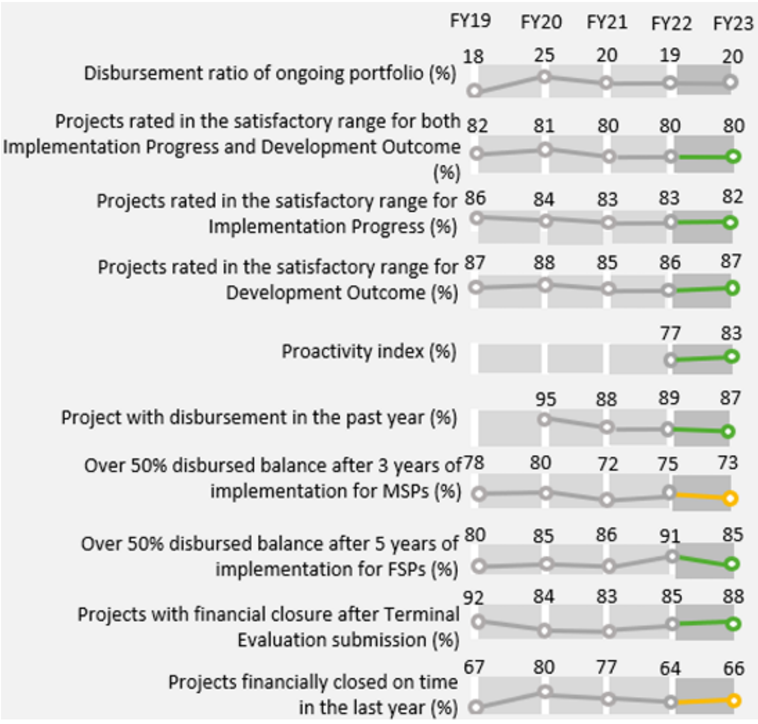



*Figure 18: GMR 2023*

## *Developments post GBFF launch*

In respect of the GBFF pilot, a streamlined one-step approval process has been developed under which a PPG proposal is submitted, initiating project development, and enabling funds to be set aside by the Trustee when the PPG is approved. The Council also delegated authority to the GEF CEO to approve projects up to US$ 5 million.[132]

The GEF has also indicated that work is underway to assess potential efficiency gains to harmonise certain processes of the GEF, GCF, CIFs and Adaptation Fund. Gains include fast-tracking incentives for sequential, parallel, complementary or joint investments to target common areas of interests and to increase attractiveness of complementary GEF-GCF funding by fostering collaborative and coordinated programming. Apart from increasing funding pool, these avenues hold good potential in improving the effectiveness and efficiency of GEF processes and cut down on barriers to funding.

The GEF is currently streamlining project cycles. In GEF-8, all project templates have been streamlined and harmonized across the Least Developed Countries Fund, SCCF and GEF Trust Fund, and full flexibility has been provided in STAR programming. In February 2024, the GEF Council increased the cap on MSPs to US$5 million. Further measures under consideration at the levels of the GEF partnership, the GEF Secretariat, GEF agencies, Operational Focal points and executing entities, as well as measures to clarify project-related costs and exception criteria related to dual execution and implementation role for GEF agencies. Such measures are expected to reduce the time taken for the disbursements of funds.

_Contracting parties' views_

Nine developing country parties are of the view that GEF's deployment of resources are generally efficient. Suggestions for improvement include enhancing the speed and flexibility of financing, expediting and adapting the funding process, increasing procedural flexibility and empowering national organisations to act as IAs. Other feedback given was that the process is cumbersome and that there is a lack of knowledge of the procedures by stakeholders.

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d. *How effective is the GEF in overseeing, monitoring and evaluating the activities financed by its resources, as appropriate?*

_Monitoring responsibilities in projects_

The Policy on Monitoring indicates mandatory reporting requirements, including a yearly Project Implementation Report and Mid-Term Review, provisioned by resources for M&E for each project as presented in the Guidelines on the Project and Program Cycle Policy document. For example, GEF Agencies are required to prepare M&E plans for projects that specify process and results indicators, performance targets and arrangements for data collection including responsibilities, frequency of data collection, reporting

[132] GEF, 'Streamlining the GEF Project Cycle: Report from the Working Group on the Streamlining Process' p 17.

procedures, and budget for monitoring activities. GEF IEO rates the quality of M&E design and implementation.

The GEF Policy on Evaluation presents evaluation criteria and minimum requirements for the preparation of the Terminal Evaluation of projects. According to OPS-7, performance has improved with the OPS7 cohort, where 77% and 67%of the projects were rated in the satisfactory range for M&E design and implementation.[133]

*Monitoring of biodiversity results*

The main GEF documents which evaluate, *inter alia*, biodiversity results are (i) the IEO's APRs; (i) the GMRs; and (iii) SCCE.

The APRs generally provide an overview of the performance of GEF activities, processes, and factors that affect project performance, quality of M&E, and the Management Action Record. In relation to biodiversity, the APR presents an analysis in terms of outcomes, sustainability, implementation, execution and co-financing based on information presented in terminal evaluations which have been validated by the IEO. In 2023, the APR reflected that biodiversity conservation was second most likely to result in behavioural changes (a key intermediate outcome for the achievement of global environmental benefits) after climate adaptation, after considering relevant projects between GEF-6 and GEF-7.[134]

From 2019, GEF implemented the GMR which provides a summary of the progress and performance of the active portfolio of projects with financing from the GEF Trust Fund for a particular year. Between 2019 and 2023, the GMRs were generally structured around the replenishment period's results management framework. Between financial year 2019 to 2023, indicators relating to biodiversity under 'conserving and sustainably using biodiversity'[135] showed an improvement in every core indicator. However, it must be highlighted that area of marine habitat under improved practices to benefit biodiversity remains one of the lowest performing sector in biodiversity.

| INDICATOR | Benchmark FY19-21 | Latest FY22-23 |
|---|---|---|
| **CONSERVING AND SUSTAINABLY USING BIODIVERSITY** | | |
| Terrestrial protected areas created and under improved management (million ha) | 1.5 | 77.1 |
| Marine protected areas created and under improved management (million ha) | 0.0 | 20.8 |
| Area of landscapes under improved practices (million ha) | 1.2 | 19.6 |
| Area of marine habitat under improved practices to benefit biodiversity (million ha) | 0.0 | 1.1 |
| People benefitting from the conservation, sustainable use, or restoration of biodiversity (million) | 0.2 | 5.6 |
| - of whom women (million) | 0.1 | 2.7 |

*Figure 19: GMR 2023*

[133] Seventh Comprehensive Report (*supra* n. 110) p 26
[134] GEF IEO Annual Performance Report 2023 (GEF/E/C.64/Inf.01/Rev.01) p 21.
[135] The GEF Monitoring Report 2022 (GEF/C.63/03); The GEF Monitoring Report 2023 (GEF/C.66/03)

The SCCE is a way to assess complex environmental and development interventions through focusing on a limited set of common themes across clusters of countries that involve a critical mass of GEF investments towards shared environmental challenges.[136] SCCEs provide evaluation of biodiversity projects insofar as how GEF-financed interventions mitigate country challenges.

It is noted that in both APRs and GMR, biodiversity performance is not measured against COP guidance or CBD objectives. In APRs, GMRs and SCCEs, there is a general lack of robust evaluation on the impact of projects on vulnerable and significant populations, such as indigenous peoples and local communities, in particular, how the relevant safeguards and policies concerning such groups have been adhered to, and whether they are actively engaged in a project and benefits arising.

*Contracting parties' feedback*

Almost all the contracting parties agreed that GEF's monitoring and evaluation processes are effective. Suggestions include the following: The GEF portal should be enhanced to work more efficiently and the documents uploaded for each project should be standardized and that more resources should be given to operational focal points to better monitor the projects at the national level.

e. *How efficient and effective is the financial mechanism in supporting the objectives of the Convention and its Protocols in synergy with implementation of other pertinent MEAs in a manner that is consistent with the mandates of the respective MEAs?*

The GEF is also the designated institutional structure operating the financial mechanism for the Rio Conventions. It is widely recognised that while each Rio Convention stands on its own, there are mutual dependencies and inherent relationships among them, in particular, a common concern for many of the same environmental and sustainable development issues. Other biodiversity-related agreements for which the GEF is not designated as the institutional structure operating the financial mechanism include the CITES, CMS, the International Treaty on Plant Genetic Resources for Food and Agriculture, the Convention on Wetlands, the World Heritage Convention, the International Plant Protection Convention and the International Whaling Commission, for which a Liaison

[136] Carugi, C., Viggh, A. (2022). From the Big Picture to Detailed Observation: The Case of the GEF IEO's Strategic Country Cluster Evaluations. In: Uitto, J.I., Batra, G. (eds) Transformational Change for People and the Planet. Sustainable Development Goals Series. Springer, Cham. https://doi.org/10.1007/978-3-030-78853-7_5

Group has been established to meet regularly to explore opportunities for synergistic activities, increased coordination and to exchange information.[137]

There have been COP guidance in this regard, as excerpted in the table below:

| **COP Decision** |
|---|
| ***COP 13*** |
| Encourages the Global Environment Facility to consider joint financing, in partnership with other international financial instruments, of projects designed to achieve the objectives of more than one Rio convention |
| ***COP 15*** |
| Invites the governing bodies of the various biodiversity-related conventions, further to paragraphs 2, 3 and 4 of decision XII/30 and paragraph 10 of decision XIII/21, to repeat the exercise described therein for the development of strategic guidance for the ninth replenishment of the Global Environment Facility in time for consideration by the Conference of the Parties of the Convention on Biological Diversity at its sixteenth meeting; |
| This four-year outcome-oriented framework of programme priorities recognizes that the Kunming-Montreal Global Biodiversity Framework is an overarching framework of high relevance to all biodiversity related conventions and agreements, and seeks to promote the implementation of complementary measures that may enhance programmatic synergies and efficiencies, among the Convention, its Protocols and other biodiversity-related conventions and agreements, relevant to the Kunming-Montreal Global Biodiversity Framework and the mandate of the Global Environment Facility. |
| The GEF-8 biodiversity strategy and programming directions should promote, synergies, cooperation and complementarity in the implementation of the three objectives of the Convention on Biological Diversity with those of the other conventions served by GEF, as well as with other biodiversity-related conventions and agreements, recognizing the important contributions that these instruments can make to the objectives of the Convention on Biological Diversity, its Protocols and the, Kunming-Montreal Global Biodiversity Framework and vice versa. |
| During the GEF-8 period, GEF should further interact and cooperate with multilateral development banks and other public and private financial institutions to integrate the objectives of the Convention on Biological Diversity and its Protocols and the Kunming-Montreal Global Biodiversity Framework, as well as the contributions of the other biodiversity-related conventions within their activities and report on funding contributing to their implementation. |

*GEF's work: Integrated Approaches Pilot (IAP)*

The GEF has operationalised the COP's guidance through, *inter alia*, implementation of multi-focal area projects and the launch of the IAP in GEF-6 aimed at achieving systemic

[137] https://www.cbd.int/blg

change at scale by addressing major drivers of global environmental degradation in a holistic manner.

Three IAP programmes were implemented at GEF-6: (i) the Sustainable Cities IAP Program; (ii) the Sustainability and Resilience for Food Security in Sub-Saharan Africa IAP Program; and (iii) the Taking Deforestation Out of Commodity Supply Chains IAP Program. The IAPs are structured around major drivers of global environmental degradation, and GEF financing for these programs are not siloed by focal area but designed with the intention of being invested in a coherent manner. For GEF-6, the IAPs totalled $284 million in terms of resource allocation.

| **IAP** | **No. of child projects** | **No. of countries involved** | **No. of Agencies involved** | **Focal Area** | **GEF grant (US$mil)** | **Cofinancing** | |
|---|---|---|---|---|---|---|---|
| | | | | | | **Amt (US$mil)** | **Ratio** |
| Cities | 12 | 11 | 8 | Biodiversity, climate change, chemicals and waste | 137.3 | 2,416.7 | 18:1 |
| Commodities | 5 | 4 | 6 | Biodiversity, climate change, sustainable forest management | 40.3 | 263.5 | 7:1 |
| Food security | 13 | 12 | 7 | Biodiversity, climate change, land degradation | 106.4 | 786.3 | 7:1 |
| Total/Average | 30 | | | | 284.0 | 3,466.5 | 12:1 |

*Table 11: OPS 6; GEF PMIS as at July 31, 2017*

A limitation in the IAP for GEF-6 is the inconsistencies in the expression and measurement of global environmental benefit targets between program and project documents and variations in child project calculation methods. The view of effectiveness of the IAP in GEF-6 has been mixed, with the difference in satisfaction stark between the participating countries/cities and the convention secretariats. While 93% of participants felt that IAP child projects will help address the conventions at multiple levels, with 47% of the view that IAP programs will improve the ability to report to multiple UN Conventions. However, this view was not shared by all convention secretariats. The UNFCCC secretariat was of the view that integrated approaches can be addressed in projects and do not necessarily require a programmatic approach. The CBD Secretariat faced difficulties by partners in understanding how synergies relevant to biodiversity would be generated from food security, land degradation and climate change projects. The UNCCD secretariat, on the other hand, was fully supportive of the current integrated approach.[138] Building from the lessons learnt from GEF-6, GEF-7 impact programs showed the

[138] OPS 6, p 100 – 101.

importance of closer partnerships with child projects, technical assistance and use of regional clustering. However, challenges remain, such as the systemic and consistent inclusion of gender considerations due to insufficient resourcing for delivery of activities envisioned in gender action plans and low capacity among project staff.[139]

For GEF-7, its biodiversity focal area investments and associated programming strategies fully embody integrated approaches. 18% of its funding is invested in impact programs, set out below:

| IAP/program | Lead Agency | No. of Agencies | No. of child projects | No. of countries | GEF Trust Fund financing (million $) | Cofinancing (million $) |
|---|---|---|---|---|---|---|
| IAP | | | | | | |
| Resilient Food Systems | IFAD | 7 | 13 | 12 | 116 | 786 |
| Good Growth Partnership | UNDP | 5 | 5 | 4 | 44 | 263 |
| Sustainable Cities | World Bank | 8 | 12 | 11 | 150 | 2,419 |
| Impact program | | | | | | |
| FOLUR | World Bank | 8 | 28 | 27 | 346 | 2,794 |
| Sustainable Cities | UNEP | 4 | 10 | 9 | 160 | 1,689 |
| Amazon Sustainable Landscapes | World Bank | 8 | 8 | 7 | 96 | 509 |
| Congo Basin Sustainable Landscapes | UNEP | 4 | 7 | 6 | 62 | 387 |
| Drylands Sustainable Landscapes | FAO | 4 | 12 | 11 | 104 | 809 |

*Table 12: GEF Integrated Approach to Address Drivers of Environmental Degradation*

The GEF-8 programming architecture builds on the approach in GEF-7 of investing in integrated programming and focal area actions with the implementation of 11 Integrated Programs (IPs). The GEF-8 biodiversity focal area investments and associated programming through other focal areas and integrated programs support the implementation of the goals and action targets of the GBF. The IP areas are mapped to the GBF targets as shown below[140]

[139] IEO, Evaluation of the GEF Integrated Approach to Address the Drivers of Environmental Degradation (August 2022) p 53.
[140] Preliminary Report to COP 16, Table 5.

| | Kunming-Montreal Global Biodiversity Framework 23 Targets[15] | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Integrated Programs | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 |
| Ecosystem Restoration | X | X | | | | | | X | | X | X | | | X | X | | | | | X | X | X | X |
| Blue and Green Islands | | X | X | | | | X | X | | X | X | | | X | | | | | X | X | X | X | X |
| Net-Zero Nature-Positive Accelerator | | X | X | | | | | X | | X | X | | | X | | | | X | X | X | X | X | X |
| Circular Solutions to Plastic Pollution | | | | | | | X | X | | X | X | | | X | X | X | | X | | X | X | X | X |
| Eliminating Hazardous Chemicals from Supply Chains | | | | | | | X | X | | X | X | | | X | X | | | | X | X | X | X | X |
| Amazon, Congo, and Critical Forest Biomes | X | X | X | | X | | | X | X | X | X | | X | X | X | | | X | X | X | X | X | X |
| Wildlife Conservation for Development | | X | X | X | X | | | X | X | X | X | | | | | | | | | X | X | X | X |
| Food Systems | X | X | | | | | X | X | X | X | X | | | | X | | | X | X | X | X | X | X |
| Clean and Healthy Oceans | | X | X | | | | X | X | | X | X | X | | | | | | | | X | X | X | X |
| Greening Transportation Infrastructure Development | X | X | X | | X | | | X | X | X | X | | | X | | X | | | X | X | X | X | X |

*Table 13: Preliminary Report to COP 16*

*Projects crosscutting with other MEAs*

The GEF portfolio also contains projects that advance the objectives of MEAs for which the GEF is not the institutional structure operating the financial mechanism. Such projects include the Wildlife Conservation for Development Integrated Program (WCDIP), which addresses global priorities framed by the CBD, UNFCC, the UNCCD as well as CITES and CMS. The program builds on the Global Wildlife Program of GEF-6 and GEF-7 with the objective to conserve wildlife and landscapes to maximize global environmental benefits and ensure that countries and communities are benefiting from these natural assets. It is structured to contribute directly to a total of 10 targets of the GBF.

Most contracting parties were in agreement that the GEF plays a pivotal role in synergising the implementation of other pertinent MEAs. The views on the GEF's effectiveness, however, were mixed. While the developed contracting parties were generally of the view that GEF was efficient and effective, suggestions on how to improve efficacy include additional financial resources, and room to enhance coherence and complementarity between various international initiatives.

*Synergy with GCF*

At this juncture, it is apposite to highlight the work of the GCF in contributing towards the implementation of the CBD. Through various projects and programmes, the GCF provides considerable support that also directly helps with the implementation of the CBD. Of their 270 projects, over 100 projects with an investment of over US$5 billion of GCF funds and another US $7 billion in cofinancing support activities that also implement the Convention. Their main enabling activities – the Readiness and Preparatory Programme - will deliver up to US $600 million to over 140 countries over the next four years that, due to the interconnected nature of the aims of the Convention and the UNFCCC, could also support the implementation of the CBD and NBSAPs as a contribution to addressing climate change. The GCF have over 130 Accredited Entities and more than 100 additional organisations undergoing the process of accreditation which provides important lessons for access for the financial mechanism and the GEF. Article 20.3 of the CBD provides that Parties may provide financial resources related to the implementation of this Convention through other multilateral channels. It is worth therefore exploring with the Green Climate Fund how to better collaborate so that its support for biodiversity and the implementation of the Convention can be better included in the work of the financial mechanism.

### *f. Recommendations*

GEF is generally effective in catalysing and enhancing national implementation measures to fulfil CBD objectives. However, there is room for improvement in terms of strengthening local capacities and infrastructure of SIDS and LDCs for the long-term sustainability of projects. While the GEF had given feedback to COP 13 indicating that expanding its list of IAs may be counterproductive to effectiveness, increasing direct access to resources, especially for IPLCs, may require a re-examination of the number and type of IAs, a view that some parties supported in their submissions.[141] Increasing direct access to IPLCs enhances biodiversity policy outcomes, a proposition supported by the UNDP Small Grants Programme, which supports community-led initiatives through a decentralized delivery mechanism at the country level. The Third Joint Evaluation of the GEF-UNDP Small Grants Programme found high effectiveness for SGP grants in terms of global environment and socioeconomic benefits.[142]

At this juncture, it must be highlighted that the GEF Secretariat, which coordinates the formulation and oversee the implementation of program activities pursuant to the joint work program, and GEF Agencies, which create project proposals and then manage them on the ground, play an important role in determining the direction of pipeline projects and consequently, country priorities. As such, capacity-building for recipient countries to, eventually, step into the shoes of IAs, is critical.

Capacity-building of LDCs and SIDs is also important to improve capacities and capabilities for sustainable development in the long-run.[143]

In respect of international MEAs, The GEF plays a pivotal role in synergising the implementation of pertinent MEAs with the CBD. However, more is needed in terms of

[141] Feedback given by one country in relation to Question 1 of the Nagoya Protocol.
[142] Third Joint Evaluation GEF-UNDP Small Grants Programme, p 28.
[143] UNEP-WCMC, 'Capacity building for biological diversity – a situation and needs analysis for the Environmental Management Group' [36].

enhancing the coherence and complementarity with international organisations and initiatives.

The GEF's oversight, monitoring and evaluation activities occurs yearly through the APRs and the GMRs and periodically through the SCCEs. These reports depend on the effective participation of stakeholders, such as IAs and contracting Parties to provide an overview of GEF portfolio activities, as well as project impacts and sustainability throughout a replenishment period.

Recommendations:

1. GEF should review the role and nature of the IAs with a view to promoting more direct engagement of national entities in developing countries, and to consider broadening the IAs to include additional national, sub-regional and regional entities.

2. GEF should consider linking implementation outcomes in the GEF-9 RMF, APRs and SCCEs to convention objectives, such as those of the CBD.

3. The GEF should consider expanding support for sustained programmatic approaches and for capacity building.

4. The GEF should further explore modalities to enhance the effectiveness of processes for funding of activities under the Cartagena and Nagoya Protocols and to encourage country take-up, and to consider setting up a standalone window for biosafety to enhance implementation of the Cartagena Protocol.

## XIII. Institutional Arrangements

This section addresses the institutional arrangements of the GEF and how their function may be improved in order to increase its efficiency and effectiveness as the CBD's financial mechanism. This section will also consider responses to the following questions:

(a) What examples or policies of the Global Environment Facility represent best practice and should be enhanced?

a. Structure and operation of the GEF

*(i) Representation*

As set out above, the GEF Council comprises of member nations representing 32 constituency groupings, 18 of which are composed of recipient countries and 14 constituencies composed principally of non-recipient countries.[144] The Rules provide the procedure for determining which country belongs to which constituency and how counties can change constituencies. Currently, representation does not adequately consider nuances such as equitable or geographical distribution of countries, like the Adaptation Fund, countries with the largest indices of biodiversity (megadiverse countries) or countries with a significant number of vulnerable or indigenous peoples. Not properly representing these significant aspects in the governance of the GEF is an important difference between the CBD and UNFCCC, and ultimately undermines the support of Parties for GEF as the operating entity of the financial mechanism. The ninth replenishment of the GEF provides an opportunity to reconsider representation in the Council so it can more align with the CBD.

The GBFF takes a more inclusive approach to representation and governance with the establishment of an auxiliary body. At the 1st GBFF Council Meeting, the GBFF Council approved the Terms of Reference for Advisory Group(s) and Auxiliary Body for the Global Biodiversity Framework Fund.[145] In relation to country participation, the Auxiliary Body will comprise representatives of GBF Fund Participants which are developing countries with areas of particular importance for biodiversity and ecosystem functions and services.[146] The body will comprise experts nominated by national governments from each GEF constituency to provide technical advice and recommendations to the GBFF Council.[147] Ultimately, while the GBFF Council remains the decision-making body, its move to establish an Auxiliary Body nevertheless demonstrates an important recognition of significant aspects in biodiversity conservation. It is also noteworthy that the GBF Fund Council has more developing country representation (16) compared to developed countries (14).

### *b.* Institutional learning and knowledge management (KM)

Knowledge is one of GEF's important resources in supporting its strategic objectives to address global environmental concerns. Effective approaches to managing knowledge can help members of the GEF partnership and broader stakeholders in identifying good practices and solutions for the environmental issues and in their replication and scaling up, thus increasing the GEF's impact. At the same time, lack of effective approaches to knowledge management can lead to duplication of effort, missed opportunities, and failure to learn from the experience across the GEF partnership.[148]

[144] Rules of Procedure for the Global Environmental Facility Council, p 9.
[145] GEF/GBFF.01/06
[146] Ibid [28].
[147] Ibid [35].
[148] Evaluation of knowledge management in the GEF (GEF/E/C.59/04), Executive Summary.

One aspect of the GEF's effectiveness is how it learns from underperforming and/or cancelled projects. In February 2024, a study was conducted in this respect by sampling a total of 202 closed projects:

*Table 1: Structure of the three components of the overall portfolio*

| Characteristics | Closed underperforming projects | Ongoing underperforming projects | Canceled projects | Portfolio total |
|---|---|---|---|---|
| Number | 141 | 38 | 23 | 202 |
| Share of the portfolio (%) | 70 | 19 | 11 | 100 |

*Source:* GEF IEO, based on the GEF APR 2023 data set and the GEF Portal.

*Table 3: Portfolios, by focal area (number and percentage)*

| Focal area | Closed | | | Ongoing | Canceled |
|---|---|---|---|---|---|
| | Unimproved | Improved | TOTAL | | |
| Biodiversity | 32 (31%) | 15 (39%) | 47 (33%) | 4 (11%) | 4 (17%) |
| Climate change* | 35 (34%) | 13 (34%) | 48 (34%) | 17 (45%) | 12 (52%) |
| Chemicals and waste | 8 (8%) | 0 (0%) | 8 (6%) | 3 (8%) | 2 (9%) |
| International waters | 4 (4%) | 4 (11%) | 8 (6%) | 0 (0%) | 1 (4%) |
| Land degradation | 5 (5%) | 2 (5%) | 7 (5%) | 1 (3%) | 1 (4%) |
| Multifocal | 19 (18%) | 4 (11%) | 23 (16%) | 13 (34%) | 3 (13%) |
| Total | **103 (100%)** | **38 (100%)** | **141 (100%)** | **38 (100%)** | **23 (100%)** |

*Source:* GEF IEO, based on the GEF APR 2023 data set and the GEF Portal. *The climate change focal area includes projects from several trust funds, including GEF Trust Fund (GET), Least Developed Countries Fund (LDCF), Special Climate Change Fund (SCCF), and the Capacity-Building Initiative for Transparency (CBIT). Distribution of projects by trust funds is presented on Table 7.

*Table 14: Learning from Challenges in GEF Projects*

One of the key takeaways was the importance of understanding the political economy and specifically the economic interests of stakeholders, cannot be emphasized enough when it comes to the successful implementation of GEF projects. In particular, those dedicated to addressing critical issues such as biodiversity loss, land degradation, and climate adaptation, heavily depend on the support and active engagement of local stakeholders who possess intimate knowledge of their respective environments and communities.[149] The consideration of cultural and social sensitivities and setting realistic objectives were also acknowledged as key takeaways.

In respect of knowledge management, despite the progress observed since 2017, challenges and limitations were identified in project-level KM, overall KM strategy, and the role of GEF Agencies and countries.[150] In particular, while the roll-outs of initiatives have mitigated systemic issues raised in 2017, such as (i) the availability of an

[149] Learning from Challenges p 30.
[150] Ibid.

information management system to capture and provide access to knowledge; (2) KM project-level guidance; and (3) the capacity to connect with GEF Agency systems and platforms, some problems continue to persist, including the lack of a comprehensive KM strategy with definition, priorities, roles and responsibilities, action plan. In 2023, the GEF launched the Strategy for Knowledge Management and Learning which is framed around three main objectives: (i) embed cutting-edge knowledge into investments; (ii) increase knowledge flows through platforms; and (iii) create and enable the environment for learning and capacity-building. Activities include: (i) establishing clear commitments for its investments to use and generate knowledge and to deliver knowledge products in line with its mandate; (ii) building a partnership centered around a knowledge culture that fosters knowledge knows, such as organising a community of practice for country OFPs, making available the relevant learning modules and holding regional events on programming and policy; (iii) deepening partnerships for learning, making available online learning and facilitating both virtual and in-person capacity strengthening initiatives in collaboration with GEF agencies and other partners.[151]

The implementation of the Strategy is currently underway. In light of COP 15's guidance, namely, that the four-year outcome-oriented framework of programme priorities for the period 2022–2026 includes the implementation support mechanisms adopted under the Convention associated with GBF related to: mobilizing sufficient resources from all sources towards implementing the Framework and achieving its goals and targets; mainstreaming; capacity building and development; generation, management and sharing of knowledge for effective biodiversity planning, policy development and coherence, decision making and implementation; and technical and scientific cooperation, technology transfer and innovation, it would be appropriate for the GEF to include an update of its progress on the Strategy.

### c. Transparency in decision-making, stakeholder engagement and civil society

#### *(i) Operational decision-making*

The Fifth Review found that while the GEF continues to be a transparent organisation in terms of its governance, it is less so in terms of its management. Only half of stakeholder respondents that were surveyed on GEF governance believed that its operational decision-making is appropriately transparent. The Review concluded with the importance of a continued focus on the integrative principle in GEF programming with an emphasis on improving efficiency, transparency, innovation and additionality.[152]

[151] GEF Strategy for KM and Learning p 11.
[152] OPS 7 p 8.

In OPS 7, it was found that the roll-out of GEF-7 impact programs was more transparent and inclusive, including the process for country selection.[153] However, no examples have been provided.

*(ii) IPLCs*

One of the key elements for the implementation of GEF projects is the CBA, which is aimed at providing support for participatory engagement, community mobilisation and civil society organisation in programme implementation. The GEF policies which contribute to CBA include the Policy on Environmental and Social Safeguards, the Stakeholder Engagement Policy and the Gender Equality Policy.[154]

The IEO's evaluation of GEF's CBA concluded that GEF focal area strategies, in particular, those for, *inter alia*, biodiversity, contain references to key CBA concepts and in certain cases, directly reference the application of CBAs. While CBA projects have become more inclusive of women, IPLCs and youth over time, systemic inequalities have yet to be addressed. Projects which devolve financial and technical resources to communities have declined in recent projects.[155] The IEO identified several key areas of improvement. These include (i) GEF should ensure that co-design of projects with communities is possible for projects where community partnership is a critical element; (ii) GEF should provide more clarity and guidance on when and how CBAs can be used in projects; and (iii) GEF should develop an approach for tracking of devolved responsibility and/or financial resources to the local level as appropriate.

