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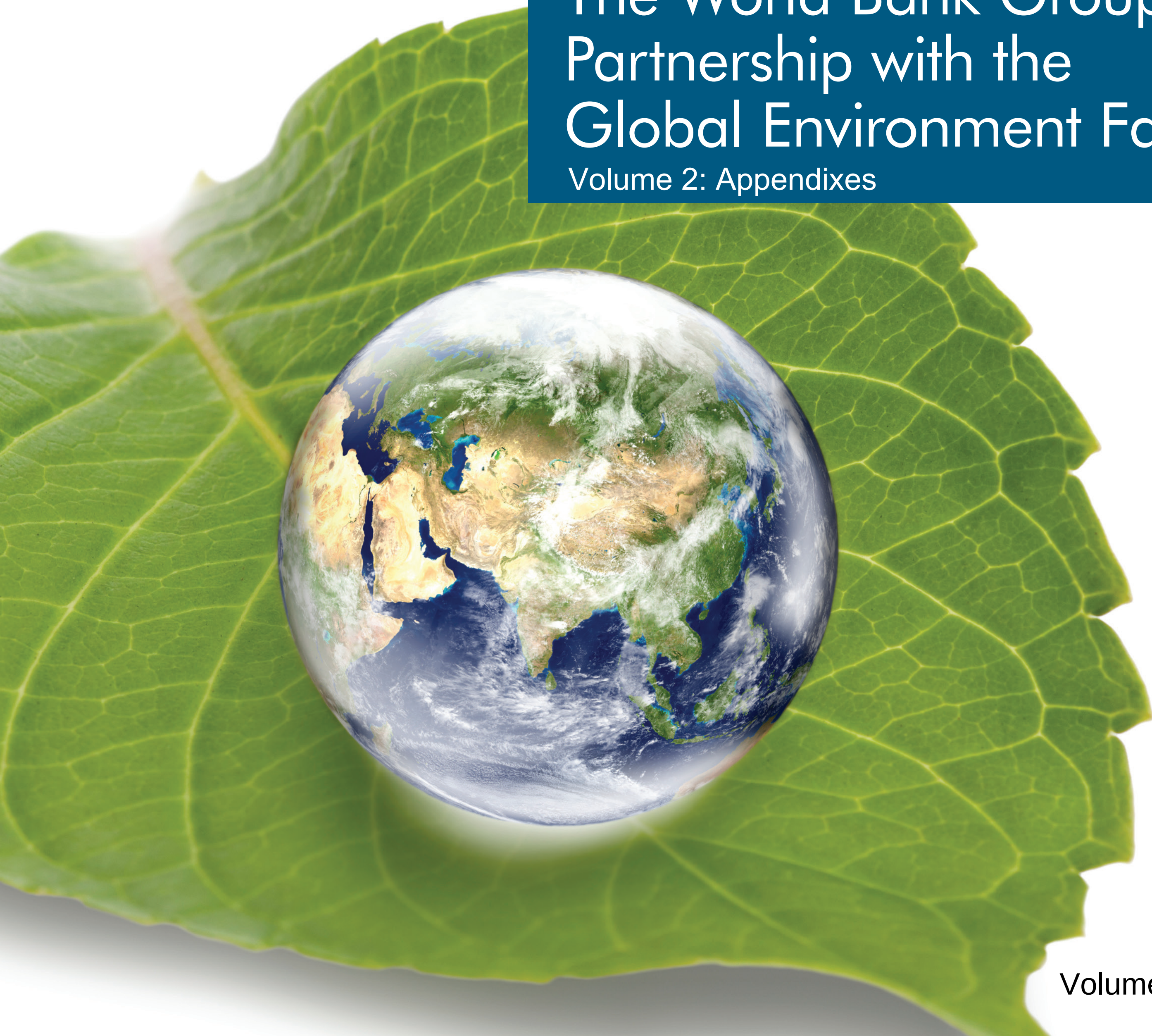
INDEPENDENT EVALUATION GROUP

GLOBAL PROGRAM REVIEW

The World Bank Group's Partnership with the Global Environment Facility

Volume 2: Appendixes



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Global Program Review

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December 6, 2013
Country, Corporate and Global Evaluations

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Contents

Appendix A: Emergence and Establishment of the GEF

The GEF Today

1. The GEF was initially established by the World Bank, UNDP and UNEP in 1991 as a pilot program "to assist in the protection of the global environment and promote thereby environmentally sound and sustainable economic development" (GEF 2011a p. 11) The GEF was restructured in 1994 as an independent financial mechanism to provide grants and concessional funding to developing and transition countries to meet the incremental costs of measures to achieve agreed global environmental benefits in selected focal areas.

2. Initially, during its pilot phase, the GEF only focused on four focal areas: biological diversity, climate change, international waters, and ozone layer depletion (World Bank 1991a, appendix A p. 1).[1] The restructured GEF, from 1994 onwards, covered the same four focal areas while adding land degradation and activities under Agenda 21[2] as "cross-cutting" areas. After 1994, gradually, the GEF's expanded its focal area scope. By 2004, land degradation was promoted from a cross-cutting to a full focal area and persistent organic pollutants was added as a new focal area, bringing the number of focal areas to six:

- Biological diversity;
- Climate change;
- International waters;
- Land degradation, primarily desertification and deforestation;
- Ozone layer depletion; and
- Persistent organic pollutants.

3. At the same time, chemicals management was added, bringing the number of cross-cutting areas back to two:

- Chemicals management; and
- Activities under Agenda 21.

4. Since 2004, no amendments with respect to thematic coverage of the GEF were made in the GEF Instrument. However, in its current preparations for GEF-6, the GEF is considering to merge activities under ozone layer depletion, persistent organic pollutants, chemicals management and new activities under the Mercury convention into a "chemicals" focal area. The evolution of purpose, policies and strategies is described in more detail in Appendix C1.

5. The first two focal areas — biodiversity and climate change — accounted for 62 percent of the project and other commitments that the GEF supported in over 165 countries

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1. With different order and wording: protection of the ozone layer, limiting emissions of greenhouse gases, protection of biodiversity, and protection of international waters.

2. Action plan emanating from the UN Conference on Environment and Development (UNCED) held in Rio de Janeiro, Brazil, in 1992.

since the GEF was founded through June 2012. International waters accounted for 12 percent of commitments and multi-focal area activities for 15 percent.

6. The GEF also serves as the financial mechanism for four conventions:

- Convention on Biological Diversity (CBD), 1993;
- United Nations Framework Convention on Climate Change (UNFCCC), 1994;
- Stockholm Convention on Persistent Organic Pollutants, 2004; and
- United Nations Convention to Combat Desertification, 1996.

7. Although not formally linked, the GEF also supports the implementation of the Montreal Protocol on Substances That Deplete the Ozone Layer (1989) in countries with economies in transition. Recently, the GEF has also been selected to fund implementation of a new international treaty — the *Minimata Convention* — to reduce mercury pollution.[3]

8. The GEF also operates three additional programs — the Least Developed Countries Fund for Climate Change (LDCF), the Special Climate Change Fund (SCCF), and the Nagoya Protocol Implementation Fund (NPIF) — and provides secretariat and evaluation services for a fourth — the Adaptation Fund.[4] The LDCF (established in 2001) addresses the needs of the 48 least developed countries whose economic and geophysical characteristics make them especially vulnerable to the impact of global warming and climate change. The SCCF (also established in 2001) finances activities relating to climate change in the areas of adaptation and transfer of technologies. The NPIF (established in 2011) supports the early entry into force and effective implementation of the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization.

9. The GEF operates through three different modalities: full-sized projects ($2 million and more), medium-sized (up to $2 million) and enabling activities (up to $500.000). These projects can be implemented individually or under a programmatic approach. The programmatic approach supplements the project-based approach. It provides an opportunity to strategically allocate larger-scale GEF resources not only at the country but also at the regional and global level. Projects under programmatic approach undergo simplified preparation procedures (as described in more detail in Chapter 4).

10. Although the restructured GEF is commonly viewed as a multilateral organization, it is not an independent legal entity. It was established in 1994 by the original GEF participants' approval of its founding charter, the GEF Instrument (GEF 1994a), and subsequent endorsement of the Instrument by the governing bodies of the original three Implementing Agencies.

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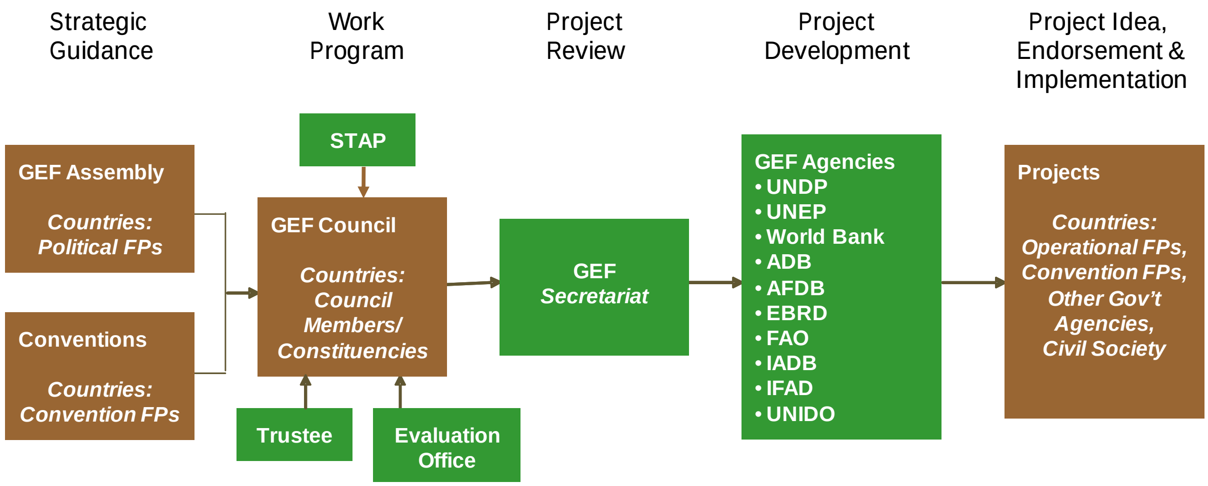
3. Information taken from http://www.thegef.org/gef/news/gef-given-funding-role-new-mercury-convention and http://www.unep.org/newscentre/default.aspx?DocumentID=2702&ArticleID=9373, both visited on February 26, 2013.

4. The Adaptation Fund was established in 2008 under the United Nations Framework Convention on Climate Change (UNFCCC) to finance climate change adaptation projects and programs in developing countries that are Parties to the Kyoto Protocol. Its primary financing comes from a 2 percent share of proceeds of the Certified Emission Reductions issued by the Clean Development Mechanism under the Kyoto Protocol.

Figure A-1. The GEF Structure



Source: GEF Web site: www.thegef.org/gef/gef_structure

11. After restructuring, the GEF established four governance and management bodies in accordance with the GEF Instrument (Figure A-1).

- The *Assembly*, consisting of Representatives of all Participants to the GEF. The Assembly acts as the supreme governance body of the GEF with responsibility for general policies, operations and membership of the GEF based on reports and recommendations of the Council. The GEF Instrument itself can only be amended by the Assembly and only by a consensus decision. The Assembly has met in four-year intervals in 1998, 2002, 2006 and 2010, in sync with GEF replenishments.[5]
- The *Council*; consisting of 32 Members, 16 of which represented developing countries, 14 developed countries and 2 countries of central and eastern Europe and the former Soviet Union. The Council oversees GEF operations under the authority of the Assembly and ensures operational conformity with conventions for which the GEF serves as the financial mechanism.
- A *Scientific and Technical Advisory Panel (STAP)*, hosted by UNEP and advising all GEF bodies. The mandate, composition and role of the STAP are reviewed and approved by the Council. STAP consists of six members and a secretariat located in UNEP's Washington office and supported by an international network of experts. The panel provides technical and scientific advice to the GEF on its policies, strategies, programs and projects.
- A *Secretariat*, hosted by the World Bank, servicing and reporting to both the Assembly and the Council.

12. A particularity to GEF governance is that the GEF functions under the guidance of, and is accountable to, the Conference of the Parties (COPs) of the conventions for which it

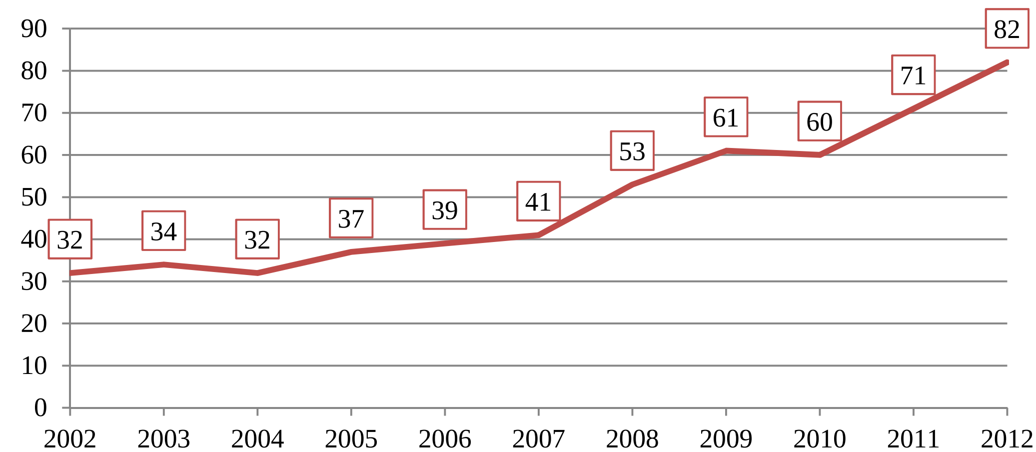
5. The Instrument, however, establishes a triennial meeting frequency.

serves as a financial mechanism and which decide on the policies, program priorities and eligibility criteria for the purposes of the conventions.

13. The GEF Secretariat coordinates the formulation of projects included in the work programs, oversees their implementation, and ensures that GEF operational strategies and policies are followed. A *Scientific and Technical Advisory Panel (STAP)*, supported by its own secretariat, provides strategic scientific and technical advice to the GEF Council on its strategies and programs.

14. Small at first, the size of the Secretariat has grown over time as shown in Figure A-2, doubling in size from 2007 to 2012.

Figure A-2. GEF Secretariat Staff Numbers from FY2002 to FY2012



Source: World Bank Human Resources Department
Only staff levels GF and higher are shown.

15. According to the GEF Instrument, the Secretariat is "supported administratively by the World Bank" but is to "operate in a functionally independent and effective manner." The Secretariat is headed by a CEO, to whom all Secretariat staff report, and who is also the Chairperson of the GEF Council.[6] Although this dual governance and management role is similar to that of the World Bank President,[7] it is unusual compared to other global partnership programs. In other cases, program managers of hosted programs report both to their own governing body and to a World Bank Group line manager, who reports ultimately to the Bank Group President and the Bank Group's Executive Board.

16. Leadership in the GEF has changed on three occasions. Mohamed El-Ashry, who had served as Chairman of the GEF during its Pilot Phase from 1991 through 1994, continued to serve as GEF CEO and Chairman until 2003. He was followed by Leonard Good for a three-

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6. The CEO chairs Council meetings for a selected subset of Council responsibilities. Other matters are chaired by a co-chair to be elected from among Council members at each meeting or chaired by both co-chairs.

7. World Bank management reports to the World Bank President who also chairs the World Bank's Executive Board.

year term until 2006. Monique Barbut, the next CEO and Chairperson, served from 2006 through 2012 and was succeeded by the present CEO and Chairperson, Naoko Ishii, from July 2012 onwards.

17. The *GEF Agencies* are responsible for developing project proposals and for supervising the implementation of approved projects. The three original Implementing Agencies — the World Bank, UNDP and UNEP — have assisted eligible governments and NGOs in developing, implementing, and managing GEF-financed projects. Subsequently, starting in 1999, an additional seven Executing Agencies have been added to the roster of GEF Agencies, with similar responsibilities: the Asian Development Bank, the African Development Bank, the European Bank for Reconstruction and Development, the Food and Agriculture Organization, the Inter-American Development Bank, the International Fund for Agricultural Development, and the United National Industrial Development Organization. The ten organizations are now collectively called the GEF Agencies.

18. The GEF Agencies are directly accountable to the GEF Council for their GEF-financed activities, although there is no direct line mechanism.

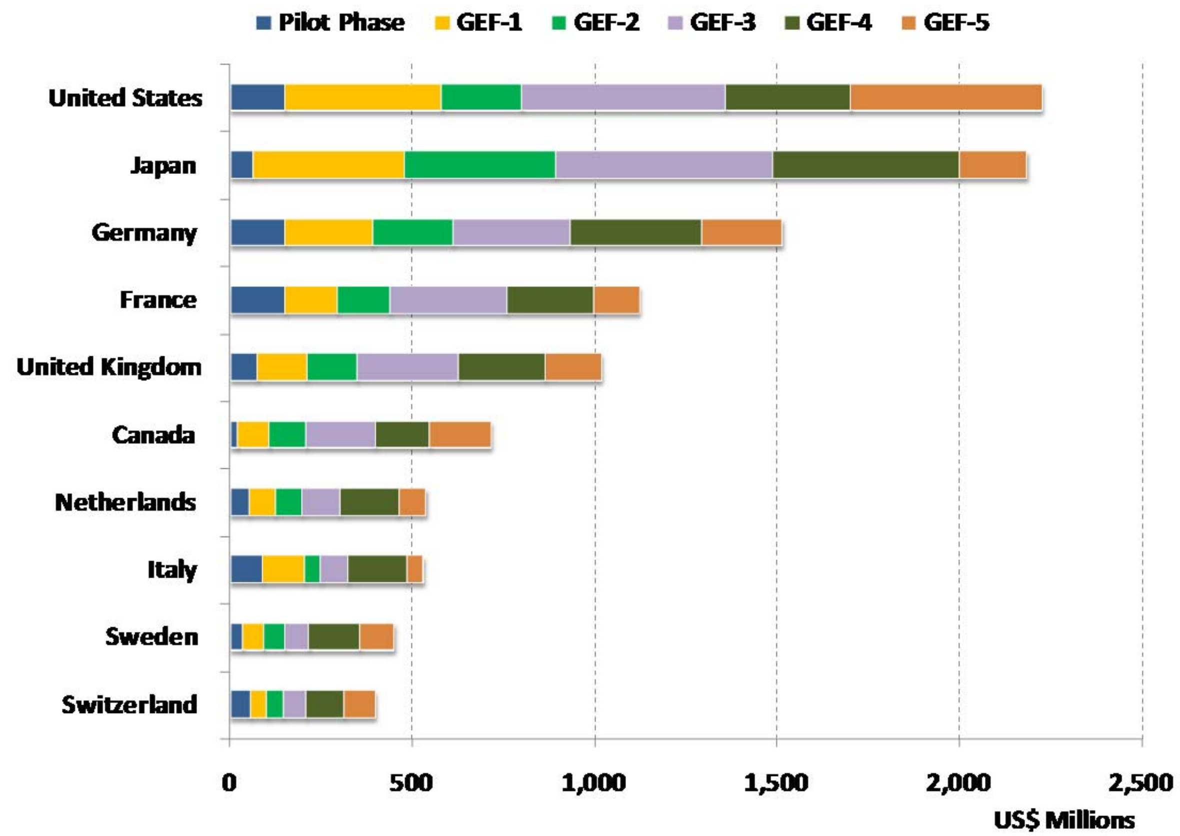
19. Two types of *GEF Focal Points* play important coordination roles regarding GEF matters at the country level as well as liaising with the GEF Secretariat and GEF Agencies, and representing their constituencies on the GEF Council. All GEF member countries have Political Focal Points, while recipient member countries eligible for GEF project assistance also have Operational Focal Points.

20. Since its inception, the GEF has involved Civil Society Organizations (CSOs) both at the operational and governance level. On the operational side, CSOs participate in country and constituency-level planning and workshops. NGOs are also given the opportunity to become GEF project agencies with direct access to GEF resources through the GEF-5 accreditation process as described in more detail later in this Chapter. On the policy level, the Secretariat organizes semi-annual and ad hoc meetings, especially in connection with the Council preparation, to enable CSO representatives to contribute to the development of GEF policies and programs. CSOs involved with the GEF are organized in a network which aims at facilitating the dissemination of information as well as the transmission of issues and concerns in both directions. NGOs can attend or observe Council meetings upon invitation by the CEO. The GEF financially supports the participation of network representatives in consultations prior to Council meetings.

21. The restructured GEF follows a quadrennial replenishment model of financing, and has been replenished five times since the pilot phase. Donors contributed $13.0 billion from inception in March 1991 to June 30, 2013 (three years through GEF-5) (Table A-1). The top ten donors contributed 82 percent of the total contributions (Figure A-3).