In respect of IPs, GEF's approach is informed by both the Principles and Guidelines for Engagement with Indigenous Peoples and GEF Policy on Agency Minimum Standards on Environmental and Social Safeguards (Minimum Standard 5). GEF conducts compliance exercises through an independent Third Party Review of GEF Agencies' self-assessment of adherence to four key GEF minimum safeguards, including the ESS. The third progress report for the Updated Third Party Review of Agency Compliance with GEF Minimum Standards was published in June 2024.

As at GEF-7, about 17% of GEF FSPs and MSPs have substantive IPLC engagement and GEF-7 Programming Directions seek to 'work with indigenous peoples and local communities, national governments, NGOs and others to strengthen the capacity of IPLCs to conserve biodiversity'.[156] GEF explicitly recognises that IPLC's efforts to maintain their territories have been critically important in providing global environment benefits,

[153] OPS 7 p 10
[154] IEO, Evaluation of Community-Based Approaches at the GEF
[155] Ibid p 49.
[156] [67].

and that 'when the rights of IPLCs to their land and natural resources are respected, deforestation rates are lower than in government-managed areas and that local participant in conservation management can improve biodiversity outcomes.'[157]

In GEF-7, GEF supported a pilot Inclusive Conservation Initiative to provide support directly to IPLCs to conserve biodiversity, deliver other global environmental benefits and provide development benefits.[158] Recommendations have been made to GEF-8 to increase additional resources for the Initiative. However, there is also no systematic tracking of financial support provided to IPLCs, women or youth due to difficulties in establishing baselines. There also does not appear to be IPLC-specific indicators to measure the benefits conferred on IPLCs.

The lack of indicators can be contrasted with the approach taken in the GBFF, where 20% of its resources will support IP-led initiatives to protect and conserve biodiversity.[159] Projects are also asked to track IPLC engagement from the beginning as part of Action Area 2 (Support to IPLC Stewardship and Governance of Lands, Territories and Waters), which focuses on providing support to IPLC-led stewardship and governance in accordance with national legislation. The share of GBFF resources set aside to support actions by IPLCs stands at 35% of $110.4 million approved. GEF has also stakeholder engagements such as regional workshops (Expanded Constituency Workshops) to share information about the GEF and support cross-learning, with the GEF supporting the participation of two representatives from CSOs which include IPLCs. At the same time, it remains to be seen how successful IPLC projects are under the GBFF are and whether any of the indicators or methodology adopted may be imported to GEF projects.

Further, Standard 5 provides safeguards for the physical and economic displacement of IP. This must be contrasted with GCF's Indigenous Peoples Policy, for which the starting point is that GCF will avoid funding activities that may 'involve physical displacement…whether full or partial and permanent or temporary, or economic and occupational displacement…as a result of the activities'.[160]

In terms of active stakeholder participation, while the GEF has established an Indigenous Peoples Advisory Group to provide guidance and advice to the GEF on all matters relevant to IPs and GEF activities, IPs do not have specific observer seats at the GEF Council. Instead, the approved selection criteria for representatives of civil society and IPLCs to participate in GEF meetings is done based on a set of criteria which are not directly relevant to ensuring IP participation. This is contrasted with the GBFF Council meetings, where two persons from (i) private sectors; (ii) philanthropic and conservation organizations; (iii) IPLCs; (iv) women; and (v) youth are invited to attend the GBFF Council

[157] [64].
[158] GEF-8 Programming Directions p 135.
[159] https://www.thegef.org/newsroom/press-releases/new-global-biodiversity-fund-launched-vancouver
[160] GCF IPP [60].

as observers.[161] This ensures that viewpoints from important stakeholders are heard, fostering a more inclusive environment.

*(iii) Civil society*

The Stakeholder Engagement Policy forms the cornerstone of policy approaches within the GEF in respect of all its stakeholders. All Agencies are required to have in place effective accountability and grievance systems. At concept stage, PIFs and program framework documents are required to identify key stakeholders, including civil society and indigenous peoples, and briefly describe how they will be engaged in project preparation.[162]

Stakeholder engagement in respect of CSOs appear to have stagnated over the last decade. In OPS 7, it was found that patterns of civil society participation had not changed significantly over the past 10 years. The GEF CSO Network members show a greater likelihood of participating in GEF events compared to those which do not identify with the network. About a third of the CSO respondents surveyed rated the GEF as “good” in the way it engages with civil society in the formulation of policies, guidelines, and strategies, with no discernible pattern of change indicated over the past five years.

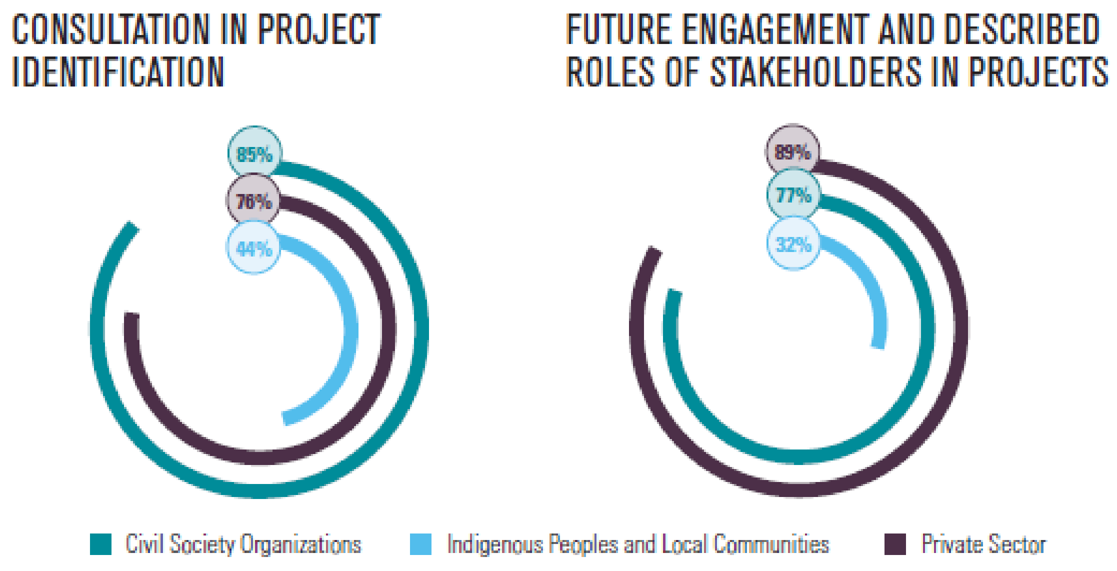


*Figure 20: GEF Corporate Scorecard, June 2022*

[161] Establishment of a New Trust Fund: Global Biodiversity Framework Fund (GEF/C.64/05/Rev.01) [41].
[162] Stakeholder Engagement Policy p 3.

At the same time, interactions between civil society and GEF agencies or governments are limited. While the GEF CSO Network developed an updated vision to address governance issues, including strengthening civil society participation in the GEF, perceptions of fair representation of major stakeholder groups and election processes are less favourable as at 2022 than in 2016.[163]

*(iv) Gender*

The GEF's Policy on Gender Equality was adopted in 2017 and is meant to support the implementation of the 2011 Policy on Gender Mainstreaming. One of the key issues which arose during the evaluation of GEF's approach to CBAs is that its Gender Policy is supportive of CBAs, but does not mandate them; this is despite the fact that one of the gender gaps the policy aims to address is the unbalanced participation and decision-making in environmental planning and governance. Attention to this gap reflects the devolution of the decision-making dimension of CBA.[164]

As of October 2017, 60% of new GEF-6 projects provide adequate evidence at CEO Endorsement/Approval that a gender analysis or social assessment with a gender component had been undertaken or are planned, compared with a baseline of 18%.[165]

The trend of gender equality has been improving with each GEF cycle. While as at 2018, progress has been modest in terms of the number and share of GEF projects that can be considered gender-mainstreamed, these numbers improved significantly at the end of GEF-7 in June 2022:

[163] OPS7 p 166.
[164] Evaluation p 21.
[165] Policy on Gender Equality p 4.

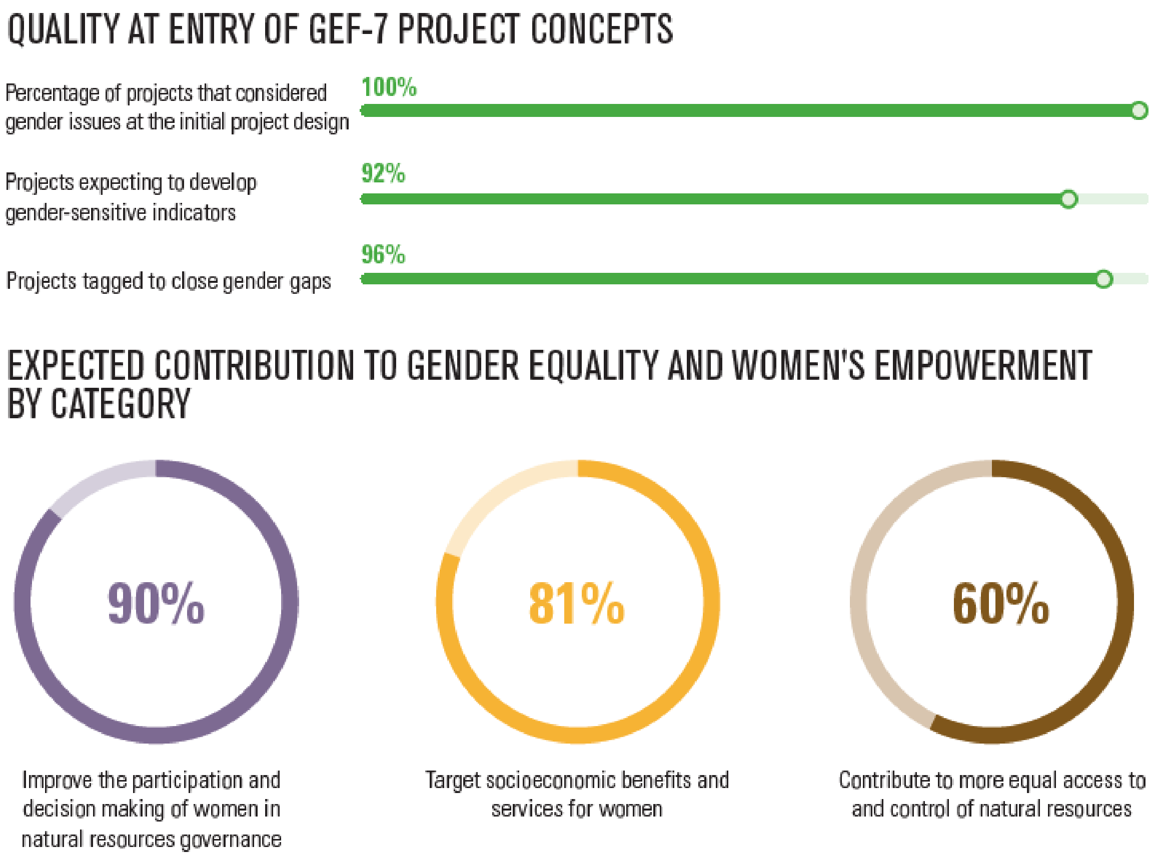


*Figure 21: GEF Corporate Scorecard, June 2022*

Within the context of the CBD, women play a vital role in managing resources and considering gender dimensions in biodiversity-related decision-making can lead to positive outcomes for biodiversity and gender equality.[166]

d. Recommendations

Contracting parties mostly highlighted GEF's Policy on Gender Equality as one which represents GEF best practice. Other suggestions include GEF's co-financing policy and its stakeholder engagement policy.

This Report provides the following recommendations:

1. The Council of the GEF should explore ways to enhance equitable geographical representation within and between the constituencies of the Council, taking into account also the level of biodiversity of countries, and to ensure meaningful participation in decision making of indigenous peoples and local communities, including women and youth, given their contributions to the conservation and sustainable use of biodiversity

[166] OECD, p 33.

2. The Assembly of the GEF, as part of the GEF-9 replenishment process, should consider reforms to its governance with a view to improving the balance between developing countries and developed countries, taking into account also the level of biodiversity of countries, and to ensure meaningful participation in decision making of indigenous peoples and local communities, including women and youth, given their contributions to the conservation and sustainable use of biodiversity.

3. The GEF should to further promote support for indigenous peoples and local communities including by promoting leadership by and partnership with indigenous peoples and local communities in projects, recognizing indigenous knowledge as a basis for activities supported by the GEF, using targeted indicators to monitor projects, and to consider establishing a target for funding to support the priorities of indigenous peoples and local communities  across the biodiversity programme of the GEF Trust Fund as whole.

4. The GEF should contribute to the implementation of the whole-of-government and whole-of-society approach for the GBF by continuing to enhance effective engagement with civil society organizations, women and youth, indigenous peoples and local communities, private sector, philanthropic and conservation organizations, and other major stakeholder groups.

## XIV. Concluding Observations

In its decision 15/15 on the financial mechanism, the COP adopted the terms of reference for the sixth quadrennial review of the effectiveness of the financial mechanism, to be undertaken by an independent evaluator.

The method for undertaking the report was presented to the SBI at its fourth meeting in Nairobi in May and outlined in in in CBD/SBI/4/INF.17 which follows the objectives, methodology and criteria determined by COP in decision 15/15.

This Report is especially important because it is the first time the COP has the opportunity to review the effectiveness of the Financial Mechanism after the adoption of the GBF and because a review process is an important element of the proper governance of the Financial Mechanism.  The Report was limited to a desk evaluation of available documents and feedback to the SBI and the Questionnaire by contracting Parties.  The Report could have benefited from more contracting Parties responding to the Questionnaire. Although there is near universal ratification of the CBD, less than a quarter of the contracting Parties responded to the Questionnaire. The Report could also have benefited from field visits to ensure that the Independent Evaluator had direct primary sources of information from the field to confirm, inform and complement other information sources.[167]

While the comprehensive scope of Decision 15/15 enabled this Report to touch on many key issues which may hopefully lead to meaningful action by both COP and the GEF, the quality of future reports may be enhanced by streamlining the objectives set out in the TORs. There were multiple overlapping and repetitive objectives, such as the following:

*In respect of conformity of activities to COP guidance*

(a) The conformity of the activities of the Global Environment Facility (GEF), as the institutional structure operating the financial mechanism, with the guidance of the Conference of the Parties;

(b) The efficiency and effectiveness of the activities funded by the Global Environment Facility on the implementation of the Convention and the achievement of its three objectives, as well as, as applicable, of its Protocols, taking into account the guidance provided by the Conference of the Parties

*In respect of the efficient deployment of resources:*

(c) The effectiveness of the financial mechanism in providing and mobilizing financial resources to enable all recipient country Parties to meet the agreed full incremental costs to them of implementing measures which fulfil the obligations of the Convention and its Protocols and to benefit from its provisions, taking into account the need for predictability, adequacy and timely flow of funds

(d) The efficiency and effectiveness of processes and procedures for the deployment of resources for programmes

*In respect of achieving global objectives*

(e) The effectiveness of catalysing and enhancing national implementation measures for achieving global biodiversity goals and targets, including those that relate to the Protocols;

(f) The efficiency and effectiveness of supporting implementation of Sustainable Development Goals that contribute to achieving the objectives of the Convention and its Protocols;

[167] See, for example, the Second Review p 3.

An additional criterion which may be considered is how the GEF has created synergies with other funds, such as the GCF, in order to achieve CBD and/or global biodiversity goals. This is in recognition of the interrelatedness between climate change and biodiversity loss and the resulting importance of coherence in the global financing architecture.

Future reports may also focus on the impact of projects on key stakeholders, such as IPLCs, women and youth, a criteria which was not explicitly within the ambit of the TORs. To this end, this Report notes that paragraph 29 of SBI's draft recommendation 4/4 proposes to ensure that the seventh review of the effectiveness of the financial mechanism includes 'the views from [and possible impacts on the rights of] indigenous peoples and local communities, women and youth…'. A key component for future analysis may therefore also include the sustainability of projects on such stakeholders, especially in respect of any impact to their legal rights and socio-economic benefits.

Further, the effectiveness of the financial mechanism in contributing towards the implementation of both the Cartagena and Nagoya Protocols, and how the launch of the GBF may enhance the implementation of the Protocols (and vice versa) warrant greater depth of analysis.

Finally, a full evaluation, in which in-depth portfolio and project analysis is conducted, may be necessary to assess the overall performance of the GEF as the operating institution of the financial mechanism from its appointment to-date. An evaluation will also enable key stakeholders to meaningfully reflect on how both the CBD and GEF may ensure positive and lasting results in both CBD objectives and wider biodiversity goals in the long run.

## XV. Conclusion and Recommendations

Between GEF-6 and GEF-8, the GEF has made significant progress in the areas reviewed, namely, its conformity with COP guidance, its role in resource mobilisation and in supporting the implementation of activities that achieve the objectives of the CBD, including its policies and procedures. Nevertheless, improvement is not only possible but important. Cognisant that many of the recommendations of this Report overlap with the draft recommendations prepared by SBI at its fourth meeting and do not therefore need to repeated here, this Report proposes the following additional recommendations for the consideration of the COP:

*The Conference of the Parties,*

Notes that GEF has made significant progress between GEF-6 and GEF-8 in its conformity with COP guidance, its role in resource mobilization and in supporting the implementation of activities that achieve the objectives of the CBD, including its policies and procedures. GEF is generally effective in catalysing and enhancing national implementation measures to fulfil Convention objectives;

Notes that GEF's effectiveness is limited by the: (i) availability of financial resources for eligible countries from donors; (ii) lack of strategic prioritisation of focus areas or priorities from the COP; and (iii) the need for a more country ownership or a stronger country-driven approach to GEF-financing within the GEF system.

Recognises that the resources of the financial mechanism are provided in a relatively predictable manner due to the implementation of the STAR allocation and improvements have been made in terms of timely disbursements of funds to eligible countries and the streamlining of the GEF project cycle will likely have a positive impact on the timely disbursements of funds;

*Recommendations directed at the Conference of the Parties*

1. Recognising the importance of making further efforts to prioritize its guidance and develop guidance that is more actionable and measurable in order to better guide the GEF, decides to establish at its next meeting a standing committee on the financial mechanism, modelled on the UNFCCC Standing Committee on Finance, and requests SBI to make recommendations in this regard;

2. Recalling that Article 20.3 provides that Parties may provide financial resources related to the implementation of this Convention through other multilateral channels, request the Executive Secretary to liaise with the Secretariat of the Green Climate Fund to enhance collaboration with and support for the Convention;

*Recommendations directed at the Global Environment Facility and the Conference of the Parties*

3. Recognising more country and local leadership is urgently needed, recommends that the COP and the GEF promote more programmatic approaches, increase support for locally focused capacity building and increase enabling activities noting that these are activities for the preparation of a plan, strategy or report to fulfill commitments under the Convention and the Protocols;

*Recommendations directed at the Global Environment Facility*

4. Encourages further efforts by the GEF to relax the co-financing requirements for LDCs, SIDS and the biodiversity focal area for the GEF Trust Fund as has been done for the GBF Fund;

5. Requests the GEF to redouble its efforts to encourage voluntary contributions from all Parties, in particular developed countries and other Parties and countries in a position to provide resources, and to mobilize resources from other sources, especially from the

private sector, philanthropy and sustainable finance instruments, in order to improve the adequacy of funds and address the financing gap for biodiversity;

6. Recognizing that while the GEF has taken steps over the years to enhance the quality of their reports, recommends the GEF improve its effort to meet fully all its reporting requirements, in particular to include: information on projects in the area of biological diversity funded by GEF outside the CBD and how GEF has responded to the needs assessment by COP, under the Memorandum of Understanding (MOU) in order for the COP to develop more effective guidance;

7. Recalling Article 21.1 provides that the financial mechanism shall operate in a democratic and transparent manner for the purposes of the Convention, invites the Council and the Assembly of the Global Environment Facility to promote equitable or geographical representation of countries, representation of countries with significant biological diversity and representation of countries with significant populations of indigenous peoples in the Council, and to consider reforming its governance as part of the GEF-9 replenishment process;

8. Recognising the need to strengthen country and local leadership and ownership recommends the GEF to further promote such strengthening and review the role of the Implementing Agencies in these respects with a view to promoting more direct engagement of partners in developing countries;

9. Recalling the limited number of projects for the Protocols, calls upon the GEF to continue to re-examine the modalities to enhance the effectiveness of processes for funding of activities under the Protocols and to encourage country take-up and to consider setting up a standalone window for biosafety to enhance implementation of the Cartagena Protocol.

10. Encourages the GEF to expand the flexibility in project proposal processes, including in co-financing requirements, as well as increase resources directly for the least developed countries, small island developing States and indigenous peoples and local communities;

11. Recalling the importance of the contribution of indigenous peoples and local communities to implementing the Convention and welcoming the support the GEF currently provides for indigenous peoples and local communities, requests the GEF to further promote support for indigenous peoples and local communities such as promoting leadership and partnership in projects, recognising indigenous knowledge as a basis for eligible activities, using targeted indicators to monitor projects and to consider a target for funding to support the priorities of indigenous peoples and local communities across the biodiversity programme of the GEF Trust Fund as whole;

12. Recognising that the GEF effectively monitors and evaluates its activities regularly, in alignment with the GEF Results Measurement Framework, invites the GEF to consider linking implementation outcomes in the GEF-9 Results Measurement Framework, Annual Performance Reviews and Strategic Country Cluster Evaluations to convention objectives, such as those of the CBD;

13. Encourages the GEF to contribute to the implementation of the whole-of-government and whole-of-society approach for the Kunming-Montreal Global Biodiversity Framework by continuing to enhance effective engagement with civil society organizations, women and youth, indigenous peoples and local communities, private sector, philanthropic and conservation organizations, and other major stakeholder groups.

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## XVII. Appendices

Appendix A: Questionnaire submitted to contracting Parties and GEF

Appendix B: Statements by contracting Parties to SBI on Agenda Item 4(b)

Appendix C: Recommendation 4/4 by SBI to COP

Appendix D: Documents from GEF and other sources referred to in Report

Appendix E: COP and GEF obligations under the MOU and Instrument

Appendix F: Summary of Previous Reviews and Main Recommendations

Appendix G: GEF response to COP guidance

Appendix H: Selected COP decisions related to the Financial Mechanism

## Appendix A: Questionnaire submitted to contracting Parties and GEF

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## Sixth Review of the Effectiveness of the Financial Mechanism of the Convention on Biological Diversity and its Protocols

## Questionnaire for general submissions by Parties to the Convention on Biological Diversity, Cartagena Protocol on Biosafety and Nagoya Protocol on Access and Benefit-sharing

Deadline for submission: 12 August 2024

### Introduction

An important part of the review, mandated by the Conference of the Parties to the Convention on Biological Diversity in its decision 15/15, is collecting information directly from Parties and other stakeholders.

The collection of information through the present questionnaire is structured around a series of questions that address elements of the terms of reference agreed by the Conference of the Parties. Please answer the following questions from the experience of your country.

This list of questions is broad and some of the questions are complex. Accordingly, respondents are requested to provide information for only those questions they feel are relevant. Respondents are not necessarily expected to answer all the questions.

Representatives of Parties wishing to provide additional information in a direct interview with the evaluator may contact him by e-mail at sam.johnston@un.org.

### Respondent Details

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| Country | |
| Name of institution | |
| Name of respondent | |
| Job title | |
| E-mail address | |
| Please indicate the instrument for which you are the national focal point (CBD, Cartagena Protocol, Nagoya Protocol) | |

**Questions**

1. How do the activities of the Global Environment Facility, as the institutional structure operating the financial mechanism of the Convention and its Protocols, conform with the guidance of the Conference of the Parties?

2. How effective is the Global Environment Facility in providing and mobilizing financial resources to enable all recipient country Parties to meet the agreed full incremental costs to them of implementing measures which fulfil the obligations of the Convention and its Protocols and to benefit from its provisions, taking into account the need for predictability, adequacy and timely flow of funds?

3. How effective is the Global Environment Facility in mobilizing financial resources from all sources to support national implementation, including national biodiversity strategies and action plans and national biodiversity finance plans, of the Convention and its Protocols?

4. How efficient is the Global Environment Facility in providing and mobilizing financial resources, as well as, in accordance with the guidance of the Conference of the Parties, in overseeing, monitoring and evaluating the activities financed by its resources, as appropriate?

5. How effective is the Global Environment Facility in catalysing and enhancing national implementation measures for achieving global biodiversity goals and targets, including those that relate to the Protocols?

6. How efficient and effective are the activities funded by the Global Environment Facility on the implementation of the Convention and the achievement of its three objectives, as well as, as applicable, of its Protocols, taking into account the guidance provided by the Conference of the Parties?

7. How efficient and effective is the Global Environment Facility in supporting implementation of Sustainable Development Goals that contribute to achieving the objectives of the Convention and its Protocols?

8. How efficient and effective are the Global Environment Facility's processes and procedures for the deployment of resources for programmes?

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9. How efficient and effective is the Global Environment Facility in supporting the objectives of the Convention and its Protocols in synergy with implementation of other pertinent multilateral environmental agreements, in a manner that is consistent with the mandates of respective multilateral environmental agreements?

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10. Are the actions taken by the Global Environment Facility in response to the guidance of the Conference of the Parties adequate?

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11. To what extent do eligible countries receive timely, adequate and predictable funds to enable countries to meet the agreed full incremental cost to them of implementing measures that fulfil the obligations under the Convention and its Protocols, that generate global environmental benefits?

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12. Do you have information related to performance in delivering Global Environment Facility projects including effectiveness and efficiency of access modalities and competence and capacity required to use these modalities?

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13. What are the three most important challenges affecting the efficiency and effectiveness of the Global Environment Facility and why?

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14. What are the three most important measures the Global Environment Facility should consider for improving its efficiency and effectiveness?

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15. What examples or policies of the Global Environment Facility represent best practice and should be enhanced?

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16. What role does the Global Environment Facility play in developing the pathway to Target 19 of the Kunming-Montreal Global Biodiversity Framework?

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17. Any other issues or information that have not been provided in any of the foregoing questions?

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Based on decision NP-4/8 A, Parties to the Nagoya Protocol on access and benefit-sharing are also requested to consider the following:

1. What has been the experience, as well as lessons learned, in accessing and utilizing funds from the Global Environment Facility for the implementation of the Nagoya Protocol?

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2. What are the challenges to accessing and using Global Environment Facility funds?

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3. Are there possible barriers to regional collaboration?

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Based on decision CP-10/6, Parties to the Cartagena Protocol are also requested to consider the following:

1. What has been the experience, as well as lessons learned, in accessing and utilizing funds for the implementation of the Cartagena Protocol?

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2. What are the challenges to accessing and using the Global Environment Facility funds?

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3. The relevance and process of creating a standalone window for biosafety

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**Appendix B: Statements by contracting Parties to SBI on Agenda Item 4(b)**

**4th Meeting of the Subsidiary Body on Implementation: Statements**

| **Developed Country Parties and Other Parties that Voluntarily Assume the Obligations of Developed Country Parties to the CBD*** | |
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| Australia | Several elements requested by COP 15 have not been completed, including the estimate of funding and investment needs. |
| Canada | Recognises work done to align biodiversity focal area in the GEF-8 replenishment and the work done to align focal area with the KMGBF.<br><br>Three projects presented in the first GBF Fund Work Programme which closely align with GBF Fund's target for 20% funding to support IP. Recent GEF approval of 18 project preparation grants under the GBF Fund, including for LDCs and SIDS. |
| European Union (*Austria, Denmark, France, Finland, Germany, Greece, Iceland, Ireland, Italy, Luxembourg, Portugal, Netherlands, Norway, Slovenia, Spain Sweden) | Welcomes global programme for development of national biodiversity finance plans and collaboration with UNDP's BIOFIN.<br><br>Funding in GEF-8 appears underutilised. Eligible countries should make use of country allocations, including the maximum flexibility between STAR allocations.<br><br>GEF needs to continue to mobilise additional resources, including with private sector and multilateral development banks. Further, as the GBF is relevant to all biodiversity-related conventions, the support of programmatic synergies is relevant to the GBF and mandate of the GEF (e.g., CMS priorities developed by CMS Standing Committee). COP should reflect these considerations in clear and strategic guidance to the GEF.<br><br>The 4 year outcome oriented framework of programme priorities captures what needs to be taken into account for the 9th replenishment cycle. |
| Japan | Urges all Parties and stakeholders in a position to contribute funds to make contributions or further contributions to the Global Biodiversity Framework Fund. |

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| New Zealand | Welcomes proposal for draft outcome-oriented framework of programme priorities for GEF-9, including approach to addressing gaps to align with the Global Biodiversity Framework's targets and to align with other biodiversity MEAs |
| Norway | Regarding the first recommendation, GEF has already set aside funding to support the implementation of Target 17, as such, a call for project proposals is unnecessary.<br><br>The GBFF is to support the implementation of the KMGBF and is complementary to the GEF Trust Fund. |
| Switzerland | Parties should update their NBSAP and related NFP such that the assessment of the estimated funding and investment needs over the GEF-9 period can be done.<br><br>Assessments constitute valuable input for GEF replenishments and as such, we do not support the proposed online, regular collection of national funding and investment needs from recipient countries.<br><br>In the event that parties decide to start monitoring funding needs, this will need to be done for all Parties and be incorporated in the Monitoring Framework as an additional indicator.<br><br>The COP should provide comprehensive guidance covering all relevant goals and targets of the GBF to the GEF. The report prepared by the GEF shows that the GEF is already addressing all GBF targets in some way or another. |
| United Kingdom | Supports call for financial support to be taken up by recipient countries to deliver Targets 13 and 17 of the KMGBF.<br><br>Welcomes the recommendation that the GEF is under the guidance and authority of the COP; Parties set the direction and provide a consolidated list of programme priorities. GEF is required to report back on progress.<br><br>Next quadrennial framework must reflect recipient countries' national biodiversity strategies, action plans and other relevant national planning instruments. |

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| | Countries should outline their financing priorities to guide GEF programming. |
| **Developing country parties** | |
| Argentina | There is a large gap between committed resources and implementation needs of developing countries. There is a lack of voluntary contributions for the conduct of the sixth review, resulting in the use of resources from the core budget.<br><br>It is essential to have guidance for the GEF approved by parties to implement the Kunming-Montreal Global Biodiversity Framework. |
| Brazil | GEF performs an important, interim role of the Convention even as parties aspire to establish a Fund under the authority of the COP. However, GEF's governance structure is outdated – megadiverse countries have to share seats while donor countries that have depleted their biodiversity have seats of their own.<br><br>Funding levels fall short of Target 19(a) and GEF Council has not been able to adopt TORs for the auxiliary body and the advisory group of the GBFF. |
| China | Parties need to significantly increase funding in biodiversity for the 9th replenishment period. The GEF is under the guidance of Parties and the work it supports should align with Parties' national priorities. The procedures should be further simplified, and collaboration with private and civil society strengthened. |
| Colombia | A coherent, integrated and accelerated approach is needed to strengthen economies and ensure financing needed.<br><br>Colombia supports the creation and implementation of the Global Biodiversity Fund under the GEF-GBFF. In respect of the GBFF, it is necessary to review it because of key issues such as direct access to resources for Ips, Afro-descendants, peasants, women and youth. |

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| | There is a need for shareholder countries, multilateral development banks, development finance institutions and private debtors to reach consensus on how to expand credit enhancement mechanisms and sustainability-linked bonds and guarantees. An example is the NBSAP Accelerator and the operationalisation of the Matchmaking Fund with the aim of improving access to the financial, technical and knowledge resources needed to accelerate action on biodiversity and promote synergies with NDCs and SDGs. |
| Cuba | For an adequate definition of the guidelines for the 9th replenishment, work must be coordinated with the programming of the conclusion and presentation of the NBSAPs as set out in the CBD.<br><br>In relation to the GBFF. While significant milestones have been reached, it is not a resounding success. Many beneficiary countries did not participate in the discussion of the ground rules for operationalisation. The calls for projects reached countries with tight deadlines. Project proposals were not approved apparently due to lack of funding. |
| Democratic Republic of Congo | Financial mechanism is a necessary channel for achieving the Kunming-Montreal Global Biodiversity Framework but there is a large gap to fill. The CBD, out of the three Rio Conventions, does not have a dedicated financial mechanism.<br><br>GEF has not been able to mobilise more than USD 240m while the Loss and Damage Fund has mobilised USD 700m. This is not sufficient to achieve objectives. Another mechanism complementary to the GEF that will mobilise resources from all sources and completely under the authority and control of the COP should be set up. |
| Ethiopia | In respect of the dedicated Global Biodiversity Fund, cooperation and commitment from developed country parties and other parties to progressively increase |

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| | funding are crucial. In addition: (i) co-financing should not be mandated as a prerequisite for funding as it may disproportionately affect developing countries; (ii) funding should equally prioritise the three objectives of the CBD along with its Protocols; and (iii) its accessibility should be clear and direct, ensuring the possibility of securing new, additional, predictable, adequate, timely financing responsive to needs and priorities. |
| Fiji | Guidance to the GEF should maintain the aspirational percentage of direct access funds dedicated to IPLCs, and the committed percentage allocation to SIDs and LDCs.<br><br>Rapid deployment of funds to developing countries, IPLCs and other rights holders such as women and girls key to successful GBF implementation |
| India | GEF should also establish an equitable and representative governance and institutional mechanism for ensuring a transparent process of sanctioning funds per national priorities.<br><br>There is a need to ensure continuous, speedy and robust capitalisation of GBFF to support developing countries.<br><br>Additional sources may be explored from Rio Conventions and biodiversity-related conventions and civil society organisations. |
| Kenya | The Trust Fund under the GEF should be designated Global Biodiversity Fund.<br><br>There is a lack of clarity on the achievement of the obligations under Target 19 of the Framework and to what extent the target of international flows has increased towards US$20B by 2025. |
| Lebanon | Main challenge remains the allocation of financial resources to enable developing countries to implement their national actions. |
| Malawi | While the GBFF was established to fast track the implementation of the KMGBF, there is a need for a special dedicated fund for Biodiversity under the COP |

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| | since the governance regime is an enabler on how effective the funding mechanism can be. |
| Mexico | GEF should continue to develop necessary action to support developing countries and countries with economies in transition. To make such financing directly accessible to IP, women and youth.<br><br>Welcome the establishment of the Global Biodiversity Fund nested in the GEF but developed countries should fulfil contributions to the Fund. |
| Nigeria | Significant delays in funding allocation, concerns with governance paralysing decision-making and discrepancies between funding allocation and biodiversity priorities. |
| Pacific Islands (Cook Islands, Fiji, Tonga and Vanuatu) | Gaps in the provision of guidance to the GEF in respect to the implementation of certain aspects of the Framework.<br><br>Request that the financial mechanism be reviewed to determine a stand-alone funding, replenished tri-annually akin to the Montreal Protocol's multilateral fund. |
| Russia | The governance and decision-making system in the GEF should be reformed in accordance with Article 21.<br><br>Lack of transparency and timeliness in the disbursement of funds. |
| South Africa | Supports an inclusive and transparent intergovernmental process to be established by COP 16 for the immediate operationalisation of a Global Biodiversity Fund for the following reasons:<br><br>(i) Present mechanism is provisional per Article 39, interim and limited.<br><br>(ii) Present mechanism aims to facilitate the implementation of the Global Biodiversity Framework which is not sufficient to address finance gap; the fact that there is a gap |

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| | demonstrates the inadequacy of existing mechanisms. |
| Syria | In the event that parties fail to obtain funding, a grievance mechanism should be made available to them. GEF should enhance transparency processes. |
| Türkiye | Supports in-depth discussions on the need for and feasibility of a dedicated global instrument for biodiversity finance and endorses establishing an open-ended working group to facilitate discussions.<br><br>Clear guidance and timely implementation crucial to meet targets. |
| Venezuela | Call for increased funding under the principle of CBDR and Target 19. |

## Appendix C: Recommendation 4/4 by SBI to COP

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Convention on Biological Diversity

**Subsidiary Body on Implementation**
**Fourth meeting**
Nairobi, 21–29 May 2024
Agenda item 4 (b)
**Resource mobilization and financial mechanism: financial mechanism**

# Recommendation adopted by the Subsidiary Body on Implementation on 29 May 2024

## 4/4. Financial mechanism

*The Subsidiary Body on Implementation*,

*Recalling* paragraph 15 of decision 15/15 of 19 December 2022, in which the Conference of the Parties to the Convention on Biological Diversity invited developing country Parties and Parties with economies in transition to identify related national funding priorities, including nationally prioritized funding needs that could be considered eligible for funding under the financial mechanism, specifically for the period from July 2026 to June 2030, and submit the results to the Executive Secretary for inclusion in the funding needs assessment,

*Recognizing* that most eligible countries are still in the process of updating their national biodiversity strategies and action plans and developing national biodiversity finance plans or other relevant instruments and that robust funding needs assessments should build upon the funding priorities identified in national planning processes,

*Noting with regret* the lack of voluntary contributions to finance the implementation of the terms of reference for a full assessment of the amount of funds needed for the implementation of the Convention on Biological Diversity[168] and its Protocols, in particular the Kunming-Montreal Global Biodiversity Framework,[169] for the ninth replenishment period of the Global Environment Facility Trust Fund,[170]

*Regretting* that the lack of voluntary contributions to implement the terms of reference for the sixth review of the effectiveness of the financial mechanism, as set out in annex IV to decision 15/15, has delayed the timely preparation of the review and limited its scope,

*Taking note* of the information contained in the note by the Secretariat on the financial mechanism,[171]

[168] United Nations, *Treaty Series*, vol. 1760, No. 30619.
[169] Decision 15/4, annex.
[170] See decision 15/15, annex III.
[171] CBD/SBI/4/6.

1. *Takes note* of the preliminary report of the Council of the Global Environment Facility for the sixteenth meeting of the Conference of the Parties,[172] which includes a table of its responses to the guidance adopted by the Conference of the Parties at its fifteenth meeting in its decision 15/15;

2. *Notes* the relatively rapid provision of support from the Global Environment Facility for the revision and updating of national biodiversity strategies and action plans, as well as national biodiversity finance plans aligned with the Kunming-Montreal Global Biodiversity Framework, and urges the eligible countries, with the support of the relevant implementing agencies, to expedite the implementation of enabling activity projects financed by the Global Environment Facility;

3. *Encourages* the Global Environment Facility to continue and further strengthen the collaboration with the Biodiversity Finance Initiative on developing and updating national biodiversity finance plans and to support their implementation;

4. *Requests* the Council of the Global Biodiversity Framework Fund to adopt at its second meeting terms of reference for the auxiliary body and the advisory group;

5. *Encourages* eligible Parties to the Convention on Biological Diversity and its Protocols to accelerate their use of their country allocations made available under the System for Transparent Allocation of Resources for the eighth replenishment cycle of the Global Environment Facility Trust Fund;

6. *Encourages* eligible Parties to the Cartagena Protocol on Biosafety to the Convention[173] and the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from Their Utilization to the Convention[174] to take note of the relevant information in the preliminary report of the Global Environment Facility when submitting project proposals for consideration and approval by the Facility;

7. *Encourages* the Global Environment Facility, when considering project proposals, to take into account in a balanced manner project proposals related to the Cartagena Protocol and the Nagoya Protocol;

8. *Encourages* Parties to consider, at the sixteenth meeting of the Conference of the Parties, elements of advice developed and submitted by the governing bodies of other biodiversity-related conventions so that they may be referred to the Global Environment Facility;

9. *Strongly encourages* eligible Parties to contribute to the survey of national funding priorities and needs which is being prepared by the Secretariat;

10. *Encourages* Parties to participate in the evaluation process being conducted by the independent evaluator recruited by the Executive Secretary to implement the terms of reference for the sixth review of the effectiveness of the financial mechanism;

11. *Requests* the Executive Secretary:

(a) To present the outcomes of the funding needs survey for consideration by the Conference of the Parties at its sixteenth meeting, the Conference of the Parties serving as the meeting of the Parties to the Cartagena Protocol at its eleventh meeting and the Conference of the Parties serving as the meeting of the Parties to the Nagoya Protocol at its fifth meeting;

(b) To present the report of the independent evaluator on the effectiveness of the financial mechanism for consideration by the Conference of the Parties at its sixteenth meeting, the Conference of the Parties serving as the meeting of the Parties to the Cartagena Protocol at its eleventh meeting and the Conference of the Parties serving as the meeting of the Parties to the Nagoya Protocol at its fifth meeting;

[172] CBD/SBI/4/6/Add.1.
[173] United Nations, *Treaty Series*, vol, 2226, No. 30619.
[174] Ibid., vol. 3008, No. 30619.

(c) To incorporate the information provided by the Global Environment Facility through its final report into the relevant documentation to be prepared for consideration by the Conference of the Parties at its sixteenth meeting and to collaborate with the Facility on identifying potential issues and areas requiring the attention of the Conference of the Parties at the same meeting;

12. *Also requests* the Executive Secretary to develop, for consideration by the Conference of the Parties at its sixteenth meeting, elements of guidance to support the implementation of those goals, targets and sections of the Framework that have not been covered specifically or comprehensively in any previous guidance for the Global Environment Facility, including Targets 1, 2, 7, 9, 11, 16, 22 and 23 and section C;

13. *Recommends* that, at its sixteenth meeting, the Conference of the Parties adopt a decision along the following lines:[175]

*The Conference of the Parties*,

[*Reaffirming* the importance of the full application of the provisions of Article 21 of the Convention on Biological Diversity[176] and of access for all eligible Parties to the financial mechanism for the full implementation of the Convention,]

[*Welcoming* the valuable role of the Global Environmental Facility as the institutional structure operating the financial mechanism of the Convention on an interim and ongoing basis,]

*Recalling* paragraph 3 of Article 21 of the Convention, which provides that the Conference of the Parties shall review the effectiveness of the financial mechanism,

*Reaffirming* the commitment of the Conference of the Parties to reviewing the effectiveness of the financial mechanism periodically, as reflected in the memorandum of understanding with the Council of the Global Environment Facility,[177]

*Reaffirming also* the importance of the review of the effectiveness of the financial mechanism in the context of the implementation of the Convention and its Protocols, strategies and programmes,

*Noting with concern* the lack of financial voluntary contributions to finance the implementation of the terms of reference for a full assessment of the amount of funds needed for the implementation of the Convention and its Protocols for the ninth replenishment period of the Global Environment Facility Trust Fund,[178] resulting in the use of the core budget and in a limited report for the consideration of the Conference of the Parties at its sixteenth meeting,

*Taking note* of the report of the Council of the Global Environment Facility to the Conference of the Parties at its sixteenth meeting,[179]

*Welcoming* [*with appreciation*] the actions taken by the Global Environment Facility to support developing country Parties and countries with economies in transition, in particular the least developed countries and small island developing States, and indigenous peoples and local communities, women and youth in the implementation of the objectives of the Convention, its Protocols and the Kunming-Montreal Global Biodiversity Framework,[180] including through its programming associated with the seventh and eighth

[175] Bearing in mind that additional elements for a draft decision will be elaborated prior to the sixteenth meeting of the Conference of the Parties.
[176] United Nations, *Treaty Series*, vol. 1760, No. 30619.
[177] Decision III/8, annex.
[178] Decision 15/15, annex III.
[179] CBD/COP/16/--.
[180] Decision 15/4, annex.

replenishments of its Trust Fund and the establishment and [steps taken to operationalize][operationalization of] the Global Biodiversity Framework Fund,

*Recognizing* the integrated and indivisible nature of the components of the Framework, which include considerations for its implementation (sect. C of the Framework), implementation and support mechanism and enabling conditions (sect. I) and responsibility and transparency (sect. J),

*Noting with concern* [the lack of project proposals from eligible countries to support the implementation of the Cartagena Protocol on Biosafety to the Convention[181] and the limited number of project proposals from eligible countries to support the implementation of the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from Their Utilization to the Convention,[182]]

[*Noting with concern also* that the Global Environment Facility does not take into account in a balanced manner project proposals related to the Cartagena Protocol and the Nagoya Protocol,]

[*Noting with concern further* the [insufficiency of resources][lack of resources] made available to the [Global Environment Facility, including the] Global Biodiversity Framework Fund[, while recalling Article 20 of the Convention and Target 19 of the Kunming-Montreal Global Biodiversity Framework,] in a manner commensurate with the challenges and needs of developing country Parties,]

[*Noting with concern* the exclusion of a number of eligible Parties from access to support from the Global Environment Facility, including through its programming associated with the seventh and eighth replenishments of its Trust Fund and System for Transparent Allocation of Resources, in particular for the revision and updating of national biodiversity strategies and action plans and national biodiversity finance plans aligned with the Framework,]

*Noting* the contributions of the integrated programmes of the Global Environment Facility towards achieving the targets of the Framework and that all of the integrated programmes contribute towards achieving Targets 8, 10, 11, 20, 21, 22 and 23,

*Welcoming* the significant portion of other focal area resources under the Global Environment Facility that contribute to the implementation of the Framework,

*Welcoming also* the efforts by the Global Environment Facility to harness synergies among other biodiversity-related conventions and to address multiple environmental challenges in a holistic manner,

*Noting* [*with appreciation*] the enhanced support provided by the Global Environment Facility to indigenous peoples and local communities for the implementation of the Framework, including through the aspirational programming share of 20 per cent at portfolio level by 2030 in the Global Biodiversity Framework Fund,

*Welcoming* the efforts by the Global Environment Facility to support policy coherence and streamlining measures,

1. *Notes with appreciation* the report of the Council of the Global Environment Facility to the Conference of the Parties at its sixteenth meeting;

**Global Environment Facility Trust Fund**

2. [*Invites*][*Encourages*][*Instructs*] the Global Environment Facility, in collaboration with the Executive Secretary, to [encourage][invite] [all eligible] [recipient] countries to submit project proposals in support of the implementation of Target 17 of the

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[181] United Nations, *Treaty Series*, vol. 2226, No. 30619.
[182] Ibid., vol. 3008, No. 30619.

Framework and the Implementation Plan[183] and Capacity-building Action Plan[184] for the Cartagena Protocol;

3. *Invites* relevant Parties to the Cartagena Protocol to access proactively the notional allocations available for the Protocol from the eighth replenishment programming directions;

4. *Requests* the Executive Secretary and the Global Environment Facility to promote the sharing of experience and knowledge in project development and implementation in support of the implementation of Target 13 of the Framework;

5. *Invites* relevant Parties to the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from Their Utilization to access proactively the notional allocations available for the Protocol from the eighth replenishment programming directions;

6. *Encourages* the Global Environment Facility to continue to explore potential opportunities for maximizing the contribution of its integrated programmes to the implementation of the Kunming-Montreal Global Biodiversity Framework, including through dedicated support to indigenous peoples and local communities, women and youth;

7. *Encourages* the Global Environment Facility and recipient countries to maintain the contribution of the international waters focal area to the implementation of the Framework and to extend that practice to other focal areas, including climate change, land degradation, and chemicals and waste, in line with different national circumstances and priorities;

8. *Invites* all Parties[, in particular developed country Parties,] and other Governments that are in a position to do so to participate in the ninth replenishment of the Global Environment Facility Trust Fund to support eligible developing countries as well as countries with economies in transition, in particular the least developed countries and small island developing States;

**Global Biodiversity Framework Fund**

[9. *Expresses its appreciation* to the Global Environment Facility for the [progress made in the] [timely] establishment and operationalization of the Global Biodiversity Framework Fund;

10. *Regrets* that the Council of the Global Biodiversity Framework Fund did not adopt terms of reference for the auxiliary body and the advisory group at its first meeting;[185]]

[11. *Notes with appreciation* the contributions made to the capitalization of the Global Biodiversity Framework Fund by several donor countries, namely, Canada, Germany, Japan, Luxembourg, Spain and the United Kingdom of Great Britain and Northern Ireland, which amount to [about 231.0 million United States dollars;[186,187]]]

12. *Invites* [all Parties, in particular developed country Parties] and other Governments that are in a position to do so, as well as the private and financial sectors and philanthropic organizations, non-governmental organizations and non-sovereign entities and other stakeholders, to make contributions or further contributions to the Global

[183] Decision CP-10/3, annex.
[184] Decision CP-10/4, annex.
[185] This would be subject to review by the Conference of the Parties at its sixteenth meeting in the light of developments at the second meeting of the Council of the Global Biodiversity Framework Fund, to be held in Washington, D.C. on 19 June 2024.
[186] Amount as at 27 May 2024 based on the exchange rate at the time.
[187] The list of donors and the total amount of contributions to the Global Biodiversity Framework Fund would be updated to reflect the situation at the time of the adoption of the decision by the Conference of the Parties at its sixteenth meeting.

Biodiversity Framework Fund in order for it to continue its rapid capitalization to support the implementation of the Framework, to complement existing support and to scale up financing to ensure the timely implementation of the Framework, taking into account the need for adequacy, predictability and the timely flow of funds, [commensurate with the quantitative ambition set in Target 19];

[13. *Urges* the Secretariat of the Global Environment Facility to continue to strengthen its resource mobilization efforts, including efforts directed towards new contributors, in accordance with funding needs identified through the assessment referred to in paragraph 20 below;]

14. *Welcomes* the aspirational programming share of 20 per cent by 2030 from the total amount of resources allocated under the Global Biodiversity Framework Fund to support actions by indigenous peoples and local communities and urges the Global Environment Facility to ensure that country-driven projects contributing to that target are designed and implemented in consultation and partnership with indigenous peoples and local communities;

[15. *Emphasizes* that guidance from the Conference of the Parties in accordance with paragraphs 1 and 3 of Article 21 of the Convention is applicable to the Global Biodiversity Framework Fund;]

**Four-year outcome-oriented framework of biodiversity programme priorities of the Convention on Biological Diversity and its Protocols**

[16. *Adopts* the four-year outcome-oriented framework of biodiversity programme priorities of the Convention on Biological Diversity and its Protocols for the ninth replenishment period of the Global Environment Facility Trust Fund (July 2026–June 2030), aligned with the Kunming-Montreal Global Biodiversity Framework, as contained in the annex to the present decision;]

17. *Requests* the Global Environment Facility to include in its report to the Conference of the Parties information on its responses to the four-year outcome-oriented framework of biodiversity programme priorities of the Convention on Biological Diversity and its Protocols and how those responses contribute to the achievement of each target of the Kunming-Montreal Global Biodiversity Framework, as well as considerations for its implementation (sect. C of the Framework), and the achievement of the objectives of the Convention and its Protocols;

18. *Encourages* the governing bodies of the various biodiversity-related conventions to include a standing item in the agenda of their meetings for the provision of strategic advice, as appropriate, concerning national actions that may support collaboration, cooperation and synergies, as appropriate, to achieve the objectives of the Convention and its Protocols and the goals and targets of the Framework, which may be referred to the Global Environment Facility through the Conference of the Parties to the Convention, and to request their respective secretariats to communicate such advice to the Executive Secretary of the Convention;

19. [*Encourages*][*Invites*] the secretariats of the biodiversity-related conventions to participate in and provide input to the intersecretariat consultation to be convened by the Executive Secretary when developing the inputs of the Secretariat to draft programming directions and policy recommendations for the negotiations of the ninth replenishment of the Global Environment Facility Trust Fund, in which the Facility will participate in line with paragraph 7 of the memorandum of understanding between the Conference of the Parties and the Council of the Global Environment Facility;[188]

[188] Decision III/8, annex.

**Funding needs assessment**

[20. *Takes note* of the report on estimated funding needs for the ninth replenishment of the Global Environment Facility Trust Fund, based on information received to date;[189]]

[21. *Requests* the Executive Secretary to compile and transmit, as soon as practical, the information on funding needs received from all eligible country Parties to the Secretariat of the Global Environment Facility and the participants in the negotiations of the ninth replenishment of the Global Environment Facility Trust Fund;]

22. *Also requests* the Executive Secretary to draw upon the experience and lessons learned in implementing the terms of reference for the assessment of funding needs from the Global Environment Facility for the implementation of the Convention and its Protocols and prepare draft terms of reference for conducting the fifth determination of funding needs for the period of the tenth replenishment of the Global Environment Facility Trust Fund, for the period from July 2030 to June 2034, for consideration by the Subsidiary Body on Implementation at its sixth meeting and the Conference of the Parties at its seventeenth meeting;

**Further guidance to the Global Environment Facility**

[23. Placeholder][190]

24. *Recalls* paragraphs 2, 3 and 4 of decision XII/30 of the Conference of the Parties of 17 October 2014 and requests the Executive Secretary to continue to liaise with the various biodiversity-related conventions and the Global Environment Facility in order to explore opportunities to enhance support from the Facility for countries with regard to activities relevant to the implementation of the various biodiversity-related conventions;

25. [*Requests*][*Instructs*] the Global Environment Facility to continue to support partnerships with indigenous peoples and local communities, [people of African descent,] women and youth and recognize and promote their contributions to the implementation of the targets of the Framework;

26. *Also* [*requests*][*instructs*] the Global Environment Facility to inform the Conference of the Parties on how it is taking into account the [voluntary] guidelines on safeguards in biodiversity financing mechanisms developed under the Convention, recalling in that regard paragraph 6 of decision 14/15 of 29 November 2018;

27. *Further* [*requests*][*instructs*] the Global Environment Facility to explore ways to further improve, facilitate access to and increase [direct] funding for indigenous peoples and local communities, [people of African descent,] women and youth;

**Review of the effectiveness of the financial mechanism**

[28. *Welcomes* the sixth review of the effectiveness of the financial mechanism;[191]]

29. *Requests* the Executive Secretary to prepare draft terms of reference for the seventh review of the effectiveness of the financial mechanism, ensuring that the review includes the views from [and possible impacts on the rights of] indigenous peoples and

[189] This is a placeholder for consideration at the sixteenth meeting of the Conference of the Parties of the report on funding needs for the ninth replenishment of the Global Environment Facility Trust Fund, which will be based on whatever information is available at that time.

[190] This may include additional guidance developed in the light of the consideration of other items of the agenda of the sixteenth meeting of the Conference of the Parties, as well as decisions of the Conference of the Parties serving as the meeting of the Parties to the Cartagena Protocol at its eleventh meeting and the Conference of the Parties serving as the meeting of the Parties to the Nagoya Protocol at its fifth meeting.

[191] Placeholder for responding to the sixth review of effectiveness of the financial mechanism, to be submitted for the consideration of the Conference of the Parties at its sixteenth meeting.

local communities, women and youth, for consideration by the Subsidiary Body on Implementation at its sixth meeting and the Conference of the Parties at its seventeenth meeting[, to be implemented with resources from the core budget].

**[Annex**

**Four-year outcome-oriented framework of biodiversity programme priorities of the Convention on Biological Diversity and its Protocols for the ninth replenishment period of the Global Environment Facility Trust Fund (2026–2030)**

## A. Objective

1. The present four-year outcome-oriented framework of biodiversity programme priorities serves as guidance related to the Convention on Biological Diversity[192] and its Protocols for the Global Environment Facility for the ninth replenishment period of the Global Environment Facility Trust Fund (2026–2030).

2. The framework is provided by the Conference of the Parties to the Convention based on the expectation that it will be used by the Secretariat of the Global Environment Facility and the participants in the replenishment negotiations in determining the programming directions and policy recommendations for the ninth replenishment of the Global Environment Facility Trust Fund.

3. The framework is provided within the context of the mandate of the Global Environment Facility to provide resources for achieving global environmental benefits and the mandate provided to the Facility by the Conference of the Parties in the memorandum of understanding between the Conference of the Parties and the Council of the Global Environment Facility.[193]

4. The framework uses the Convention and its Protocols and the Kunming-Montreal Global Biodiversity Framework[194] to set the strategic priorities for the financial mechanism of the Convention, which are expected to be operationalized by the Global Environment Facility through its programming directions for the ninth replenishment period.

5. It is recognized that, in the present framework of programme priorities, the Kunming-Montreal Global Biodiversity Framework should be used as a strategic plan for the implementation of the Convention and its Protocols over the period 2022–2030.

6. In particular, the goals and targets of the Kunming-Montreal Global Biodiversity Framework provide the direction for the outcomes of the present four-year framework, bearing in mind that the ninth replenishment period coincides with the four-year period leading up to the 2030 deadline for achieving the targets, while recognizing that each of the three objectives of the Convention should be addressed by the Global Environment Facility in a balanced manner when designing and implementing its programming directions and policy recommendations for the ninth replenishment.

7. The integrated and indivisible nature of the components of the Kunming-Montreal Global Biodiversity Framework, which include considerations for its implementation (sect. C of the Framework), implementation and support mechanism and enabling conditions (sect. I) and responsibility and transparency (sect. J), are recognized in the present framework, as is the operationalization of the Global Biodiversity Framework

[192] United Nations, *Treaty Series*, vol. 1760, No. 30619.
[193] Decision III/8, annex.
[194] Decision 15/4, annex.

Fund and its complementary support for the Global Environment Facility in facilitating the implementation of the Kunming-Montreal Global Biodiversity Framework.

8. Recognizing that the Kunming-Montreal Global Biodiversity Framework is relevant to all biodiversity-related conventions and other multilateral environmental agreements, the present framework seeks to promote the implementation of complementary measures that may enhance programmatic synergies and efficiencies among the Convention on Biological Diversity and its Protocols and other biodiversity-related conventions, multilateral environmental agreements and frameworks, relevant to the Kunming-Montreal Global Biodiversity Framework and the mandate of the Global Environment Facility, in a manner consistent with the existing mandate, improving transparency and avoiding double counting.

## B. Elements

9. The four-year outcome-oriented framework of biodiversity programme priorities for the period 2026–2030 includes the following elements under the Convention and its Protocols to which effective implementation support is to be provided:

(a) The balanced implementation of the three objectives of the Convention;

(b) The Kunming-Montreal Global Biodiversity Framework, including each of its goals and all of its targets, which define the outcomes being sought;

(c) National biodiversity strategies and action plans;

(d) National biodiversity finance plans;

(e) The mechanisms adopted under the Convention to strengthen the means of implementation of the Kunming-Montreal Global Biodiversity Framework for: mobilizing sufficient resources towards implementing the Framework and achieving its goals and targets; capacity-building and development, while noting the obligations set out in Articles 20 and 21 of the Convention; the generation, management and sharing of knowledge for effective biodiversity planning, policy development and coherence, decision-making and implementation; and technical and scientific cooperation, technology transfer on mutually agreed terms and innovation, in particular the following mechanisms:

(i) The strategy for resource mobilization;[195]

(ii) The long-term strategic framework for capacity-building and development;[196]

(iii) The technical and scientific cooperation mechanism;[197]

(iv) The knowledge management strategy to support the implementation of the Kunming-Montreal Global Biodiversity Framework;[198]

(f) The plans of action adopted under the Convention to support the effective and inclusive implementation of the Kunming-Montreal Global Biodiversity Framework, including:

(i) The Plan of Action on Subnational Governments, Cities and Other Local Authorities for Biodiversity (2023–2030);[199]

[195] Decisions 15/7 and 16/--.
[196] Decision 15/8, annex I.
[197] Decisions 15/8 and 16/--.
[198] Decision 16/--.
[199] Decision 15/12, annex.