22. The GEF has established its own policies and procedures governing the availability of resources for commitments. Commitments can only be made on the basis of paid-in contributions and investment income — even commitments five or six years hence towards the end of a typical investment project — not on the basis of donor pledges not yet received. Not having committed 25 percent of its available resources, the GEF had $3.34 billion of

Figure A-3. GEF Trust Fund, Top Ten Donors (as of June 30, 2013)



Source: GEF Annual Reports and Internal World Bank databases.

uncommitted resources in the GEF Trust Fund as of June 30, 2012, according to the latest audited financial statements.[8]

23. The World Bank as Trustee reports to the GEF Council and facilitates the transfer of resources to the GEF Agencies. The Trustee's duties include helping with resource mobilization; managing receipts from donors; investing the liquid assets of the GEF Trust Fund; entering into financial procedures agreement with other GEF Agencies to facilitate the transfer of funds; preparing financial reports to the Council; and providing for audit functions. The Trustee reports monthly to the GEF Secretariat and semi-annually to the GEF Council on the resources available for programming. Disbursements (cash transfers) are made upon request of the Agencies out of the funds already committed for the underlying projects and associated administrative fees only to the extent of resources available in the

8. The GEF's policy of making commitments only on the basis of paid-in contributions is consistent with the World Bank's own rules for making commitments from Bank-administered trust funds (see World Bank Group 2011). Donor receivables are not eligible for commitments. In the case of the GEF, some donors have also placed temporary restrictions on the availability of even paid-in contributions until the United States (the largest donor) has paid-in its pledged contributions.

GEF Trust Fund. The World Bank as Trustee does not have programmatic or fiduciary responsibility to the GEF for the use of funds transferred to other Agencies.

24. The World Bank Group's GEF Coordination Team, located in the Sustainable Development Network Vice Presidency, manages the interface between the GEF Secretariat and the Bank in its role as Implementing Agency. Working closely with the Bank Group's clients, regional and IFC project teams, the GEF Secretariat and other GEF partners, the Team is responsible for the management of the Bank's GEF corporate program; institutional relations; Bank-GEF project policies and procedures; outreach, knowledge management and external relations; budget management and finance; and monitoring and evaluation.

25. The GEF established an independent evaluation office, the *GEF Evaluation Office (GEF EO)*, in 2004 whose Director is appointed by and reports directly to the GEF Council. Each GEF Agency is responsible for undertaking terminal evaluations of GEF-financed projects that they supervise. The GEF EO, in turn, has the central role of ensuring the independent evaluation function within the GEF, setting minimum requirements for project-level M&E, ensuring oversight of M&E systems at the program and project levels, and sharing evaluative evidence within the GEF. The Evaluation Office also prepares independent evaluations that involve a set of projects from more than one GEF Agency, the Annual Performance Report for GEF Council, country portfolio evaluations of the totality of GEF support for a particular country across all Agencies, thematic evaluations on specific cross-cutting themes, and impact evaluations of the long-term impacts of GEF support. The GEF EO also conducted the fourth *Overall Performance Study (OPS4)* in 2009 for the Fourth GEF Replenishment and is currently in the process of conducting the fifth, OPS5.

Origins of the GEF and the GEF Pilot Phase

26. During public hearings of the *World Commission on Environment and Development (WCED)* in Ottawa in 1986, the idea of creating a *World Conservation Bank* was presented by Michael Sweatman, who had advocated this idea since the mid-1980s (Sjöberg 1994, p.4). The commission decided to include this proposal into the influential 1987 *Brundtland Report* (WCED 1987).[9]

27. The report described the idea of a conservation bank as follows (WCED 1987, p. 330):

> "In order to marshal and support investments in conservation projects and national conservation strategies that enhance the resource base for development, serious consideration should be given to the development of a special international banking programme or facility linked to the World Bank. Such a special conservation programme or facility could provide loans and facilitate joint financing arrangements for the development and protection of critical habitats and ecosystems, including those of international significance, supplementing efforts by bilateral aid agencies, multilateral financial institutions, and commercial banks."

9. The report of the *World Commission on Environment and Development* is often referred to as *Brundtland report* after the chair of the commission, Gro Harlem Brundtland.

28. In the years that followed the publication of the Brundtland report, many proposals for environmental financing mechanisms were put forward, “varying widely in quality, purpose, and political realism”, as one documenter put it (Sjöberg 1994, p.4). The *World Resources Institute*, a Washington DC-based NGO, undertook a thorough and highly participatory UNDP-sponsored feasibility study in 1988 and 1989. The final study report, among others, proposed the establishment of one global or several regional *International Environment Facilities* and of a *Global Environment Trust Fund*, the latter to be financed by levies on greenhouse gases (WRI 1989 pp. 11 and 21).

29. Within the World Bank, first internal staff discussions about environmental funding mechanisms began as early as 1986 (Streck 1999, p. 7 and Sjöberg 1994, p. 7). It was felt that there was client country demand for softened environmental loans. The newly created Environment Department[10] started producing discussion drafts around environmental funding mechanisms in 1988 and developed a first proposal in 1989.

30. During that time, i.e. in the late 1980s and early 1990s, the World Bank’s reputation in terms of environmental conservation was at a low point. Among other things, the handling of social and environmental matters in the controversial Polonoroeste highway and Narmada dam projects in Brazil and India, respectively, had sparked worldwide protest and made the Bank the “favourite global villain for opinion-leaders in the environmental NGO community and Third World”, as Peter Sand famously put it (Sand 1999, p. 227).

31. In this context, the World Bank’s role in any international financial environmental mechanism was seen ambivalently from the outside. As one documenter put it (Sjöberg 1994, p. 5): “The tension between the realization that the World Bank had an important role to play in this context, and the desire to keep it from subsuming any initiative, became central to most discussions on institutional arrangements for environmental funds.”

32. The issue of the environmental funding mechanism also remained controversial within the World Bank and — at first — didn’t have senior management buy-in. It was debated if the time was ripe for the World Bank to take on an environmental initiative and there were serious worries about competition for donor resources with the IDA-9 replenishment process.

33. In the midst of growing political environmental mobilization and a mounting sense of competition for institutional ownership of environmental funding mechanisms, a flurry of proposals was put forward in 1989. One proposal was presented by the French Finance Minister to the World Bank-IMF Development Committee on September 25, 1989 and was, importantly, backed up by some $100 Million from France. It was this proposal that eventually led to the establishment of the GEF in its pilot phase.

34. The Development Committee suggested that the World Bank should explore interest in and modalities of the proposal further. World Bank management, at that time, was still undecided whether the best use for a fund would be to integrate the additional resources into

10. In mid-1987, the World Bank Environment Department evolved out of the Office of the Environmental Advisor that had been set up in 1970.

regular development work or whether it should have a more specific focus, for example, on transboundary problems. However, after a series of bilateral consultations, a proposal emerged in February 1990 (World Bank 1990) in view of an upcoming meeting between the interested donors, UNEP, UNDP and the World Bank in March of that year.

35. During the remainder of 1990, the proposal was negotiated. This included clarifying and finding consensus on the GEF's role vis-à-vis the Montreal Protocol and the emerging conventions on climate change and biological diversity, its time-bound pilot character, the participation of developing countries and NGOs and, finally, the pledging of funds. During the negotiations, two important yet hard to appraise concepts of additionality of GEF funding were highlighted:

- The additionality of GEF funding to regular development assistance; and
- The restriction of GEF funding to cover only additional costs associated with protecting the global environment. This was to become known as the *incremental cost principle*.

36. Based on a revised consensus version of the Proposal for the *Establishment of the Global Environment Facility* (World Bank 1991a), the GEF was established on March 14, 1991 by resolution 91-5 of the World Bank's Board of Executive Directors (World Bank 1991b)[11] as administrative umbrella for three types of funds:

> "The Facility is hereby established, consisting of the Global Environment Trust Fund, Cofinancing Arrangements with the Global Environment Trust Fund, the Ozone Projects Trust Fund, and such other trust funds and agreements as the Bank may from time to time establish or agree to administer within the Facility. […]"

37. The GEF became effective in October 1991 when the three Implementing Agencies, UNEP, UNDP and the World Bank signed a trilateral agreement on procedural arrangements for operational cooperation under the GEF (World Bank 1991a Appendix C).[12]

38. This agreement stressed the need for close collaboration among the Implementing Agencies and required to "consult each other Agency before making proposals to the Participants." It laid out the respective roles for each Implementing Agency "within the respective areas of expertise and operational comparative advantage of the Agencies" (World Bank 1991a appendix C, p. 3 and 2):

- UNEP was to ensure that the GEF's policies were consistent with existing global environmental conventions, provide scientific and technical guidance, facilitate

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11. The Governing Councils of UNDP (in May 1991) and UNDP (in June 1991) formally took note of that resolution and requested their respective executive directors to undertake the actions necessary to enable the organizations to fulfill their designated roles (Sjöberg 1999, footnote 70 on p. 25).

12. "Procedural Arrangements among the International Bank For Reconstruction and Development ("World Bank"), the United Nations Environment Programme ("UNEP"), and the United Nations Development Programme ("UNDP") for Operational Cooperation under the Global Environment Facility", signed on October 28 by the World Bank President, the UNEP Executive Director, and the UNDP Administrator.

research and disseminate information on relevant technological developments, and establish and guide a Scientific and Technical Advisory Panel (STAP);

- UNDP was to undertake pre-investment studies, technical assistance and training for global environmental policies, programs and projects; and
- The World Bank was to administer the GEF, manage the project cycle for global environmental investments, associated technical assistance and training supported by the resources of the Global Environment Trust Fund, and transfer to UNEP and UNDP the resources allocated to them.

39. This highly collaborative and largely overlap-free statement of respective roles of the three Implementing Agencies was tested by reality in the first year of the pilot. UNDP and the World Bank quarreled over mutual responsibilities in the provision of GEF technical assistance and the work of the UNDP-run Project Pre-Investment Facility (PRIF). The two agencies were also unable to work out a satisfactory operating mode for in-country coordination until indicative target ratios for GEF budget allocations were established: 70 percent of the funds going to investment projects and the remaining 30 percent to technical assistance projects. The independent evaluation of the GEF pilot phase felt that these disagreements had represented symptoms of an underlying competition about “power, control, money” (GEF 1994b, pp. 135).

40. During its pilot phase, the GEF focused on four focal areas: protection of the ozone layer, limiting emissions of greenhouse gases, protection of biodiversity, and protection of international waters (World Bank 1991a). More detail on the evolution of the GEF’s purpose, policies and strategies is provided in Appendix C1.

Restructuring in 1994

41. Parallel to the establishment of the GEF, the broader regime for global environmental issues began to take form in 1990, 1991 and early 1992 in the context of preparation of the *United Nations Conference on Environment and Development (UNCED).* Two important conventions were being negotiated: the United Nations Convention on Biological Diversity (CBD) and the United Nations Framework Convention for Climate Change (UNFCCC). The widespread concern for the environment had originated in developed countries, but it now became imperative to ensure the participation of developing countries to tackle common global environmental issues. In the discussions leading up to and at UNCED itself, NGOs played a more prominent role and had more voice in international affairs than ever before.

42. It soon became clear that the pilot phase structure was not seen to be appropriate by many prospective UNCED participants to serve as global financing mechanism for the new conventions or for global aspects in *Agenda 21*, the action plan that was to emerge from the conference. The main points of concern were the scope of international funding for the environment, governance, and the dominant role of the World Bank in the GEF pilot. It soon became visible that developing and developed countries disagreed on a number of issues (Sjöberg 1999, pp. 11):

- The G77 and China pushed for a new *Green Fund* with only an arms-length relationship with the World Bank as well as for separate, autonomous funds for each of the emerging global environmental conventions.
- Instead, OECD countries and the World Bank argued that for the sake of cost-effectiveness and efficiency that no new entities should be created and that one organization should be used to implement all global environmental conventions.

43. Key aspects of the GEF in its pilot phase came under renewed scrutiny. Developing countries felt that a *Green Fund's* mandate should go beyond the four GEF focal areas as well as beyond the GEF's incremental cost concept, i.e. that it should generally address environmental problems, national and global, that were not covered by other international agreements. While agreeing with the necessity of combining global and national concerns in practice, developed countries preferred a separate financing channel for global concerns and therefore favored a focus on global environmental benefits and the related incremental cost concept. The Chairman of the GEF himself, at that time, also felt that for addressing national environmental problems "the best response, however, is probably to provide assistance through existing bilateral and multilateral development programmes" (Sjöberg 1999, p. 18).

44. These evolving discussions led to the fact that, only months after being established, GEF participants and Implementing Agencies had begun discussing restructuring the GEF pilot as a way to transform it into an umbrella organization that could house all global environment conventions and global aspects of Agenda 21 and be acceptable to the diverse viewpoints and interests of several groups of stakeholders: UNCED participants, the *International Negotiating Committees (INCs)* of the conventions, GEF participants and the Implementing Agencies.

45. After more than a year of intense struggle to find an acceptable middle ground to the positions of the North and the South, and only a good month before UNCED, a first breakthrough came as a combination of two events:

- During its last participants' meeting before UNCED, the GEF decided formally to restructure itself for the post-pilot phases and agreed on a principle design for the restructured GEF. This design was summarized in the very first GEF Working Paper *The Pilot Phase and Beyond* (GEF 1992, pp. 4–10) and attempted to offer a solution acceptable to all.
- Less than two weeks after this meeting, the International Negotiating Committee of the Framework Convention on Climate Change designated the GEF as the interim operator of its financial mechanism — under the condition that it was restructured.

46. This created some momentum and, just two weeks later, the negotiating committee of the Convention on Biological Diversity (CBD) echoed the FCCC in designating a restructured GEF as interim operator of its financial mechanism. At UNCED itself, developing countries had to grudgingly abandon the idea of a *Green Fund* and plans for global environmental financing fully converged on a restructured GEF.

47. The negotiations on how exactly to restructure the GEF began in the fall of 1992 and proved to be extremely difficult. An agreement was only reached in March of 1994, and only

after several negotiation deadlocks had been creatively defused. Governance and legal status were discussed passionately between largely divided groups.

48. On governance, developing countries and the two UN Implementing Agencies advocated a UN-style, one country-one vote governance arrangement while developed countries and the World Bank, on the other side, favored a Bretton-Woods-style governance structure that would reflect the relative contributions of members.

49. Negotiations converged on a hybrid structure, incorporating elements from both systems, but important details such as the number of developed and developing countries' seats, NGO observer status, the dual role of CEO and Chairperson, frequency of meetings and decision-making rules continued to be debated.

50. On legal status, most OECD countries and the World Bank preferred to establish the restructured GEF in essentially the same fashion as the pilot, by a resolution of the World Bank's Board, arguing that this would be the most cost-effective and efficient way and that the creation of any new legal entity should be avoided. On the other end of the opinion spectrum, most developing countries, NGOs, some OECD countries with strong ties to the UN system and the UN Implementing Agencies wanted to avoid a continued dominant legal role of the World Bank and favored a setup in which the governing body of the GEF would be able to enter into direct agreements with the conventions and, at some point, a proposal for a new international legal entity was put forward (Sjöberg 1999, p. 34).

51. Negotiations on legal status converged onto the OECD/World Bank position after the UN Office of Legal Affairs assessed that the most convenient method would be for the GEF Trustee to enter into agreements with the conventions on behalf of the GEF governing council.

52. On March 14, 1994, after a successful pledging session that doubled GEF pilot amounts for the coming three years, the first phase of the restructured GEF, GEF Participants formally approved the founding charter of the restructured GEF, the *GEF Instrument* (GEF 1994a).

53. The GEF Instrument was subsequently adopted by the governing bodies of the three Implementing Agencies.[13]

Further Reading

54. These sections draws on a number of excellent documentaries (Sjöberg 1994 and 1999, Streck 1999, Boisson de Chazournes 1999 and 2005, Freestone 2013, GEF 1994b chapter 4) to which the reader is referred for reference and further detail.

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13. Resolutions 94-2 and 94-3 of the World Bank Executive Directors dated 24 May 1994 and Resolution 487 of the Board of Governors of the World Bank adopted 7 July 1994; Decision of the UNDP Executive Board and of the United Nations Population Fund, DP/1994/9, adopted 13 May 1994; Decision adopted by the UNEP Governing Council, SS.IV.1, adopted 18 June 1994 (Streck 1999, pp. 26 citation 65).

Table A-1. Donor Contributions to the GEF Trust Fund (US$ millions), 1991–2013, by GEF Phase

	Pilot Phase 1991-94	GEF-1 1995-98	GEF-2 1999-02	GEF-3 2003-06	GEF-4 2007-10	GEF-5 2011-13	Total	Share
United States	150.0	430.0	219.1	558.9	343.8	523.7	2,225.4	17.1%
Japan	63.5	414.6	412.6	596.9	510.7	186.4	2,184.7	16.8%
Germany	150.5	240.0	220.0	321.1	362.9	219.2	1,513.6	11.7%
France	150.5	143.3	144.8	318.6	238.0	126.6	1,121.9	8.6%
United Kingdom	74.8	134.6	138.9	275.8	238.7	154.6	1,017.5	7.8%
Canada	19.9	86.6	101.6	189.6	149.3	167.9	714.9	5.5%
Netherlands	51.6	71.4	72.8	103.7	162.4	75.1	536.9	4.1%
Italy	89.1	114.7	44.9	75.6	159.2	45.9	529.4	4.1%
Sweden	33.6	58.3	57.8	65.9	137.9	96.0	449.5	3.5%
Switzerland	55.7	44.8	43.9	63.4	103.6	85.7	397.0	3.1%
Denmark	22.2	35.1	28.7	68.8	71.3	135.9	362.0	2.8%
Norway	31.3	31.2	31.3	41.3	49.9	131.3	316.3	2.4%
Belgium	14.1	32.0	34.2	45.2	78.8	75.8	280.2	2.2%
Australia	23.3	29.2	32.2	45.7	63.5	66.8	260.7	2.0%
Finland	28.0	21.6	22.1	31.6	43.4	53.4	200.1	1.5%
Austria	35.6	20.0	20.2	36.3	40.3	31.0	183.4	1.4%
Spain	13.7	19.6	16.5	35.4	30.7	17.1	133.0	1.0%
Mexico	5.5	5.6	4.1	5.8	5.0	32.8	58.7	0.5%
China	5.5	5.6	8.2	9.5	9.5	10.3	48.6	0.4%
India	5.5	8.4	9.0	9.3	9.0	6.8	47.9	0.4%
Portugal	6.2	5.6	5.5	8.0	10.1	2.3	37.7	0.3%
New Zealand	0.0	5.6	5.5	8.4	8.8	6.1	34.4	0.3%
Turkey	5.5	5.6	5.5	7.2	8.0	2.0	33.7	0.3%
Luxembourg	0.0	5.6	5.5	7.8	9.4	4.5	32.8	0.3%
Pakistan	5.5	5.6	4.1	8.8	4.5	3.9	32.3	0.2%
Czech Republic	0.0	5.6	5.5	5.7	6.8	6.2	29.7	0.2%
Ireland	0.0	2.4	5.5	6.6	7.9	5.3	27.7	0.2%
Korea	0.0	5.6	5.5	5.0	6.0	4.2	26.3	0.2%
Greece	0.0	5.0	5.5	7.1	8.1	0.0	25.7	0.2%
South Africa	0.0	0.0	0.0	0.0	4.2	16.4	20.6	0.2%
Brazil	5.5			3.7	5.3	3.2	17.6	0.1%
Nigeria	5.5		5.5	1.4	0.0	3.6	16.0	0.1%
Côte d'Ivoire	2.7	5.6	5.5	0.0	0.0	0.0	13.8	0.1%
Slovenia	0.0		1.4	1.5	6.6	2.1	11.5	0.1%
Egypt	5.5	2.6		0.7	1.6	0.0	10.4	0.1%
Slovak Republic	0.0	5.6		0.0	0.0	0.0	5.6	0.0%
Indonesia	5.5			0.0	0.0	0.0	5.5	0.0%
Russia	0.0			0.0	0.0	5.0	5.0	0.0%
Argentina	0.0	2.5		0.0	0.2	2.3	5.0	0.0%
Bangladesh	0.0	2.8		0.9	0.0	0.0	3.7	0.0%
Total	1,065.4	2,012.3	1,723.4	2,971.0	2,895.4	2,309.5	12,977.0	100.0%

Source: GEF Annual Reports and internal World Bank databases.