(ii) The Gender Plan of Action (2023–2030);[200]

(iii) The global action plan on biodiversity and health;[201]

(g) The monitoring framework for the Kunming-Montreal Global Biodiversity Framework[202] and the enhanced multidimensional approach to planning, monitoring, reporting and review;[203]

(h) The Implementation Plan[204] and Capacity-building Action Plan[205] for the Cartagena Protocol on Biosafety to the Convention on Biological Diversity;[206]

(i) The capacity-building and development action plan[207] for the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from Their Utilization to the Convention on Biological Diversity;[208]

(j) The guidance on programme priorities to support the implementation of the Protocols, adopted by the Conference of the Parties serving as the meeting of the Parties to the Nagoya Protocol at its fifth meeting and the Conference of the Parties serving as the meeting of the Parties to the Cartagena Protocol at its eleventh meeting, contained in enclosures I and II, respectively.[209]

## C. Strategic considerations

10. The programming directions and the policy recommendations for the ninth replenishment of the Global Environment Facility, as they relate to the Convention and its Protocols and their financial mechanism established under Article 21 of the Convention, operated by the Facility on an interim basis, in accordance with Article 39 of the Convention, should:

(a) Be developed in a fully transparent and inclusive manner, with a view to ensuring that the projects funded by the Global Environment Facility during its ninth replenishment period to support biodiversity objectives are developed on a context-specific and country-driven basis, addressing the priority needs identified by the recipient countries;

(b) Support the rapid and effective implementation of the Framework, including by contributing to a significantly enhanced mobilization of resources, including Global Environment Facility funding that is adequate, predictable, sustainable, timely and accessible to all Parties eligible to receive support through the financial mechanism of the Convention and its Protocols, as determined under the Convention itself and by the Conference of the Parties. While such funding may be provided to eligible Parties by the Global Environment Facility primarily through allocations under programming directions dedicated to the biodiversity focal area, there can be co-benefits for biodiversity arising from other focal areas and global programmes and through the integrated programmes, heightening the need for streamlined programming and an approval process that enables the timely disbursement of resources;

[200] Decision 15/11, annex.
[201] Decision 16/--.
[202] Decisions 15/5 and 16/--.
[203] Decision 15/6.
[204] Decision CP-10/3, annex.
[205] Decision CP-10/4, annex.
[206] United Nations, *Treaty Series*, vol. 2226, No. 30619.
[207] Decision NP-5/--.
[208] United Nations, *Treaty Series*, vol. 3008, No. 30619.
[209] Subject to any additional guidance on programme priorities for the ninth replenishment period of the Global Environment Facility that is adopted by the Conference of the Parties serving as the meetings of the Parties to the Protocols.

(c) Build upon support being provided under the eighth replenishment of the Global Environment Facility and the Global Biodiversity Framework Fund;

(d) Take into account coherence with, and synergies among, country-driven programmes and priorities set out in national biodiversity strategies and action plans to support the implementation of the Framework;

(e) Promote engagement with eligible recipient countries to support national resource mobilization and the development and implementation of national biodiversity finance plans;

(f) Promote the achievement of global environmental benefits and sustainable development pathways which ensure the conservation and sustainable use of biodiversity and the fair and equitable sharing of benefits arising from the utilization of genetic resources and are carbon-neutral and pollution-free, including by encouraging coherence and complementarity among the Global Environment Facility focal areas of biodiversity, land degradation, international waters, climate change mitigation and adaptation, and chemicals and waste, and its integrated programmes, within the context of country-driven priorities and programmes;

(g) Reflect the fact that the implementation of biodiversity-related conventions and multilateral environmental agreements, in the context of national biodiversity strategies and action plans, may contribute to the objectives of the Convention on Biological Diversity and its Protocols and the goals and targets of the Framework;

(h) Promote cooperation and complementarity in the implementation of the three objectives of the Convention on Biological Diversity and the related objectives of the other conventions served by the Global Environment Facility, as well as those of other biodiversity-related conventions and multilateral environmental agreements, while recognizing the potential contributions of those instruments to the objectives of the Convention, its Protocols and the Kunming-Montreal Global Biodiversity Framework, and the reciprocated contributions to their own objectives;

(i) Reinforce the efforts of the Global Environment Facility to mobilize and engage with all stakeholders, including the private sector, indigenous peoples and local communities, women and youth;

(j) Take into account the important contribution that can be made by transboundary, multi-country, regional and global projects to the implementation of the objectives of the Convention, its Protocols and the Framework, including towards the implementation of global initiatives adopted under the Convention and its Protocols, and transboundary, multi-country, regional and global initiatives that leverage contributions from biodiversity-related conventions and multilateral agreements.

11. The outcome and indicators for the ninth replenishment of the Global Environment Facility and associated monitoring processes should be effective in their ability to assess the contribution of programming to the attainment of the three objectives of the Convention, the implementation of its Protocols and the implementation of the Framework, including by measuring the co-benefits for biodiversity across all relevant activities of the Facility.

12. The Global Environment Facility, in its ninth replenishment period, should:

(a) Ensure that the level of funding to be made available to recipient countries is commensurate with the ambition of the Framework and the needs and challenges faced by recipient countries;

(b) Explore ways to significantly improve access to funding by eligible countries;

(c) Explore ways to support capacity-building and to improve direct access to funding by indigenous peoples and local communities embodying traditional lifestyles and holding traditional knowledge, innovations and practices relevant to the conservation of biological diversity and the sustainable use of its components and to support activities and initiatives of women and youth that enhance biodiversity;

(d) Establish simplified application processes, capacity-building initiatives and dedicated funding streams for eligible Parties to support the full and effective representation and participation of indigenous peoples and local communities, women and youth in the implementation of the Framework;

(e) Further interact and cooperate with multilateral development banks and other public and private financial institutions with the aim of effecting their integration of the objectives of the Convention and its Protocols, the goals and targets of the Framework and the contributions of other biodiversity-related conventions and multilateral environmental agreements into their activities and having these institutions report on funding contributing to the implementation of those objectives;

(f) Continue to enhance its policies regarding governance and the standards that its implementing partners are held to in order to improve its efficiency and effectiveness in delivering sustainable results.

## D. Reporting

13. Following the conclusion of the ninth replenishment of its Trust Fund, the Global Environment Facility will include in its reports to the Conference of the Parties a description of how the ninth replenishment has responded to the four-year outcome-oriented framework of biodiversity programme priorities and, through the elements of its programming directions, is contributing to the implementation of the Convention and its Protocols and each goal and target of the Kunming-Montreal Global Biodiversity Framework and the monitoring framework for the Framework.[210]

**Enclosure I[211]**

**Additional elements for the four-year outcome-oriented framework of biodiversity programme priorities of the Convention on Biological Diversity for the ninth replenishment period of the Global Environment Facility Trust Fund (2026–2030) to support the implementation of the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from Their Utilization**

Elements for the four-year outcome-oriented framework of programme priorities for the ninth replenishment period of the Global Environment Facility Trust Fund (2026–2030) to support the implementation of the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from Their Utilization to the Convention on Biological Diversity,[212] adopted by the Conference of the Parties serving as the meeting of the Parties to the Protocol at its fifth meeting, comprise:

(x) [Placeholder for elements of guidance];

[210] Decision 15/5, annex I.
[211] Subject to the adoption of additional guidance on programme priorities for the ninth replenishment period of the Global Environment Facility by the Conference of the Parties serving as the meeting of the Parties to the Nagoya Protocol.
[212] United Nations, *Treaty Series*, vol. 3008, No. 30619.

**Enclosure II**[213]

**Additional elements for the four-year outcome-oriented framework of biodiversity programme priorities of the Convention on Biological Diversity for the ninth replenishment period of the Global Environment Facility Trust Fund (2026–2030) to support the implementation of the Cartagena Protocol on Biosafety**

Elements for the four-year outcome-oriented framework of programme priorities for the ninth replenishment period of the Global Environment Facility Trust Fund (2026–2030) to support the implementation of the Cartagena Protocol on Biosafety to the Convention on Biological Diversity,[214] adopted by the Conference of the Parties serving as the meeting of the Parties to the Protocol at its eleventh meeting, comprise:

(x) [Placeholder for elements of guidance];]

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[213] Subject to the adoption of additional guidance on programme priorities for the ninth replenishment period of the Global Environment Facility by the Conference of the Parties serving as the meeting of the Parties to the Cartagena Protocol.
[214] United Nations, *Treaty Series*, vol. 2226, No. 30619.

**Appendix D: Documents from GEF and other sources referred to in Report**

*Documents from GEF*

1. Establishment of a new Trust Fund: Global Biodiversity Framework Fund (GEF/C.64/05/Rev.01)
2. Evaluation of Cofinancing in the GEF, Unedited Version (18 May 2024)
3. Evaluation of Institutional Policies and Engagement of the GEF (25 May 2021) (GEF/E/C.60/06)
4. GBFF Council, Policy on Allocation of Resources for the Global Biodiversity Framework (GBFF) (GEF/GBFF.01/03/Rev.01)
5. GBFF Council, Work Program for Global Biodiversity Framework Fund (GBFF) (GEF/GBFF.02/03)
6. GEF Corporate Scorecard June 2022
7. GEF Corporate Scorecard June 2024
8. GEF Corporate Scorecard May 2018
9. GEF IEO Annual Performance Report 2019 (GEF/ME/C.56/Inf.01)
10. GEF IEO Annual Performance Report 2020 (GEF/E/C.58/Inf.01)
11. GEF IEO Annual Performance Report 2021 (GEF/E/C.61/Inf.02)
12. GEF IEO Annual Performance Report 2023 (GEF/E/C.64/Inf.01/Rev.01)
13. GEF IEO Annual Portfolio Monitoring Report (GEF/C.55/03)
14. GEF Policy on Environmental and Social Safeguards (SD/PL/03)
15. GEF Preliminary Report to COP 16
16. GEF report to COP 13
17. GEF report to COP 14
18. GEF report to COP 15
19. GEF Strategy for KM and Learning (17 June 2024)
20. GEF, 'Streamlining the GEF Project Cycle: Report from the Working Group on the Streamlining Process
21. GEF, Nagoya Protocol Implementation Fund
22. GEF-6 Programming Directions (22 May 2014)
23. GEF-7 Programming Directions (3 April 2018)
24. Updated Results Architecture for GEF-7 (26 June 2018) (GEF/C.54/11/Rev.02)
25. GEF-8 Programming Directions (1 April 2022) (GEF/R.08/29/Rev.01)
26. Guidelines on Cofinancing (Policy: FI/GN/01)
27. Guidelines on the Implementation of the GEF-8 Results Management Framework (GEF/C.62/Inf.12/Rev.01)
28. Guidelines on the Project and Program Cycle Policy (GEF/C.59/Inf.03)
29. IEO, Evaluation of Community-Based Approaches at the GEF (June 2024)
30. IEO, Evaluation of GEF Support to Mainstreaming Biodiversity (December 2019)
31. IEO, Evaluation of knowledge management in the GEF (GEF/E/C.59/04)

32. IEO, Evaluation of the GEF's System for Transparent Allocation of Resources (July 2018) (Evaluation Report No. 130)
33. IEO, Fifth Overall Performance Study of the GEF (2014) (GEF/A.05/04)
34. IEO, Formative Evaluation of the GEF Integrated Approach to Address the Drivers of Environmental Degradation (GEF/E/C.60/04/Rev.01)
35. IEO, Learning from Challenges in GEF projects (GEF/E/C.66/03/Rev.1)
36. IEO, Sixth Overall Performance study of the GEF (2018) (GEF/A.6/07)
37. IEO, Strategic Country Cluster Evaluation of the Least Developed Countries (May 2022) (GEF/E/C.58/Inf.03/Rev.01)
38. IEO, Strategic Country Cluster Evaluation of the Small Island Developing States (GEF/ME/C.57/02)
39. IEO, Strategic Country Cluster Evaluation: Evaluation of Sahel, Sudan Guinea Savanna biomes (October 2020) (GEF/E/C.58/Inf.02/Rev.01)
40. Instrument for the Establishment of the Restructured Global Environment Facility (2019)
41. Operational Guidelines for the Application of the Incremental Cost Principle (14 May 2007) (GEF/C.31/12)
42. Policy & Guidelines on System for Transparent Allocation of Resources (STAR) (26 June 2018)(Policy: GA/PL/01, Guidelines: GA/GN/01)
43. Policy on Co-financing (FI/PL/01)
44. Policy on Gender Equality (GEF/C.53/04)
45. Policy on Gender Mainstreaming (SD/PL/02)
46. Policy on Monitoring (GEF/C.56/Rev.01)
47. Policy on Stakeholder Engagement (SD/PL/01)
48. Principles and Guidelines for Engagement with Indigenous Peoples (GEF/C.42/Inf.03/Rev.1)
49. Progress Report on the Implementation of the Co-financing Policy (GEF/C.59/Inf.07)
50. Project and Program Cycle Policy (OP/PL/01)
51. Report of the GEF Participants Meeting (March 14 – 16, 1994)
52. Rules of Procedure for the Global Environmental Facility Council (31 August 2024)
53. Seventh Comprehensive Evaluation of the GEF (January 2022)
54. SIDS and the GEF: Three Decades of Environmental Leadership and Innovation
55. Summary of Negotiations of the 7th Replenishment of the GEF Trust Fund (14 June 2018) (GEF/C.54/19/Rev.03)
56. Summary of Negotiations of the 8th Replenishment of the GEF Trust Fund (15 June 2022)(GEF/C.62/03)
57. The GEF Monitoring Report 2019 (GEF/C.57/03)
58. The GEF Monitoring Report 2020 (GEC/C.59/03/Rev.01)
59. The GEF Monitoring Report 2021 (GEF/C.61/03)
60. The GEF Monitoring Report 2022 (GEF/C.63/03)
61. The GEF Monitoring Report 2023 (GEF/C.66/03)

62. Updating the System for Transparent Allocation of Resources (STAR) (19 May 2022) (GEF/C.62/04)

*Other documents*

1. *Convention on Biological Diversity*, opened for signature on 5 June 1992, 1760 UNTS 79 (entered into force 29 December 1993)
2. *2010 Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization to the Convention on Biological Diversity* (adopted 29 October 2010) (UN Doc. UNEP/CBD/COP/DEC/X/1)
3. *2000 Cartagena Protocol on Biosafety to the Convention on Biological Diversity* (adopted on 29 January 2010) (UN Doc. UNEP/CBD/ExCOP/1/3)
4. *United Nations Framework Convention on Climate Change*, opened for signature 4 June 1992, 1771 UNTS 107 (entered into force 21 March 1994)
5. 1996 Memorandum of Understanding between the COP and the Council of the GEF
6. First Review by CBD Secretariat (5 February 1998, 4th COP)
7. Second Review submitted by Le Groupe-conseil Baastel Ltee (14 January 2002, 6th COP)
8. Third Review submitted by Stratos (26 February 2008, 9th COP)
9. Fourth Review submitted by ICF International (26 March 2014, 12th COP)
10. Decision Adopted by the Conference of the Parties to the Convention on Biological Diversity, 15/15 (19 December 2022) (CBD/COP/DEC/15/15)
11. Decision Adopted by the Conference of the Parties to the Convention on Biological Diversity, XIII/21 (17 December 2016) (CBD/COP/DEC/XIII/21)
12. Decision Adopted by the Conference of the Parties to the Convention on Biological Diversity, XI/5 (5 December 2012) (UNEP/CBD/COP/DEC/XI/5)
13. Decision Adopted by the Conference of the Parties to the Convention on Biological Diversity, 14/8 (30 November 2018) (CBD/COP/DEC/14/8)
14. Decision Adopted by the Conference of the Parties to the Convention on Biological Diversity, 14/23 (30 November 2018) (CBD/COP/DEC/14/23)
15. Decision Adopted by the Conference of the Parties to the Convention on Biological Diversity, I/2 (28 February 1995) (UNEP/CBD/COP/DEC/I/2)
16. Decision Adopted by the Conference of the Parties to the Convention on Biological Diversity, 12/14 (25 August 2014) (UNEP/CBD/COP/12/14)
17. Decision Adopted by the Conference of the Parties to the Convention on Biological Diversity, XII/30 (17 October 2014) (UNEP/CBD/COP/DEC/XII/30)
18. KPMG, Final Third Party Review of Agencies' Compliance with GEF Minimum Standards, Consolidated Summary Report, 22 December 2022
19. GCF, Indigenous Peoples Policy (Decision B.19/11, Annex XI)
20. OECD, Biodiversity and Development Finance 2015: Contributing to Target 19 of the Kunming-Montreal Global Biodiversity Framework (2024)
21. Third Joint GEF-UNDP Evaluation of the Small Grants Programme (May 2021)

**Appendix E: COP and GEF obligations under the MOU and Instrument**

**Memorandum of Understanding**

| Article | COP obligations | GEF obligations |
|---|---|---|
| 2.1 | Determine the policy, strategy, programme priorities and eligibility criteria for access to and utilization of financial resources available through the financial mechanism, including monitoring and evaluation on a regular basis of such utilization.<br><br>Matters for guidance are:<br><br>a. Policy and strategy,<br>b. Programme priorities<br>c. Eligibility criteria,<br>d. An indicative list of incremental costs,<br>e. A list of developed country Parties and other parties which voluntarily assume the obligations of developed country Parties, and<br>f. any matters relating to Article 21, including periodic determination of the amount of resources needed | Finance activities that are in full conformity with the guidance provided to it by the COP. |
| 2.2 | - | Council to communicate to COP all relevant information, including information on the projects in the area of biological diversity funded by GEF outside the framework of the financial mechanism of the Convention |
| 3.1 | - | The Council will prepare and submit a report for each ordinary meeting of the COP |
| 3.2 | - | The reports will include specific information on how the Council, its Secretariat, its Implementing and Executing Agencies have applied COP guidance and implemented the policy, strategies programme priorities and eligibility criteria |

| Article | COP obligations | GEF obligations |
|---|---|---|
| | | determined by the COP, its other decisions as communicated to GEF, under Article 21. The Council should also report on its monitoring and evaluation (M&E) activities concerning projects in the biodiversity focal area |
| 3.3 | - | The reports will provide detailed information on the biodiversity focal area, including :<br><br>Information on how GEF has responded to the guidance provided by the Conference of the Parties as described by paragraph 2, including, where appropriate, through its incorporation in the GEF operational strategy and operational programmes;<br><br>The conformity of the approved work programmes with guidance of the Conference of the Parties;<br><br>A synthesis of the different projects under implementation and a listing of the projects approved by the Council in the biodiversity focal area, as well as a financial report with an indication of the financial resources allocated to these projects<br><br>A list of project proposals submitted for approval to the Council, through the GEF Implementing Agencies, by eligible Parties, including reporting on their approval status and, in cases of projects not approved, the reasons therefore;<br><br>A review of the project activities approved by GEF and their |

| Article | COP obligations | GEF obligations |
| --- | --- | --- |
| | | outcomes, including information on funding and progress in implementation<br><br>Additional financial resources leveraged by GEF for the implementation of the Convention. |
| 3.4 | - | Reports submitted by the Council will cover all GEF-financed activities carried out for the purpose of the Convention, whether decisions on such activities are made by the Council or by the GEF Implementing and/or Executing Agencies. To this end, the Council will make arrangements as might be necessary with the Implementing Agencies regarding disclosure of information. |
| 3.5 | - | The Council will also provide information on other matters concerning the discharge of its functions under Article 21,paragraph 1, as may be requested by the COP. If the Council has difficulties in responding to any such request, it will explain its concerns to the COP and the COP and the Council will find a mutually agreed solution |
| 4.2 | If a Party considers that a decision of the Council regarding a specific project was not made in compliance with the policies, programme priorities and eligibility criteria established by the COP in the context of the Convention, the COP should analyse the observations presented to it by the Party and take decisions on the basis of compliance with such policy, strategy, programme priorities and | The funding decisions for specific projects should be agreed between the developing country Party concerned and GEF in accordance with policy, strategy, programme priorities and eligibility criteria established by the COP.<br><br>The GEF Council is responsible for approving the GEF work programmes. |

| Article | COP obligations | GEF obligations |
|---|---|---|
| | eligibility criteria. In the event that the COP considers that this specific project decision does not comply with the policy, strategy, programme priorities and eligibility criteria established by the COP, it may ask the GEF Council for further clarification on the specific project decision. | |
| 4.3 | The COP will periodically review the effectiveness of the financial mechanism in implementing the Convention and communicate to the Council relevant decisions taken by the Conference of the Parties as the result of such review, to improve the effectiveness of the financial mechanism in assisting developing country Parties to implement the Convention | - |
| 5.1 | The COP will make an assessment of the amount of funds necessary to assist developing countries, in accordance with the guidance provided by the COP, in fulfilling their commitments under the Convention over the next GEF replenishment cycle, taking into account:<br><br>Guidance to the financial mechanism from the COP which calls for future financial resources;<br><br>The information communicated to the COP in the national reports submitted in accordance with Article 26 of the Convention;<br><br>National strategies, plans or programs developed in accordance with Article 6 of the Convention; | - |

| Article | COP obligations | GEF obligations |
|---|---|---|
| | Information communicated to the COP from GEF on the number of eligible programmes and projects that were submitted to GEF, the number that were approved for funding, and the number that were turned down owing to lack of resources;<br>Experience gained by those concerned in the implementation of projects. | |
| 5.2 | - | On the occasion of each replenishment, GEF will, in its regular report to the COP as provided for in paragraph 3 of the MOU, indicate how it has responded during the replenishment cycle to the previous assessment by the COP prepared in accordance with paragraph 5.1 and inform the COP of the conclusion of replenishment negotiations |
| 5.3 | On the basis of GEF's regular report, the COP will review the amount of funding necessary for the implementation of the Convention, on the occasion of each replenishment of the financial mechanism | - |
| 7 | The Secretariat of the Convention and the Secretariat of GEF will communicate and cooperate with each other and consult on a regular basis to facilitate the effectiveness of the financial mechanism in assisting developing country Parties to implement the Convention. In particular, the two secretariats will consult on the project proposals under consideration for inclusion in a proposed work programme, especially with regard to the consistency of the project proposals with the guidance of the COP. Official documentation of GEF will be made available to the Secretariat of the Convention on Biological Diversity | |

**2019 Instrument**

| Article | GEF Obligations |
|---|---|
| 6.b | Be, on an interim basis, the institutional structure which carries out the operation of the financial mechanism for the implementation of the Convention on Biological Diversity (CBD), in accordance with such cooperative arrangements or agreements as may be made pursuant to paragraphs 27 and 31 of this Instrument. The GEF shall be available to continue to serve for the purposes of the financial mechanism for the implementation of the CBD if it is requested to do so by the Conference of the Parties pursuant to its Article 21, paragraph 3. In such respects the GEF shall function under the guidance of, and be accountable to, the Conference of the Parties which shall decide on policies, program priorities and eligibility criteria for the purposes of the CBD pursuant to its Article 21, paragraph 1. |
| 27 | The Council shall consider and approve cooperative arrangements or agreements with the COP to the conventions referred to in paragraph 6, including reciprocal arrangements for representation in meetings. Such arrangements or agreements shall be in conformity with the relevant provisions of the convention concerned regarding its financial mechanism and shall include procedures for determining jointly the aggregate GEF funding requirements for the purpose of the convention. With regard to each convention referred to in paragraph 6, until the first meeting of its COP, the Council shall consult the convention's interim body. |
| 31 | The Council shall approve an annual report on the activities of the GEF. The report shall be prepared by the Secretariat and circulated to all Participants. It shall contain information on the activities carried out under the GEF, including a list of project ideas submitted for consideration and a review of the project activities funded by the Facility and their outcomes. The report shall contain all the information necessary to meet the principles of accountability and transparency that shall characterize the Facility as well as the requirements arising from the reporting arrangements agreed with each COP to the conventions referred to in paragraph 6. The report shall be conveyed to each of these Conferences of the Parties, the United Nations Commission on Sustainable Development and any other international organization deemed appropriate by the Council. |

**Appendix F: Summary of Previous Reviews and Main Recommendations**

| **First Review by CBD Secretariat (5 February 1998, 4th COP)** | |
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| **Conclusions** | **Recommendations** |
| ***Effectiveness of GEF in providing Financial Resources***<br>*Adequacy, predictability and timely disbursement of funds for projects* | |
| The level of GEF funding remains inadequate for addressing the overall global biodiversity needs, and donor commitments to adequate and reliable funding for GEF operations will be important if global environmental benefits are to be further achieved.[215] | Conference of the Parties should urge all donor parties to fulfil their commitments on financial aid adequately and in a timely fashion, and make clear financial resources available for the Convention.[216] |
| There were some difficulties for the recipients in incorporating GEF-funded activities into their national biodiversity processes because of uncertainty as to the timing and size of the funding they would receive from GEF.[217] | GEF may consider a more programme-oriented approach for allocating its funding once national biodiversity strategies and action plans are in place. In particular, GEF biodiversity programming should indicate the level of its financial resources available to biodiversity-project proposals to be developed so that GEF funding can be properly incorporated into national biodiversity processes.[218] |
| *Responsiveness and efficiency of the GEF project cycle and operational strategy related to biological diversity* | |
| Despite the significant work denoted to the preparation of policy documents, the formulation of proposals and modalities for implementing the projects to be funded by the GEF was often time-consuming and complicated.[219] | GEF should exercise more flexibility in the application of its procedures, especially for least developed countries, and for the countries which are rich in biodiversity and need urgent measures to conserve it.[220] |
| *Ability of GEF to leverage additional finance* | |

[215] UNEP/CBD/COP/4/16 p 4.
[216] Ibid p 17.
[217] Ibid p 5.
[218] Ibid p 19.
[219] Ibid p 8.
[220] Ibid p 20.

<table>
<tr><th colspan="2">First Review by CBD Secretariat (5 February 1998, 4th COP)</th></tr>
<tr><td>GEF itself did not provide assistance to developing country Parties in their efforts to obtain additional financial resources.[221]</td><td rowspan="3">GEF should provide information about additional finance to the national focal points.[222]<br><br>The processes of Implementing Agencies should be improved, and made user-friendly. Implementing Agencies should strengthen their cooperation at all levels, including at the field level.</td></tr>
<tr><td>Implementing Agencies did not seem to take into consideration projects with which they were not associated, and the requirement of leveraging additional finance in such cases became a burden or barrier to many good project proposals at the field level.[223]</td></tr>
<tr><td>The required association of GEF funding with regular operations of Implementing Agencies often did not generate incremental efforts or additional global benefits of biological diversity conserved since GEF funding was being leveraged to support mainstream activities of Implementing Agencies which would otherwise be funded by Implementing Agencies in any case.[224]</td></tr>
<tr><td colspan="2">Sustainability of funded projects</td></tr>
<tr><td>Lack of government commitment and consensus in project preparation a significant constraint on the sustainability of projects.[225]</td><td></td></tr>
<tr><td colspan="2">Application of criteria of agreed full incremental costs</td></tr>
<tr><td>Methods to determine incremental costs were considered questionable and may be of limited effectiveness in biodiversity conservation.[226]</td><td>The calculation of incremental costs is an intricate process, especially for biodiversity projects, and suggested that GEF should make more information available to the</td></tr>
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[221] Ibid p 9.
[222] Ibid p 20.
[223] Ibid.
[224] Ibid.
[225] Ibid p 10.
[226] Ibid p 11.

| First Review by CBD Secretariat (5 February 1998, 4th COP) | |
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| | national focal points in order for them to understand the concept. It was also recommended that GEF should organize training programmes or workshops at least for these people involved in GEF projects to understand how to calculate incremental costs.[227] |
| ***Conformity of activities of financial mechanism with guidance of COP*** | |
| COP guidance is too broad and lacking priorities.[228] | |

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| **Conclusions** | **Recommendations** |
| ***Overview of diversity of COP guidance and related challenges*** | |
| Since the first review and up to COP V, many new COP decisions have been added to a growing list of issues. They have in general become broader in nature, looking at more integrated approaches to the implementation of the convention (e.g. ecosystem based approaches), and nuancing some earlier COP decisions. [229] | The COP instruct the CBD Secretariat to search for ways to compile and present CoP guidance in a simpler, more coherent format, which can be more easily understood, operationalized, monitored and evaluated. This could involve instructing the CBD Secretariat to further refine the Strategic Plan in development and encourage the introduction of targets, and possible timelines in relation to the Guidance.[230] |
| ***Responsiveness*** | |
| A variety of effective communication mechanisms, both formal and informal, exist between the CoP and the GEF. In addition, over the past two years, there has been an increased | COP investigate appropriateness of broadening consultations between CBD Secretariat, GEF Secretariat and key developed and developing countries representatives prior to each COP.[231] |

[227] Ibid p 21.
[228] Ibid p 13.
[229] UNEP/CBD/COP/6/13/Add.1 [3.1] GEF Second Review.
[230] Ibid
[231] Ibid p 4.

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| willingness at the highest levels to better use these channels. However, communication and responsiveness to guidance can be improved. | |
| Differences in perception and interpretation of CoP guidance were noted between the CBD and the GEF Secretariats, as well as among the GEF Coordination Units of the Implementing Agencies and their field offices. | COP instruct GEF and CBD Secretariat to clearly communicate to stakeholders on funding eligibility and enhance understanding of COP Guidance at all levels.[232] |
| GEF Operational Programme may not be specific enough, leading to an overlap in operations and lack of strategic direction to address priorities. | COP instruct CBD Secretariat to develop strategic planning for COP guidance and identify targets in order for Operational Strategy to be adjusted.[233] |
| The CoP has asked that the financial mechanism be flexible enough to respond to the thematic long-term program of the CBD. Although the GEF is making efforts, further progress will require planning instruments that have longer -term orientation and are embraced by Implementing Agencies and partners. | COP support GEF efforts to move towards a programmatic approach and develop appropriate instruments and capacities to bring approach to maturity.[234] |
| Detailed knowledge of GEF's strategy, direction and procedures among stakeholders remain uneven. | COP instruct GEF Secretariat and Implementing Agencies to better communicate GEF programmes, directions, priorities and current opportunities at country level.[235] |
| Communication among all GEF and developing country partners and stakeholders, is of central importance to ensure local ownership and better reflection of country priorities. The continuation of Country Dialogues workshops, if designed to reach out to | The COP encourage the GEF Secretariat and its IAs to sustain its efforts to enhance communication with developing country stakeholders, with an increasing role and a broadened audience for Country Dialogue Workshops, which can enhance cooperation among all parties at the country level. |

[232] Ibid p 4 – 5.
[233] Ibid p 5.
[234] Ibid.
[235] Ibid.

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| diverse stakeholders, should also help broaden national portfolios to address a wider range of BD issues, and ensure that projects reflect national priorities. | |
| Political commitment and "country driven-ness" of projects helps to ensure that projects are more successful and increase buy-in on biodiversity issues by developing country authorities. | CoP should instruct the GEF and developing country Parties to ensure that all possible steps for enhancing political and civil society commitment and having BD projects be country-driven are taken, and steps already being taken on this front are continued and improved. This can include having stakeholders demonstrate and clearly articulate commitment early in the process, and broadening the scope of which groups to seek commitment from in society. |
| Experience of leveraged funding remains uneven and expectations are unrealistic. | COP recommends to the GEF to continue to further and build its role as a catalyst and lever of additional funding.[236] |
| ***Effectiveness*** | |
| Funding factors are playing an increasing role in project selection and reducing the effectiveness of the GEF's policies and programs in responding to the COP. | COP request an increase in funding levels for implementation of the CBD through the GEF.[237] |
| A critical issue for effectiveness is whether or not projects are actually achieving objectives set forth during the design. This is a precondition to ensuring compliance with the guidance. The review suggests that improvement is needed, and several data sources, such as previous BD studies and questionnaire data, point out that about two thirds of GEF projects are believed to be meeting | COP instruct the GEF Secretariat and its IAs to place greater emphasis on ensuring that the criteria for project success identified in this report are explicitly addressed early in the design and planning stages of GEF projects, and are monitored throughout implementation, with adjustments as required. |

[236] Ibid p 6.
[237] Ibid.

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| their objectives in a way that could be considered appropriate. | |
| Although certain factors impeding project success might be outside the control of the GEF, other factors can be tackled in project design, especially through greater emphasis on capacity development, and further efforts to streamline the project cycle. | COP instruct the GEF Secretariat and its IAs to put more emphasis on sound project design, and planning, including better situation analysis of factors which will affect project success, stronger needs assessment for capacity development, and more realistic goal-setting. |
| There has been improved cooperation, and collaboration amongst IAs, especially at the policy/strategy level, and/or early in project planning. However, data suggests that there are few formal mechanisms to support such cooperation | COP (i) instruct the GEF Secretariat to put more emphasis on developing a harmonised system of reporting and communication among GEF IAs and governments; (ii) support efforts of GEF Secretariat and IAs to help develop national government capacity for donor coordination.[238] |
| Synergies across conventions can raise overall effectiveness in addressing biodiversity concerns. This was recognized by the CBD. The GEF also recognizes this issue and supports multi OP projects, although these are still considered to be in their early days | COP to (i) instruct the CBD Secretariat to continue to act in favour of collaboration with other Global Convention Secretariats; (ii) recognize and continue to support the efforts of the GEF in promoting multi OP projects in order to increase potential synergies between conventions. |
| ***Efficiency*** | |
| GEF has taken stock of the challenges related to the incremental cost concept and how it can impede both efficiency and access. The GEF Secretariat is working on a simplified version of the incremental cost principle. Efforts in this direction should continue to enhance overall efficiency. | COP supports the efforts of the GEF Secretariat in simplifying the application of the incremental cost principle and urge it to adopt a procedure that would allow for more transparent and straightforward negotiations with developing country parties. |
| Significant challenge in streamlining project cycle (i) at GEF and IA level, lack of clarity among some project proponents and stakeholders on | COP instruct (i) the GEF Secretariat and its IAs to take onboard or scale up their efforts to achieve more efficient project management generally, through continued efforts to |

[238] Ibid p 7.

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| relative roles of GEF Secretariat, IA headquarters and IA field offices in design and approval of projects; (ii) at country level, lack of communication within and among government agencies, IAs, NGOs, core participants. | reduce approval time, simplify procedures, and reduce delays in disbursement; (ii) continue efforts to improve guidelines for fund management to allow for longer term, more adaptive and flexible support but also promote more accountability and transparency at the national level.[239] |
| As the Medium Size Projects (MSPs) remain one of the primary mechanisms through which the GEF can begin to simplify and streamline project approval and disbursements, enhanced efforts to improve MSP processes are necessary. It is important to note the positive contribution made by MSPs in achieving the objectives of the CBD. This mechanism provides an excellent opportunity to involve a broader array of local NGOs and the private sector and steps should be taken to ensure that this occurs | COP instructs the GEF Secretariat and its IAs to further simplify the IA – GEF approval, disbursement and reporting procedures for MSPs in particular, with a view to increase potential for smaller NGOs, the private sector and other NGOs with less BD experience to be involved in the GEF. |
| Although often necessary and quite effective, the use of international consultants can often prove not to be cost effective, unless they are teamed up with regional or local consultants for specific purposes. Often, the preparation of projects requires the use of such consultants; the use of international consultants can be efficient if using them allows developing countries to meet other goals, like the transfer of capacity. In some cases national or regional capacity does not exist, and in those cases, the use of international experts through twinning arrangement with local resources that have good knowledge of the local context can be part of an effective approach. | COP to (i) encourage the GEF Secretariat and its IAs to favor twinning arrangements between local and international resources in cases where local capacity is restrained, with a longer-term view to fostering capacity transfer; (ii) instruct the GEF Secretariat and its IAs to make more and better use of the STAP roster, and find ways to enhance the links between STAP and SBSTTA. |

[239] Ibid p 8.

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| Project monitoring and evaluation has tended to emphasize inputs and outputs, with less focus on results and impacts. There is a need for M&E of GEF BD activities at the IA level to evolve so that results and impacts become more central elements of reporting. | COP recognize the progress made by the GEF, and instruct the financial mechanism to pursue overall improvement and harmonization for its system of M&E (GEF Secretariat and IAs). Project level M&E should be focused on impacts and results, in addition to inputs and outputs, and must include the use of appropriate baseline and indicators.[240] |
| There has been some flexibility in the GEF guidelines for enabling activities, yet the need for increased responsiveness to country needs has emerged as a crucial matter for developing countries. In particular, respondents would like to see greater provision for capacity development to support enabling activities. There is a need for greater follow-up and proper integration of the fruits of enabling activities through the implementation of NBSAPs. | COP recognize the significant progress made by the GEF in this area, and (i) further instruct the financial mechanisms to promote more effective follow-up to biodiversity plans, for example, by ensuring that national strategies identify implementation activities, timelines and responsible parties, and that stakeholder participation in plan preparation continue during implementation; (ii) further instruct the financial mechanism to consider extending funding for enabling activities into the early implementation phase of NBSAPs, if strategies include a detailed action plan, with defined participants, to provide bridge funding to take advantage of the momentum created during plan preparation and reduce time lags. This should not, however, supercede the need for longer-term implementation support from the financial mechanism; (iii) further instruct the GEF Secretariat to ensure that all GEF proposals continue to demonstrate how projects will respond to national biodiversity strategies as well as CBD objectives; (iv) further instruct the GEF Secretariat and its IAs to continue to promote support for needs assessment and capacity development in support of implementation of the Convention, through the enabling activities mechanism. |
| ***Impact*** | |

[240] Ibid p 9.

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| Positive impacts of BD projects were mostly in the following areas: (i) choosing national priorities for BD conservation and sustainable use; (ii) developing national strategies and action plans; (iii) establishing legal frameworks and policies; establishing protected areas and conservation zones; (iv) establishing BD monitoring systems; building national capacity, especially among NGOs, and, (v) improving conservation in specific zones of high priority such as forests and coastal zones. While it is premature to judge impacts on global biodiversity, the GEF has produced a broad range of results with significant positive impacts and laid the groundwork for even more substantial results. Future actions should build on lessons learned. Evidence suggests that the most effective and efficient projects are strategically focused on basic building blocks for biodiversity conservation and sustainable use, avoiding overly broad and ambitious goals and complex design. | COP instruct the GEF Secretariat to: (i) ensure that lessons learned from successful past projects (as well as less successful ones) are disseminated as models for use by others; (ii) encourage projects which focus on basic building blocks, such as institutional and legal frameworks; plans and strategies; capacity development for key players; and practical field activities. |
| Relatively few BD projects are being mainstreamed into sectoral and national policies, plans and activities. IAs are attempting to mainstream GEF and BD concerns into their own sectoral strategies, albeit with mixed results.[241] | COP instruct the GEF Secretariat and its IAs to: (i) communicate more strongly to government authorities that the GEF supports biodiversity outside Protected Areas and provide more support to projects promoting sustainable use and benefit sharing of biodiversity products and services; (ii) root projects more strongly in a sustainable development context and, at the same time, develop and promote practical methods and concrete case studies of how to mainstream BD into sectoral and national policies, plans and activities.[242] |

[241] Ibid p 10.
[242] Ibid p 10.

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| GEF projects have been most successful in the following areas of capacity development: (i) Raising awareness of government agencies and local people about BD conservation; (ii) Disseminating knowledge concerning BD conservation; (iii) Building individual capacities in BD conservation and sustainable use; (iv) Improving co-ordination of BD conservation activities; Enhancing stakeholder participation in planning and implementing BD activities, and; (v) Establishing Trust Funds for funding BD activities. | COP: (i) Instruct the GEF Secretariat and its IAs to support the systems approach to capacity development, as promoted through the CDI initiative and the mainstreaming of capacity development support within the GEF portfolio, supporting a wider scope of capacity development areas and recipients, at all levels; (ii) Instruct the GEF Secretariat and its IAs to support projects that build capacities for effective, participatory monitoring and evaluation into management systems, especially at the local level, to ensure adequate monitoring of biodiversity impacts; (iii) instruct the financial mechanism to put greater emphasis on the incorporating and integrating of local traditional and indigenous knowledge into BD projects (iv) encourage the GEF Secretariat and its IAs to promote the effective involvement (not just consultation) of a whole new set of players in new kinds of projects in order to achieve the necessary results in sustainable use and benefit sharing. |
| ***Sustainability*** | |
| Several challenges were identified for GEF in achieving sustainable outcomes: (i) lack of national and local capacity; (ii) lack of ownership; (iii) inability to ensure financial sustainability; (iv) inability to generate BD-friendly, sustainable livelihoods; (v) failure to mainstream BD into other resource sectors and economic development; (vi) insufficient adaptation to local circumstances – including the need to address poverty, promote support by local populations and minimise external controls; (vii) the need for better monitoring and evaluation of results, linked to goals | COP should recommend to the GEF that all four main areas of importance for sustainability of GEF objectives, namely: (i) Participation, (ii) Capacity Development, (iii) Ownership/ Commitment, and (iv) Financial Sustainability, be properly addressed in all cases, in order for chances for sustainability to be enhanced overall. |

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| and objectives (as outlined above) and the emphasis on global benefits, leading to projects which pay little attention to local benefits, though these are often accurately identified by local stakeholders.<br><br>In many cases, there has been extensive stakeholder consultation, but not enough genuine and widespread participation (direct involvement) to ensure the long-term buy-in needed for sustainability. | |
| GEF projects time frames are often too short to achieve long-term goals and sustainable results. | COP instruct the financial mechanism to be more flexible in adopting appropriate and feasible timeframes for projects to achieve sustainable results; in most cases, that will mean extending the current GEF project life span.[243] |
| There is a need for more effective ways to share and integrate lessons learned and to find ways to replicate and adapt the most effective approaches to BD conservation and management. | COP instruct the GEF Secretariat and its IAs to seek out and support adaptable and replicable approaches for projects, including, for example, creating/supporting "pools of expertise", which could be critical in Small Island Developing States where there often is a shortage of qualified manpower.[244] |
| Better national and local ownership of biodiversity projects at national and local levels can be gained through: greater involvement of all stakeholders; stronger political support for biodiversity initiatives; and mainstreaming of biodiversity into national policies and plans. The GEF's success in promoting long-term national buy-in for the biodiversity convention agenda has been uneven. | COP instructs the GEF Secretariat and its IAs to continue to work on the development of effective incentives to encourage national and local authorities and local communities to undertake biodiversity conservation and sustainable use. These can be tailored to national and local conditions. |

[243] Ibid p 12.
[244] Ibid.

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| GEF policies on public involvement have stimulated participation more successfully with communities and local organizations and less effectively with the private sector and NGOs and community groups outside the conservation community. More needs to be done generally in order to reap the full benefit of participants' contributions or to build a sense of ownership among these participants. | COP instruct: (i) the GEF Secretariat to review existing Stakeholder Guidelines and procedures with a view to broadening GEF's outreach to a range of stakeholders, such as private sector associations and businesses; indigenous, poverty, women's, labour organizations; and local NGOs. (This does not mean participation for its own sake, but rather strategic, targeted involvement by stakeholders who can help to implement the project and sustain results.) (ii) the GEF and its IAs to place more emphasis on appropriate private sector involvement, while adhering to country driven-ness as the guiding principle. Sample approaches include conservation in production landscapes, marketing of biodiversity products, economic instruments, and projects in ecotourism and agroforestry. (These should only be applied where appropriate to the specific context). |

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| **Objective 3: COP Guidance to the GEF - Efficiency and Effectiveness of the Process of Providing COP Guidance to the GEF**<br><br>**Conclusions:**<br><br>1. The process of formulation of COP Guidance to the Financial Mechanism between 2000 and 2007 has been unstructured and not strategic. Formal COP Guidance does not align in timing with the GEF Replenishment process nor was it strategic in terms of influencing allocations and GEF program priorities for the 3rd and 4th GEF replenishment processes.<br><br>2. COP Guidance to the GEF partially addresses the obligations of the COP under the MOU, which require the COP to address policy, strategy and programme priorities. The COP does not provide a determination of funding requirements for each GEF replenishment period. |

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| 3. COP Guidance to the GEF during the period 2000 – 2007, in the form of Guidance/Additional Guidance/Further Guidance to the Financial Mechanism has been a cumulative collation of priorities which is seen as un-prioritized and often unrealistic, and of limited use by the GEF Council.<br><br>4. Substantive decisions of the COP, particularly on its programmes of work and specific initiatives, have been useful and directly used by the GEF in the formulation of biodiversity focal area strategic priorities for GEF 3, and strategic objectives and programmes for GEF 4.<br><br>5. The recommendations of the Working Group on Implementation of the Convention on streamlining the guidance provided to the Global Environment Facility will provide alignment between CBD and GEF decision- making if adopted by the Parties at COP IX. 6. The COP will need to take decisions related to the GEF 5th Replenishment at COP IX in order to feed into the replenishment process where programming work will begin in 2008 and allocation discussions begin in 2009. |
| **Objective 2: Conformity of GEF Activities as the Institutional Structure Operating the Financial Mechanism, with the Guidance of COP**<br><br>**Conclusions:**<br><br>1. The GEF has been responsive to most COP guidance on program themes, priorities and programs of work provided over the period of the review (COP VI, VII, VIII).<br><br>2. The GEF has undertaken activities to respond to COP Guidance on matters of effectiveness of the financial mechanism. The GEF has recently responded, but in a timely manner to CBD guidance on streamlining of the GEF project cycle (identified in 1998 and decided upon in 2007), and on resource mobilization (identified in 1998).<br><br>3. The GEF biodiversity focal area strategy and programs have evolved substantially to become more closely aligned with CBD objectives and programmes of work. They have become better elaborated and better aligned with COP Guidance over the period of the review. The eight strategic programmes approved for GEF 4 align well with the Strategic Plan for the Convention and have been informed by specific programmes of work approved by the COP.<br><br>4. The GEF demonstrates conformity with COP Guidance through its reports to the COP, presenting project lists and summaries of its biodiversity portfolio, and highlighting the adoption of operational or focal area strategies and programs. It also reports on activities related to effectiveness of the Financial Mechanism; and, program and project activities which address the priority attached by the CBD to groupings of countries – LDCs, EITs, and SIDS. |

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| 5. GEF reports to the CBD fully meet most of the requirements set out in the MoU between the CBD COP and the GEF Council. One area that is not fully met is reporting on outcomes of GEF project activities. |
| **Objective 1a: Timely, Adequate, and Predictable Disbursement of Funds**<br><br>**Conclusions:**<br><br>2. The GEF has allocated a consistent 32% of total GEF resources to the biodiversity focal area in GEF 3 (July 2002 – June 2006) and GEF 4 (July 2006 – June 2010), the same proportion as for the climate change focal area. However, the real value of GEF contributions for each replenishment has likely declined because of inflation and carryover of unspent funds.<br><br>3. GEF Funds have been made available in a timely manner for approval and implementation of biodiversity projects over the period of the Review (part of GEF 2, GEF 3, first year of GEF 4).<br><br>4. The GEF has been consistent and effective in bringing co-financing to biodiversity projects. Third Review of the Effectiveness of the Financial Mechanism of the Convention on Biological Diversity February 7th, 2008 21<br><br>5. The first year of RAF implementation has shown that mega-diverse countries have utilized a substantially larger portion of resources allocated to them under the RAF compared to SIDS, LDCs, and EITs.<br><br>6. The GEF Secretariat and Implementing agencies are well positioned to play a larger role in the financing of implementation of the Convention on Biological Diversity, including resources needed for but not restricted to incremental costs for global benefits, given its expertise, experience in the financing of small and large projects, and its ability to network with public and private financing agencies around the world. Its role could include:<br><br>a) Strengthening its efforts to increase co-financing Implementing Agencies<br><br>b) Playing an ongoing role in assisting the CBD with resource mobilization, building on the current GEF assistance to the CBD in developing a resource mobilization strategy (GEFSec); a mechanism could be the development of funds similar in principle and operation to the Special Climate Change Fund currently managed under the GEF Climate Change focal area (GEF SEC and Implementing<br><br>c) Agencies).Playing a more proactive role in facilitating private sector financing in implementation of the Convention, including through the implementation of GEF Strategic Program 5 for Fostering Markets for Biodiversity Goods and Services. |

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| **Objective 4a: Efficiency and effectiveness of GEF-funded Activities on Implementation of the Convention – The GEF Biodiversity Project Portfolio**<br><br>**Conclusions:**<br><br>1. Over the period of the review, forest ecosystems (OP3) accounted for the largest portion of GEF funds approved for projects ($611 million). Conservation and sustainable use of agriculture (OP13)($186 million) and integrated ecosystem management (OP12)($128 million) accounted for the lowest portions of project funds.<br><br>2. The GEF approved a total of 396 projects in the period 2001 and 2007 - 177 full sized projects, 126 medium-sized projects, and 93 enabling activity projects<br><br>3. GEF projects related to mainstreaming of biodiversity in production landscapes (SP2/SO2) accounted for $640 million, and projects related to protected areas (SP1/SO2) accounted for $551 million between 2003 and 2007. The review did not have the data to determine whether this represented a shift in resources from protected areas to mainstreaming projects compared to the period 1991 – 2002.<br><br>4. GEF undertook 120 projects on protected areas and 119 projects on mainstreaming between 2003 and 2007. This suggests a greater emphasis on mainstreaming versus protected areas (projects compared to the period 1991 – 2002).<br><br>5. The GEF project database does not allow for direct analysis of GEF activities by the three CBD objectives.<br><br>6. Latin America and the Caribbean, and Africa, accounted for the largest portion of the biodiversity portfolio value over the review period (2001 – 2007), with 30.8% and 28%, respectively, of the total GEF biodiversity resources. Europe and Central Asia accounted for the lowest, at 10.7% of biodiversity portfolio value. Over the course of GEF 4, Africa has utilized a substantially smaller proportion of funds compared to LAC and Asia. |
| **Objective 4b: Guidance on Sustainability of GEF-funded Activities for Implementation of the Convention**<br><br>**Conclusions:**<br><br>1. Given the limitations of this and past reviews, the Review could neither assure nor deny that sustainability of project outcomes has been addressed systematically, consistently or adequately in project design across GEF implementing agencies and project types. |

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| 2. The GEF Secretariat has not produced publicly available guidance to help Implementing Agencies and countries ensure sustainability of project outcomes and environmental sustainability in the design and implementation of GEF projects.<br><br>3. The GEF Evaluation Office is using a project-risk based approach to assess sustainability of project outcomes, and has developed useful criteria and analyses to support its work; its work to date is limited to the review of Terminal Evaluations provided by the Implementing Agencies.<br><br>4. Sustainability of project and environmental outcomes has been addressed in the preparation of the GEF Strategic Objectives and Programs which include key leverage points, systematic approaches and strategic investments to help ensure sustainable biodiversity outcomes. |
| **Objective 1b: Effectiveness of the Financial Mechanism in Overseeing, Monitoring and Evaluating Activities Financed by its Resources**<br><br>**Conclusions:**<br><br>1. The monitoring and evaluation systems established by the GEF Council have improved substantially over the period of the review and are complete and appropriate in most essential aspects. Notable among the improvements are the establishment of an independent GEF Evaluation Office reporting to the GEF Council; development of a GEF Monitoring and Evaluation Policy (2006), and, the assignment of the monitoring function to the GEF Secretariat as part of its portfolio management responsibilities.<br><br>2. Areas for improvement in the GEF monitoring and evaluation system include: recognition in the GEF Monitoring and Evaluation Policy of the role of the system in supporting the CBD; strengthening the quality of project mid-term and terminal evaluation reports submitted by Implementing Agencies; and, completion of biodiversity tracking tools for the GEF 4 strategic programmes on biosafety, invasive species and access and benefit sharing.<br><br>3. The GEF monitoring and evaluation system has produced timely and useful products for GEF decision making including for replenishment, biodiversity programming, and improvements to effectiveness of the GEF.<br><br>4. The CBD COP and CBD Secretariat do not make adequate use of the GEF's monitoring and evaluation products and results to support the work and improve decision making of the Convention, including the provision of COP Guidance to the GEF. Formal transmission of well-summarized monitoring and evaluation products, |

| Third Review submitted by Stratos (26 February 2008, 9th COP) |
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| and full reports relevant to biodiversity, by the GEF to the CBD, would assist the CBD in this regard. |
| **Recommendations:**<br><br>1. The GEF Council and the CBD COP ensure that their respective decision-making processes, including the GEF Replenishment process, meetings of the COP, and meetings of the GEF Council, are aligned in time and are fully informed by the decisions of the other body.<br><br>2. CBD and the GEF work to fully implement the Memorandum of Understanding between the CBD COP and the GEF Council through:<br><br>(a) The GEF Council strengthening its reporting to the CBD COP to extend beyond on activities-based reporting to results-based reporting on the contribution that the GEF funding makes to achieving the objectives of the Convention<br><br>(b) The CBD COP providing clear, prioritized guidance including on funding requirements for the GEF in its role to support global benefits<br><br>(c) Strengthening inter-secretariat cooperation.<br><br>3. To strengthen inter-secretariat cooperation for improved implementation of the Memorandum of Understanding between the CBD COP and GEF Council, the Executive Secretary of the CBD and the CEO of the GEF develop and implement a plan for more systematic and regular processes of cooperation between the Secretariats. This plan can build on initiatives taken recently to strengthen cooperation, and those which have been successful in the past. Elements of such a plan can include:<br><br>(a) An annual meeting of the GEF CEO with the Bureau of the Convention;<br><br>(b) Participation by the SCBD in the work to develop the biodiversity strategy for the 5th replenishment. This could include CBD participation on a technical advisory group as was employed during the finalization of the GEF-4 biodiversity strategy;<br><br>(c) Continuing and widening the participation of CBD Secretariat scientific and technical staff on steering committees of GEF biodiversity projects that are of particular importance to the Convention processes at the invitation of the GEF Implementing Agencies and the GEF Secretariat; and<br><br>(d) Conduct of annual meetings of GEF Secretariat biodiversity staff with CBD Secretariat staff responsible for CBD programs of work referenced in the GEF's Biodiversity Strategic Programmes. |

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4. The COP adopt a substantive four-year framework for programming related to the utilization of GEF resources, which sets clear priorities, timelines and indicators of progress against which results can be reported by the GEF, and that the framework build on the CBD Strategic Plan and the GEF 4 Biodiversity Strategic Objectives and Strategic Programs to achieve maximum alignment and effectiveness.

5. The COP analyse and make a request to the GEF Trust Fund for the amount of funds, consistent with the global benefits mandate of the GEF, that are necessary to assist developing countries, and countries with economies in transition to fulfill their commitments under the convention. This should be formally transmitted to the GEF Council in order to be included in the negotiations for the 5th Replenishment, and future replenishments.

6. The GEF improve its reporting to the CBD to advance beyond demonstrating conformity of GEF activities with COP Guidance to demonstrating the contribution that the GEF makes to achieving the objectives of the Convention and its programmes of work. In order to give effect to this recommendation, we recommend that:

(a) The COP, in consultation with the GEF, specify the form and nature of results- based reports it expects from the GEF in its Guidance to the GEF – and maintain a set format for the period of each Replenishment

(b) The GEF reports to the COP focus on progress and results achieved against the three CBD objectives, the Strategic Plan of the Convention, the obligations of Parties under the Convention (e.g. national reports), as well as progress and results in support of the Cartagena Biosafety Protocol.

7. The CBD COP adopt a 4-year financing plan for implementation of the Convention, which specifies the roles and level of expected financing at the national, regional and international levels, from the GEF including co-financing, from national governments, from bilateral and multi-later donor agencies, and from private sources. This would provide a realistic assessment of demand as a basis for the resource mobilization strategy which is currently under development.

8. The CBD COP request the GEF Council to formalize an appropriate and ongoing role for the GEF in assisting resource mobilization for the Convention on Biological Diversity.

9. The Mid-Term Review of the Resources Allocation Framework assess the reasons for the initial low level of utilization of GEF biodiversity resources by SIDS, LDCs, and EITs, including implementation factors such as capacity constraints and factors related to the design of the RAF.