Appendix B: Timeline of Key Events

Year	Key Event
1986	May. Presentation by Michael Sweatman of the International Wilderness Leadership Foundation of his proposal for a World Conservation Bank at the WCED Public Hearings, Ottawa (WCED 1987, p. 338)
1987	August. Transmission of the Brundtland report *Our Common Future* to the UN General Assembly (WCED 1987, p. 1)
1988–1989	World Resources Institute's feasibility study on financing mechanisms for the environment: the final report proposed the establishment of one or several regional International Environment Facilities and of a Global Environment Trust Fund (WRI 1989 pp. 11 and 21)
1989	September. Proposal by the French Finance Minister Pierre for a "special program for the environment" at the World Bank Development Committee: France offered to contribute SDR 100 million (Sjöberg 1994, p. 15)
1990	Summer. Beginning of the preparation of a tripartite agreement for the creation of the GEF by the World Bank, UNDP and UNEP (Sjöberg 1994, p. 27) August. First Preparation Committee (PrepCom) for UNCED (Sjöberg 1999, p. 11) November. First formal meeting of the International Negotiating Committees for the CBD and the FCCC (Sjöberg 1999, p. 11)
1991	March. Establishment of the GEF by resolution 91-5 of the World Bank's Executive Directors (World Bank 1991 b) October. Signature of the Tripartite Agreement by the heads of the three Agencies (World Bank 1991a)
1992	May. The International Negotiation Committee of the FCCC and CBD designate the GEF as the interim operator of the conventions' financial mechanism (Sjöberg 1999, p. 21) June. UNCED and its resulting documents: Agenda 21, the Rio Declaration on Environment and Development, the Statement of Forest Principles, the United Nations Framework Convention on Climate Change and the United Nations Convention on Biological Diversity (http://www.un.org/geninfo/bp/enviro.html – last access: 5/8/2013) December. First meeting of the GEF restructuring negotiations process (Sjöberg 1999, p. 24)
1994	March. Formal approval of the Instrument for the restructured GEF by the Participants. GEF served as financial instrument for two conventions: the Convention on Biological Diversity (CBD) and the United Nations Framework Convention on Climate Change (UNFCCC) (GEF 1994a) July 1. Start of the GEF-1 replenishment period (GEF Evaluation Office 2010a, p. xi)
1995	May. GEF Council approval of the GEF project cycle (GEF 1995c, p. 3)
1998	July 1. Start of the GEF-2 replenishment period (GEF Evaluation Office 2010a, p. xi)

Year	**Key Event**
1999	May. GEF Council approval of the application of a fee-based system to determine Implementing Agency fees with respect to GEF projects (GEF 1999b, p. 4)
2000	May. GEF Council Approval of the inclusion of UNIDO and FAO as GEF Executing Agencies (GEF 2003b, pp. 3), followed by IFAD in 2001.
2001	Publication of the World Bank Environmental Strategy: *Making Sustainable Commitments. An Environment Strategy for the World Bank* (World Bank 2001a) March. Publication of the IFC Strategic Direction paper indicating a move from a “do no harm” approach to environmental and social sustainability to an “adding value” approach (IFC 2001, pp. 14)
2002	July 1. Start of the GEF-3 replenishment period (GEF Evaluation Office 2010a, p. xi) October. GEF Assembly approval of an amendment to the Instrument to designate POPs and Land Degradation as additional focal areas (GEF 2004f, p.5 and 10) October. GEF Assembly approval: GEF to serve as financial mechanism of the Stockholm Convention on Persistent Organic Pollutants (GEF 2004f, p.11)
2003	July. GEF Council approval on no-objection basis of the terms of reference for the Monitoring and Evaluation Unit (GEF 2003e, p.1) November. GEF Council approval of direct access to funds for all GEF Agencies (GEF 2003a, p. 6)
2005	September. GEF Council approval of the Resource Allocation Framework (GEF 3005d, p. 1)
2006	April. Publication of IFC’s Sustainability Framework comprising policy and performance standards on social and environmental sustainability (IFC 2006a-e) December. GEF Council approval of the elimination of the corporate budget, the new fee structure and the corresponding corporate roles to be applied to all agencies (GEF 2006a, p. 7)
2007	February. Start of the GEF-4 replenishment period (GEF Evaluation Office 2010a, p. xi) June. GEF Council approval of the new GEF project cycle consisting of a two-steps approval mechanism: Council approval of project concepts and CEO endorsement of fully prepared projects (GEF 2007d, p. 4) June. GEF Council approval of the Private Public Partnership Initiative project (GEF 2007d, p. 7)
2008	May. GEF Council approval of the Earth Fund (World Bank 2008a, p. 1)
2010	May. GEF Assembly approval: GEF to serve as financial mechanism for the United Nations Convention to Combat Desertification in Countries Experiencing Serious Drought and/or Desertification, particularly in Africa (UNCCD) (GEF 2011a, p. 13) July 1. Start of the GEF-5 replenishment period (GEF Evaluation Office 2010a, p. xi) July. GEF Council approval of operational procedures for the System for Transparent Allocation of Resources (GEF 2010e, pp. 6)

Year	Key Event
2011	November. GEF Council approval of the revised private sector strategy (GEF 2011b, p. 10)
2012	Publication of the World Bank Environmental Strategy: *World Bank Group Environment Strategy. Toward a Green, Clean and Resilient World for All (*World Bank Group 2012) January. Effectiveness of the updated IFC Sustainability Framework (IFC 2012g) June. GEF Council approval of the fee reduction. The Council requested the establishment of a working group to propose detailed streamlining measures in the project cycle and cost savings in Implementing Agencies “at least commensurate with the approved fee structure” (GEF 2012a, pp. 14) November. GEF Council approval of streamlining measures proposed by the working group (GEF 2012c, p. 4)

Appendix C1: Purpose, Policies and Strategies of the GEF

1. The GEF's strategies have evolved and matured over time, from a general purpose, a list of focal areas, and a set of operating principles during the GEF pilot phase (1991–1994) to today's set of strategies and principles for focal areas and cross-cutting issues.

Purpose and Operational Principles of the GEF

2. Statements of the GEF's purpose have remained remarkably stable over time. The GEF Instrument [GEF 2011a, p. 12] states:

> The GEF shall operate, on the basis of collaboration and partnership among the Implementing Agencies, 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 the following focal areas […].

The emphasis is added by the authors. The purpose statement continues with describing the thematic coverage of the GEF that is discussed in the next section of this report. The above sentence has remained unchanged from the first version of the Instrument in 1994, just after the pilot phases had ended, until today.

3. During the pilot phase, the GEF's purpose was defined in very similar terms [GEF 1992, p. 4]:

> The GEF's basic mission is to provide additional grant and concessional funding to cover the agreed incremental costs that a developing country incurs in order to achieve agreed global environmental benefits, including their obligations under a given global convention. […].

4. When the GEF was first established as a pilot program in the World Bank in 1991, its purpose was described as "to assist in the protection of the global environment and promote thereby environmentally sound and sustainable economic development." (World Bank 1991a Appendix B, p. 1). It was viewed "as a pilot program for obtaining practical experience in several global environmental areas." [World Bank 1991a, p. 4]

5. Several elements in these purpose statements are worth noting for future reference.

- The GEF is to provide *new and additional* funding that does not displace any other funding streams;
- GEF funding is focused towards covering the *incremental costs* to achieve *global environmental benefits*; and
- Incremental costs and global environmental benefits are *agreed* upon.

6. The first two elements should be understood in the context of *Common but Differentiated Responsibilities*,[14] a concept coined in the 1992 *Rio Declaration on Environment and Development*, connecting countries' historic global environmental footprints to their responsibilities for global environmental conservation. This entailed the notion that developed countries, having primarily caused global environmental degradation, had to contribute to the incremental cost of global environmental conservation in developing countries, whenever such conservation was not fully offset by national co-benefits.

7. The third element reflects the GEF Participants' opinion that incremental costs and global environmental benefits are difficult to quantify. The appraisal and measurement of global environmental benefits is contingent of a solid understanding of the hypothetical scenario without intervention and, for incremental costs, the separation of costs related to global from those related to local environmental (or other) benefits is notoriously difficult to make in unequivocal quantitative terms. Therefore, the GEF's purpose statement acknowledges that there needs to be negotiation and agreement on those quantities.

8. Complementing the above statements on purpose, the GEF has formulated a set of parameters or, as termed later, operational principles. In 1995, as part of its first operational strategy, the GEF listed a set of ten principles (GEF 1995a, box 1.1), the second of which was covered in the discussion of the GEF's purpose above:

- **OP1:** For purposes of the financial mechanisms for the implementation of the Convention on Biological Diversity and the United Nations Framework Convention on Climate Change, the GEF will function under the guidance of, and be accountable to, the Conference of the Parties (COPs). For purposes of financing activities in the focal area of ozone layer depletion, GEF operational policies will be consistent with those of the Montreal Protocol on Substances that Deplete the Ozone Layer and its amendments.
- **OP2:** The GEF will provide new, and additional, grant and concessional funding to meet the agreed incremental costs of measures to achieve agreed global environmental benefits.
- **OP3:** The GEF will ensure the cost-effectiveness of its activities to maximize global environmental benefits.
- **OP4:** The GEF will fund projects that are country-driven and based on national priorities designed to support sustainable development, as identified within the context of national programs.
- **OP5:** The GEF will maintain sufficient flexibility to respond to changing circumstances, including evolving guidance of the Conference of the Parties and experience gained from monitoring and evaluation activities.

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14. The *Rio Declaration on Environment and Development* of the United Nations Conference on Environment and Development, held in Rio de Janeiro from 3 to 14 June 1992, states in §7 (emphasis added): *States shall cooperate in a spirit of global partnership to conserve, protect and restore the health and integrity of the Earth's ecosystem. In view of the different contributions to global environmental degradation, States have* ***common but differentiated responsibilities****. The developed countries acknowledge the responsibility that they bear in the international pursuit to sustainable development in view of the pressures their societies place on the global environment and of the technologies and financial resources they command.*

- **OP6:** GEF projects will provide for full disclosure of all nonconfidential information.
- OP7: GEF projects will provide for consultation with, and participation as appropriate of, the beneficiaries and affected groups of people.
- **OP8:** GEF projects will conform to the eligibility requirements set forth in paragraph 9 of the GEF Instrument.
- **OP9:** In seeking to maximize global environmental benefits, the GEF will emphasize its catalytic role and leverage additional financing from other sources.
- **OP10:** The GEF will ensure that its programs and projects are monitored and evaluated on a regular basis.

9. These principles, with the exception of OP9 and with some changes in wording, are reflected in the GEF Instrument[15] and have remained stable over time.

10. In addition to these principles, and with relevance for this report, the GEF Instrument also stresses the fact that the GEF shall operate on the basis of collaboration and partnership among the Implementing Agencies.[16]

11. The 1995 operational strategy also introduced and elaborated on a number of "strategic considerations." GEF activities were to be designed as to:

- Be consistent with national and, where appropriate, regional initiatives;
- Strive to ensure sustainability of global environmental benefits;
- Reduce the risk caused by uncertainty;
- Complement traditional development funding.
- Facilitate effective responses by other entities to address global environmental issues.
- Be environmentally, socially, and financially sustainable; and
- Avoid transfer of negative environmental impacts between focal areas.

Thematic Coverage

12. GEF activities fall into a wide range of environmental thematic areas. Today, the GEF's focal areas are (GEF 2011a, p. 12):

- Biological diversity;
- Climate change;
- International waters;
- Land degradation, primarily desertification and deforestation;
- Ozone layer depletion; and
- Persistent organic pollutants.

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15. The principles can be found in all versions of the GEF Instrument (GEF 1994a, GEF 2004a, GEF 2008a, GEF 2011a): OP1 (paragraph 6), OP2 (paragraph 2), OP3-OP5 (paragraph 4), OP6-OP7 (paragraph 5), OP8 (paragraph 9), OP9 (not explicitly covered), OP10 (paragraphs 15, 20, 21).

16. Paragraph 2 in all versions of the GEF Instrument (GEF 1994a, GEF 2004a, GEF 2008a, GEF 2011a).

13. In addition to these focal areas, two cross-cutting areas may be covered under the condition that activities fall into one of the above focal areas:

- Chemicals management; and
- Activities under Agenda 21.[17]

14. Initially, during its pilot phase, the GEF only focused on four focal areas: biological diversity, climate change, international waters, and ozone layer depletion (World Bank 1991a, annex A p. 1)[18].

15. With the establishment of the restructured GEF in 1994, and gradually over time afterwards, the GEF's scope in terms of focal area coverage expanded. By 1994, land degradation and activities under Agenda 21 were added as cross-cutting areas.[19] The GEF's 1995 operational strategy (GEF 1995a) omitted Agenda 21 activities that reappeared, however, in the amended Instrument of 2004 (GEF 2004a, p.9). By that time, other amendments had been made as well: land degradation had been promoted from cross-cutting to full focal area and persistent organic pollutants had been added as new focal area. Since then, no further amendments with respect to thematic coverage of the GEF were made until today.

16. In its current preparations for GEF-6, the GEF is considering to merge activities under ozone layer depletion, persistent organic pollutants, chemicals management and new activities under the Mercury convention into a "chemicals" focal area.

Evolution of GEF Program and Focal Area Strategies

17. In its first years, strategic guidance in the GEF was focused on information that would allow determining project eligibility (the GEF's purpose, operating principles and focal areas) and provided little guidance on the intervention strategies themselves.

18. In 1995, the GEF formulated its first operational strategy that defined ten operational programs. Until 2006, when Operational Programs were superseded by focal area strategies, operational program documents were the GEF's principal strategic guidance documents.

19. The ten 1995 Operational Programs covered three of the (then) four focal areas: biological diversity, climate change, and international waters. For each Operational Program, a program document was subsequently developed. In addition to Operational Programs, Enabling Activities and Short-Term Response Measures were introduced. The fourth focal

17. Action plan emanating from the UN Conference on Environment and Development (UNCED) held in Rio de Janeiro, Brazil, in 1992.

18. With differing order and wording: protection of the ozone layer, limiting emissions of greenhouse gases, protection of biodiversity, and protection of international waters.

19. The "Instrument for the Establishment of the Restructured Global Environment Facility" lists the same four focal areas with changes in order and wording: climate change, biological diversity, international waters, and ozone layer depletion with respect to the pilot phase focal areas (GEF 2011a).

area, ozone layer depletion, was not covered with an operational program but with enabling activities and fast response measures (GEF 1995a, p. 9).

20. Over time, additional Operational Programs were added and by 2003, the GEF had developed program documents for 15 Operational Programs that are listed in Table C-1 below.

Table C-1. GEF Operational Programs

Operational Program	Focal Area
1. Arid and semi-arid ecosystems	Biodiversity
2. Coastal, marine, and freshwater ecosystems (including wetlands)	Biodiversity
3. Forest ecosystems	Biodiversity
4. Mountain ecosystems	Biodiversity
5. Removing barriers to energy conservation and energy efficiency	Climate Change
6. Promoting the adoption of renewable energy by removing barriers and reducing implementation costs	Climate Change
7. Reducing the long-term costs of low greenhouse gas-emitting energy technologies	Climate Change
8. Waterbody-based program	International Waters
9. Integrated land and water multiple focal area	International Waters
10. Contaminant-based program	International Waters
11. Promoting environmentally sustainable transport	Climate Change
12. Integrated ecosystem management	Multifocal (covering multiple focal areas)
13. Conservation and sustainable use of biological diversity important to agriculture	Biodiversity
14. Operational Program on Persistent Organic Pollutants (POPs)	POPs
15. Operational Program on Sustainable Land Management (SLM)	Land Degradation

Source: GEF 1995a for programs 1–10, and then GEF Evaluation Office 2005a and GEF website.

21. For GEF-4, starting mid-2006, the GEF abandoned Operational Program-based strategies and, instead, adopted strategies for the (by then) six focal areas as well as for two cross-cutting areas, forest management and sound chemicals management (GEF 2007a, p. 4–5).

22. For GEF-5, starting in mid-2010 and valid today, focal area strategies were further developed. The persistent organic pollutants and ozone layer depletion focal areas were merged in a “Chemicals” strategy that also covered the cross-cutting area sound chemicals management and emerging work on mercury (GEF 2010a, p. 71).

23. An overview of the GEF-5 focal area strategies, including the cross-cutting SFM area strategy, is provided in Table C-2 below.

Table C-2. GEF-5 Focal Area Strategies

Focal Area	Goal	Objectives
Biodiversity	Conservation and sustainable use of biodiversity and the maintenance of ecosystem goods and services.	• Improve sustainability of protected area systems; • Mainstream biodiversity conservation and sustainable use into production landscapes, seascapes and sectors; • Build capacity for the implementation of the Cartagena Protocol on Biosafety (CPB); • Build capacity on access to genetic resources and benefit-sharing; and • Integrate CBD obligations into national planning processes through enabling activities.
Climate Change Mitigation	To support developing countries and economies in transition toward a low-carbon development path	• Promote the demonstration, deployment, and transfer of innovative low-carbon technologies; • Promote market transformation for energy efficiency in industry and the building sector; • Promote investment in renewable energy technologies; • Promote energy efficient, low-carbon transport and urban systems; • Promote conservation and enhancement of carbon stocks through sustainable management of land use, land-use change, and forestry; and • Support enabling activities and capacity building under the Convention.
International Waters	Promotion of collective management of trans-boundary water systems and implementation of the full range of policy, legal, and institutional reforms and investments contributing to sustainable use and maintenance of ecosystem services.	• Catalyze multi-state cooperation to balance conflicting water uses in trans-boundary surface and groundwater basins while considering climatic variability and change; • Catalyze multistate cooperation to rebuild marine fisheries and reduce pollution of coasts and Large Marine Ecosystems (LMEs) while considering climatic variability and change; • Support foundational capacity building, portfolio learning, and targeted research needs for joint, ecosystem-based management of trans-boundary water systems; and • Promote effective management of Marine Areas Beyond National Jurisdiction (ABNJ).
Land Degradation (Desertification and Deforestation)	To contribute to arresting and reversing current global trends in land degradation, specifically desertification and deforestation.	• Agriculture and Rangeland Systems: Maintain or improve flow of agro-ecosystem services sustaining the livelihoods of local communities; • Forest Landscapes: Generate sustainable flows of forest ecosystem services in drylands, including sustaining livelihoods of forest dependant people; • Integrated Landscapes: Reduce pressures on natural resources from competing land uses in the wider landscape; and • Adaptive Management and Learning: Increase capacity to apply adaptive management tools in SLM/SFM/INRM by GEF and UNCCD Parties.

Focal Area	Goal	Objectives
Chemicals[20]	To promote the sound management of chemicals throughout their life-cycle in ways that lead to the minimization of significant adverse effects on human health and the global environment.	• Phase out POPs and reduce POPs releases; • Phase out ODS and reduce ODS releases; • Pilot sound chemicals Management and mercury reduction; and • POPs enabling activities.
Sustainable Forest Management (SFM) /REDD-PLUS	To achieve multiple environmental benefits from improved management of all types of forests.	• Reduce pressures on forest resources and generate sustainable flows of forest ecosystem services • Strengthen the enabling environment to reduce GHG emissions from deforestation and forest degradation and enhance carbon sinks from LULUCF[21] activities.

Source: GEF 2010a, respectively on pp. 31–32, 50–53, 68–69, 86–87, 98, and 105.

24. Currently, in preparation of GEF-6, beginning in mid-2014, the GEF is conducting an evaluation of the GEF-5 focal area strategies.

GEF Private Sector Strategies

25. The GEF recognized the importance of the private sector in achieving its objectives as early as in its founding years (GEF 1994a, preamble a)[22] and has been trying to build a sound partnership with the private sector for almost two decades.

26. First private sector strategy papers (GEF 1996a and GEF 1999c) highlighted why the GEF needed to work with the private sector:

- The size of net private capital flows had surpassed official development assistance flows;[23]
- Ongoing privatization of state-owned electric utilities and the increasing role of the private sector in the energy area;
- The active involvement of private sector entities in technology transfer (energy efficiency in this case); and

20. The GEF-5 strategy for chemicals merges the persistent organic pollutants and ozone layer depletion focal areas, broadens the scope of GEF's engagement with the sound management of chemicals, and initiates work on mercury (GEF 2010a, p. 71)

21. Land Use, Land Use Change, and Forestry.

22. The 1996 Strategy document provides examples of projects with private sector participation, approved during GEF Pilot phase (GEF 1996a, Annex B). The first GEF projects with IFC were initiated during the pilot phase: GEF/IFC Poland Efficient Lighting project and Small and Medium Enterprise Program. The 1996 strategy provides three further examples of projects initiated during GEF-1: Biodiversity Enterprise Fund, Renewable Energy and Energy Efficiency Fund, and Hungary Energy Efficiency Co-Financing Facility.

23. Of total $233 billion net resource flows to developing countries in 1994, net private flows totaled $173 billion while ODA totaled about $60 billion. As recently as 1989, public and private flows were roughly equal (GEF 1996a).

- The fact that sustainability of projects and their replication often depend on private sector involvement and private sector-style reasoning (GEF 1996a and 1999c).

27. Subsequent strategy papers identified additional reasons, for example the role of the private sector as a primary source of talent and technology, and as a main agent of a transformation to a more sustained economy. Overall, the GEF has issued several private sector strategy documents since 1995 and attempted to construct a framework of main principles of engagement and operational policies for engaging the private sector.

28. GEF strategies on engagement with the private sector can roughly be divided into three periods:

29. **An "Exploration" phase, until 1996**: The GEF experimented with different instruments and modalities to involve the private sector in the production of global environmental goods. The 1996 strategy recommended to pursue non-grant financing, along with concessional loans, and to consider investment or venture capital funds and to explore the use of financial sector intermediaries (GEF 1996a, p. 6). The Council however did not adopt this strategy paper but requested the Secretariat to review it "to reflect a more strategic approach" (GEF 1996b, p. 7).