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| 10. The GEF develop improved data sets and web- based data tools to allow for improved reporting on GEF projects, and access to biodiversity portfolio information by Parties and other stakeholders. These data should be presented by CBD objectives and CBD programmes of work, as well as by GEF biodiversity strategic objectives and strategic programmes. This will allow for improved reporting to the COP by the GEF Council, and for Parties and stakeholders to determine GEF's contribution to implementation of the Convention.<br><br>11. The GEF EO undertake a thorough review of how sustainability is addressed and assured in the GEF biodiversity focal area at all levels, including in the development and application of the strategic programmes for biodiversity, project design and implementation, and evaluation of programmes and projects. This review needs to involve a range of stakeholders with expertise and experience in project and environmental sustainability, including those actively working with the CBD.<br><br>12. The COP request the GEF Council to formally recognize and elaborate, in the GEF Monitoring and Evaluation Policy, the role of the GEF monitoring and evaluation system in supporting the CBD and the other conventions for which it serves as the financial mechanism.<br><br>13. The COP request the GEF Council to transmit all relevant GEF evaluations as separate reports, as well as summaries of each evaluation report as a chapter of each GEF report to the COP, in order for these to be considered as COP documents.<br><br>14. The COP, with the assistance of the SCBD, GEFEO and GEFSec, put in place an enhanced monitoring and evaluation function to improve information flow on GEF monitoring and evaluation results to inform COP decision making and the implementation of the Convention. |

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| **Conclusions** | **Recommendations** |
| The Conference of the Parties has made measurable improvements in consolidating older guidance to the GEF during this review period, but the number of new items of guidance adopted at each Conference of the Parties is still consistently high.[245] | The COP may wish to streamline guidance to the GEF through a more regular and systematic process. A mechanism such as a working group (e.g., similar to the working group established at WGRI-3) could be implemented to review new guidance for repetitiveness, amend/remove older items of guidance as appropriate, and develop a |

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| | more condensed set of guidance to convey to the GEF during or after each COP. |
| Strategic prioritization of COP guidance remains an issue for the CBD. The CBD does not rank its guidance in order of importance, nor identify funding quotients associated with guidance. This lack of prioritization may result in fragmentation of limited GEF resources and achievement of limited impact in many areas, as opposed to concentrated impact in a few areas. | The CBD Secretariat and GEF Secretariat should explore ways that the COP can best utilize the Strategic Plan for Biodiversity 2011-2020 to set priorities for the financial mechanism. In particular, it is recommended that the COP agree upon certain Aichi Targets that are high priority for the GEF to address in the short term. |
| While the total allocation of GEF funds to the biodiversity focal area has been largely predictable, the allocation of funding to individual countries has been less predictable, with predictability increasing from GEF-4 to GEF-5 due to the replacement of the RAF with the STAR. | The GEF should continue to use an allocation framework to predictably and equitably allocate biodiversity funding to individual countries; however, adjustments to the framework should be considered based upon the mid-term evaluation of the STAR |
| The GEF has been effective in funding enabling activities, although opinions are mixed on whether adequate funding has generally been provided for developing country Parties and Parties with economies in transition to meet the agreed full incremental costs to them of implementing measures which fulfil the obligations of the Convention. Looking forward, the Convention's Needs Assessments implies that GEF-6 funding levels that are thought to be required to achieve the Aichi Targets and biosafety needs far exceed the amount of funding available through the GEF. | Greater discussion is needed at the COP regarding the role of the GEF in providing funds to achieve the Aichi Targets and in supporting activities under the Cartagena Protocol. |
| The GEF has helped to mobilize new and additional financial resources at the project level to support implementation of the CBD, although opportunity exists to do more. | The GEF should continue to focus on resource mobilization (e.g., project cofinancing) while not compromising project goals. The GEF should seek to innovate in GEF-6 to mobilize further resources for |

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| | biodiversity; strategies may include pursuing business models for biodiversity projects that lend themselves to private investment and that create sustainability by transferring responsibility to private entities. |
| To date, under GEF-5, country requests and GEF approvals for biodiversity funding have not fully aligned with the notional allocations identified for each objective in the GEF-5 biodiversity strategy. | The COP may wish to encourage Parties to submit projects to the GEF related to the Global Strategy for Plant Conservation, and the Global Taxonomy Initiative (GTI) – two areas in which no projects were submitted to the GEF, despite COP guidance that these are priority areas. In addition, requests for biosafety support were limited to national reporting. The GEF should continue to monitor the progress of project approvals in these areas and provide updates to the COP. |
| The GEF project cycle is perceived to be more transparent and efficient for biodiversity projects since it was updated in 2007; however, efficiency targets are still not consistently met, and there is room for improvement. | The GEF, in collaboration with the Agencies, should continue to streamline the project cycle by adopting reforms related to co-financing and monitoring and reporting requirements, as suggested by the GEF Evaluation Office in OPS-5. |
| GEF support for monitoring and evaluation (M&E) at the Convention level could be strengthened, so that GEF M&E provides greater utility for measuring progress in achieving the objectives of the Convention. | The CBD and GEF should coordinate regarding how to measure progress in achieving the Aichi Targets. The CBD and GEF should consider establishing a more formal mechanism for harmonizing the indicators that are reported on in the biodiversity portfolio. |
| The financial mechanism is funding projects that promote synergies among the Rio Conventions. The amount of biodiversity funding for multi-focal area projects has dramatically increased during this review period, and that trend is expected to continue. | The COP should consider this rise in multi-focal area programming when providing guidance to the GEF, and should consider how the GEF can best report back to the COP on biodiversity results from synergistic projects. |

| **Fifth Review which adopted the sixth overall performance study of the GEF conducted by the Independent Evaluation Office (December 2017, 14th COP)** | |
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| **Findings** | **Recommendations** |
| Only 63% of the OPS6 project cohort was rated as having outcomes that were likely to be sustained, primarily due to weak financial sustainability. Country context, quality of implementation, and quality of execution influence project sustainability ratings[246] | To drive transformational change in any focal area, the GEF will need to further its efforts in designing for transformation through adoption of systems approaches and addressing drivers of environmental degradation, and in promoting policy and regulatory reform and building institutional capacity in recipient countries.<br><br>It would also require working with financial institutions to derisk investment, develop structured finance deals, and demonstrate how to engage markets. Ex ante assessments of the potential for transformation based on clear criteria should be completed for projects at the design stage.[247] |
| Targets in Integrated Approach Pilots (IAPs) need to be better specified and measured, and program additionality over a set of discrete focal area projects needs to be demonstrated. There have been some inefficiencies caused by delays in designing and launching the IAPs, in part because the GEF project cycle policy has not been explicit regarding the application of standards to child projects. Finally, the selection process of countries and Agencies has not always been clear, transparent, or communicated effectively.[248] | |
| The GEF encountered about a 15% shortfall in available financial resources due to foreign exchange volatility. The GEF has no financial mechanism available to it, such as hedging, to manage these risks. This lack has had detrimental effects on the amount of funding available for GEF-6 projects; some project proposals could not proceed due to the funding shortage, which particularly affected a number of countries' STAR allocations. On average, this shortfall led to a | To complement its financial resources, and to implement recent mandates including the Paris Agreement, the Minamata Convention on Mercury, and the Nagoya Protocol, the GEF should consider expanding the number and variety of donors from both Organisation for Economic Co-operation and Development (OECD) countries and middle-income countries, including subnational states/provinces, that have not previously contributed and are increasingly in a position to do so. To secure its existing financing, the GEF should implement foreign |

[246] Fifth Review p xii.
[247] Pg XVII
[248] P ix.

| Fifth Review which adopted the sixth overall performance study of the GEF conducted by the Independent Evaluation Office (December 2017, 14th COP) | |
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| decline of 19% in funding provided for STAR country allocations, with varied effects on recipient countries.[249] | exchange risk management within the parameters of the GEF Instrument, and/or as otherwise legally allowed to manage volatility.[250] |
| Uncertainty and fragmentation in donor funding due to competing demands places additional pressure on the GEF going into the next replenishment, necessitating a focus on innovative approaches.[251] | The GEF will need to adapt its strategy to improve its engagement with the private sector. Specifically, the private sector should be viewed more broadly than just as a source of financing. There are various opportunities to engage the private sector in areas other than finance. For example, the GEF can affect industry practices by facilitating certifications and research, as well as changing sourcing and production practices along the supply chain.<br><br>Where conditions are not ripe for investment, such as in biodiversity conservation, long term regulatory and policy intervention by the GEF can help to catalyze private sector investment. |
| Operational restrictions and lack of awareness of the GEF have resulted in limiting or not fully realizing the potential for successful engagement with the private sector.[252] | Operational governance must be strengthened across the partnership. Ground rules for cooperation among Agencies must be established to support the implementation of multifocal area efforts and the expansion of programs. The GEF |

[249] P xiv
[250] XIX
[251] Ibid
[252] P XV

| Fifth Review which adopted the sixth overall performance study of the GEF conducted by the Independent Evaluation Office (December 2017, 14th COP) | |
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| There is no clarity on the participation of observers and Agencies at Council meetings. The GEF–Civil Society Organization Network continues to be relevant and contributes to policies at Council meetings, but there are no guidelines to manage the risks about potential conflict of interest situations associated with having several civil society organizations serve simultaneously as GEF Agencies and network members.[253] | Secretariat should develop and clearly communicate the criteria for program selection and design. Similarly, the selection of Agencies by country governments should be based on clear criteria and comparative advantage. Addressing the potential for conflicts of interest arising from the overlapping roles between implementing and executing Agencies—including for international civil society organization partner Agencies—is imperative. |
| The GEF Gender Mainstreaming Policy stops short of providing a compelling rationale for why gender matters in environment-focused interventions. It also does not provide a rationale as to how the inclusion of gender equality in environmental projects would generate benefits beyond effectiveness and efficiency. Moreover, the policy does not reference the gender-related mandates or decisions of the five conventions the GEF serves. Even though gender performance has improved since the introduction of the policy, only about 14% of projects at entry included a gender analysis, which is integral to mainstreaming.[254] | In revising the Policy on Gender Mainstreaming, the GEF Secretariat needs to align the policy more closely with international gender mainstreaming good practice standards. The new policy should include a comprehensive results or accountability framework, with requirements for the GEF Secretariat to track and assess progress against any performance targets or benchmarks. Roles should be clearly assigned to oversee progress and to report on obligations to senior management. |

[253] Ibid
[254] xvi

| Fifth Review which adopted the sixth overall performance study of the GEF conducted by the Independent Evaluation Office (December 2017, 14th COP) | |
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| In respect of the GEF policies and guidance on safeguards and indigenous peoples, there is no guidance regarding ongoing reporting or monitoring on safeguard-related issues during project implementation. The GEF 'Principles and Guidelines for Engagement for Indigenous Peoples' lack practical guidance on project design and indicators, or a list of requirements that could aid in operationalising the minimum standard and other relevant GEF policies.[255] | The policy on safeguards and rules of engagement with indigenous peoples should be reviewed for gaps against good practices and updated accordingly. Implementation of these by the GEF Agencies, and subsequent monitoring, will be required to assess gaps in compliance and the need for follow-up actions by the GEF. |
| The GEF's Project Management Information System is not updated regularly. GEF has placed less emphasis on developing technical solutions to manage knowledge; developing a systematic approach to its knowledge management products; or linking creators of knowledge with users through facilitating access, transfer, and sharing.[256]l | GEF systems for project management information, results, and knowledge must be further strengthened to enable the GEF to demonstrate its results and serve the needs of the partnership for learning. The PMIS should be able to provide timely and accurate project information, the M&E system should capture good quantitative data on performance indicators with a focus on impacts, and the knowledge management system should provide a good repository of information to draw on in improving project design, implementation, and monitoring. |

[255] P xvi
[256] P xvii.

**Appendix G: GEF response to COP guidance**

**GEF's Response to Guidance Contained in Decision Adopted by CBD COP 13 (Decision XIII/21)**

| COP Decision | GEF's Response |
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| **A. Four-year outcome-oriented framework of programme priorities (2018-2022)** | |
| *Adopts* the consolidated guidance to the financial mechanism, including the four-year framework of programme priorities (2018-2022) for the seventh replenishment of the Global Environment Facility Trust Fund, as contained in annexes I and II to the present decision, and *decides* to retire the previous decisions and elements of decisions, as related to the financial mechanism and limited only to those provisions related to the financial mechanism;<br>*Invites* the Global Environment Facility, the recipient and non-recipient Global Environment Facility participants, relevant global and regional partner organizations, and the Executive Secretary to promote a successful implementation of the four-year framework of programme priorities (2018-2022) for the seventh replenishment of the Global Environment Facility Trust Fund;<br>*Encourages* the Global Environment Facility to continue and further strengthen integrated programming as a means to harness opportunities for synergy in implementing related multilateral environmental agreements as well as the 2030 Agenda for Sustainable Development and its ss, in particular Sustainable Development Goals 14 and 15; | The GEF-7 Programming Directions and Policy Agenda document agreed during the replenishment has emphasized integrated programming to achieve synergies across the multilateral environmental agreements (MEAs). The agreed document can be found in Annex A of the Summary of Negotiations of the Seventh Replenishment of the GEF Trust Fund: http://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.C.54.19.Rev_.03_Replenishment.pdf<br>Specifically, the GEF-7 biodiversity strategy fully embodies an integrated approach to biodiversity management that comprehensively addresses the four-year framework of programme priorities (2018-2022) for the seventh replenishment of the GEF Trust Fund, as contained in annexes I and II to CBD/COP/DEC/XIII/21. As presented in the GEF-7 Programming Document, implementation of the GEF-7 Framework of Program Priorities from CBD COP 13 is supported through the GEF-7 biodiversity strategy along with three Impact Programs that seek to deliver impact at scale by addressing key underlying drivers of biodiversity loss as well as direct drivers/pressures. Together, they provide a comprehensive strategic response to the most prominent direct drivers/pressures of biodiversity loss. |

| COP Decision | GEF's Response |
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| *Notes* the initial assessment of the accreditation pilot, and *requests* the Global Environment Facility to consider improving its access modalities, including enabling the participation of a number of additional national agencies from developing countries, based on its own experiences, including the conclusions of this assessment, and taking into account the experience of other international financial instruments with relevant access modalities. | Participants to the GEF-7 replenishment agreed that "the current network of 18 Agencies has enabled an effective delivery of GEF support across all regions and focal areas [and] requested that the Secretariat continue to monitor the geographic and thematic coverage, as well as the effectiveness, efficiency and engagement of the GEF Partnership, and report to the Council on its findings". (See Annex B of document GEF/C.54/19/Rev.02, *Summary of the Negotiations of the Seventh Replenishment of the GEF Trust Fund*: http://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.C.54.19.Rev_.02_Replenishment.pdf<br><br>The Participants' policy recommendations draw on previous Council discussions, the findings, conclusions and recommendations of the Sixth Comprehensive Evaluation of the GEF (OPS6), as well as the Secretariat's analysis.<br><br>OPS6 finds that the expansion of the GEF Partnership – initially from three to ten Agencies in 1999–2006, and then from ten to 18 Agencies in 2013–15 – has resulted in greater choice for countries, and improved access to diverse capabilities. At the same time, OPS6 finds that increased competition among a larger number of Agencies, coupled with the introduction of country allocations, has at times been counterproductive. Moreover, OPS6 suggests that the expansion of the Partnership has resulted in some cost increases, such as the cost for countries and the Secretariat to manage relations across a larger number of Agencies. (Global Environment Facility Independent Evaluation Office [GEF IEO], *OPS6 Report: The GEF in the Changing Environmental Finance Landscape*, Washington, DC: GEF |

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| | IEO, 2017: http://www.gefieo.org/sites/default/files/ieo/evaluations/files/ops6-report-eng_1.pdf<br>A complete analysis of the coverage, efficiency, effectiveness and engagement of the GEF Partnership was presented for Council information in Annex I of document GEF/C.54/08, *Strengthening the GEF Partnership*: http://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.C.54.08_Strengthening_the_GEF_Partnership_1_0.pdf<br>As requested by the Participants to the replenishment, the Secretariat will continue to monitor these dimensions of the Partnership and report to the Council on its findings at the 57th Council meeting in the Fall of 2019. |
| *Requests* the Global Environment Facility to include information regarding the individual elements of the consolidated guidance, in particular the four-year outcome oriented framework of programme priorities, in its future reports to the Conference of the Parties. | The GEF will include this information in future reports to the COP once GEF-7 is under implementation. |
| **D. Second determination of funding requirement** | |
| *Requests* the Global Environment Facility to take the Strategic Plan and the Aichi Biodiversity Targets as well as the expert team's needs assessment report into consideration in the process of the seventh period of replenishment of the Global Environment Facility Trust Fund but also noting the limitations identified by the expert team. | During the GEF-7 replenishment process, this has been taken into consideration by the replenishment participants. GEF-7 biodiversity strategy and the aforementioned Impact Programs all map their objectives and outcomes to their contributions to achieving the Aichi Biodiversity Targets. |
| **E. Further guidance** | |
| *Encourages* the Global Environment Facility to consider joint financing, in | GEF continues to act on opportunities for joint financing to achieve global |

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| partnership with other international financial instruments, of projects designed to achieve the objectives of more than one Rio convention; | environmental benefits and achieve the objectives of multiple Rio conventions.<br><br>For example, the WB/GEF project, "Sustainable Low Carbon Development in Colombia's Orinoquia Region", (GEF biodiversity grant: $5.9 million, cofinance: $70.1 million), includes a $20 million grant from the BioCarbon Fund Initiative for Sustainable Forest Landscapes and will help achieve GEF strategy objectives of relevance to the CBD and the UNFCCC. The project will address current and projected direct and indirect causes of biodiversity loss and Agriculture, Forestry and other Land-use (AFOLU) emissions in Orinoquia. The project aims to: a) strengthen territorial planning instruments with sustainable (biodiversity and low-carbon landscape management) criteria including land-use planning, land tenure, and deforestation control measures; b) improve biodiversity protection in 494,901 hectares of protected areas; c) integrate biodiversity and ecosystem service values into land use planning that will cover an area of 4.6 million hectares; and d) design a large-scale Emission Reduction Program for the Orinoquia region including the establishment of a Monitoring and Verification System for Emission Reduction and the design of the future Results Based Payment program.<br><br>Another example is the WB/GEF project, "Mai-Ndombe REDD+ Integrated Project" (GEF biodiversity and climate change mitigation grant: $6.2 million, cofinance: $32.4 million), in Congo DR which aims to improve forest management and reduce greenhouse gas emissions from deforestation and forest degradation. The project includes a $14.2 million grant from the Forest Investment Program and $18.2 million grant from the Central African |

| COP Decision | GEF's Response |
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| | Forestry Initiative. The project will help achieve GEF strategy objectives of relevance to the CBD and the UNFCCC and aims to improve management of biodiversity-rich areas totaling 250,000 hectares, improve sustainable land management in 100,000 hectares, and mitigate 1.45 million metric tons of carbon dioxide equivalent. |
| *Takes note* of the projected shortfall of resources from sixth replenishment of the Global Environment Facility due to exchange rate movements, and the decision of the Council of the Global Environment Facility on item 6 of the agenda of the 51st meeting of the Council;<br><br>*Notes* the crucial role of the Global Environment Facility in the mobilization of resources at the domestic level and in support of the achievement of Aichi Targets, and *requests* the Global Environment Facility to continue its efforts to minimize the potential consequences of the projected shortfall referred to in paragraph 18 above for its support to developing countries, aiming to fulfil the relevant programming directions of the sixth replenishment of the Global Environment Facility and with a view to<br><br>maintaining the level of support to Global Environment Facility recipient countries;<br><br>*Requests* the Global Environment Facility to consider exploring measures to mitigate possible risks, including currency risks, in order to avoid potential negative impacts on future replenishment periods for the provision of financial resources for all Global Environment Facility recipient countries, taking fully into account the provisions of paragraphs 5 and 6 of Article 20 of the Convention; | The GEF has sought to minimize the consequences of the project shortfall consistent with GEF Council Decision GEF/C.51/04.<br><br>With respect to the future management of currency risk, Participants to the GEF-7 replenishment explored additional measures, including: a) the establishment of a foreign exchange (FX) hedging program within an overarching risk management framework, and b) employing a second operating currency such as EUR. With approximately 96 percent of cumulative funding allocations expected to be disbursed in US dollars and little or no demand for EUR from GEF Agencies, there would be only very limited gain from employing a second operating currency. The Participants discussed the hedging option in detail, including a proposed FX risk management framework, hedging costs and collateral requirements. GEF-7 Participants had differing views on the hedging proposal presented and, on balance, expressed a preference to defer the decision to a later date. Hence the option of hedging is not pursued further at this stage. (GEF/A.6/06, *GEF-6 Funding Retrospective*: http://www.thegef.org/sites/default/files/council-meeting-documents/GEF.A6.06_GEF-6_Funding_Retrospective.pdf |

| COP Decision | GEF's Response |
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| | As for the mobilization of resources at the domestic level, the GEF continues to encourage Agencies, recipient countries and other partners to mobilize increasing levels of co-financing. Participants to the GEF-7 replenishment agreed that "further refinement of the *Co-Financing Policy* is desirable to seek greater public and private investments in measures to achieve global environmental benefits [and requested the Secretariat to develop] an updated co-financing policy and associated guidelines". Participants agreed that the updated policy would increase the level of ambition for the overall GEF portfolio to reach a co-financing ratio of at least 7:1. (See Annex B of document GEF/C.54/19/Rev.02, *Summary of the Negotiations of the Seventh Replenishment of the GEF Trust Fund*: http://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.C.54.19.Rev_.02_Replenishment.pdf |
| *Urges* the Global Environment Facility and its partners to support recipient countries in their efforts to identify and mobilize co-financing for its projects related to implementation of the Convention, including through public-private partnerships, as well as applying co-financing arrangements in ways that improve access, do not create barriers or increase costs for recipient countries to access Global Environment Facility funds; | Please refer to the updated Co-Financing Policy, approved at the 54th GEF Council in June 2018: http://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.C.54.10.Rev_.01_Co-Financing_Policy.pdf<br><br>GEF and its partners will continue to help identify and mobilize co-financing to support the implementation of GEF projects. Table 9 presents a summary of all contributions to achieving the Aichi Biodiversity Targets through various funding streams during GEF-6.<br><br>In sum, $1.540 billion of GEF resources have leveraged $8.165 billion of cofinancing; a ratio of 1 to 5. This level of cofinancing has resulted in a total of $9.705 billion being invested towards the implementation of the Strategic Plan and |

| COP Decision | GEF's Response |
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| | achieving the Aichi Biodiversity from July 1, 2014 to June 30, 2018.<br><br>Of the $1.5 billion of GEF resources invested, 50 percent comes from the biodiversity focal area STAR allocations, and the remaining 50 percent of resources come from the biodiversity focal area set aside and other funding streams within the GEF. |
| *Requests* the Global Environment Facility, in response to the concerns of the Parties on transparency of the process of approving Global Environment Facility projects, to include in its report to the Conference of the Parties, information regarding paragraph 3.3(d) of the Memorandum of Understanding. | During the reporting period, all biodiversity projects and multi-focal area projects using biodiversity resources submitted to the council were approved. |
| **Ecosystem restoration** | |
| *Invites* the Global Environment Facility and Parties in a position to do so and other donors, such as international financial institutions, including regional development banks, to provide support for ecosystem restoration activities, as well as monitoring processes as appropriate, and integrated where relevant into programmes and initiatives for sustainable development, food, water and energy security, job creation, climate change mitigation, adaptation, disaster risk reduction, and poverty eradication. | In GEF-6, the GEF supported "The Restoration Initiative - Fostering Innovation and Integration in Support of the Bonn Challenge" program with $53 million of GEF resources which leveraged $201 million of cofinancing. The participating countries include: Cameroon, Central African Republic, China, DRC, Guinea Bissau, Kenya, Myanmar, Pakistan, Sao Tome & Principe, and Tanzania.<br><br>In GEF-7, the Impact Program entitled "Food Systems, Land-use, and Restoration" seeks to provide a programming window to support ecosystem restoration, in addition to support for forest restoration offered under the "Sustainable Forest Management" Impact Program. |
| **Strategic Plan** | |
| *Requests* the Global Environment Facility, and *invites* other development partners and donors in a position to do so, to | During GEF-5 and GEF-6, virtually all GEF-eligible countries have received support to revise their NBSAP. During GEF-7, GEF will |

| COP Decision | GEF's Response |
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| continue to provide support in a timely manner, based on the expressed needs of Parties, especially for developing countries and, in particular, least developed countries and small island developing States, as well as countries with economies in transition, for the development and implementation of national biodiversity strategies and action plans, in line with the strategy and targets for resource mobilization agreed to in decision XII/3. | support the very few remaining countries that have not revised their NBSAPs. In addition, GEF will respond to any further guidance that may be directed to the GEF on NBSAP development during the GEF-7 phase. Resources were set aside for this support in the GEF-7 biodiversity strategy. |
| **Aichi Targets 11 and 12** | |
| *Invites* the Global Environment Facility and its implementing agencies to facilitate the alignment of the development and implementation of protected area and other effective area-based conservation measures in its sixth and seventh replenishment periods with the national actions identified in national biodiversity strategies and action plans and, as appropriate, through the regional workshops for the achievement of Targets 11 and 12, with a view to facilitating the systematic monitoring and reporting of the results of those projects as they contribute to the implementation of the national action plans for the achievement of Aichi Biodiversity Targets 11 and 12 and other related targets. | GEF will continue to support implementation of protected area projects in support of Aichi Targets 11 and 12 in support of priorities identified in the NBSAPs and other relevant planning documents and this is included in the GEF-7 biodiversity strategy. |
| **Sixth national report** | |
| *Requests* the Global Environment Facility, in the light of the revised guidelines for reporting under the Convention and its Protocols, to assess the required funding levels for national reporting, and provide financial support to developing countries accordingly in a timely and expeditious manner. | The GEF undertook an assessment of required funding levels for the national report and, as a result, provided a fourfold funding increase to produce the sixth National Report when compared to funding of previous national reports. These projects were approved to support production of the sixth National Report: |

| COP Decision | GEF's Response |
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| | • Support to Eligible Parties to Produce the Sixth National Report to the CBD (Africa-1 and Africa-2)<br>• Support to Eligible Parties to Produce the Sixth National Report to the CBD – (Global: Africa-3, plus Maldives, Nicaragua, Pakistan and Solomon Islands)<br>• Support to Eligible Parties to Produce the Sixth National Report to the CBD (LAC I and LAC II)<br>• Support to Eligible Parties to Produce the Sixth National Report to the CBD (Europe, CIS and Mongolia)<br>• Support to Eligible Parties to Produce the Sixth National Report to the CBD (Pacific)<br>• Support to Eligible Parties to Produce the Sixth National Report (6NR) to the CBD (Asia)<br>• Support to Eligible Parties to Produce the Sixth National Report to the CBD (6NR - North Africa, West/Central Asia and Mauritania)<br>• Support to Eligible Parties to Produce the Sixth National Report to the CBD (6NR - Mixed regions) |
| **Cross-sectoral mainstreaming** | |
| *Invites* the Global Environment Facility and other donor and financial institutions to provide financial assistance for country driven projects that address cross-sectoral mainstreaming when requested by developing country Parties, in particular the least developed among them and small island developing States, and countries with economies in transition. | The GEF will continue to support cross-sectoral mainstreaming, an area of the GEF portfolio that continues to increase relative to other conservation investment strategies prioritized by Parties. Opportunities for cross-sectoral mainstreaming are provided for in the GEF-7 biodiversity strategy. |
| **Traditional knowledge** | |

| COP Decision | GEF's Response |
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| *Invites* the Global Environment Facility, international financial institutions and development agencies and relevant non-governmental organizations, as appropriate and consistent with their mandates to consider providing financial and technical assistance to developing country Parties, indigenous peoples and local communities, particularly women within these communities, to raise awareness and to build their capacity relevant to the implementation of the Rutzolijirisaxik Voluntary Guidelines for the Repatriation of Traditional Knowledge of Indigenous Peoples and Local Communities Relevant for the Conservation and Sustainable Use of Biological Diversity, and to develop, as appropriate, community protocols or processes for "prior and informed consent" or "free, prior and informed consent", depending on national circumstances, or "approval and involvement", and fair and equitable benefit-sharing. | GEF will support activities within relevant projects to respond to these capacity building requests. |
| **Cartagena Protocol on Biosafety** | |
| *Requests* the Global Environment Facility to continue to provide finance in support of activities related to the Biosafety Clearing-House;<br><br>*Emphasizes* the importance of continuous and predictable support by the Global Environment Facility to eligible Parties to support their compliance with reporting obligations under the Protocol;<br><br>*Requests* the Global Environment Facility to continue to provide financial support to enable developing country Parties, in particular the least developed countries and small island developing States among them, and Parties with economies in | The GEF-6 biodiversity strategy included Program 5 to support implementation of the Cartagena Protocol on Biosafety and support for these activities.  A dedicated programming area to support implementation of the Cartagena Protocol is part of the GEF-7 biodiversity strategy and responds to all past and current guidance presented to the GEF. |

| COP Decision | GEF's Response |
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| transition to further implement the Framework and Action Plan for Capacity-Building;<br><br>*Invites* the Global Environment Facility to continue to assist eligible Parties that have not yet done so to put in place a national biosafety framework and to make funds available to this end;<br><br>*Requests* the Global Environment Facility to provide eligible Parties with financial resources to facilitate effective implementation of the programme of work on public awareness, education and participation concerning the safe transfer, handling and use of living modified organisms, in the context of relevant project activities and within its mandate;<br><br>*Invites* the Global Environment Facility to continue to provide funding for capacity-building related to risk assessment and risk management in the context of country-driven projects;<br><br>*Invites* the Global Environment Facility:<br><br>To continue to make specific funding available to eligible Parties to put in place their national biosafety frameworks;<br><br>To continue to fund projects and capacity-building activities on issues identified by the Parties to facilitate further implementation of the Cartagena Protocol on Biosafety, including regional cooperation projects, such as those using regional and sub-regional networks to build capacity for the detection of living modified organisms, with a view to facilitating the sharing of experiences and lessons learned, and harnessing associated synergies;<br><br>To ensure that the policy, strategy, programme priorities and eligibility criteria adopted in annex I to decision I/2 of the Conference of the Parties are duly followed | |

| COP Decision | GEF's Response |
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| in an efficient manner in relation to access and utilization of financial resources. | |
| **Nagoya Protocol on Access and Benefit-sharing** | |
| *Invites* the Global Environment Facility to provide support to eligible Parties for interim national reports under the Nagoya Protocol. | GEF approved a global project to support 65 countries to produce an Interim National Report. The GEF invested $1.4 million and leveraged $1.1 million in cofinancing. |

**GEF Response to Guidance from CBD COP 14**

At COP 14, Parties provided guidance to the GEF on a variety of topics.[257] Specific guidance on GEF operations and on specific biodiversity thematic topics have been duly addressed and a progress report on GEF's response is provided in Table 9 below.

**Decision Adopted by CBD COP 14 (Decision 14/23) and GEF Responses**

| CBD COP 14 Decision | GEF's Response |
|---|---|
| *Welcomes* the successful conclusion of the seventh replenishment of the Global Environment Facility Trust Fund, and *expresses its appreciation* for the continuing financial support from Parties and Governments for carrying out the tasks under the Strategic Plan for Biodiversity 2011-2020 in its remaining years, and for supporting the implementation of the post-2020 global biodiversity framework in its first two years; | No response needed. |
| *Notes* that the biodiversity programming directions for the seventh replenishment of the Trust Fund reflect the guidance adopted by the Conference of the Parties at its thirteenth meeting, which includes the consolidated guidance to the financial mechanism and the four-year framework of | No response needed. |

[257] See decision XIV/23.

| CBD COP 14 Decision | GEF's Response |
|---|---|
| programme priorities (July 2018 to June 2022), as well as further guidance;[258] | |
| *Welcomes* the Global Environment Facility's process to review and upgrade its environmental and social safeguards and the related systems of its agencies, as well as its guidance to advance gender in its new gender implementation strategy, noting that the results will be applicable to all projects funded by the Facility, and *invites* the Facility to inform the Conference of the Parties about how it is taking into account the Convention's voluntary guidelines on safeguards in biodiversity financing mechanisms in this important process; | The GEF Council approved the updated Policy on Environmental and Social Safeguards in December 2018.[259] The updated policy is substantially consistent with the Voluntary Guidelines. The Secretariat is currently facilitating a process to review Agencies' compliance with the minimum standards contained in the updated policy. As per Council decision made in the 57th Council meeting, Agencies continue to provide updates to the Secretariat, prior to every Council meeting, on progress implementing the actions contained in their plans of action until Agencies have come into full compliance. The GEF Secretariat reports to the Council on the progress on Agencies' implementation of the plans of action at subsequent Council meetings. As of June 202415 GEF Agencies are assessed to be in compliance and 3 are making process implementing their actions plans to reach compliance.[260] |
| *Notes* the ongoing review and updating against criteria of best practice of the Global Environment Facility's policy on safeguards | The GEF Council approved a new Policy on Environmental and Social Safeguards in December 2018.[261] The |

[258] See decision XIII/21.
[259] GEF, 2018, Updated Policy on Environmental and Social Safeguards, GEF/C.55/07/Rev.01.
[260] GEF, 2024, Progress Report on GEF Agencies' Compliance with GEF Minimum Standards, GEF/C.67/Inf 08.
[261] GEF, Policy on Environmental and Social Safeguards, SD/PL/03 (includes June 2019 amendment).

| CBD COP 14 Decision | GEF’s Response |
|---|---|
| and rules of engagement with indigenous peoples; | updated policy is aligned with international best practice, including with respect to engagement with indigenous peoples and the application of Free, Prior and Informed Consent (FPIC). |
| *Invites* the Global Environment Facility to continue its support for national implementation activities under the Strategic Plan for Biodiversity 2011-2020 in an efficient manner, with a view to enabling Parties to enhance progress towards the Aichi Biodiversity Targets by 2020; | The GEF continues to support country driven projects in GEF-7 to implement the Strategic Plan for Biodiversity 2011-2020 consistent with the GEF-7 Programming Directions and the GEF-7 biodiversity strategy. |
| *Invites* the Global Environment Facility, in line with the consolidated guidance provided in decision XIII/21, to continue to provide all eligible Parties with support for capacity-building:<br><br>(a) On issues identified by the Parties to facilitate further implementation of the Cartagena Protocol on Biosafety and the Nagoya Protocol on Access and Benefit-sharing, including regional cooperation projects, with a view to facilitating the sharing of experiences and lessons learned and harnessing associated synergies;<br><br>(b) On the use of the Access and Benefit-sharing Clearing-House, on the basis of experiences and lessons learned during the Project on Continued Enhancement of Building Capacity for Effective Participation in the Biosafety Clearing-House and using resources under the biodiversity focal area; | The GEF continues to support country driven projects that aim to build capacity in GEF-7 to implement the Nagoya and Cartagena Protocols as described in the GEF-7 biodiversity strategy including the ABS Clearing House taking into account the current use of the Portal housed at the CBD Secretariat. |
| *Invites* the Global Environment Facility to continue making funds available to assist | The GEF continues to support country driven projects in GEF-7 to implement |

| **CBD COP 14 Decision** | **GEF's Response** |
|---|---|
| eligible Parties in implementing the Cartagena Protocol, in particular:<br>(a) To assist eligible Parties that have not yet done so in fully putting in place measures to implement the Protocol;<br>(b) To support eligible Parties in fulfilling their reporting obligations under the Protocol, including the preparation and submission of their fourth national reports under the Protocol;<br>(c) To support Parties in implementing compliance action plans regarding the achievement of compliance with the Protocol; | the Cartagena Protocol as described in the GEF-7 biodiversity strategy, including the fourth national reports. GEF provided support through two projects to support 99 **c**ountries in producing the Fourth National Biosafety Report to the Cartagena Protocol. In the reporting period, one regional proposal supporting three countries and one national project has been submitted. |
| *Invites* the Global Environment Facility and other relevant funding agencies to provide funds for regional projects to support the implementation of the Cartagena Protocol, including projects aimed at building scientific capacity that could support countries' actions towards detection and identification of living modified organisms, and in particular that could promote North-South and South-South sharing of experiences and lessons; | The GEF continues to support country driven projects in GEF-7 to implement the Cartagena Protocol as described in the GEF-7 biodiversity strategy. In the reporting period, one regional proposal supporting three countries and one national project has been submitted. |
| *Expresses its appreciation* for the financial support provided by the Global Environment Facility for a number of eligible Parties to support the preparation of their interim national reports on the implementation of their obligations under the Nagoya Protocol, and notes the importance of timely availability of financial resources to support the preparation and submission of national reports by the reporting deadline; | No response needed. |
| *Invites* the Global Environment Facility to continue to assist eligible Parties to implement the Nagoya Protocol, including | The GEF continues to support country driven projects in GEF-7 to implement the Nagoya Protocol as described in |

| CBD COP 14 Decision | GEF's Response |
|---|---|
| the establishment of legislative, administrative and policy measures on access and benefit-sharing and related institutional arrangements, and to make funds available to this end; | the GEF-7 biodiversity strategy. During the reporting period, the GEF approved eight country-based projects (Cameroon, Gambia, Jamaica, Madagascar, Niger, Panama, South Sudan, Venezuela) to strengthen the required technical, legal, and institutional capacities to implement the Nagoya Protocol. GEF invested $12.2 million and leveraged $60.9 million in co-financing. |
| *Considers* the sixth overall performance study of the Global Environment Facility, conducted by the Facility's Independent Evaluation Office and completed in December 2017, as a good basis for the fifth review of the effectiveness of the financial mechanism, as well as the related submissions received from Parties, and *invites* the Council of the Global Environment Facility to take the following action in order to further improve the effectiveness of the financial mechanism:<br>(a) Continue to improve the design, management, and performance of the sixth-replenishment Integrated Approach Pilots, the seventh-replenishment impact programmes, other programmatic approaches, and multi-focal area projects in addressing drivers of environmental degradation;<br>(b) Promote awareness to the existing processes under the Conflict Resolution Commissioner to address complaints related to the operations of the financial mechanism;<br>(c) Further improve the sustainability of funded projects and programmes, | As part of its ongoing support to the implementation of the GEF-6 Integrated Approach Pilots and the formulation, development and implementation of the GEF-7 IPs, and other programmatic approaches, the GEF remains committed to improving all elements of design, management, and implementation performance.<br><br>The GEF continues to make GEF-eligible countries aware of the processes and procedures that fall under the responsibility of the Conflict Resolution Commissioner.<br><br>The GEF remains committed to ensure sustainability of all its projects and programs, and in particular GEF's support to sustainable financing of protected area systems, which remains a priority investment area in the GEF-7 biodiversity strategy. |

| CBD COP 14 Decision | GEF's Response |
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| including sustainable financing of protected areas;<br>(d) Continue to improve the efficiency and accountability of the Global Environment Facility partnership;<br>(e) Include the following information in its report to the Conference of the Parties at its fifteenth meeting:<br>(i) Progress in implementing the new co-financing policy;<br>(ii) Performance of the Global Environment Facility's network of agencies; | The GEF continues to improve the efficiency and accountability of the GEF partnership using existing accounting and management mechanisms.<br>Section III of this report summarizes: a) Progress in implementing the new co-financing policy; and b) Performance of the GEF's network of agencies. |
| *Encourages* the Executive Secretary to work closely with the Global Environment Facility in the transition to the post-2020 global biodiversity framework; | Since COP 14, the GEF has been actively engaged with the CBD on the transition to the post-2020 Global Biodiversity Framework and GEF aims to continue this collaboration.<br>GEF Secretariat staff have participated in the Regional Consultation on the Post-2020 Global Biodiversity Framework for Asia-Pacific and Latin America and the Caribbean sharing GEF's experiences in supporting implementation of the CBD. GEF Secretariat staff have also attended all meetings of the Open-ended Working Group (OEWG) on the Post-2020 Global Biodiversity Framework, as well as SBSTTA-24 and SBI-3. |

| CBD COP 14 Decision | GEF's Response |
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| | The Executive Secretary attended the 57th (December 2019), 59th (December 2020), 60st (June 2021), and 61st (December 2021) GEF Councils and presented an overview of the post-2020 framework discussions. One of OEWG co-chair also presented a summary of progress to date by the OEWG in developing the zero draft of the Global Biodiversity Framework at the 57th GEF Council.<br><br>The CBD Secretariat has been consulted on the GEF-8 replenishment from the onset of the replenishment process, through participation in Technical Advisory Groups and review of draft programming directions.<br><br>GEF Secretariat communicates and collaborates on an ongoing basis with the CBD Secretariat and the Executive Secretary in the context of this process. |

In paragraph 8 (e) of its decision XII/30, the Conference of the Parties invited GEF to make available a preliminary draft of its report to the Subsidiary Body on Implementation prior to the meeting of the Conference of the Parties at which the report would be formally considered, with a view to promoting effective and timely consideration of the information provided therein.

The information provided below is from the draft report for COP 16 submitted to SBI-4.

**GEF Response to Guidance from CBD COP 15**

At COP 15, Parties provided guidance on GEF operations and on specific biodiversity thematic topics. GEF's response is provided in Table 10 below, included in the draft report to COP 16 and updated.

**Table 15. Decision Adopted by CBD COP 15 (Decision 15/15) and GEF Responses[262]**

| COP 15 Guidance | GEF's Response |
|---|---|
| *Preambular paragraphs*<br><br>*The Conference of the Parties*,<br>*Reaffirming* the importance of the full application of the provisions of Article 21 and of access to the financial mechanism for all eligible Parties for the full implementation of the Convention, and welcoming the valuable role of the Global Environment Facility as the institutional structure operating the financial mechanism of the Convention on an interim and ongoing basis,<br>*Emphasizing* the importance for the Global Environment Facility, as appropriate, to ensure that its policies and procedures related to the consideration and review of funding proposals be duly followed in an efficient and transparent manner,<br>*Recalling* Article 21, paragraph 3, of the Convention, providing that the Conference of the Parties shall review the effectiveness of the financial mechanism,<br>*Reaffirming* the commitment of the Conference of the Parties to periodically review the effectiveness of the financial mechanism in implementing the Convention in the memorandum of understanding with the Council of the Global Environment Facility contained in decision III/8,<br>*Reaffirming also* decision XI/5, paragraph 7, on the quadrennial arrangement for the review of the effectiveness of the financial mechanism,<br>*Recalling* decision 14/23, paragraph 13, regarding the terms of reference for the sixth review of the effectiveness of the financial mechanism, for consideration by the Conference of the Parties at its fifteenth meeting,<br>*Reaffirming* the importance of the review of the effectiveness of the financial mechanism in the implementation of the Convention and its Protocols, strategies and programmes, | Noted. |

[262] https://www.cbd.int/doc/decisions/cop-15/cop-15-dec-15-en.pdf

| COP 15 Guidance | GEF's Response |
|---|---|
| 1. *Welcomes* the report of the Council of the Global Environment Facility to the Conference of the Parties at its fifteenth meeting; | Appreciate the welcoming of the report. |
| 2. *Takes note* of the importance of realistic assessment of funding necessary and available for the implementation of the Convention and its Protocols for the eighth replenishment period of the Global Environment Facility, aligned with the draft post-2020 global biodiversity framework at the time of the decision of the eighth replenishment;[263] | Noted. |
| 3. *Requests* the Global Environment Facility to include in its report to the Conference of the Parties and the Conference of the Parties serving as the meetings of the Parties to the Protocols an explanation of how the eighth replenishment period of the Global Environment Facility,[264] through the elements of its programming directions is contributing to the implementation of the Convention and its Protocols and to the goals and targets of the Kunming-Montreal Global Biodiversity Framework[265] and its monitoring framework;[266] | This draft COP report explains, and the final report that will be presented to the COP will explain, how GEF-8 Programing Directions have contributed to implementation of the Convention and its Protocols and the goals and targets of the KMGBF. |
| 4. *Urges* the Global Environment Facility to support Parties in their effort to enhance policy coherence as part of biodiversity mainstreaming to facilitate the effective and efficient implementation of the Kunming-Montreal Global Biodiversity Framework; | Elements of the GEF-8 Programming Directions support policy coherence and a progress update is provided in this report after the table of responses. |
| 5. *Adopts* the four-year outcome-oriented framework of programme priorities of the Convention on Biological Diversity for the eighth replenishment period (July 2022 to June 2026) of the Global Environment Facility, aligned with the Kunming-Montreal Global Biodiversity Framework, contained in annex I to the present decision; | Noted. |

[263] The executive summary is available in CBD/SBI/3/6/Add.2/Rev.1 and the full report is available in CBD/SBI/3/INF/44.
[264] Replenishment of the Global Environment Facility refers to replenishment of the Global Environment Facility Trust Fund
[265] Decision 15/4, annex.
[266] Decision 15/5, annex I.

| **COP 15 Guidance** | **GEF's Response** |
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| 6. *Welcomes* the eighth replenishment of the Global Environment Facility and notes that its associated programming directions and strategy, including for the biodiversity focal area, have taken into account the draft post-2020 global biodiversity framework at the time of the decision of the eighth replenishment; | Appreciate the welcoming of the record GEF-8 replenishment and strategic alignment with the post-2020 GBF. |
| 7. *Urges* relevant Parties to make prompt and full use of the programming directions and resource allocation for the eighth replenishment of the Global Environment Facility; | This guidance is for Parties. |
| 8. *Requests* the Executive Secretary to collaborate with the Global Environment Facility and related agencies, as appropriate, in:<br>The fast-tracking of the implementation of the Kunming-Montreal Global Biodiversity Framework, in particular for the intermediate phase (2023-2024) of the Resource Mobilization Strategy and in the reporting of progress of the mobilization of new and additional resources to the Conference of the Parties at its sixteenth meeting; and<br>The development and implementation of the relevant integrated programmes and the country engagement strategy for the eighth replenishment period, promoting the involvement of biodiversity-related conventions and instruments at national level, and to promote synergies and complementarities with other relevant financial instruments, such as the Green Climate Fund, towards the effective implementation of the Kunming-Montreal Global Biodiversity Framework. | GEF has collaborated with the Executive Secretary on these issues and is an active member of the Advisory Committee on Resource Mobilization, providing information and inputs to the Committee and attending its virtual and in-person meetings. |
| 9. *Adopts* the consolidated previous guidance to the Global Environment Facility contained in annex II A to the present decision, decides to retire the previous decisions and elements of decisions, as related to the financial mechanism and limited only to those provisions related to the financial mechanism and *also adopts* additional guidance to the Global Environment Facility contained in annex II B to the present decision; | Noted. |
| 10. *Decides* to adopt, at its sixteenth meeting, a four-year outcome-oriented framework of | Noted. |

| COP 15 Guidance | GEF's Response |
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| programme priorities for the implementation of the Convention and its Protocols aligned with Kunming-Montreal Global Biodiversity Framework to inform the ninth replenishment of the Global Environment Facility Trust Fund (2026-2030); | |
| *11. Requests* the Executive Secretary to prepare elements of a draft four-year outcome-oriented framework of programme priorities for the implementation of the Convention and its Protocols aligned with Kunming-Montreal Global Biodiversity Framework in anticipation of the ninth replenishment of the Global Environment Facility Trust Fund (2026-2030), for consideration by the Subsidiary Body on Implementation at its fourth meeting; | This guidance is for the Executive Secretary. |
| *12. Requests* the Subsidiary Body on Implementation at its fourth meeting to prepare proposals for a draft four-year outcome-oriented framework of programme priorities for the implementation of the Convention and its Protocols aligned with the Kunming-Montreal Global Biodiversity Framework in anticipation of the ninth replenishment of the Global Environment Facility Trust Fund (2026-2030), for consideration by the Conference of the Parties at its sixteenth meeting; | This is for the SBI. |
| *13. Adopts* the terms of reference for a full assessment of the amount of funds that are necessary to assist developing countries and countries with economies in transition, in accordance with the guidance provided by the Conference of the Parties, in fulfilling their commitments under the Convention for the ninth replenishment period of the Global Environment Facility, as contained in annex III to the present decision; | GEF stands ready to participate in the assessment as requested. |
| *14. Requests* the Executive Secretary to ensure completion of the assessment according to the terms of reference as contained in annex III, in time for consideration by the fourth meeting of the Subsidiary Body on Implementation, and subsequently by the Conference of the Parties at its sixteenth meeting; | This is for the Executive Secretary. |

| COP 15 Guidance | GEF's Response |
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| 15. *Invites* developing country Parties and Parties with economies in transition to identify related national funding priorities, including nationally prioritized funding needs that could be considered as eligible for funding under the financial mechanism specifically for the period July 2026 to June 2030, and submit the results to the Executive Secretary for inclusion in the funding needs assessment; | This is for recipient Parties. |
| 16. *Invites* the governing bodies of the various biodiversity-related conventions, further to paragraphs 2, 3 and 4 of decision XII/30 and paragraph 10 of decision XIII/21, to repeat the exercise described therein for the development of strategic guidance for the ninth replenishment of the Global Environment Facility in time for consideration by the Conference of the Parties of the Convention on Biological Diversity at its sixteenth meeting; | This invites action by the governing bodies of various biodiversity-related conventions, to be considered by CBD COP 16. |
| 17.*Adopts* the terms of reference for the sixth quadrennial review of the effectiveness of the financial mechanism contained in annex III to the present decision, and requests the Executive Secretary to ensure the report on the sixth quadrennial review of the effectiveness of the financial mechanism to be prepared three months in advance in time for consideration by the Conference of the Parties at its sixteenth meeting. | GEF stands ready to participate in the review of effectiveness as requested. |
| 18.*Calls upon* the Global Environment Facility to further reform its operations to ensure adequacy, predictability, and the timely flow of funds by establishing easy and effective access modalities, including by scaling fast-track systems, and by facilitating new contributors. | This is consistent with the GEF-8 policy recommendation on streamlining and a process is underway to address this issue. The 66th GEF Council, having considered document GEF/C.66/08/Rev.03 *Streamlining the GEF Project Cycle*[267], notably approved the following:<br><br>* an increase in the cap for Medium-Sized Projects from $2 million to $5 million, and; |

[267] GEF, 2024, Streamlining the GEF Project Cycle, Council document GEF/C.66/08/Rev.03.

| COP 15 Guidance | GEF's Response |
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| | * requested the Secretariat and an ad hoc working group of interested Council Members and Alternates equally representing donors and recipient countries, to elaborate additional measures for streamlining the GEF project cycle, taking into account ongoing efforts to enhance coordination and harmonization across the climate and environment funds, in consultation with GEF Agencies, GEF Focal Points and others as appropriate, for consideration by Council at its 67th and 68th meetings.<br><br>Two additional processes are also underway: harmonization of processes and practices with the Green Climate Fund (GCF) and implementing a simplified project and program cycle for the Global Biodiversity Framework Fund (GBFF). These processes will also inform additional measures and further potential actions on streamlining.<br><br>Regarding the facilication of new contributors, the GBFF has been set to receive contribution from all sources, including the private sector. To further facilitate contributions from non-sovereign entities, the GBFF council decided to establish establish the Advisory Group of Non-Sovereign Participants[268]. |
| Global Biodiversity Framework Fund (GBFF)<br>*19. Recognizes* the urgency to increase international biodiversity finance, and to establish a dedicated and accessible fund in 2023 for the Kunming-Montreal Global Biodiversity Framework that can quickly mobilize | This guidance in paragraphs 20-28 has been addressed through the following consultation process and Council decisions. A further update on GBFF programming progress since these decisions were taken |

[268] GEF, 2024, , Terms of Reference for Advisory Group(s) and Auxiliary Body for the Global Biodiversity Framework Fund, Council document GEF/GBFF.02/04.

| COP 15 Guidance | GEF's Response |
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| and disburse new and additional resources from all sources, commensurate with the ambition of the Framework;<br>*20. Requests* the Global Environment Facility to establish, in 2023, and until 2030 unless the Conference of the Parties decides otherwise, a Special Trust Fund to support the implementation of the Kunming-Montreal Global Biodiversity Framework, to complement existing support and scale up financing to ensure its timely implementation, taking into account the need for adequacy, predictability, and the timely flow of funds;<br>*21. Also requests* the Global Environmental Facility to prepare a decision to be considered by the Council on the approval of a GBF Fund, with its own equitable governing body, to be dedicated exclusively to supporting the implementation of the goals and targets of the Kunming-Montreal Global Biodiversity Framework;<br>*22. Further requests* the Global Environment Facility to advance the necessary institutional and governance arrangements, to allow for this GBF Fund to receive, in addition to ODA, financing from all sources;<br>*23. Requests* the Global Environment Facility to design and implement a project cycle with a simple and effective application and approval process, providing easy and efficient access to resources of the Global Biodiversity Framework Fund;<br>*24. Calls upon* the Global Environment Facility to approve these decisions at the next possible session of the Council and its ratification at the next possible session of the Assembly in 2023;<br>*25. Calls for* immediate substantive contributions from all sources, in line with target 19 of the | follows after this table of responses to the COP guidance.<br><br>In response to the COP guidance, the GEF Secretariat led an extensive consultation process in the first half of 2023 towards the establishment of the GBFF. The process included multiple consultations with the GEF Council, with Multilateral Development Banks and International Financial Institutions, with the private sector and with the CBD Secretariat, as well as briefings for civil society representatives, the GEF Indigenous Peoples Advisory Group and GEF Agencies. CBD focal points were closely associated through regular joint notifications with the CBD Secretariat.[269,270,271]<br><br>At the 64th GEF Council meeting held in Brazil from June 26-29, 2023, the GEF Council, approved the arrangements proposed for the establishment of the Global Biodiversity Framework Fund (GEF/C.64/05/Rev.01) , with the aim to support the Kunming-Montreal Global Biodiversity Framework[272]. In response to COP guidance, the GBFF was established with its own equitable governing body, the GBFF Council, with observers representing key stakeholders, an Auxiliary Body, along with the possibility for Council to consider establishing Advisory |

[269] CBD, 2023, Consultations on the establishment of the Kunming-Montreal Global Biodiversity Framework Fund by the Global Environment Facility, Notification 2023-041 (SCBD/IMS/NP/YX/GT/90953).
[270] CBD, 2023, Updated draft documents on the establishment of the Kunming-Montreal Global Biodiversity Framework Fund by the Global Environment Facility, Notification 2023-056 (SCBD/IMS/NP/YX/GT/90953).
[271] CBD, 2023, Council documents on the establishment of the Global Biodiversity Framework Fund by the Global Environment Facility, Notification 2023-062 (SCBD/IMS/NP/YX/GT/90953).
[272] GEF, 2023, Establishment of a New Trust Fund: The Global Biodiversity Framework Fund, Council Document GEF/C.64/05/Rev.01.

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| Kunming-Montreal Global Biodiversity Framework;<br>*26. Requests* the Global Environmental Facility to engage all Multilateral Development Banks and International Financial Institutions in the design and operationalization action of the Global Biodiversity Framework Fund, with the view of leveraging additional resources from and for the Fund and channel them through new and existing biodiversity portfolios, which need to be aligned with the goals and targets of the Kunming-Montreal Global Biodiversity Framework;<br>*27. Also requests* the Global Environment Facility to report on the progress in establishing, and the operations and performance of, the Global Biodiversity Framework Fund, to future meetings of the Conference of the Parties;<br>*28. Decides* to assess the progress made in establishing, and the operations and performance of, the Global Biodiversity Framework Fund, and to consider and adopt further guidance to the Global Environment Facility and to the governing body referred to paragraph 21 above, on the modalities and operation of the GBF Fund, at its future meetings;<br>*28. Decides* to undertake and act upon, at its eighteenth meeting, a stocktake review on the operations and performance of the Global Biodiversity Framework Fund regarding its scale, speed, accessibility, and future arrangements. | Group(s). The GBFF was also set up to receive financing from all sources, including non-sovereign contributions.<br><br>In addition, the 64th GEF Council, approved the Programming Directions of the Global Biodiversity Framework Fund (GEF/C.64/06/Rev/02), with the aim to support the Kunming-Montreal Global Biodiversity Framework, including the principles set forth therein by which resources will be allocated.[273] The Programming Directions include height Action Areas designed to complement existing support and enable the scaling up of finance in support to KMGBF implementation.<br><br>At the Seventh GEF Assembly, held in Vancouver, Canada from August 22 to 26, 2023, the GEF Assembly ratified the establishment of the Global Biodiversity Framework Fund.<br><br>The First Council meeting of the Global Biodiversity Framework Fund (GBFF) took place in Washington, DC from February 8-9, 2024. The GBFF Council approved the GBFF Resource Allocation Policy (GEF/GBFF.01/03/Rev.03).[274]<br><br>In addition, during the same meeting, the Council approved the GBFF Project Cycle Policy(GEF/GBFF.01/04/Rev.02), which will apply to all GBFF projects as of the effective date of its |

[273] GEF, 2023, Programming Directions for the Global Biodiversity Framework Fund, Council Document GEF/C.64/06/Rev.02.
[274] GEF, 2024, Policy on Allocation of Resources for the Global Biodiversity Framework Fund, Council document GEF/GBFF.01/03/Rev.03.

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| | approval. The Council delegated the authority to the GEF CEO to approve projects up to $5 million. Streamlined from the GEF Project and Program Cycle Policy, the GBFF project cycle policy is designed to increase efficiency through a simplified single project modality, while preserving the GEF principles of accountability, transparency, and compliance.<br><br>At the same meeting, the Council considered document GEF/GBFF.01/06, Terms of Reference for Advisory Group(s) and Auxiliary Body for the Global Biodiversity Framework Fund. As Council member shared various views, this agenda item was further discussed at the Second Council meeting of the GBFF held in Washington, DC from June 17-21, 2024, and approved in Decision GBFF 05/2024 Terms of Reference for Advisory Group(s) and Auxiliary Body: The Council, having considered document GEF/GBFF.02/04, Terms of Reference for<br>Advisory Group(s) and Auxiliary Body for the Global Biodiversity Framework Fund, approves the document and requests the Secretariat to: a) Make provisions to establish the Advisory Group of Non-Sovereign Participants; b) Make provisions to establish the Auxiliary Body; and c) Report to the Third GBF Fund Council on progress made on their establishment. |
| Annex I<br>FOUR-YEAR OUTCOME-ORIENTED FRAMEWORK OF PROGRAMME PRIORITIES OF THE CONVENTION ON BIOLOGICAL DIVERSITY FOR THE EIGHTH REPLENISHMENT PERIOD (2022- | This report demonstrates how the GEF-8 Programing Directions have |

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| 2026) OF THE GLOBAL ENVIRONMENT FACILITY TRUST FUND<br>**Objective**<br>1. The present four-year outcome-oriented framework of programme priorities provides guidance to the Global Environment Facility (GEF) for the eighth replenishment period (GEF-8), 2022–2026, and is within the context of the GEF mandate to provide resources to achieve global environmental benefits and the mandate provided to GEF by the Conference of the Parties. It utilizes the Convention and its Protocols, and the Kunming-Montreal Global Biodiversity Framework to set priorities for the financial mechanism. In particular, the goals and targets of the Framework provide direction for the outcomes of this four-year framework, bearing in mind that GEF-8 and GEF-9 will together cover the expected eight years to the 2030 deadlines of the targets, while recognizing that the three objectives of the Convention should be considered by GEF when designing and implementing biodiversity strategy and programming directions.<br>2. In that regard, it is envisaged that following the adoption of the Kunming-Montreal Global Biodiversity Framework and the conclusion of the GEF-8 replenishment under their respective processes, GEF will include in its report to the Conference of the Parties an explanation on how GEF-8, through the elements of its programming directions, is contributing to the implementation of the Convention and its Protocols, and to each goal and target of the Framework and its monitoring framework.<br>3. This four-year outcome-oriented framework of programme priorities recognizes that the Kunming-Montreal Global Biodiversity Framework is an overarching framework of high relevance to all biodiversity-related conventions and agreements, and seeks to promote the implementation of complementary measures that may enhance programmatic synergies and efficiencies, among the Convention, its Protocols | contributed to implementation of the KMGBF. |

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| and other biodiversity-related conventions and agreements, relevant to the Kunming-Montreal Global Biodiversity Framework and the mandate of the Global Environment Facility. | |
| **B. Elements**<br>4. The four-year outcome-oriented framework of programme priorities for the period 2022–2026 consists of the following elements to which effective implementation support is to be provided: | |
| (a) The Kunming-Montreal Global Biodiversity Framework, including its goals and targets which define the outcomes being sought; | GEF-8 Programming Directions is geared towards providing support to the KMGBF. In addition, the GBFF supports the implementation of the KMGBF. The GEF Trust Fund and the GBFF each has its own focused support to the KMGBF with clear complementarity, as articulated in the GBFF Programming Directions. |
| (b) National biodiversity strategies and action plans (NBSAPs); | The GEF approved $72.04 million of financial support (exclusive of agency fees) for NBSAP revisions in 139 countries in GEF-8. This support follows on to the GEF-7 Early Action Grants which supported 138 countries with a total of $38.2 million to undertake initial activities to, among others, revise their NBSAPs. |
| c) National biodiversity finance plans; | A global program of support to fund national biodiversity finance plans was approved in November 2022 at the 63rd GEF Council and all remaining eligible countries were added to this program in the first quarter of 2023. A total of 91 countries are being supported with a total of $38.2 million in project financing (excluding Agency fee). |
| d) The implementation of the three objectives of the Convention; | The GEF Biodiversity Focal Area strategy, in combination with the 11 Integrated Programs, provides a |

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| | comprehensive level of support to the implementation of the three objectives of the CBD. This is demonstrated in this report. |
| (e) The implementation support mechanisms adopted under the Convention associated with the Kunming-Montreal Global Biodiversity Framework related to: mobilizing sufficient resources from all sources towards implementing the Framework and achieving its goals and targets; mainstreaming; capacity-building and development; generation, management and sharing of knowledge for effective biodiversity planning, policy development and coherence, decision-making and implementation; and technical and scientific cooperation, technology transfer and innovation. Examples include:<br>(i) The strategy for resource mobilization, including the establishment of a global biodiversity framework fund by GEF;[275]<br>(ii) The long-term strategic framework for capacity-building and development;[276]<br>(iii) The Plan of Action on Subnational Governments, Cities and Other Local Authorities for Biodiversity (2023–2030);[277]<br>(iv) The Gender Plan of Action (2023-2030).[278] | As noted above, the development of biodiversity finance plans is being funded in 91 countries. Objective 3 of the GEF-8 Biodiversity Focal Area Strategy is dedicated to domestic resource mobilization, and the GEF-8 blended finance program is advancing innovative finance for biodiversity, such as a regional facility for sovereign Debt for Nature Conversions, as detailed in the dedicated section. The GBFF has been established with the first two selection rounds announced in February 2024. The first GBFF Work Program was approved by the second GBFF Council on June 19, 2024.<br><br>All GEF investments provide significant support to capacity building and contribute to the long-term capacity building framework.<br><br>Mainstreaming of biodiversity remains a significant priority within the Biodiversity Focal Area strategy, and 10 of the 11 IPs that have been approved by the GEF Council will make significant contributions to conservation and sustainable use of biodiversity, very often through mainstreaming actions.<br><br>The Sustainable Cities IP, which has not yet been included in the Work Program for Council approval, is expected to contribute to the plan of |

[275] Decision 15/7.
[276] Decision 15/8, annex I.
[277] Decision 15/12, annex.
[278] Decision 15/11, annex.