30. **A "Programmatic" phase, from 1996 to 2006 (Pre-RAF):** Upon request by the Council to "address modalities to facilitate private sector involvement in GEF-financed activities, including partnerships with the private sector to promote the transfer of technology" (GEF 1998c, p.5), the GEF Secretariat reviewed the approval process and proposed modalities to enhance and accelerate engagement with the private sector (GEF 1999c). In 2003, a paper was prepared to stimulate the discussion on the relation between the GEF and the private sector, which emphasized the need for the GEF to adopt the appropriate culture, modalities and to establish a coherent strategy (GEF 2003d, pp. 8). Principles for engaging with the private sector were established in 2004 (GEF 2004b) but neither discussed nor adopted by the Council (GEF 2004c and GEF 2004d).

31. **A post-RAF phase, from 2006 until today:** The 2006 strategy sought to create the conditions for the private sector to deliver global environmental benefits in three different ways: by "creating an enabling environment, by means of demonstration and pilot projects, and by strategic and policy dialogue" (GEF 2006c, pp. i). The Council approved the proposed development of three private sector instruments:

- A public-private sector partnership (PPP) in collaboration with IFC and regional development banks;
- The use of non-grant instruments; and
- Knowledge and information sharing (GEF 2006d, pp. 9).

32. In order be effective, efficient and consistent with private sector needs, the 2006 strategy proposed that the PPP adopts the administrative structure of IFC's Environmental Opportunity Facility (EOF) (GEF 2006c, p. 37). Created in 2002, the EOF provides project preparation grants and flexible investment funding to projects that "have a strong potential to

increase environmental sustainability but must overcome the uncertainty associated with new markets, new technologies and new ways of doing business" (IFC 2007a).

33. As a first step, in June 2007 GEF set aside $50 million for the PPPI (GEF 2007d, p. 7). In 2008 the GEF PPPI was renamed the "Earth Fund". The first pilot platform — the IFC Earth Fund — was approved by the Council and endorsed by the CEO in 2008 (World Bank 2008a). (World Bank 2008a). According to the evaluation of the Earth Fund (GEF 2011a) conducted by the GEF Evaluation Office in 2010 the shift from the PPPI to the Earth Fund platform had several negative consequences, such as the reduced private sector's role in the partnership, and the removal of the knowledge management and information dissemination program originally proposed in the PPPI.

34. The amount set aside for the Earth Fund was allocated to 5 platforms: the IFC Earth Fund, the World Bank-Conservation International Conservation Agreements Private Partnership, UNEP Market Transformation for Efficient Lighting, UNEP-Rainforest Alliance Greening the Cocoa Industry, the IADB Nature Conservancy Public-Private Funding Mechanisms for Watershed Protection ("IADB-TNC Water Funds").

35. Based on the findings of the Earth Fund Evaluation, the Council requested the GEF Secretariat to prepare a revised strategy on GEF's engagement with the private sector that would include a plan for the implementation of the second phase of the Earth Fund (GEF 2011a, pp. 6). . The new strategy developed in April 2011 proposed two main modalities for engaging the private sector in GEF-5: i) Establishing private sector platforms in cooperation with multilateral development banks; and ii) Encouraging innovation in small and medium enterprises through competition, incubation and targeted investment (GEF 2011d, p. iii). Half a year later, this strategy was revised and comprised one more modality: Incentivizing use of non-grant instruments that generate reflows within STAR allocation or non-STAR focal area projects through a matching program (GEF2011e, p. 11).[24]

36. To formulate its private sector strategy, GEF has conducted several policy reviews. For example, after the approval of the two global private sector investment funds (SME and PVMTI) in 1996, the Council requested the Secretariat to ensure that the sub-projects within these programs would be consistent with GEF's operational policies and incremental cost approach (GEF 1996c). As a response to this request, the 1998 GEF Secretariat report identified several issues related to the private sector participation: country ownership of the private sector projects, cost-effectiveness, conformity with the operational programs (focal areas), and incremental cost (GEF 1998d).

37. The 1999 GEF Secretariat paper, "Engaging the Private Sector in GEF Activities" (GEF 1999c), explored additional modalities for partnership. This review found that the private sector was largely unaware of the GEF existence, that the approval process was too complex and that a basic conflict prevailed between confidentiality needs in the private sector and the transparency requirement for GEF funding. The review also set out four specific modalities for the private sector participation while conforming to GEF criteria: (a) removal of barriers to the creation of, entry to, or transformation of markets that support

24. The 2011 revised strategy is presented in more detail at the end of this section.

global environmental objectives, (b) non-grant financing modalities, (c) alternative bankable feasibility studies, and (d) partnerships.

38. A further review of the partnership with the private sector in the biodiversity and climate change focal areas was conducted by the GEF Monitoring and Evaluation Unit in 2004 (GEF Evaluation Office 2004a). This review recommended developing a comprehensive strategy for engaging the private sector and structuring future dialogue with private sector and any resulting strategic approach by business sector, rather than by GEF focal area.

39. Similarly, the third Overall Performance Study of the GEF (GEF Evaluation Office 2005a) concluded that GEF had missed opportunities for increasing its catalytic effects through projects with the private sector due to the lack of a specific GEF strategy in this area. The study recommended undertaking a private sector initiative and developing a strategy for communication and risk sharing arrangements.

40. A GEF Secretariat paper accompanying the new 2006 strategy identified further obstacles to private sector engagement the private sector: the complexity of GEF and agencies' procedures, GEF's strict categorization into focal areas, the risk-averseness of GEF and its agencies, the contradiction between the need for confidentiality in the private sector and the transparency of GEF processes, the lack of knowledge of the GEF in the private sector, the possible perception of governments and private sector stakeholders as competitors for GEF funds, etc. (GEF 2006e, pp. 14).

41. Participants to the 5th replenishment of the GEF recommended that the structure and operation of the Earth Fund be evaluated before the Council considered the proposal to further capitalize the Fund with GEF-5 resources (GEF 2010h, p.8). The evaluation conducted by the GEF Evaluation Office in 2010 found that the Earth Fund had not achieve its purpose, that it had become more of a project-level granting mechanism than a Fund (as intended), and that expectations of the reflows and co-financing had been too optimistic, etc. (GEF Evaluation Office 2010c). The report observed several flaws in the design of the Earth Fund, including:

- The EF Trust Fund was not authorized to engage with private sector entities directly. In addition none of the EF platforms shared operational management and accountability with the private sector,
- "Delegated authority" rights granted to the pilot IFC Earth Fund were not clearly described,
- The private sector's role at EF or platform level was not defined. In addition, Board also did not have clear function, and had no value added.

42. The review recommended revising the Earth Fund for its second phase, defining objectives, conducting thorough market analysis, revising the criteria for access to the funding, and strengthening the Fund's management.

43. In their policy recommendations, participants to the 5th replenishment of the GEF further "emphasized the need for the GEF's private sector strategy to be broader than the recapitalization of the Earth Fund (GEF 2010h, p. 8).

44. The 2011 revised strategy, which is the current private sector strategy of the GEF, addressed this recommendation by introducing three modalities for engaging the private sector in GEF activities:

- First, the strategy came back to the initial PPP concept. In its first modality, it suggests establishing PPPs through the private sector windows of Multilateral Development Banks. Under this modality, MDBs would however operate with significantly less delegated authority than the IFC Earth Fund (GEF 2011e, pp. 11).
- Secondly, the strategy acknowledged the detrimental character of the introduction of the RAF on the private sector engagement. It therefore proposes incentivizing the use of non-grant instruments by rewarding the use of STAR resources with matching funding from the private sector set-aside (GEF 2011e, pp. 12).
- Finally, the revised strategy proposes a SME competition pilot to encourage entrepreneurs and innovators seeking to establish a green and clean venture, again, with matching funding from the private sector set-aside (GEF 2011e, pp. 13).

Appendix C2: Environmental Policies and Strategies of the World Bank Group

Environmental Policy and Safeguards in the World Bank

1. As early as 1970, the World Bank created the *Office of Environmental Advisor* and, in 1971, published its very first environmental report (World Bank 1971). The 15 page publication *The World Bank and the World Environment* highlights the importance of proper and timely environmental appraisal of World Bank projects and describes a checklist of environmental appraisal questions.

2. More than a decade later, in 1984, the World Bank issued its first environmental policy instruction (Freestone 2013, p.9 and World Bank Operational Manual OP 4.01). In 1989, two years after the Environment Department had been set up, the *Operational Directive on Environmental Assessment* was established, updated in 1991 and replaced by the Operational Policy on Environmental Assessment in 1999 (Freestone 2013, p. 12 and World Bank Operational Manual 4.01). In 1992, the World Bank had begun to recode its policies into Operational Policies (OPs) and Bank Procedures (BPs) focusing on substantive policy instructions and procedural steps to be followed by Bank staff in project preparations. OPs and BPs constituted a “do no harm” code and were meant to be complemented by a “doing good” code in form of “Good Practice” statements. The latter however didn’t materialize at the time (Freestone 2013, pp. 12 and pp. 47).

3. In 1998, it was decided to reorganize the Operation Manual and group “Safeguard Policies” together. Today, the World Bank’s Operation Manual contains six environmental safeguards that are summarized in Table C-3.

4. Since 2005, the World Bank also pilots the use of national systems for environmental (and social) safeguards, provided these meet equivalent standards (World Bank Operational Manual OP 4.00). However, this approach has proved to be very cumbersome (IEG 2010a, pp. xxvi).

5. The World Bank’s Safeguard Policies have undergone a review and are now subject to a 2-year assessment and subsequent reform (IEG 2010a and IEG 2009b)

Corporate Environmental Strategies of 2001 and 2012

6. In 2001, the World Bank’s Board endorsed the corporate environment strategy *Making Sustainable Commitments – An Environment Strategy for the World Bank* (World Bank 2001a) which built on a the results of a review of the World Bank’s environmental performance (OED 2002) that was conducted in parallel.

Table C-3. Overview of World Bank Environmental Safeguards

Operational Policy	Established	Objectives
OP 4.01 Environmental Assessment	1999	To help ensure the environmental and social soundness and sustainability of investment projects. To support integration of environmental and social aspects of projects into the decision making process.
OP 4.04 Natural Habitats	2001	To promote environmentally sustainable development by supporting the protection, conservation, maintenance, and rehabilitation of natural habitats and their functions.
OP 4.09 Pest Management	1998	To minimize and manage the environmental and health risks associated with pesticide use and promote and support safe, effective, and environmentally sound pest management.
OP 4.36 Forests	2002	To realize the potential of forests to reduce poverty in a sustainable manner, integrate forests effectively into sustainable economic development, and protect the vital local and global environmental services and values of forests.
OP 4.11 Physical Cultural Resources	2006	To assist in preserving physical cultural resources and avoiding their destruction or damage. PCR includes resources of archaeological, paleontological, historical, architectural, religious (including graveyards and burial sites), aesthetic, or other cultural significance.
OP 4.37 Safety of Dams	2001	To assure quality and safety in the design and construction of new dams and the rehabilitation of existing dams, and in carrying out activities that may be affected by an existing dam.

Source: World Bank Operational Manual, OP 4.00 – Table A1.

7. The strategy promotes environmental improvements as a fundamental element of development and poverty reduction strategies and actions and defines three-tiered objectives framework:

- *Improving the quality of life* by enhancing livelihoods of the poor through improved natural resources management, protecting people's health from environmental risk and pollution to reduce the disease burden, and reducing people's vulnerability to environmental risks, including moderate and extreme natural events;
- *Improving the quality of growth* by promoting policy, regulatory and institutional frameworks for environmentally sustainable growth; and
- *Protecting the quality of the regional and global commons* by addressing transboundary and global environmental problems.

8. With respect to the third pillar of the strategy, which is of special relevance for this review, the strategy puts forward principles of a poverty-focused environmental agenda with emphasis on the local aspects of global environmental challenges, on reducing the impacts of the degradation of the global environmental commons on developing countries, and on interventions that are carefully targeted to benefit developing countries and local communities:

- Focus on the positive linkages between poverty reduction and environmental protection;

- Focus first on local environmental benefits, and build on overlaps with regional and global benefits;
- Address the vulnerability and adaptation needs of developing countries;
- Facilitate transfer of financial resources to client countries to help them meet the costs of generating global and environmental benefits not matched by national benefits; and
- Stimulate markets for global environmental public goods.

9. With reference to the World Bank's mission of lasting poverty reduction, the strategy prioritizes issues where linkages between poverty and environment are particularly strong. It acknowledges that balancing economic, environmental and social aspects of development inevitably involves value judgments and societal choices, which often require difficult tradeoffs among generations, social groups, and countries. It continues that these tradeoffs may only be apparent and disappear when the time dimension and the full social cost of economic activity is considered.

10. The strategy prescribes a number of improvements throughout the World Bank to better integrate, or mainstream, environment into investments, programs, sector strategies, and policy dialogue:

- Strengthening analytical and advisory activities;
- Addressing environmental priorities through project and program design; and
- Improving the safeguard system.

11. The strategy also lays out a comprehensive plan for institutional realignment in order to strengthen the World Bank staff's ability to manage the shift from viewing the environment as a separate, freestanding concern to considering it as an integral part of development assistance and, then, to put this understanding into practice. The elements of institutional alignment cover reviewed accountability frameworks and incentives, environmental training, dedicated resources, partnerships and progress monitoring.

12. In 2012, the World Bank Board endorsed the follow-up corporate environment strategy, *Toward a Green, Clean, and Resilient World for All – A World Bank Group Environment Strategy 2012–2022* (World Bank Group 2011). While the 2001 strategy focused specifically on the World Bank (IBRD and IDA), the 2012 strategy covers the work of all World Bank Group institutions.

13. It defines three agendas:

- The *green agenda* focuses on nurturing greener, more-inclusive growth and poverty reduction while protecting biodiversity and ecosystems;
- The *clean agenda* focuses on helping countries to manage pollution proactively and find low-emission paths to development; and
- The *resilience agenda* will continue to work with development partners and the private sector to help countries reduce their vulnerability to climate risks.

14. Across these three agendas, action in seven key areas is prioritized:

- Under the green agenda, the World Bank Group will work through two global partnerships:
    - Through the *Wealth Accounting and Valuation of Ecosystems Services (WAVES)* global partnership, to support countries valuing their natural capital assets like forests, coral reefs, and wetlands and incorporating them into their systems of national accounts; and
    - Through the *Global Partnership for Oceans*, to work with a broad coalition of governments, international agencies, nongovernmental organizations, and private companies to find ways to restore the world's oceans to health and economic productivity.
- Under the clean agenda, the World Bank Group will:
    - Foster a South-South exchange on best practice for managing pollution, work with its partners and carbon finance funds to scale up use of cleaner stoves to help reduce indoor pollution and benefit women and children, work with countries on river cleanup and legacy pollution issues, and seek partnerships with the private sector to work on cleaner production strategies; and
    - Work across World Bank Group regions and sectors to improve energy efficiency, encourage a shift to renewable energies, find climate-smart agricultural solutions, and build cleaner, lower-carbon cities as well as continue to work to find innovative carbon finance and climate finance solutions to help countries adopt low-emission paths to development and improve resource efficiency.
- Under the resilience agenda, the World Bank Group will:
    - Support countries to find climate change adaptation solutions that add value to inclusive green growth, such as climate-smart agriculture or better coastal zone management and will continue to develop innovative approaches to increasing climate finance focused on adaptation;
    - Work with countries to find ways to minimize the damage of natural disasters in terms of loss of life and structural damage, including expanding the use of financial instruments, like climate risk insurance, to help with recovery from natural disasters; and
    - Continue its work with small island developing states to help reduce their dependence on imported oil while supporting efforts to boost renewable sources of energy. Through the International Development Association and the Pilot Program for Climate Resilience, the WBG will support projects to improve climate resilience in infrastructure and to reduce vulnerability through restoration of protective coastal ecosystems such as mangroves.

Performance Standards and Sustainability Strategies in IFC

15. IFC's mission is to promote sustainable private sector investment in developing countries, helping to reduce poverty and improve people's lives. Article 1 of the Articles of Agreement (IFC 2012a) states that IFC's purpose is "to further economic development by encouraging the growth of productive private enterprise in member countries, particularly in

the less developed areas, thus supplementing the activities of the International Bank for Reconstruction and Development (hereinafter called the Bank). In carrying out this purpose, the Corporation shall:

- In association with private investors, assist in financing the establishment, improvement and expansion of productive private enterprises which would contribute to the development of its member countries by making investments, without guarantee of repayment by the member government concerned, in cases where sufficient private capital is not available on reasonable terms;
- Seek to bring together investment opportunities, domestic and foreign private capital, and experienced management; and
- Seek to stimulate, and to help create conditions conducive to, the flow of private capital, domestic and foreign, into productive investment in member countries." (IFC 2012a, p.1)

16. In the absence of an IFC-specific environmental strategy (Le Groupe conseil baastel ltée 2007 p. 6), the IFC could have set goals and priorities in the corporate environmental strategies of 2001 and 2012. However, neither the 2001 nor the 2012 environment strategies provides specific details about the environmental agenda of IFC or on IFC's place in the corporate goals related to the environment. In one of the pillars of the 2001 Strategy — *Improve Quality of Growth* — the WBG engaged to "support environmentally and socially sustainable private sector development" (World Bank 2001a, p. 49). But overall, the IFC's role in the 2001 WBG environmental strategy was limited to "promote environmental responsibility and good environmental management practices in the private sector through [its] investments". The 2012 strategy prescribes even less: the document mainly refers to IFC's achievements in the Sustainability Practice area (World Bank Group 2012, pp. 24).

17. Before the first 2001 WBG environmental strategy, the involvement of IFC in environmental issues was driven by two parallel processes: the establishment and continuous improvement of IFC's own environmental safeguards and policies, and the attempt to explore the market for environmental goods and services.

DOING NO HARM

18. In 1989, IFC started screening its projects using existing World Bank standards and safeguards.[25] Soon, the practice of reviewing private sector projects risks against public sector guidelines proved to be difficult because of the incompatibility of these sectors' goals and project cycle.

19. Several reviews conducted by external groups led to the revision of the IFC social and environmental guidelines:

- A review of the widely discussed dam and hydroelectric plant Pangue, Chile was undertaken in 1997. The review reported civil society organizations' concerns that

25. World Bank Operations Manual: OP 4.01: Environmental Assessment; OP 4.04: Natural Habitats; OP 4.09: Pest Management; OP 4.36: Forestry; OP 7.50: International Waterways.

this project had violated E&S guidelines (Hair 1997, p. 1). Based on Jay D. Hair's report, the Board developed a number of recommendations regarding E&S of IFC.

- In 1997, IFC requested a review of its environmental procedures, led by P. Higgins (IFC 1997). Although the report concluded that IFC procedures were well advanced, it provided a significant number of recommendations to enhance the effectiveness of the E&S procedure.

- In the same year, the consulting firm Environmental Resources Management conducted a review of IFC's public consultation process for category A projects.[26] (Environmental Resources Management 1997). This review found that IFC's consultation and disclosure systems were not efficient, and showed mixed results.

20. As a result, IFC developed and adopted the Pollution Prevention and Abatement Handbook in 1998 in cooperation with the World Bank (World Bank Group 1999). This document and the safeguard policies in the World Bank Operational Manual led the environmental review process in the IFC portfolio. In addition to this, IFC issued a good-practice manual in 1999: Doing Better Business through Effective Public Consultation and Disclosure (IFC 1999), and established the office of the Compliance Advisor and Ombudsman (CAO). [27]

INVESTING IN ENVIRONMENT

21. Along the process of improving project risk assessment instruments, IFC tried to develop investments with environmental benefits. These efforts began with the 1992 study, *Investing in the Environment* (IFC 1992), which explored markets for environmental goods and services in nine developing countries. The same year IFC established its Technical and Environment Department, and later, in 1997, it created a dedicated Environmental Projects Unit. Among other, the unit was responsible for the development of GEF funded programs and projects. In 2000, this unit became the Environment and Social Development Department, with more than 100 staff.

22. IFC made a first explicit reference to its commitment to the concept of sustainability in the Strategic Directions paper approved by the Board in May 2001 (IFC 2001). profits; In

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26**. Category A:** A project is classified as Category A if it is likely to have adverse environmental impacts on people and important environmental areas that are sensitive, diverse, or unprecedented. Category A projects require a full ea document, normally an Environmental Impact Assessment (EIA). **Category B:** A project is classified as Category B if its potential adverse environmental impacts on people and environmentally important areas are less adverse than those of Category A. Category B projects require an ea document. The ea findings must be summarized in an Environmental Review Summary (ERS). **Category C:** A project is classified as Category C if it has minimal or no adverse environmental impacts. No further actions are required. **Category FI:** A project is classified as FI if it involves investment of IFC funds through a financial intermediary in subprojects. (IFC 2003b, p. 16).

27. The CAO has 3 roles: to advise IFC and MIGA and to help them to address complaints by people directly affected by projects; to oversee IFC and MIGA compliance audits, overall E&S performance, and specific projects; to provide independent advice to the WB president and management on specific projects (www.ifc.org/cao)

this paper, IFC expressed its readiness to "move beyond its "do no harm" approach on environmental and social issues to a more explicit "adding value" approach", i.e. to focus on how the private sector can create financial value out of environmental value (IFC 2001, pp. 14). The Strategic Directions paper proposed that sustainability be considered in three domains: 1. IFC's investments and its capacity to mobilize additional investment from private sources; 2. the Corporation's role as a leader in the financial sectors; and 3. footprint in terms of the environmental and social impacts of the Corporation's physical presence and activities (IFC 2001, p.15). In the same year, IFC commissioned a "footprint audit" to assess the impact of IFC on the environment and the communities within which it is based (IFC.2003b)

23. The sustainability approach was further developed and explained in the 2002 *Developing Value* report jointly produced by IFC, the Ethos Institute and SustainAbility. In this report, the concept of sustainability was defined as "long-term business success while contributing towards economic and social development, a healthy environment and a stable society" (Ethos Institute et al 2002, p. 7). In its 2003 Sustainability Review, IFC further explored "ways to turn sustainable development into commercial opportunities" (IFC 2003a, p. 7).

24. In parallel, in June 2003, ten global financial institutions announced the adoption of the "Equator Principles", a credit risk management framework for identifying, assessing and managing environmental and social risks in projects where total project capital costs exceed $10 million. These Principles were based on IFC's environmental and social safeguard policies and later incorporated IFC's 2006 Performance Standards and the 2007 updated World Bank Group Environmental, Health, and Safety Guidelines.[28] Currently, 79 financial institutions have adopted the Equator Principles.

25. Starting in 2003, IFC's annual strategic document (IFC Strategic Directions, and later the Road Map) increased its focus on sustainable energy, sustainable agribusiness, and the sustainable management of natural resources. The Road Map for 2009–11 identified climate change as a strategic area for the IFC (IFC 2008, pp. i). The Road Map for 2010–12 set up indicators for the climate change, agribusiness, and water target areas (IFC 2009, p. 12). In 2009, climate change was included as a strategic focus in IFC's Development Goals. This strengthened focus on climate change was reflected in the creation of the Climate Business Group in 2010 (now Climate Business Department) and the establishment of a working group to develop climate risk screening tools for investment in 2012 (IFC 2012b, p. 5).

26. IFC concessional lending to the private sector started growing recently, and in 2008 the IFC created the Financial Mechanisms for Sustainability Unit (FinMech) — now Blended Finance Unit[29] (BFU) — which manages donor funding, including concessional finance and technical assistance grants, alongside IFC's funding with the aim of catalyzing private sector investments that benefit the environment (IFC 2012c, p. 1). The donor partners of the BFU are the GEF, the Climate Investment Funds and the Canada Climate Change Program.

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28. See: http://www.equator-principles.com (last access: 5/21/2013)

29. The BFU is part of the IFC Environment and Social Development Department (now Sustainable Business Advisory Department)

IMPROVING ENVIRONMENTAL STANDARDS AND SAFEGUARDS

27. Based on the 2003 *Review of IFC's Safeguard Policies* by its Compliance Advisor Ombudsman (CAO), the IFC initiated the development of IFC's Safeguard Policies and Disclosure Policy. The first Sustainability Framework and Performance Standards (which replaced the safeguards) was adopted in 2006 and updated in 2012. It includes the following five documents: the Sustainability Policy (IFC 2006a); the Performance Standards (IFC 2006b); the Guidance Notes (IFC 2006c); the Environmental and Social Review Procedures (IFC 2006d); and the Environment, Health & Safety (EHS) Guidelines (IFC 2006e).From an operational point of view, the Sustainability Framework articulates IFC's strategic commitment to sustainable development (including the environment), serving also as an approach to risk management.

28. An assessment of the Framework's effectiveness was conducted and presented to the Board in 2009. Based on the findings of this report, the Board agreed with the proposal to initiate a review and update process of the 2006 Sustainability Framework (IFC 2011, p. iii).

29. The updated IFC Sustainability Framework became effective on January 1, 2012. In its commitments, the framework especially focuses on climate change as global challenge and obstacle to economic and social well-being and to development efforts (IFC 2012g, p. 4).The updates especially concern challenging issues such as supply-chain management, resource efficiency, and business and human rights.[30]

30. IFC website on IFC's sustainability framework: http://www1.ifc.org/wps/wcm/connect/Topics_Ext_Content/IFC_External_Corporate_Site/IFC+Sustainability/Sustainability+Framework/ (Last access: 5/21/2013)

Appendix C3: Country Membership Mismatches between World Bank, IFC and CBD, UNFCCC, UNCDD, and the Stockholm Convention on POPs

	IBRD/IDA	IFC	CBD	UNFCCC	UNCDD	Stockholm POP
Total number of members	188	184	193	195	195	179
Andorra				x	x	
Bhutan	x	x	x	x	x	
Brunei Darussalam	x		x	x	x	
Cook Island			x	x	x	x
Cuba			x	x	x	x
Democratic People's Republic of Korea			x	x	x	x
Equatorial Guinea	x	x	x	x	x	
European Union			x	x	x	x
Grenada	x	x	x	x	x	
Haiti	x	x	x	x	x	
Iraq	x	x	x	x	x	
Israel	x	x	x	x	x	
Italy	x	x	x	x	x	
Kosovo	x	x				
Liechtenstein			x	x	x	x
Malaysia	x	x	x	x	x	
Malta	x	x	x	x	x	
Monaco			x	x	x	x
Nauru			x	x	x	x
Niue			x	x	x	x
San Marino	x		x	x	x	
South Sudan	x	x				
St Vincent and the Grenadines	x		x	x	x	x
Timor-Leste	x	x	x	x	x	
Turkmenistan	x	x	x	x	x	
Tuvalu	x		x	x	x	x
United States	x	x		x	x	
Uzbekistan	x	x	x	x	x	

Appendix D1: The World Bank-GEF Project Cycle for Different Modalities

The following Appendix is a detailed record of the World Bank-GEF project cycle for different modalities (see contents below). It indicates the different steps of the project cycle in chronological order, the person responsible for each step as well as the output or decision expected at each step. The middle column highlights the coordination and facilitation activities undertaken by the World Bank's GEF Coordination Office along the project cycle.

Green cells indicate outputs/decisions/coordination related to the GEF project or influenced by GEF requirements that are produced by World Bank staff in addition to the requirements of the World Bank project cycle.

CONTENTS – RECORDED MODALITIES

1. Project cycle and outputs for a GEF FSPs implemented by the World Bank
2. Project cycle and outputs for a GEF MSPs implemented by the World Bank
3. Project cycle and outputs for a GEF Project (MSP/FSP) under Programmatic Approach implemented by the World Bank as Qualifying GEF Agency
4. Streamlined project cycle and outputs for Small Grants (US$2–5 million) financed by Recipient-Executed Trust Funds after March 31, 2012

Note: Project cycle and outputs for GEF Enabling Activities implemented by the World Bank are not represented here since there have been only 2 EAs under GEF-4. These EAs were non-expedited, i.e. they were processed as FSPs because the requested GEF grant exceeded USD 500.000. There has been no EA during GEF-5.

SOURCES

- GEF Project Cycle Steps for Medium-Sized Projects (MSPs), ENVGC.
- Guide to the GEF Project Cycle. GEF Full-Sized Projects – A Resource for World Bank Task Teams, ENVGC 2011.
- Procedures for Small Recipient-Executed Trust Fund Grants – Guidance to Staff, World Bank 2012.
- Processing Small Trust Fund Grants New Guidance: Applicability to GEF Grants, ENVGC 2012.
- Operational Manual OP 10.20 and BP 10.20, World Bank 2009.
- GEF Project and Programmatic Approach Cycles, GEF/C.39/Inf. 3, GEF 2011.GEF Project Cycle Update: Clarification of Policies and Procedures for Project Amendments and Drops/Cancellation, GEF 2004.

Table D-1. Project Cycle and Outputs for a GEF Full-Sized Project Implemented by the World Bank

World Bank			Coordination	GEF		
Step	Responsible	Output/Decision Point/Process		Step	Responsible	Output/Decision Point/Process
1. Identification and GEF approval						
1.1	Task Team Leader (TTL)	The TTL is responsible for preparing a **Project Concept Note** (PCN) World Bank template: max. 6 pages outlining the project objectives, concept, risks and estimated resources needed	*There is no formal rule determining which of the PCN of PIF should be prepared first;* The Regional Coordinator reviews the proposal's eligibility for GEF funding; The PIF is cleared by the Regional Coordinator and Thematic Specialist; Early informal consultations between the TTL and the GEF Sec Program Manager, if any (recommended by the Coordination Office); A bilateral Meeting between the GEF Sec and the TTL/Regional Coordinator/Thematic Specialist can take place during the PIF review.	1.1	TTL	The TTL is responsible for preparing a **Project Identification Form** (PIF) GEF template: 4 pages (16 pages when filled on average) describing the budgeted Focal Area outcomes, the project framework, resources and project justification with regard to GEF policies
1.2	TTL	The TTL organizes the PCN Review Meeting		1.2	TTL	The TTL is responsible for preparing a **Project Preparation Grant** (PPG) request (if requested) GEF template: 3 pages on planned activities and budget
1.3	Country Director	The Country Director reviews and approves the PCN		1.3	TTL/GEF Operational Focal Point	The TTL requests that the Operational Focal Point endorses the project through a PIF Endorsement Letter (GEF template)
1.4	TTL	The TTL is responsible for preparing the **Project Information Document** (PID) with information on the project. The PID is regularly updated throughout project preparation and publicly disclosed.		1.4.	GEF Secretariat STAP	The GEF Sec Program Manager reviews the PIF and prepares a **review sheet** within 10 days and either does not recommend further processing or requests further clarifications and resubmission (step 1.1) or recommends it to the CEO for inclusion in the Work Program In parallel, STAP reviews the project and provides a screening report which is sent to the Council along with the Work Program
1.5	TTL	The TTL is responsible for preparing an **Integrated Safeguards Data Sheet** (ISDS) addressing the World Bank safeguard policies and their management in the project.		1.5	CEO	The **PIF Clearance Letter** is sent by the GEF CEO to the Coordination Office authorizing project preparation

World Bank			Coordination	GEF		
Step	Responsible	Output/Decision Point/Process		Step	Responsible	Output/Decision Point/Process
1.6	Regional Safeguard Team	The Regional Safeguard Team clears the ISDS		1.6	CEO	The PIF is included in the **Work Program** and submitted to the GEF Council for approval (twice a year or inter-sessionally on a no-objection basis) depending on available resources
				1.7	GEF Operational Committee	Before submitting the Work Program to the GEF Council, the Secretariat organizes a GEF Operational Committee meeting for review and feedback.
				1.8	GEF Council	The PIF is approved by the Council. The TTL has 18 months to prepare and submit the projects for CEO Endorsement. Council members might provide written comments within three weeks of approval.
2. Preparation						
2.1	TTL	The TTL prepares a **Draft Project Appraisal Document**				
2.2	TTL	The TTL organizes the Quality Enhancement Review (QER) and writes a QER report which serves as a basis for appraisal, as appropriate.	The Regional Coordinator and Thematic Specialist are invited to the QER Review.			
3. Appraisal and GEF Endorsement						
3.1	TTL	The **Project Appraisal Document (PAD)** is prepared following the World Bank template and with additional GEF-specific annexes.	The Regional Coordinator is copied on TOR/Statement of Mission Objectives and BTOR/Aide Memoire of the Appraisal Mission; Regional Coordinator and Thematic Specialist are invited to the PAD Decision Meeting.	3.4	TTL	The TTL prepares the **CEO Endorsement package** including: • CEO Endorsement request, • Letters with confirmed co-financing, • Focal Point Endorsement Letter, • Focal Area Tracking Tool • Project Appraisal Document
3.2	TTL	The TTL organizes the PAD Decision Meeting	The CEO Endorsement package is submitted to the Regional Coordinator. The	3.5	GEF Sec	The CEO endorsement request is reviewed within 10 days. A review sheet is prepared. If clarifications are needed, the request will be re-submitted following the same procedure.

World Bank			Coordination	GEF		
Step	Responsible	Output/Decision Point/Process		Step	Responsible	Output/Decision Point/Process
3.3	TTL	The TTL conducts the Appraisal Mission	Regional Coordinator seeks Thematic Specialist clearance. The Regional Coordinator sends the CEO Endorsement request through the tracking system	3.6	Council	Optional review The project is posted to the Council members for review if a Council member had requested so at project approval or if the CEO determines that there have been major changes in the project since approval by the Council *(For projects approved under GEF-4, this review is not optional)*
				3.7	CEO	**CEO Endorsement Letter** The CEO sends the CEO Endorsement Letter to the World Bank GEF Executive Coordinator.
4. Negotiation and approval						
4.1	TTL	The TTL is responsible for preparing the **Negotiation Package** for negotiations.	The Regional Coordinator clears the packages; Changes during negotiations related to GEF aspects require Regional Coordinator clearance; After the negotiations, the minutes of negotiation are sent to the GEF Sec through the tracking system (for blended projects).			
4.2	TTL	The Task Team seeks the Regional Vice President's approval for circulation to the Board.				
4.3	TTL	The **Memorandum of the President** is prepared.				
4.4	Board	The **Board approves the project** (Receipt of the CEO Endorsement Letter is required).				
4.5	Regional staff	A Bank regional Staff prepares a **press release** to be posted on the Bank's web.	The press release is cleared by the Regional Coordinator.			

World Bank			Coordination	GEF		
Step	Responsible	Output/Decision Point/Process		Step	Responsible	Output/Decision Point/Process
5. Implementation and supervision						
5.1	TTL and Lawyers	The recipient country signs the **Legal Documents** prepared by the TTL and lawyers (separate document for GEF financing).	*Project restructuring or grant agreement amendments require Regional Coordinator clearance.*			*(Major restructuring during implementation of projects requires Council and CEO review and clearance)*
5.2	Country Management Unit	The **Declaration of Effectiveness** is sent by the Country Management Unit Director to the borrower.	A copy is sent to the Regional Coordinator.			
5.3	Supervision team	**Implementation Status and Result Reports (ISRs)** are prepared twice a year.	ISRs are transmitted by the Coordination Office to the GEF Sec.	5.3	GEF Sec	ISR are integrated into the Annual Monitoring Review (AMR)
5.4	TTL	The **Mid-Term Review** is conducted following the Bank TOR and additional guidelines for GEF project review.	The Thematic Specialist advises on the completion of the Focal Area Tracking Tool; A copy is sent to the Regional Coordinator and GEF Sec.	5.4	TTL	At mid-term, the Focal Area Tracking Tool and co-financing report are completed and transmitted to the GEF Sec for the AMR.
6. Completion						
6.1	TTL	The TTL closes the project				
6.2	TTL	The TTL is responsible for the preparation of the Implementation Completion Report (ICR).	The ICR is sent to the Regional Coordinator.	6.2	TTL	Focal Area Tracking Tool and co-financing table are completed and transmitted to the GEF Sec for the AMR
6.3	Independent Evaluation Group (IEG)	IEG prepares an **ICR Review.**	IEG distributes its evaluative note to the GEF Executive Coordinator, the Regional Coordinator, and the GEF Evaluation Office, for information and comment. The Coordination Unit transmits the Implementation Completion Report and Focal Area Tracking Tool to the GEF Evaluation Office.	6.3	GEF Evaluation Office	Implementation Completion and Results Report, Focal Area Tracking Tool and co-financing data are transmitted to the GEF Evaluation Office

Table D-2. Project cycle and outputs for a GEF MSPs implemented by the World Bank

World Bank			Coordination	GEF		
Step	Responsible	Output/Decision Point/Process		Step	Responsible	Output/Decision Point/Process
1. Identification and GEF approval						
1.1	TTL	The TTL is responsible for preparing the **Project Concept Note (PCN)** World Bank template: max. 6 pages outlining the project objectives, concept, risks and estimated resources needed	The Regional Coordinator reviews the proposal's GEF eligibility; The PCN, PIF and PPG (if any) are cleared by the Regional Coordinator and Thematic Specialist; Informal consultations between the TTL and the GEF Sec Program Manager might take place on the PIF; The PIF and PPG are submitted together to the GEF Sec by the Regional Coordinator;			
1.2	TTL	The TTL organizes the PCN Review Meeting				
1.3	Country Director	The Country Director reviews and approves the PCN		In case of a one-step approval (i.e. a MSP without Project Preparation Grant), go to step 2.1 directly		
1.4	TTL	The TTL is responsible for preparing the **GEF Project Information Document** (PID) containing a brief summary of the main project elements. The PID is updated throughout project preparation.		*1.4*	*TTL*	*Project Identification Form (PIF) and optional Project Preparation Grant (PPG) request*
1.5	TTL	The TTL is responsible for preparing an **Integrated Safeguards Data Sheet** (ISDS) addressing the World Bank safeguard policies and their management in the project.		*1.5*	*TTL/GEF Operational Focal Point*	*The TTL requests that the Operational Focal Point endorses the project through a PIF Endorsement Letter*
1.6	Regional Safeguard Team	The Regional Safeguard Team clears the GEF ISDS		*1.6*	*GEF Secretariat*	*The GEF Sec reviews the PIF/prepares a review sheet within 10 days and either does not recommend the PIF for further processing, recommends the PIF for CEO approval or requests clarifications*
				1.8	*CEO*	*The PIF clearance letter is sent by the CEO to the Coordination Office authorizing project preparation (12 months)*

World Bank			Coordination	GEF		
Step	Responsible	Output/Decision Point/Process		Step	Responsible	Output/Decision Point/Process
2. Project Document Preparation and Submission						
			MSP project Document is submitted to the Regional Coordinator for clearance; The Regional Coordinator prepares the MSP project package and sends it to the Thematic Specialist for clearance; The Regional Coordinator submits the package to the GEF Sec.	2.1	TTL	The Task Team prepares the MSP Project Document (GEF request for CEO Approval), Focal Area Tracking Tool and co-financing table.
				2.2	GEF Sec	The GEF Sec sends a review sheet to the Regional Coordinator within 10 business days
				2.3	TTL and Regional Coordinator	The TTL and Regional Coordinator prepare the Revised MSP Project Document with annex on responses to the GEF Sec comments
				2.4	CEO	The **CEO MSP Approval Letter** is sent to the GEF Executive Coordinator
3. CMU Approval						
3.1	TTL	The TTL prepares the **MSP Final Package** for Bank approval	The Regional Coordinator reviews the package.			
3.2	Country Director	The Country Director Approves the MSP Final Package				
3.4	Recipient and CD	The recipient and the CD sign the **Grant Agreement**				
4. Implementation and supervision						
4.1	TTL	The Declaration of Effectiveness is prepared by the TTL and signed by the borrower	A copy is sent to the Regional Coordinator			

World Bank			Coordination	GEF		
Step	Responsible	Output/Decision Point/Process		Step	Responsible	Output/Decision Point/Process
4.2	TTL	The TTL reports on progress and results through the Grant Reporting and Monitoring	Focal Area Tracking Tool and Co-financing report are sent to the GEF Coordination Office. The GEF Coordination Office transmits the Mid-Term Review, Focal Area Tracking Tool and co-financing report to the GEF Sec	4.3	TTL	**Mid-Term Review**, **Focal Area Tracking Tool and co-financing report** are prepared under the responsibility of the TTL for GEF Sec Annual Monitoring Review (AMR)
5. Completion						
5.1	TTL	The TTL closes the project	The completion report is cleared by the Regional Coordinator and sent to the Executive Coordinator with a copy to the GEF Evaluation Office; Focal Area Tracking Tool and Co-financing report are sent to the GEF Coordination Office.			
5.2	TTL	3 months after legal closure of the grant, the TTL is responsible for preparing the Implementation Completion Memorandum on the Grant Reporting and Monitoring		6.3	TTL	Focal Area Tracking Tool and co-financing report are required by the GEF Sec for AMR

Table D-3. Streamlined project cycle and outputs for Small Grants (US$ 2–5 million) financed by Recipient-Executed Trust Funds (RETFs) after March 31, 2012 (does not apply to fully blended projects)

<table>
<tr><th colspan="3">World Bank</th><th>Coordination</th><th colspan="3">GEF</th></tr>
<tr><th>Step</th><th>Responsible</th><th>Output/Decision Point/Process</th><th></th><th>Step</th><th>Responsible</th><th>Output/Decision Point/Process</th></tr>
<tr><td colspan="7">1. Identification and GEF approval</td></tr>
<tr><td>1.1</td><td>TTL</td><td>A Project Concept Note (PCN) is prepared with simplified risk assessment</td><td rowspan="7">There is no formal rule determining which of the PCN of PIF should be prepared first;