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| | action on subnational governments, cities, and other local authorities for biodiversity.<br><br>GEF projects are all required to address gender in their design as part of the GEF Policy on Gender Equality[279] and the Policy on Environmental and Social Safeguards[280], All GEF projects are notably required to conduct a gender analysis or equivalent socio-economic assessment, and to develop a gender action plan or equivalent. Therefore, the entire GEF portfolio is contributing to the Gender Plan of Action. |
| (f) The mechanisms for planning, monitoring, reporting and review;[281] | As part of the Biodiversity Focal Area strategy, resources have been set aside outside of the STAR to support NBSAP revision and national reporting for the CBD, the Cartagena Protocol and the Nagoya Protocol. In GEF-8, the GEF approved $72 million of financial support (exclusive of agency fees) for NBSAP revisions and the preparation of the 7th national reports to the CBD in 139 countries. This support follows on to the GEF-7 Early Action Grants which supported 138 countries with a total of $38.2 million to undertake initial activities to, among others, revise their NBSAPs and/or align their national monitoring framework with the KMGBF. |
| (g) The enabling conditions outlined in the Kunming-Montreal Global Biodiversity Framework required for its implementation; | The section on enabling conditions required for implementation focuses on<br>"support mechanisms and strategies under the Convention on Biological Diversity and its Protocols" and |

[279] GEF, 2018, Policy on Gender Equality, GEF Policy SD/PL/02.
[280] GEF, 2024, Policy on Environmental and Social Safeguards, GEF Policy SD/PL/03.
[281] Decision 15/6

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| | "provision of adequate, predictable and easily accessible financial resources from all sources on a needs basis." It further requires cooperation and collaboration in building the necessary "capacity and transfer of technologies to allow Parties, especially developing country Parties, to fully implement the framework." GEF projects and programs embed the strengthening of these enabling conditions in their project design particularly as it relates to cooperation and collaboration for capacity building. |
| (h) The Implementation Plan for the Cartagena Protocol on Biosafety[282] and the Capacity-building Action Plan for the Cartagena Protocol on Biosafety;[283] | Objective Two of the GEF Biodiversity Focal Area strategy supports capacity building for the implementation of the Cartagena Protocol. In the reporting period, no countries have requested support under this objective of the GEF strategy. |
| (i) The guidance to the Global Environment Facility on programme priorities to support the implementation of the Nagoya Protocol on Access and Benefit-sharing adopted by the Conference of the Parties serving as the meeting of the Parties to the Protocol at its fourth meeting, contained in appendix I. | Objective Two of the GEF Biodiversity Focal Area strategy supports capacity building and priorities for the implementation of the Nagoya Protocol. In the reporting period, one project in Brazil was approved under this objective of the GEF strategy and is described in the report. In addition, one project to support national implementation and associated capacity building was submitted for funding by Burkina Faso and this project is under review. |
| *Additional strategic considerations*<br><br>5. The GEF-8 biodiversity strategy and programming directions should support the rapid and effective implementation of the Kunming-Montreal Global Biodiversity Framework by | Resource mobilization will be facilitated through GEF support to the development of national biodiversity finance plans, through the GBFF, and through co-financing leveraged through the 11 IPs and the |

[282] Decision CP-10/3, annex.
[283] Decision CP-10/4, annex.

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| contributing to resource mobilization from all sources, including through increased GEF funding, which is adequate, predictable, sustainable, timely and accessible and through allocations dedicated to the Biodiversity Focal Area and co-benefits for biodiversity across other focal areas and global programmes, including integrated programmes, recognizing the need for streamlined programming and approval process to enable timely disbursement of resources. | relevant focal area supported projects and programs. In addition, GEF's blended finance program is designed specifically to attract private sector investment and has reached very high co-financing ratios historically with high participation of the private sector. An analysis of this co-finance leveraged so far is provided in this report. |
| 6. The GEF-8 biodiversity strategy and programming directions should recognize the contribution of multi-country, regional, transboundary and global projects, to the implementation of the objectives of the Convention on Biological Diversity, its Protocols and the Kunming-Montreal Global Biodiversity Framework, including to the implementation of global initiatives adopted under the Convention and its Protocols, and multi-country, regional, transboundary and global initiatives that leverage contributions from biodiversity-related conventions and agreements. | Regional, transboundary, and global projects are eligible for support in GEF-8 from the GEF Trust Fund to help implement the KMGBF. |
| 7. The GEF-8 biodiversity strategy and programming directions should recognize that the implementation of biodiversity-related conventions and agreements in the context of national biodiversity priorities and strategies will contribute to the three objectives of the Convention and its Protocols and the goals and targets of the Kunming-Montreal Global Biodiversity Framework. | GEF-8 biodiversity and programming directions responded to GEF-eligible guidance suggested through the CBD COP to GEF from the biodiversity-related conventions and agreements. The biodiversity related conventions also provided feedback and comments on the programming directions and Biodiversity Focal Area strategy as it was being developed during the GEF-8 replenishment process. |
| 8. The GEF-8 biodiversity strategy and programming directions should take into account coherence with, and synergies among, country-driven programmes and priorities set out in national biodiversity strategies and action plans to support implementation of the Kunming-Montreal Global Biodiversity Framework. | GEF-8 supported biodiversity-relevant projects and programs must demonstrate how they are supporting country NBSAP priorities. |
| 9. The GEF-8 biodiversity strategy and programming directions should be developed in a fully transparent and inclusive manner, with a | The development of the GEF-8 biodiversity strategy and |

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| view to ensuring that projects to be funded by the GEF during its 8th replenishment in recipient Parties are to be developed on a context-specific and country-driven basis, addressing the priority needs of recipient countries. | programming directions was a fully participatory and inclusive process. |
| 10. The GEF-8 biodiversity strategy and programming directions should promote agreed global environmental benefits and development pathways that benefit biodiversity and are also, carbon-neutral and pollution-free, including through coherence and synergies among the GEF integrated programmes and focal areas of biodiversity, land degradation, international waters, climate change (both mitigation and adaptation), and chemicals and waste, and within the context of country driven programmes and priorities. | GEF-8 programming directions, including the 11 IPs, the Biodiversity Focal Area strategy, and other relevant strategies have emphasized synergies across all focal areas and in particular biodiversity benefits. A target of 60 percent of total GEF resources advancing the objectives of the CDB has been set for GEF-8, as measured by the Rio Markers methodology. As detailed in this report, 83 percent of GEF-8 approved funding up to February 2024 had benefits for biodiversity. |
| 11. The GEF-8 biodiversity strategy and programming directions should promote and implement, as appropriate, the ecosystem approach, and/or nature-based solutions as defined by the United Nations Environment Assembly at its fifth session. | The ecosystem approach is central to the Biodiversity Focal Area strategy and Nature-based solutions are identified as priority areas of support in numerous integrated programs of the GEF-8 programming directions including Blue and Green Islands, Ecosystem Restoration, Healthy Oceans, Net Zero Nature Based Accelerator, Wildlife Conservation for Development, as well as the biodiversity and international waters focal area strategies. |
| 12. The GEF-8 biodiversity strategy and programming directions should promote, synergies, cooperation and complementarity in the implementation of the three objectives of the Convention on Biological Diversity with those of the other conventions served by GEF, as well as with other biodiversity-related conventions and agreements, recognizing the important contributions that these instruments can make to the objectives of the Convention on Biological Diversity, its Protocols and the, Kunming- | GEF-8 biodiversity and programming directions responded to GEF-eligible guidance suggested through the CBD COP to GEF from the biodiversity-related conventions and agreements. The biodiversity related conventions also provided feedback and comments on the programming directions and the Biodiversity Focal Area strategy as it was being developed during the GEF-8 replenishment process. The |

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| Montreal Global Biodiversity Framework and vice versa. | integrated nature of GEF programing in the biodiversity strategy in GEF-8 will also provide co-benefits to other conventions served by GEF. |
| 13. During the GEF-8 period, GEF should further interact and cooperate with multilateral development banks and other public and private financial institutions to integrate the objectives of the Convention on Biological Diversity and its Protocols and the Kunming-Montreal Global Biodiversity Framework, as well as the contributions of the other biodiversity-related conventions within their activities and report on funding contributing to their implementation. | GEF is proactively working with the multilateral development banks that are GEF agencies to secure their engagement in GEF-8 programming that is consistent with their respective comparative advantage. For example, during the development of the GBFF, GEF undertook numerous consultations with the multilateral development banks to solicit their input to the formation of the GBFF.<br><br>In the reporting period, multilateral development banks have strengthened their commitments to integrate the objectives of the CBD into their own programming, as manifested in the UNFCCC COP 26 Joint MDB Statement on Nature, People and Planet[284], and the launch, at UNFCCC COP 28, of the MDB Common Principles for Tracking Nature-Positive Finance[285]. |
| 14. The GEF-8 outcome and impact indicators and associated monitoring processes should be effectively used to assess the contribution of the GEF-8 to the implementation of the three objectives of the Convention, the Protocols of the Convention, and the Kunming-Montreal Global Biodiversity Framework, including through measuring the co-benefits for biodiversity across all relevant GEF activities. | The draft COP report provides information on how GEF has performed with regards to the GEF core indicators and notes their linkage to the relevant KMGBF targets. In addition, co-benefits to biodiversity are presented in the report including GEF reporting on the Rio Markers. |
| 15. The GEF in its eighth replenishment period should explore ways to significantly improve the access to funding for all recipient countries. | This is consistent with the GEF-8 policy recommendation on streamlining and a process is underway to address this issue. The |

[284] https://ukcop26.org/mdb-joint-statement/

[285] https://www.ebrd.com/documents/environment/mdb-common-principles-to-nature-positive-finance-tracking.pdf

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| | 66th GEF Council, having considered document GEF/C.66/08/Rev.03 *Streamlining the GEF Project Cycle*[286]*,* notably: a) approved an increase in the cap for Medium-Sized Projects from $-2 million to $-5 million, and; b) requested the Secretariat and an ad hoc working group of interested Council Members and Alternates equally representing donors and recipient countries, to elaborate additional measures for streamlining the GEF project cycle, taking into account ongoing efforts to enhance coordination and harmonization across the climate and environment funds, in consultation with GEF Agencies, GEF Focal Points and others as appropriate, for consideration by Council at its 67th and 68th meetings. Two additional processes are also underway: harmonization of processes and practices with the Green Climate Fund (GCF) and implementing a simplified project and program cycle for the new Global Biodiversity Framework Fund (GBFF). These processes will also inform additional measures and further potential actions on streamlining.<br><br>At its 67th Council Meeting, the Council took the following decision with regards to streamlining: Decision 24/2024 Streamlining the GEF Project Cycle: Report from the Working Group on the Streamlining Process.<br><br>The Council, having considered document GEF/C.67/05, |

[286] GEF, 2024, Streamlining the GEF Project Cycle, Council document GEF/C.66/08/Rev.03.

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| | Streamlining the GEF Project Cycle: Report from the Working Group on the Streamlining Process:<br>a) Appreciates the work of the Council Working Group and supports its continued work up to the next Council meeting in December 2024;<br><br>b) Endorses continued work by the Secretariat as outlined in this report, with support from Agencies and others as appropriate;<br><br>c) Encourages Agencies to also identify areas for further streamlining and efficiencies within their own\\processes and communicate these to the Secretariat and Working Group;<br><br>d) Endorses further development of proposals for decision in December 2024, considering advance consultation requirements for any proposals requiring changes to policy and guidelines. |
| 16. The GEF in its eighth replenishment period should explore ways to improve the access to funding for indigenous peoples and local communities. | GEF-8 Biodiversity Focal Area strategy includes additional funding of $25 million for the Inclusive Conservation Initiative which provides access to GEF funds for IPLCs. ($25 million was also allocated to this initiative in GEF-7).<br><br>Within the GBFF Programming Directions, Action Area 2, "Support to IPLC Stewardship and Governance of Lands, Territories, and Waters" focuses on providing support to IPLC-led stewardship and governance in accordance with national legislation. In addition, an aspirational programming share of 20 percent to support IPLC |

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| | stewardship at the portfolio level by 2030 from the total resources allocated under the GBFF. |
| 17. The GEF-8 biodiversity strategy and programming directions should promote engagement with recipient countries to support national resource mobilization and the development and implementation of national biodiversity finance plans. | A global program of support to fund national biodiversity finance plans was approved in November 2022 by the Council and all remaining eligible countries were added to this program in the first quarter of 2023. |
| 18. The GEF-8 biodiversity strategy, programming directions and policy recommendations should reinforce the GEF's efforts to mobilize and engage with different stakeholders including the private sector. | Stakeholder engagement is required of all GEF projects, and a stakeholder participation plan is a requirement for all CEO endorsements. In GEF-8, each of the 11 Integrated Programs has its own set of private sector objectives, identifying the major platforms for engagement, key entry points, and expected modalities of engagement that can optimize the contributions of the private sector. |
| 19. To improve its efficiency and effectiveness in delivering sustainable results during the GEF 8 replenishment period, the GEF should continue to improve its policies regarding governance and the standards its implementing partners are held to. | The GEF's governance includes mechanisms to hold implementing partners to GEF policy and standards, including the four key GEF minimum standards: fiduciary, environmental and social safeguards, gender equality and stakeholder engagement. In 2023, a review of implementing partners' adherence to these standards was undertaken and submitted to Council (GEF/C.64/Inf.09). Agencies with identified gaps were required to develop action plans and reports on action plan progress are provided to Council( e.g. see: GEF/C.66/Inf.10) In addition, gap analyses on social inclusion (GEF/C.66/10) and in fragility, conflict and violence-affected situations (GEF/C.66/09) were prepared and deliberated by Council in February 2024. |

**Appendix H: Selected COP decisions related to the Financial Mechanism**

*Draft Decision for COP 16 adopted at SBI 4 in recommendation 4/4:*

The Conference of the Parties,

[Reaffirming the importance of the full application of the provisions of Article 21 of the Convention on Biological Diversity and of access for all eligible Parties to the financial mechanism for the full implementation of the Convention,]

[Welcoming the valuable role of the Global Environmental Facility as the institutional structure operating the financial mechanism of the Convention on an interim and ongoing basis,]

Recalling paragraph 3 of Article 21 of the Convention, which provides that the Conference of the Parties shall review the effectiveness of the financial mechanism,

Reaffirming the commitment of the Conference of the Parties to reviewing the effectiveness of the financial mechanism periodically, as reflected in the memorandum of understanding with the Council of the Global Environment Facility,

Reaffirming also the importance of the review of the effectiveness of the financial mechanism in the context of the implementation of the Convention and its Protocols, strategies and programmes,

....

Taking note of the report of the Council of the Global Environment Facility to the Conference of the Parties at its sixteenth meeting,

Welcoming [with appreciation] the actions taken by the Global Environment Facility to support developing country Parties and countries with economies in transition, in particular the least developed countries and small island developing States, and indigenous peoples and local communities, women and youth in the implementation of the objectives of the Convention, its Protocols and the Kunming-Montreal Global Biodiversity Framework, including through its programming associated with the seventh and eighth replenishments of its Trust Fund and the establishment and [steps taken to operationalize][operationalization of] the Global Biodiversity Framework Fund,

Recognizing the integrated and indivisible nature of the components of the Framework, which include considerations for its implementation (sect. C of the Framework), implementation and support mechanism and enabling conditions (sect. I) and responsibility and transparency (sect. J),

Noting with concern [the lack of project proposals from eligible countries to support the implementation of the Cartagena Protocol on Biosafety to the Convention and the limited number of project proposals from eligible countries to support the implementation of the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from Their Utilization to the Convention, ]

[Noting with concern also that the Global Environment Facility does not take into account in a balanced manner project proposals related to the Cartagena Protocol and the Nagoya Protocol,]

[Noting with concern further the [insufficiency of resources][lack of resources] made available to the [Global Environment Facility, including the] Global Biodiversity Framework Fund[, while recalling Article 20 of the Convention and Target 19 of the Kunming-Montreal Global Biodiversity Framework,] in a manner commensurate with the challenges and needs of developing country Parties,]

[Noting with concern the exclusion of a number of eligible Parties from access to support from the Global Environment Facility, including through its programming associated with the seventh and eighth replenishments of its Trust Fund and System for Transparent Allocation of Resources, in particular for the revision and updating of national biodiversity strategies and action plans and national biodiversity finance plans aligned with the Framework,]

Noting the contributions of the integrated programmes of the Global Environment Facility towards achieving the targets of the Framework and that all of the integrated programmes contribute towards achieving Targets 8, 10, 11, 20, 21, 22 and 23,

Welcoming the significant portion of other focal area resources under the Global Environment Facility that contribute to the implementation of the Framework,

Welcoming also the efforts by the Global Environment Facility to harness synergies among other biodiversity-related conventions and to address multiple environmental challenges in a holistic manner,

Noting [with appreciation] the enhanced support provided by the Global Environment Facility to indigenous peoples and local communities for the implementation of the Framework, including through the aspirational programming share of 20 per cent at portfolio level by 2030 in the Global Biodiversity Framework Fund,

Welcoming the efforts by the Global Environment Facility to support policy coherence and streamlining measures,

1. Notes with appreciation the report of the Council of the Global Environment Facility to the Conference of the Parties at its sixteenth meeting;

Global Environment Facility Trust Fund

2. [Invites][Encourages][Instructs] the Global Environment Facility, in collaboration with the Executive Secretary, to [encourage][invite] [all eligible] [recipient] countries to submit project proposals in support of the implementation of Target 17 of the Framework and the Implementation Plan and Capacity-building Action Plan for the Cartagena Protocol;

3. Invites relevant Parties to the Cartagena Protocol to access proactively the notional allocations available for the Protocol from the eighth replenishment programming directions;

4. Requests the Executive Secretary and the Global Environment Facility to promote the sharing of experience and knowledge in project development and implementation in support of the implementation of Target 13 of the Framework;

5. Invites relevant Parties to the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from Their Utilization to access proactively the notional allocations available for the Protocol from the eighth replenishment programming directions;

6. Encourages the Global Environment Facility to continue to explore potential opportunities for maximizing the contribution of its integrated programmes to the implementation of the Kunming-Montreal Global Biodiversity Framework, including through dedicated support to indigenous peoples and local communities, women and youth;

7. Encourages the Global Environment Facility and recipient countries to maintain the contribution of the international waters focal area to the implementation of the Framework and to extend that practice to other focal areas, including climate change, land degradation, and chemicals and waste, in line with different national circumstances and priorities;

8. Invites all Parties[, in particular developed country Parties,] and other Governments that are in a position to do so to participate in the ninth replenishment of the Global Environment Facility Trust Fund to support eligible developing countries as well as countries with economies in transition, in particular the least developed countries and small island developing States;

Global Biodiversity Framework Fund

[9. Expresses its appreciation to the Global Environment Facility for the [progress made in the] [timely] establishment and operationalization of the Global Biodiversity Framework Fund;

....

[11. Notes with appreciation the contributions made to the capitalization of the Global Biodiversity Framework Fund by several donor countries, namely, Canada, Germany, Japan, Luxembourg, Spain and the United Kingdom of Great Britain and Northern Ireland, which amount to [about 231.0 million United States dollars; , ]]

12. Invites [all Parties, in particular developed country Parties] and other Governments that are in a position to do so, as well as the private and financial sectors and philanthropic organizations, non-governmental organizations and non-sovereign entities and other stakeholders, to make contributions or further contributions to the Global Biodiversity Framework Fund in order for it to continue its rapid capitalization to support the implementation of the Framework, to complement existing support and to scale up financing to ensure the timely implementation of the Framework, taking into account the need for adequacy, predictability and the timely flow of funds, [commensurate with the quantitative ambition set in Target 19];

[13. Urges the Secretariat of the Global Environment Facility to continue to strengthen its resource mobilization efforts, including efforts directed towards new contributors, in accordance with funding needs identified through the assessment referred to in paragraph 20 below;]

14. Welcomes the aspirational programming share of 20 per cent by 2030 from the total amount of resources allocated under the Global Biodiversity Framework Fund to support actions by indigenous peoples and local communities and urges the Global Environment Facility to ensure that country-driven projects contributing to that target are designed and implemented in consultation and partnership with indigenous peoples and local communities;

[15. Emphasizes that guidance from the Conference of the Parties in accordance with paragraphs 1 and 3 of Article 21 of the Convention is applicable to the Global Biodiversity Framework Fund;]

Four-year outcome-oriented framework of biodiversity programme priorities of the Convention on Biological Diversity and its Protocols

[16. Adopts the four-year outcome-oriented framework of biodiversity programme priorities of the Convention on Biological Diversity and its Protocols for the ninth replenishment period of the Global Environment Facility Trust Fund (July 2026–June 2030), aligned with the Kunming-Montreal Global Biodiversity Framework, as contained in the annex to the present decision;]

17. Requests the Global Environment Facility to include in its report to the Conference of the Parties information on its responses to the four-year outcome-oriented framework of biodiversity programme priorities of the Convention on Biological

Diversity and its Protocols and how those responses contribute to the achievement of each target of the Kunming-Montreal Global Biodiversity Framework, as well as considerations for its implementation (sect. C of the Framework), and the achievement of the objectives of the Convention and its Protocols;

18. Encourages the governing bodies of the various biodiversity-related conventions to include a standing item in the agenda of their meetings for the provision of strategic advice, as appropriate, concerning national actions that may support collaboration, cooperation and synergies, as appropriate, to achieve the objectives of the Convention and its Protocols and the goals and targets of the Framework, which may be referred to the Global Environment Facility through the Conference of the Parties to the Convention, and to request their respective secretariats to communicate such advice to the Executive Secretary of the Convention;

19. [Encourages][Invites] the secretariats of the biodiversity-related conventions to participate in and provide input to the intersecretariat consultation to be convened by the Executive Secretary when developing the inputs of the Secretariat to draft programming directions and policy recommendations for the negotiations of the ninth replenishment of the Global Environment Facility Trust Fund, in which the Facility will participate in line with paragraph 7 of the memorandum of understanding between the Conference of the Parties and the Council of the Global Environment Facility;

Funding needs assessment

[20. Takes note of the report on estimated funding needs for the ninth replenishment of the Global Environment Facility Trust Fund, based on information received to date; ]

[21. Requests the Executive Secretary to compile and transmit, as soon as practical, the information on funding needs received from all eligible country Parties to the Secretariat of the Global Environment Facility and the participants in the negotiations of the ninth replenishment of the Global Environment Facility Trust Fund;]

22. Also requests the Executive Secretary to draw upon the experience and lessons learned in implementing the terms of reference for the assessment of funding needs from the Global Environment Facility for the implementation of the Convention and its Protocols and prepare draft terms of reference for conducting the fifth determination of funding needs for the period of the tenth replenishment of the Global Environment Facility Trust Fund, for the period from July 2030 to June 2034, for consideration by the Subsidiary Body on Implementation at its sixth meeting and the Conference of the Parties at its seventeenth meeting;

Further guidance to the Global Environment Facility

[23. Placeholder]

24. Recalls paragraphs 2, 3 and 4 of decision XII/30 of the Conference of the Parties of 17 October 2014 and requests the Executive Secretary to continue to liaise with the various biodiversity-related conventions and the Global Environment Facility in order to explore opportunities to enhance support from the Facility for countries with regard to activities relevant to the implementation of the various biodiversity-related conventions;

25. [Requests][Instructs] the Global Environment Facility to continue to support partnerships with indigenous peoples and local communities, [people of African descent,] women and youth and recognize and promote their contributions to the implementation of the targets of the Framework;

26. Also [requests][instructs] the Global Environment Facility to inform the Conference of the Parties on how it is taking into account the [voluntary] guidelines on safeguards in biodiversity financing mechanisms developed under the Convention, recalling in that regard paragraph 6 of decision 14/15 of 29 November 2018;

27. Further [requests][instructs] the Global Environment Facility to explore ways to further improve, facilitate access to and increase [direct] funding for indigenous peoples and local communities, [people of African descent,] women and youth;

Review of the effectiveness of the financial mechanism

[28. Welcomes the sixth review of the effectiveness of the financial mechanism; ]

29. Requests the Executive Secretary to prepare draft terms of reference for the seventh review of the effectiveness of the financial mechanism, ensuring that the review includes the views from [and possible impacts on the rights of] indigenous peoples and local communities, women and youth, for consideration by the Subsidiary Body on Implementation at its sixth meeting and the Conference of the Parties at its seventeenth meeting[, to be implemented with resources from the core budget].

*COP 15*

18. Calls upon the Global Environment Facility to further reform its operations to ensure adequacy, predictability, and the timely flow of funds by establishing easy and effective access modalities, including by scaling fast-track systems, and by facilitating new contributors;

*COP 14*

12. Considers the sixth overall performance study of the Global Environment Facility, conducted by the Facility's Independent Evaluation Office and completed in December 2017, as a good basis for the fifth review of the effectiveness of the financial mechanism, as well as the related submissions received from Parties, and invites the

Council of the Global Environment Facility to take the following action in order to further improve the effectiveness of the financial mechanism:

(a) Continue to improve the design, management, and performance of the sixth-replenishment Integrated Approach Pilots, the seventh-replenishment impact programmes, other programmatic approaches, and multi-focal area projects in addressing drivers of environmental degradation;

(b) Promote awareness to the existing processes under the Conflict Resolution Commissioner to address complaints related to the operations of the financial mechanism;

(c) Further improve the sustainability of funded projects and programmes, including sustainable financing of protected areas;

(d) Continue to improve the efficiency and accountability of the Global Environment Facility partnership;

(e) Include the following information in its report to the Conference of the Parties at its fifteenth meeting:

(i) Progress in implementing the new co-financing policy;

(ii) Performance of the Global Environment Facility's network of agencies;

13. Requests the Executive Secretary to take into account the experiences gained from past reviews of the effectiveness of the financial mechanism in preparing the terms of reference for the sixth review of the effectiveness of the financial mechanism, for consideration by the Conference of the Parties at its fifteenth meeting;

*COP 9*

Recalling Article 21, paragraph 3, of the Convention,

Recalling also the Memorandum of Understanding between the Conference of the Parties and the Council of the Global Environment Facility,

Having reviewed the report of the Global Environment Facility to the ninth meeting of the Conference of the Parties (UNEP/CBD/COP/9/9),

Having considered the independent report on the third review of the effectiveness of the financial mechanism of the Convention,

1. Notes the reform measures introduced by the Global Environment Facility to improve the efficiency, effectiveness and responsiveness of the financial mechanism;

2. Decides to continue to explore ways and means to improve the effectiveness of providing guidance to the financial mechanism, including the four-year framework for programme priorities related to utilization of GEF resources for biodiversity, coinciding with replenishments of the Trust Fund of the Global Environment Facility;

3. Requests the Council of the Global Environment Facility to take the following actions in order to improve the effectiveness of the financial mechanism:

(a) Improve results-based reporting on the total contribution of the Global Environment Facility to achieving the objectives of the Convention, including the Facility's contribution to incremental-cost financing and leveraging co-financing

(b) Report on implementation of the four-year framework for programme priorities related to utilization of GEF resources for biodiversity to the tenth meeting of the Conference of the Parties;

(c) Enhance the role of the Global Environment Facility in providing and leveraging resources for activities to achieve the Convention's objectives;

(d) Address capacity constraints in developing countries Parties, especially Small Island developing States and least developed countries, as well as countries with economies in transition with regard to the implementation of the Resource Allocation Framework;

(e) Improve the project information system, including through data sets and web-based data tools, to increase the accessibility of project information and allow for better tracking against the guidance from the Conference of the Parties;

(f) Promote exchange of experience and lessons learned in addressing sustainability of funded projects on biological diversity;

(g) Elaborate and transmit to the Conference of the Parties, well-summarized evaluation products and full evaluation reports relevant to biological diversity and to the guidance provided by the Conference of the Parties;

(h) Include in its regular report findings, conclusions and recommendations of all relevant evaluations of the GEF Evaluation Office;

4. Encourages the Executive Secretary, the Chief Executive Officer of the Global Environment Facility and the Director of the GEF Evaluation Office to continue to strengthen inter secretariat cooperation;

*COP 6*

4. Reiterates the call to the Global Environment Facility for improving and further streamlining its processes for increased flexibility and improving access to resources from the Global Environment Facility, taking into consideration the findings included in

the Second Overall Performance Study of the Global Environment Facility and the second review of the effectiveness of the financial mechanism;

6. Requests the Global Environment Facility, in consultation with the Executive Secretary and other multilateral and bilateral organizations, to explore funding modalities for facilitating the preparation of future national reports and thematic reports from Parties, taking into account the comments made by Parties on their experience in accessing relevant funds during the sixth meeting of the Conference of the Parties as well as the recommendations included in the second Overall Performance Study of the GEF and the second review of the effectiveness of the financial mechanism;

7. Requests the Global Environment Facility, in consultation with the Executive Secretary of the Convention, to initiate a dialogue to more effectively implement the guidance to the financial mechanism, drawing from the experiences and lessons learned from projects and programmes funded by the Global Environment Facility, and explore opportunities for streamlining the guidance;

8. Requests the Global Environment Facility, in its plan of action to respond to the Second Overall Performance Study, to take into consideration the recommendations of the second review of the effectiveness of the financial mechanism, and to report to the Conference of the Parties on how it has done so;