The Regional Coordinator reviews the proposal’s eligibility;

The PIF is cleared by the Regional Coordinator and Thematic Specialist;

Early informal consultations between the TTL and the GEF Sec Program Manager are recommended by the Coordination Office;

A bilateral Meeting between the GEF Sec and the TTL/Regional Coordinator/Thematic Specialist might take place during the PIF review.</td><td>1.1</td><td>TTL</td><td>The TTL prepares a Project Identification Form (PIF)</td></tr>
<tr><td>1.2</td><td>TTL</td><td>The TTL is responsible for preparing an Integrated Safeguards Data Sheet (ISDS) to be disclosed at appraisal stage (while this is disclosed at concept stage for normal projects)</td><td>1.2</td><td>TTL</td><td>The TTL prepares a Project Preparation Grant (PPG) request (if any)</td></tr>
<tr><td>1.3</td><td>Sector Manager</td><td>The Sector Manager reviews the concept package</td><td></td><td></td><td></td></tr>
<tr><td>1.4</td><td>Country or Network Director</td><td>The Country Director or Network Director reviews and approves the PCN (virtual PCN review)</td><td>1.3</td><td>TTL/GEF Operational Focal Point</td><td>The TTL requests that the OFP endorses the project through the PIF Endorsement Letter</td></tr>
<tr><td>1.5</td><td>TTL</td><td>The TTL is responsible for preparing the Project Information Document to be disclosed at appraisal stage (while this is disclosed at concept stage for normal projects)</td><td>1.4.</td><td>GEF Secretariat</td><td>The GEF Sec reviews the PIF/prepares a review sheet within 10 days and either does not recommend further processing or requests further clarifications and resubmission (step 1.1) or recommends it to the CEO for inclusion in the Work Program</td></tr>
<tr><td></td><td></td><td></td><td>1.5</td><td>CEO</td><td>The PIF clearance letter is sent by the CEO to the Coordination Office authorizing project preparation</td></tr>
<tr><td></td><td></td><td></td><td>1.6</td><td>CEO</td><td>The PIF is included in the Work Program and submitted to the GEF Council for approval (twice a year and inter-sessionally on a no-objection basis) depending on available resources</td></tr>
</table>

World Bank			Coordination	GEF		
Step	Responsible	Output/Decision Point/Process		Step	Responsible	Output/Decision Point/Process
				1.7	GEF Council	The PIF is **approved by the Council.** The TTL has 18 months to prepare and submit the projects for CEO Endorsement
2. Preparation						
2.1	TTL	No guidance is provided on Quality Enhancement Review for Small Grants. This step depends on regional practices.				
3. Appraisal/Negotiations/Approval						
2.1	TTL	The TTL is responsible for preparing the **Appraisal Package:** • **Project Paper** (2000 words) with simplified risk and results frameworks • Updated ISDS • **Project Information Document**		2.1	TTL	The TTL prepares the **CEO Endorsement package incl.** • CEO Endorsement request, • Confirmed co-financing, • FP Endorsement Letter, • Focal Area Tracking Tool, the Project Document
2.2	TTL	The TTL prepares a combined **Appraisal completion / negotiations / approval package** with simplified project document, simplified ORAF, simplified grant agreement	The elements of the CEO Endorsement package are submitted to the Regional Coordinator. The Regional Coordinator seeks Thematic Specialist clearance; The Regional Coordinator sends the CEO Endorsement request through the tracking system	2.2	GEF Sec	• The CEO endorsement request is reviewed in a **review sheet** within 10 days. If clarifications are needed, the request will be re-submitted following the same procedure
2.3	Sector Manager	The Sector Manager **clears the package**		2.3	CEO	*Optional review:* The project is posted to the Council members for review if a Council member had requested so at project approval or if the CEO determines that there have been major changes in the project since approval by the Council *(For projects approved under GEF-4, this review is not optional)*

World Bank			Coordination	GEF		
Step	Responsible	Output/Decision Point/Process		Step	Responsible	Output/Decision Point/Process
2.4	Country/Network Director or Regional/Network Vice President	The Country/Network Director or Regional/Network Vice President **approves the project** (instead of Board Approval)		2.4	CEO	The CEO sends the **CEO Endorsement Letter** to the World Bank GEF Executive Coordinator
4. Implementation and supervision						
3.1	TTL and Lawyers	The recipient country signs the **Legal Documents** prepared by the TTL/lawyers				
3.2	Country Management Unit Director	The **Declaration of Effectiveness** is sent by the Country Management Unit Director to the borrower	A copy is sent to the Regional Coordinator			
3.3	Supervision team	The TTL prepares an **Implementation Status and Result Reports (ISRs)** twice a year	ISRs are transmitted by the Coordination Office to the GEF Sec	3.3	GEF Sec	ISRs are integrated into the **Annual Monitoring Review**
3.4	TTL	The **Mid-Term Review** is conducted following Bank TOR and additional guidelines for GEF project review	A copy is sent to the Regional Coordinator and transmitted to the GEF Sec; Thematic Specialist advise on the completion of the Focal Area Tracking Tool.	3.4	TTL	At mid-term, the **Focal Area Tracking Tool and co-financing report** are completed and transmitted to the GEF Sec for the Annual Monitoring Review (AMR)
5. Completion						
4.1	TTL	The TTL closes the project				
4.2	TTL	The TTL prepares the **Implementation Completion Report** (ICR)	The ICR is sent to the Regional Coordinator	4.2	TTL	**Focal Area Tracking Tool and co-financing table** are sent by the TTL to the GEF Sec for the AMR
4.3	Independent Evaluation Group (IEG)	IEG prepares an **ICR Review**	IEG distributes its evaluative note to the GEF Executive Coordinator, the Regional Coordinator, and the GEF Evaluation Office, for information and comment.	4.3	GEF Evaluation Office	Implementation Completion Report, Focal Area Tracking Tool and co-financing data are transmitted to the GEF Evaluation Office

Table D-4. Project cycle and outputs for a GEF Project (MSP/FSP) under Programmatic Approach implemented by the World Bank as Qualifying GEF Agency

World Bank			Coordination	GEF		
Step	Responsible	Output/Decision Point/Process		Step	Responsible	Output/Decision Point/Process
1. Identification and GEF approval						
1.1	Task Team Leader (TTL)	The TTL is responsible for preparing a Project Concept Note (PCN)	*There is no formal rule determining which of the PCN of PIF should be prepared first;* The Regional Coordinator reviews the proposal's eligibility; The PIF is cleared by the Regional Coordinator and Thematic Specialist; Early informal consultations between the TTL and the GEF Sec Program Manager are recommended by the Coordination Office; A bilateral Meeting between the GEF Sec and the TTL/Regional Coordinator/thematic Specialist might take place during the PIF review.	*0.0*		*Prior or in parallel to the development of FSPs and MSPs under Programmatic Approach, a Program Framework Document is prepared, endorsed by the recipient country's OFP, submitted to CEO clearance, following the same process as the PIF (see above).* *The cleared PFD is included to the Work Program and approved by the GEF Council. All projects under PA should be prepared and start within 18 months after Council approval.*
1.2	TTL	The TTL organizes the PCN Review Meeting				
1.3	Country Director	The country Directors reviews and approves the PCN				
1.4	TTL	The TTL is responsible for preparing the Project Information Document (PID) with information on the project. It is regularly updated throughout project preparation and publicly disclosed.				
1.5	TTL	The TTL is responsible for the preparation of an Integrated Safeguards Data Sheet (ISDS)				
1.6	Regional Safeguard Team	The Regional Safeguard Team clears the ISDS				
2. Preparation						
2.1	TTL	The TTL is responsible for preparing a Draft Project Appraisal Document				

World Bank			Coordination	GEF		
Step	Responsible	Output/Decision Point/Process		Step	Responsible	Output/Decision Point/Process
2.2	TTL	The TTL organizes the **Quality Enhancement Review**, as appropriate, and writes a **QER report** that serves as a basis for appraisal	The Regional Coordinator and Thematic Specialist are invited to the QER Review			
3. Appraisal and GEF Endorsement						
3.1	TTL	The **Project Appraisal Document** is prepared following the World Bank template and with additional GEF-specific annexes	The Regional Coordinator is copied on TOR/Statement of Mission Objectives and BTOR/Aide Memoire of the Appraisal Mission;	3.1	TTL	The TTL is responsible for preparing the **CEO Endorsement Package**, including: • CEO Endorsement/Approval request and • PAD
3.2	TTL	The TTL organizes the **PAD Decision Meeting**	Regional Coordinator and Thematic Specialist are invited to the PAD Decision Meeting.	3.2	GEF Sec and STAP	The CEO endorsement/approval request is reviewed within 10 days. If clarifications are needed, the request will be re-submitted following the same procedure
3.3	TTL	The **Appraisal Mission** is conducted	The CEO Endorsement package is submitted to the Regional Coordinator. The Regional Coordinator seeks Thematic Specialist clearance The Regional Coordinator sends the CEO Endorsement request through the tracking system	3.3	CEO	The CEO sends the **CEO Endorsement Letter** to the World Bank GEF Executive Coordinator
4. Negotiation and approval						
4.1	TTL	The TTL is responsible for preparing the **Negotiation Package**				
4.6	TTL	The Task Team seeks the **Regional Vice President's approval** for circulation to the Board				
4.7	TTL	The **Memorandum of the President** is prepared				

World Bank			Coordination	GEF		
Step	Responsible	Output/Decision Point/Process		Step	Responsible	Output/Decision Point/Process
4.8	Board	The **Board approves the project** (Receipt of the CEO Endorsement Letter is required)				
4.9	Regional staff	A Bank regional Staff prepares a **press release** to be posted on the Bank's web	The press release is cleared by the Regional Coordinator			
5. Implementation and supervision						
5.1	TTL and Lawyers	The recipient country signs the **Legal Documents** prepared by the TTL and lawyers (separate document for GEF financing)	Project restructuring or grant agreement amendments require Regional Coordinator clearance			
5.2	Country Management Unit	The **Declaration of Effectiveness** is sent by the Country Management Unit Director to the borrower	A copy is sent to the Regional Coordinator			
5.3	Supervision team	The Supervision team prepares **Implementation Status and Result Reports (ISRs)** twice a year	ISRs are transmitted by the Coordination Office to the GEF Sec	5.3	GEF Sec	ISR are integrated into the **Annual Monitoring Review (AMR)**
5.4	TTL	The **Mid-Term Review** is conducted following Bank TOR and additional guidelines for GEF project review	A copy is sent to the Regional Coordinator and transmitted to the GEF Sec; Thematic Specialist advises on the completion of the Focal Area Tracking Tool. *A mid-term review of the program is also expected*	5.4	TTL	At mid-term, the **Focal Area Tracking Tool and co-financing report** are completed and transmitted to the GEF Sec for the AMR
6. Completion						
6.1	TTL	The TTL closes the project				
6.2	TTL	The TTL is responsible for the preparation of an **Implementation Completion Report (ICR)**	The ICR is sent to the Regional Coordinator	6.2	TTL	**Focal Area Tracking Tool and co-financing table** are sent by the TTL to the GEF Sec for the AMR

World Bank			Coordination	GEF		
Step	Responsible	Output/Decision Point/Process		Step	Responsible	Output/Decision Point/Process
6.3	Independent Evaluation Group (IEG)	IEG prepares an ICR Review	IEG distributes its evaluative note to the GEF Executive Coordinator, the Regional Coordinator, and the GEF Evaluation Office, for information and comment. *A terminal evaluation of the program is also expected*	6.3	GEF Evaluation Office	ICR, Focal Area Tracking Tool and co-financing data are transmitted to the GEF Evaluation Office

Appendix D2: The Evolution of the World Bank-GEF Project Cycle for Stand-Alone Full-Sized Projects

The following flowcharts represent the combined World Bank-GEF project cycle at different stages of the World Bank-GEF partnership for a standard and stand-alone full-sized project.

The charts constitute snapshots rather than static procedures since the GEF project cycle procedures have frequently been adapted, modified and streamlined. On the opposite, World Bank procedures related to GEF projects have been modified only twice (in 1995 and 2009) to adapt the introduction of a GEF-specific project cycle in 1995 and its major reform in 2007.

The project cycle flowcharts are grouped to reflect major changes in the GEF project cycle and its policies and procedures rather than in GEF phases. Therefore, they are sometimes aligned with GEF phases and sometimes cross them.

It should be noted that the charts do not represent the World Bank and the GEF cycle equally. The Bank project cycle has been simplified to emphasize its interactions with GEF steps.

Policies and procedures were primarily collected from GEF policies and Bank operational policies and supplemented by World Bank-GEF Coordination Unit documents, the PMIS, the World Bank Operations platform and interviews with Bank and GEF staff.

LEGEND TO SYMBOLS:

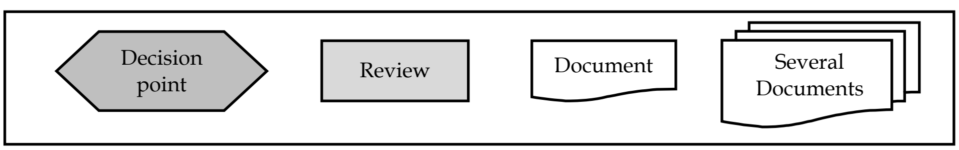


Figure D-1. World Bank-GEF Project Cycle during the Pilot Phase

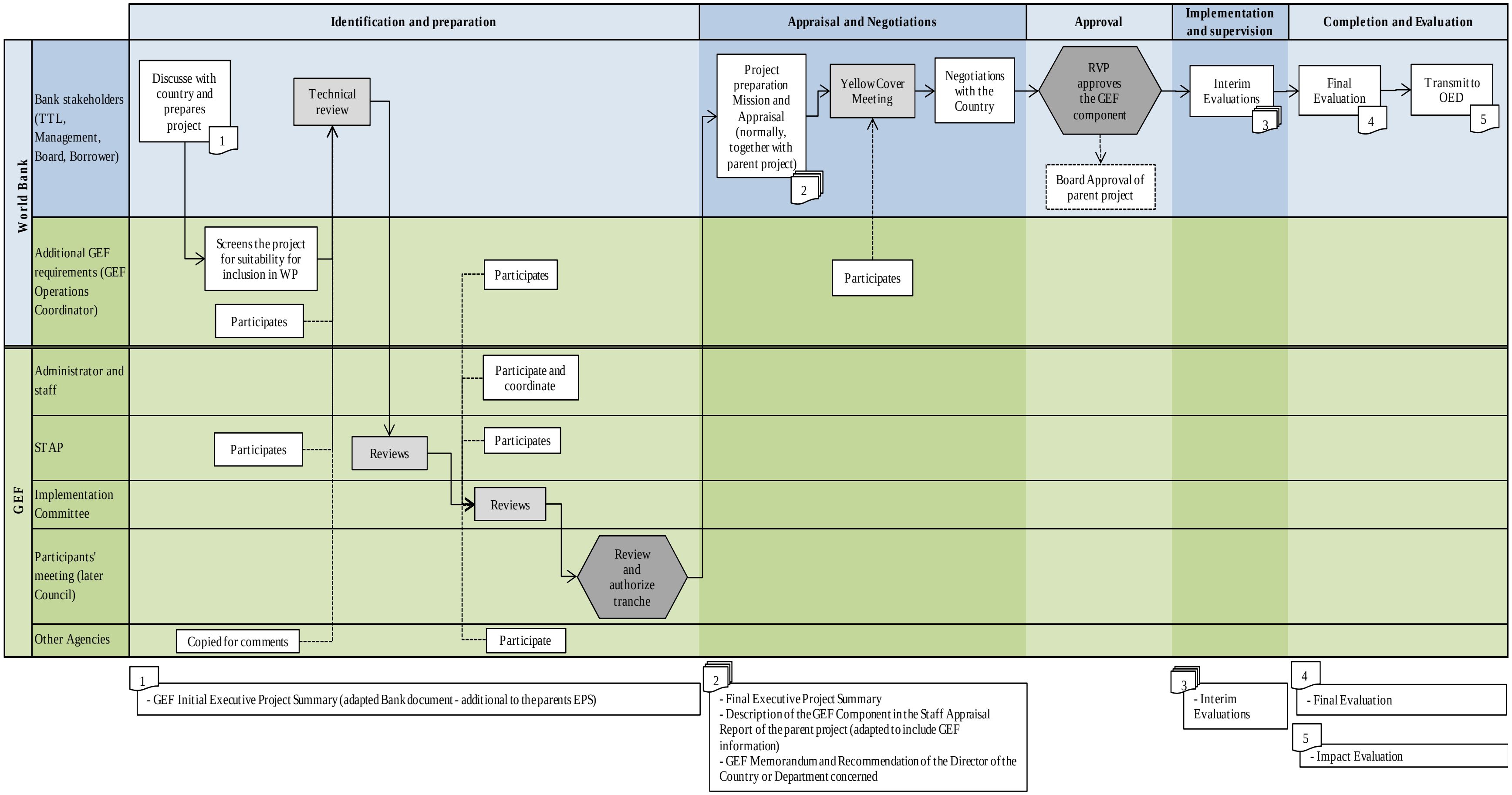
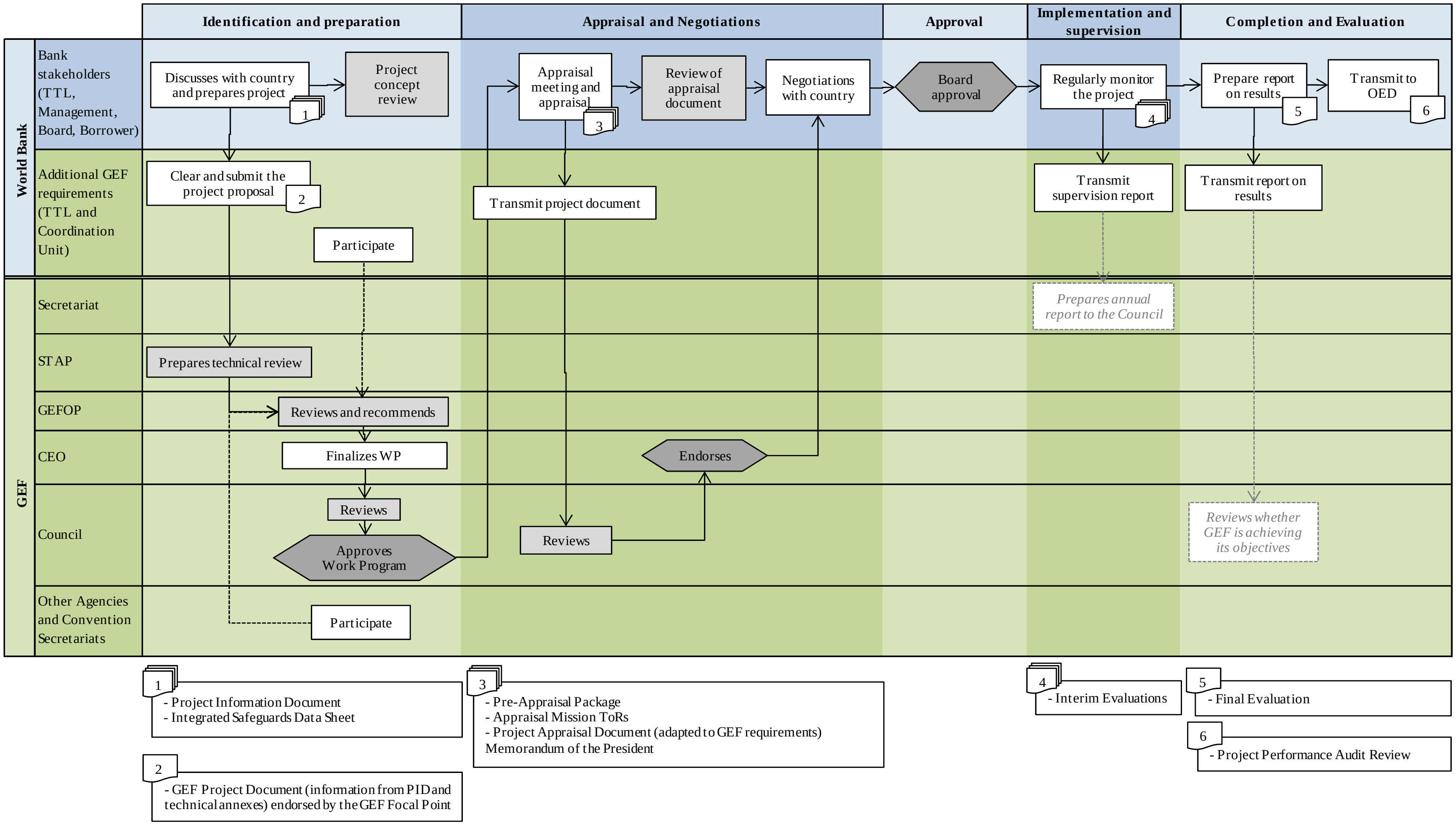
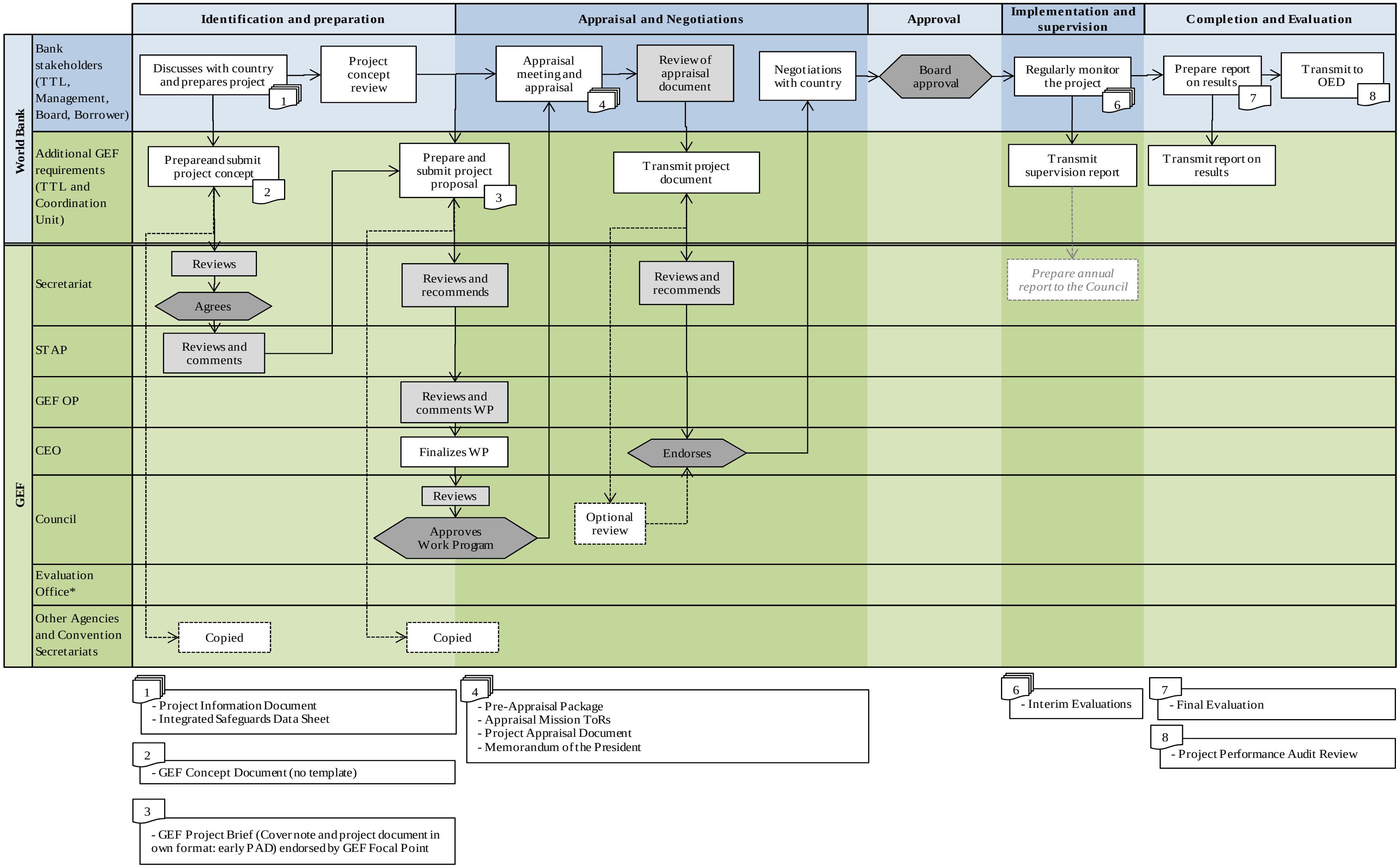


Figure D-2. World Bank-GEF Project Cycle, 1995–1998[a]



a. The GEF Secretariat was formally attributed the review of individual project proposals prior to the review by GEFOP in 1997. This was included in the 2000 project cycle document. Since 1997, the GEFOP — although not mentioned in later project cycle policy papers — reviews and comments the Work Program as a whole. The Secretariat's role is not represented here because it is not explicitly mentioned in the 1995 GEF project cycle document. However, according to GEF staff interviewed, it already played a coordinating and reviewing role prior to Council approval and CEO endorsement before 1997.

Figure D-3. World Bank-GEF Project Cycle, 1998–2007



* The independent GEF Evaluation Office was established in 2006.

Figure D-4 World Bank-GEF Project Cycle, 2007-2012

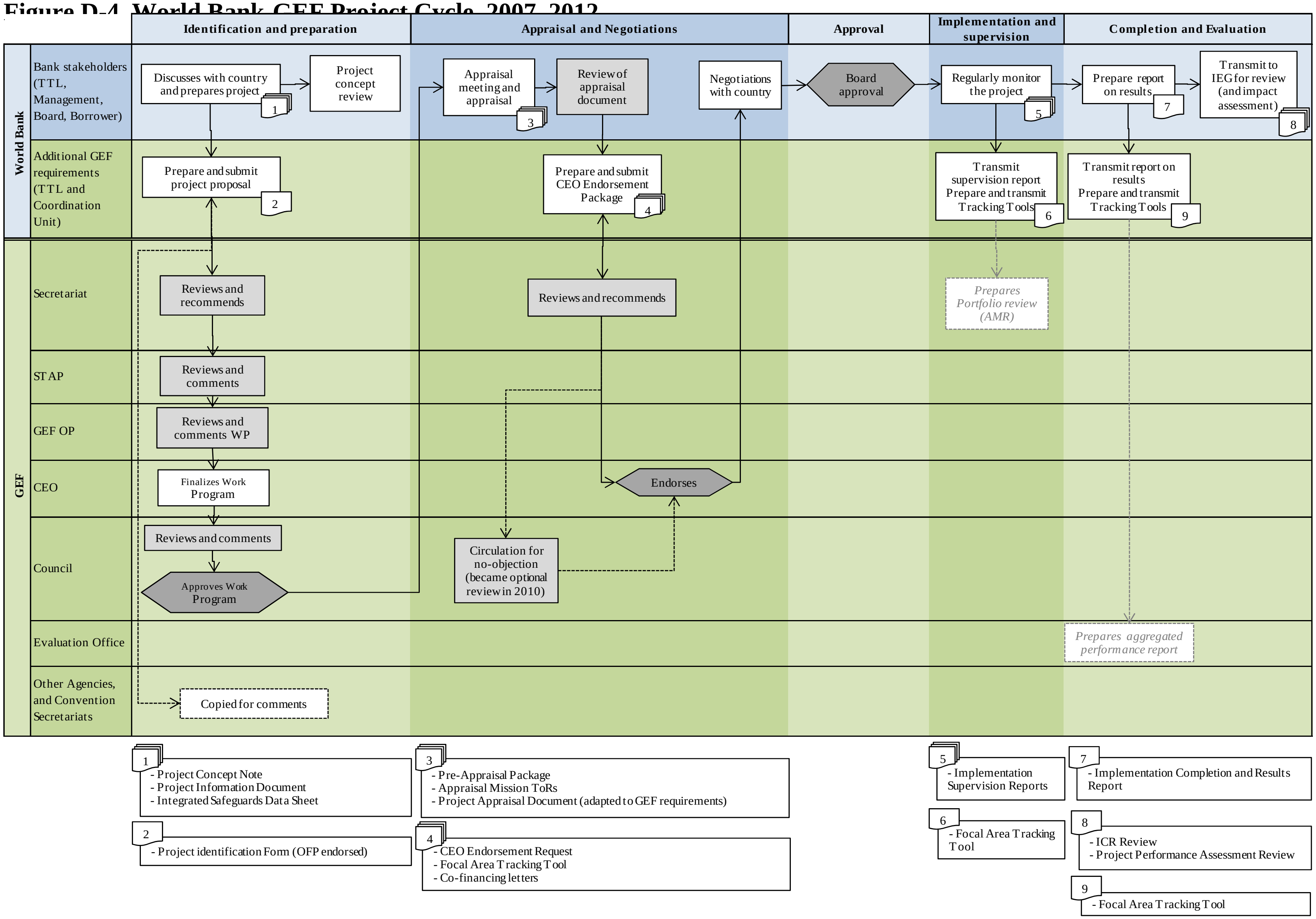
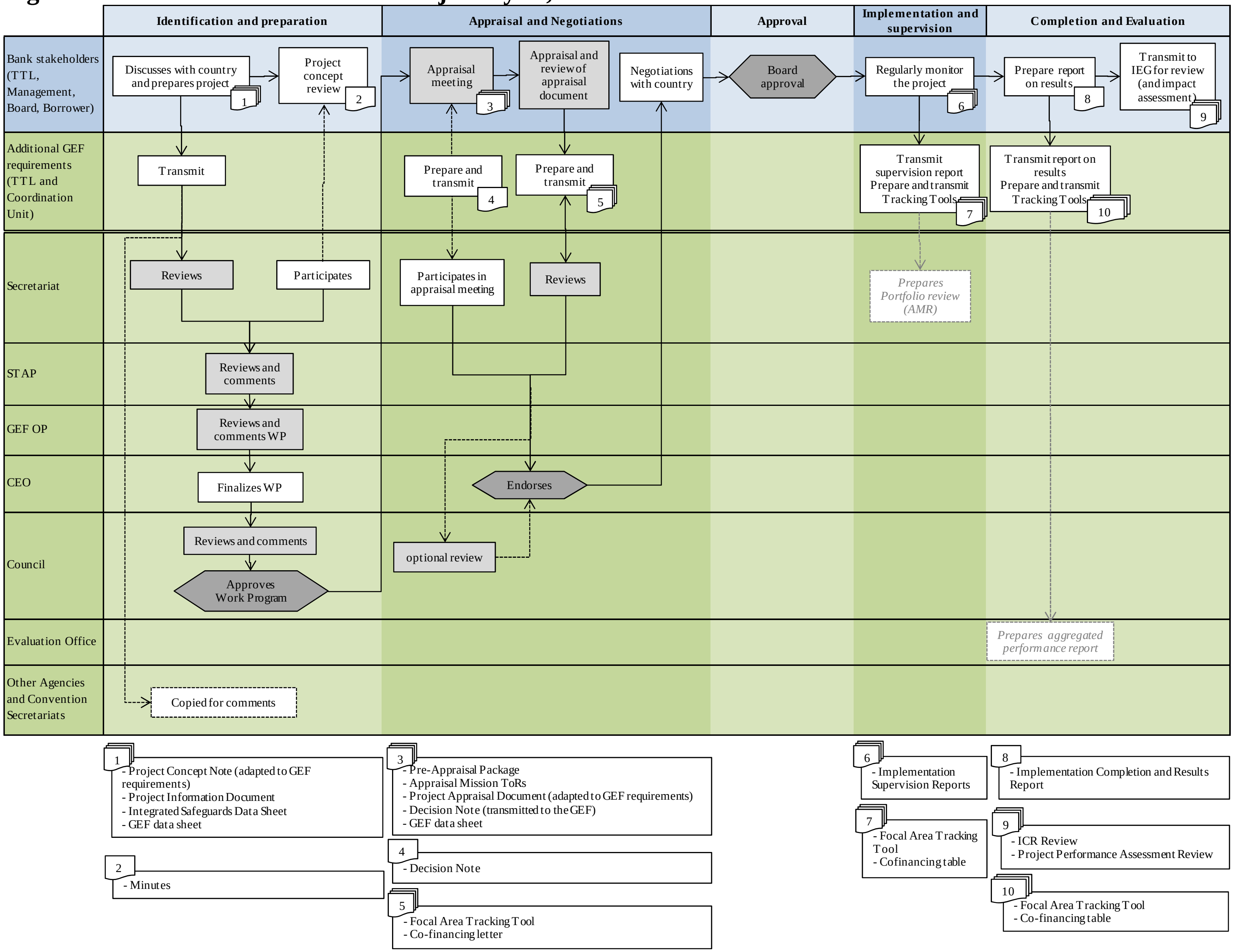


Figure D-5. Pilot World Bank-GEF Project Cycle, 2013

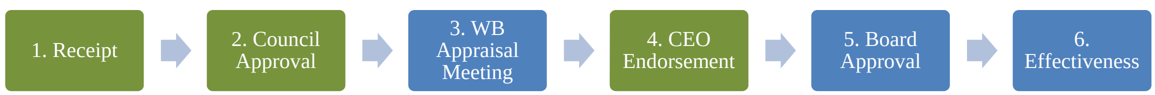


Appendix D3: Elapsed Time Analysis

Elapsed Time Between the Milestones in the World Bank-GEF Project Cycle

This Appendix is an analysis of the time elapsed between the different milestones of the joint World Bank–GEF project cycle. The elapsed time between the following project cycle milestones was analyzed:

Figure D-6. Simplified Representation of the World Bank-GEF Project Cycle



Green milestones represent GEF steps or decision points. Blue milestones represent World Bank steps or decision points. Point 2 and 4 of the GEF project cycle are disruptive of the Bank cycle, i.e. World Bank appraisal and Board approval can only be completed after Council Approval and CEO Endorsement.

Methodology

1. Sample

This analysis is based on the portfolio of Council approved World Bank-implemented GEF projects gathered from different data bases (see portfolio analysis) for the period GEF-1 to GEF-5 until June 30, 2013.

The milestone dates were extracted from different sources:

- GEF milestones, i.e. dates of receipt of the projects by the GEF, Council approval and CEO endorsement, were extracted from an extended download from the PMIS on July 24, 2013, based on the GEF project ID

- World Bank milestones, i.e. dates of appraisal begin, Board approval and effectiveness were extracted from the Business Warehouse on July 24, 2013 based on their project (P) number

This analysis is based on Full-Sized Projects only. GEF-5 FSPs under programmatic approach are systematically excluded from the analysis of the time elapsed between receipt and Council approval because they undergo a streamlined process with delegated approval. They are however included in the analysis of the elapsed time between Bank appraisal begin and effectiveness. FSPs under programmatic approach for other GEF phases are included.

Overall, the portfolio comprises 514 projects.

It is important to note that the data is less populated and therefore less reliable for some GEF milestones and GEF phases (see Appendix E on the data gathering process), especially the receipt date and early GEF phases. Some elapsed time curves were therefore left out.

Counting

For each project, the earlier milestone in the cycle was subsumed from the later in order to obtain the number of days between the two steps.

Our analysis presents the cumulative percentage of projects having reached from one milestone to the next by the number of months needed. Percentages are based on the number of projects that have reached the first milestone. The full curves represent the cumulative percentage of projects that have effectively reached the second milestone. These curves do not entail projects that have not yet reached the second milestone. These projects will potentially influence the full curve, introducing a systematic bias. We address this bias by assuming that, in the best case, these projects could have reached the second milestones since the last download of the data that served for the analysis. The dotted curves represent the best case scenario, i.e. it assumes that projects that had not reached the second milestone by the date of the download did so the day after the data download. This curve was not calculated for GEF-1 and 2, assuming that missing data are rather the result of incomplete data.

For visibility matters, the analysis grouped GEF-3, 4 and 5 and GEF-1 and 2 using the same color coding for each phase. The X and Y axis are similarly scaled to enable comparison. GEF-1 and 2 are represented only when the data is populated enough.

Earlier analyses of the project cycle efficiency used averages to represent the time elapsed between cycle milestones.[31] However, averages do not account for projects that have not yet reached the next milestone. Averages therefore systematically induce a positive bias in the representation of more recent projects while cumulative percentage curves account for projects that have reached the first but not the second milestone.

31. Although the GEF Evaluation Office used averages to represent the elapsed time between project cycle milestones in its 2007 evaluation of the activity cycle (GEF EO 2007a), it no longer uses averages in more recent analyses of project cycle time lags.

Results

Figure D-7a. From Receipt to Effectiveness [32]

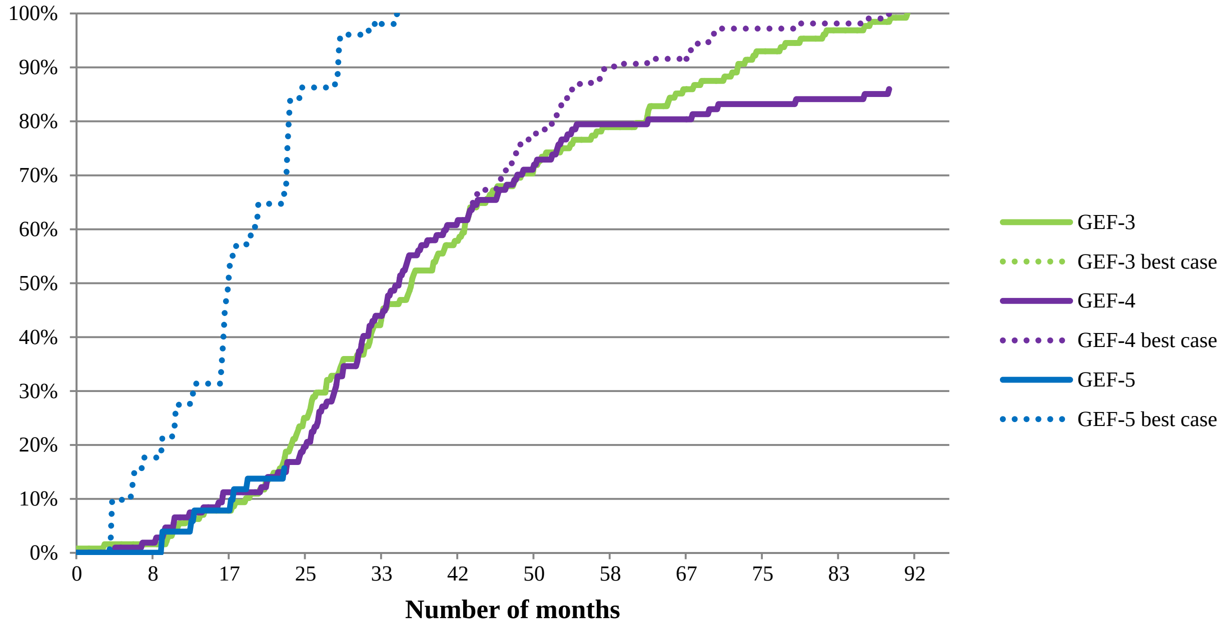


Figure D-7b. From PMIS Receipt Record to Council Approval

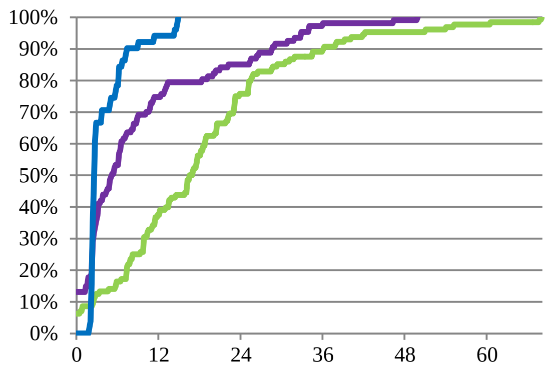
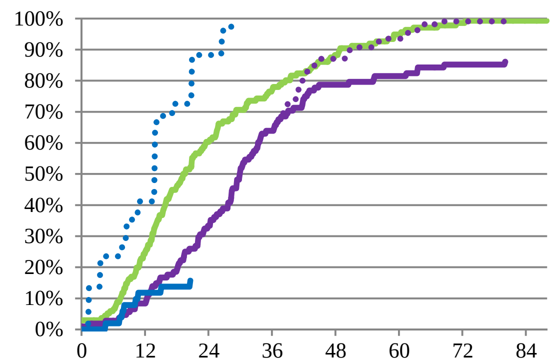


Figure D-7c. From Council Approval to Effectiveness



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[32] Elapsed time analyses involving the receipt dates for GEF-1 and GEF-2 are not represented in the charts D-7 to D-8 because the data was poorly populated.

Figure D-8. From Receipt to Effectiveness (Excluding Projects Submitted in Earlier Phase than Approval)

This analysis has been added in order to exclude projects that have traveled through different project cycles and for comparison with D-7 (see Chapter 4, Vol. 1)

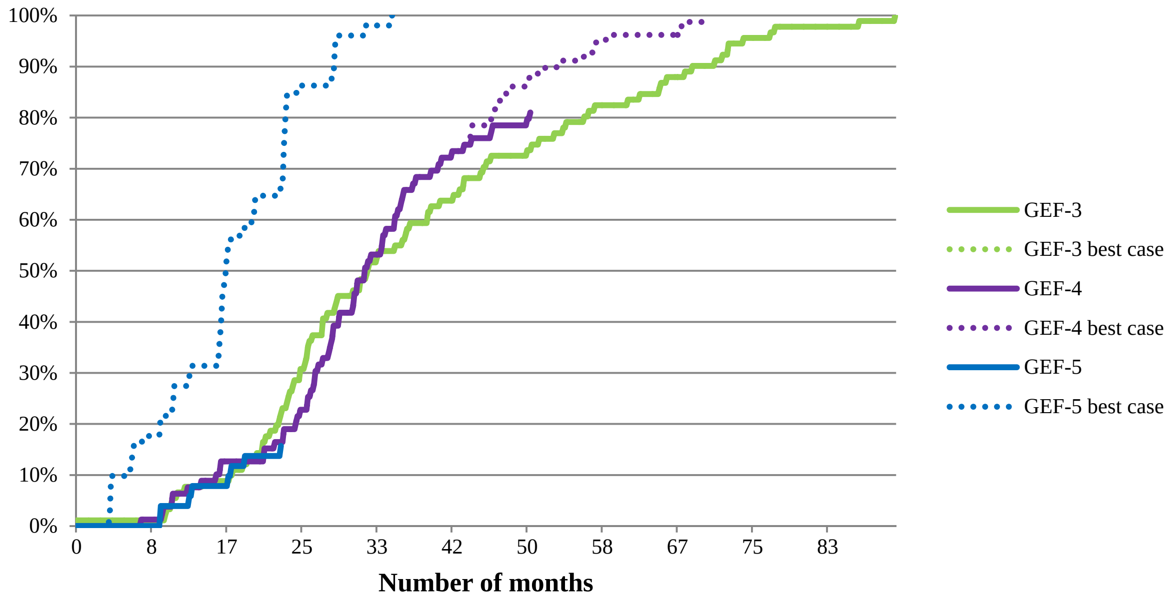
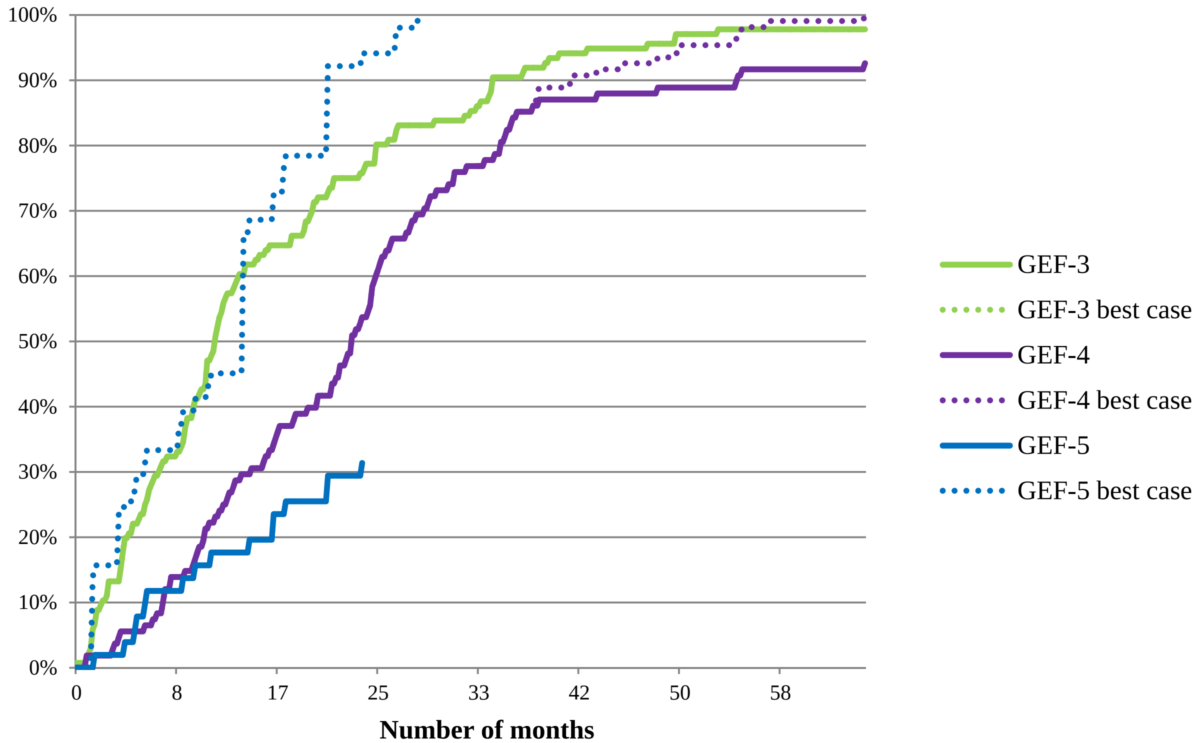
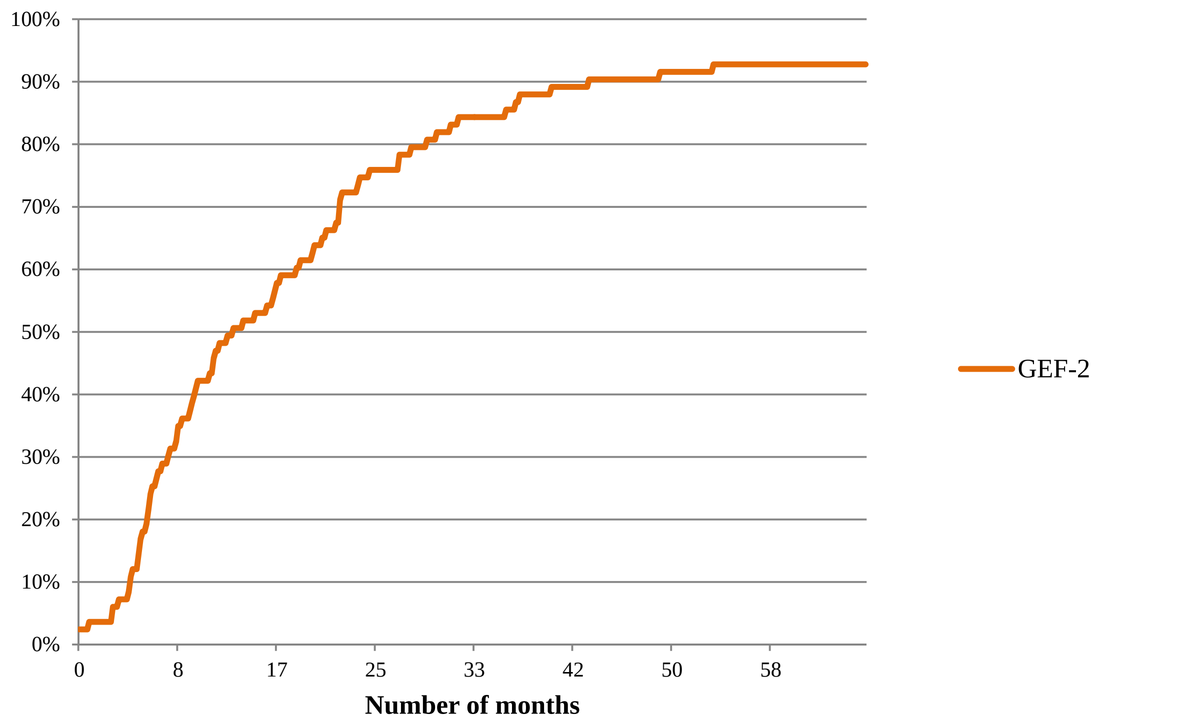


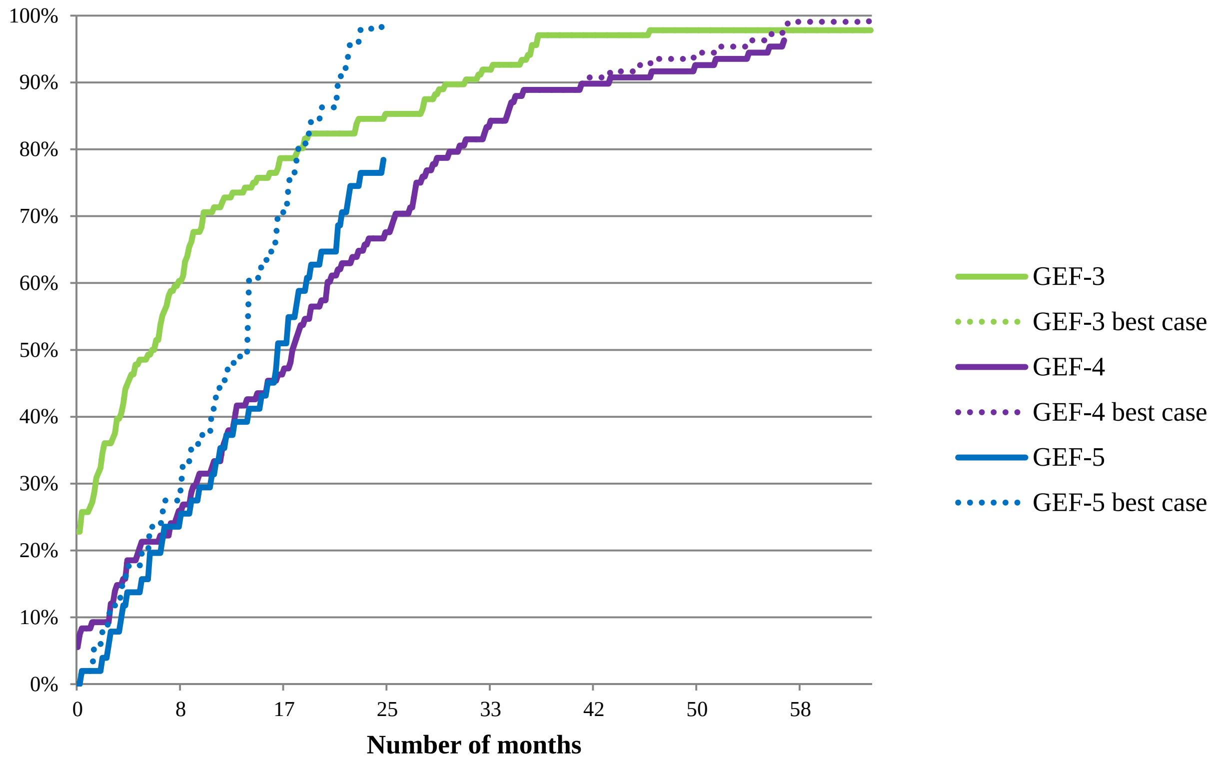
Figure D-9. From Council Approval to CEO endorsement[33]

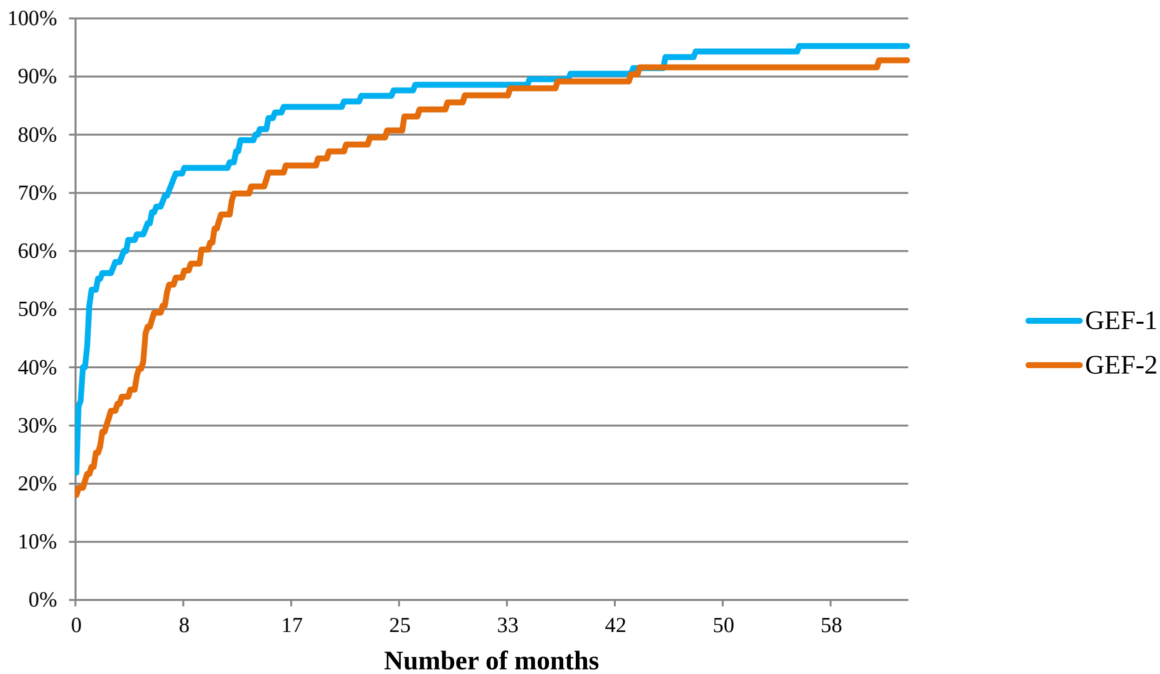




33. Almost half of the CEO Endorsement dates are missing for GEF-1. It is therefore not represented in the chart.

Figure D-10. From Council Approval to Appraisal Meeting[34]





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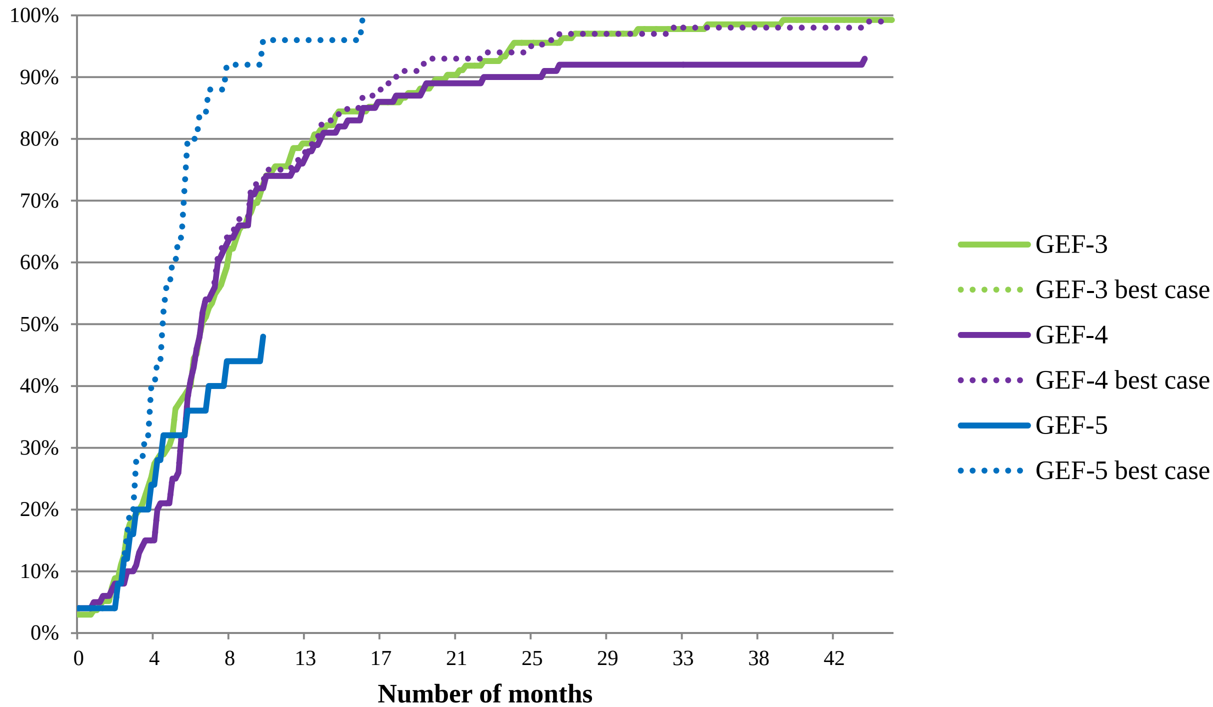
34. In case no appraisal meeting date was recorded in the Business Warehouse data system, the appraisal begin date was used as a proxy.

Figure D-11. From CEO Endorsement to Effectiveness



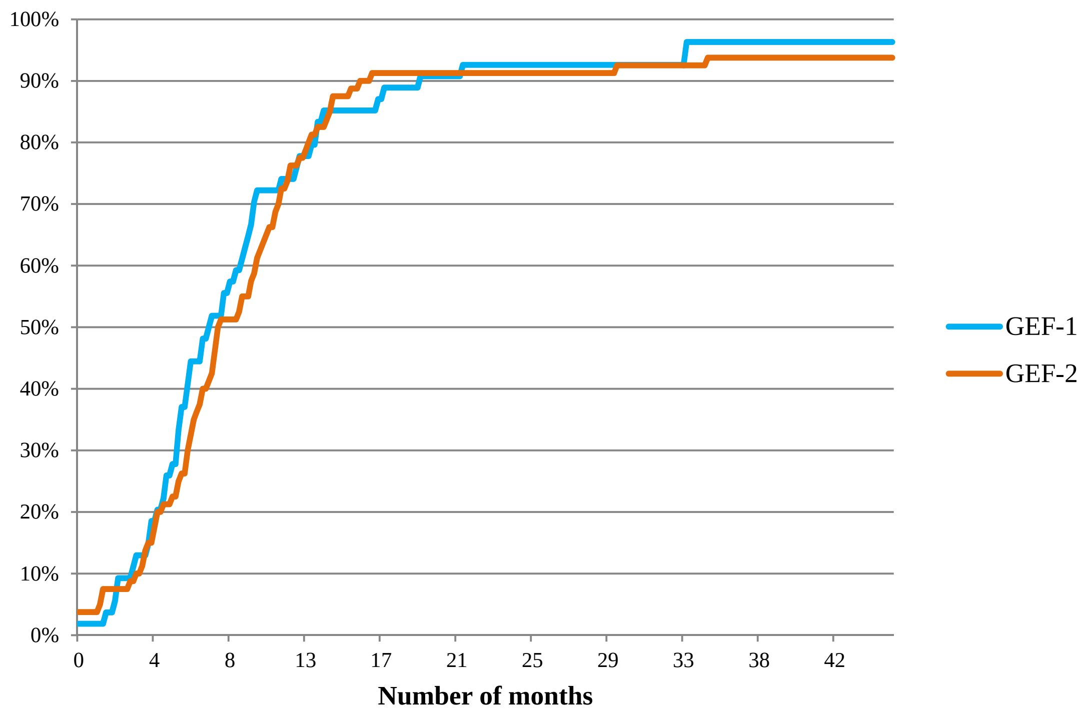
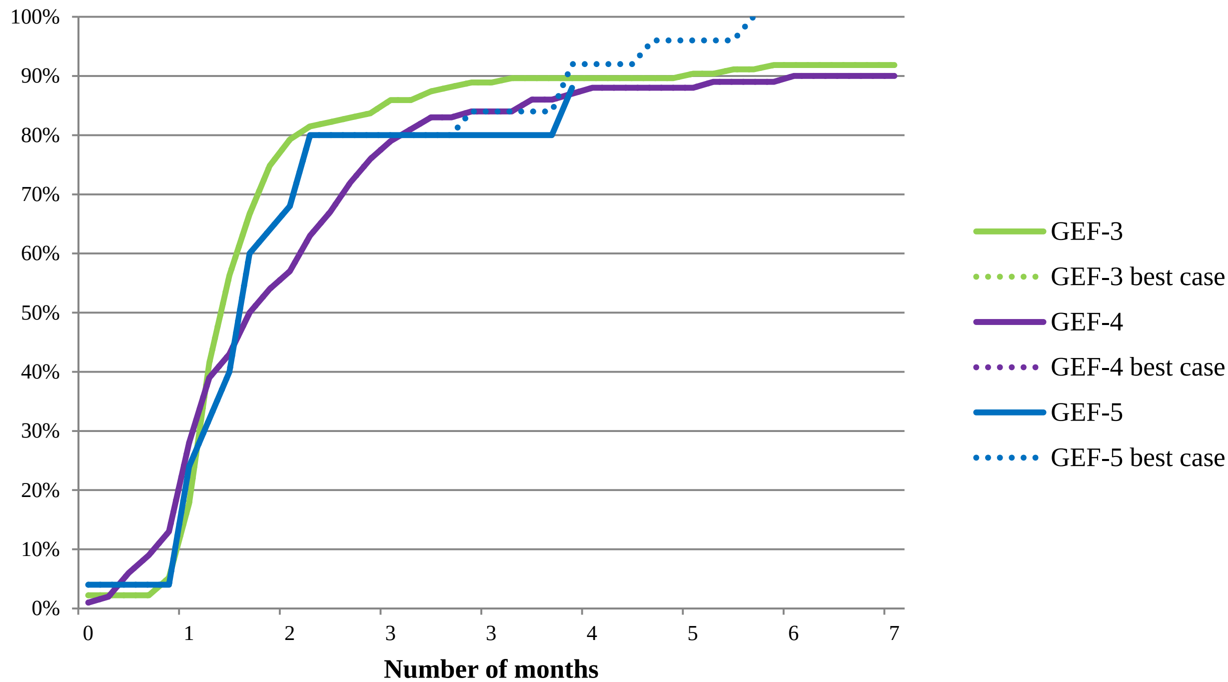


Figure D-12. From CEO Endorsement to Board Approval



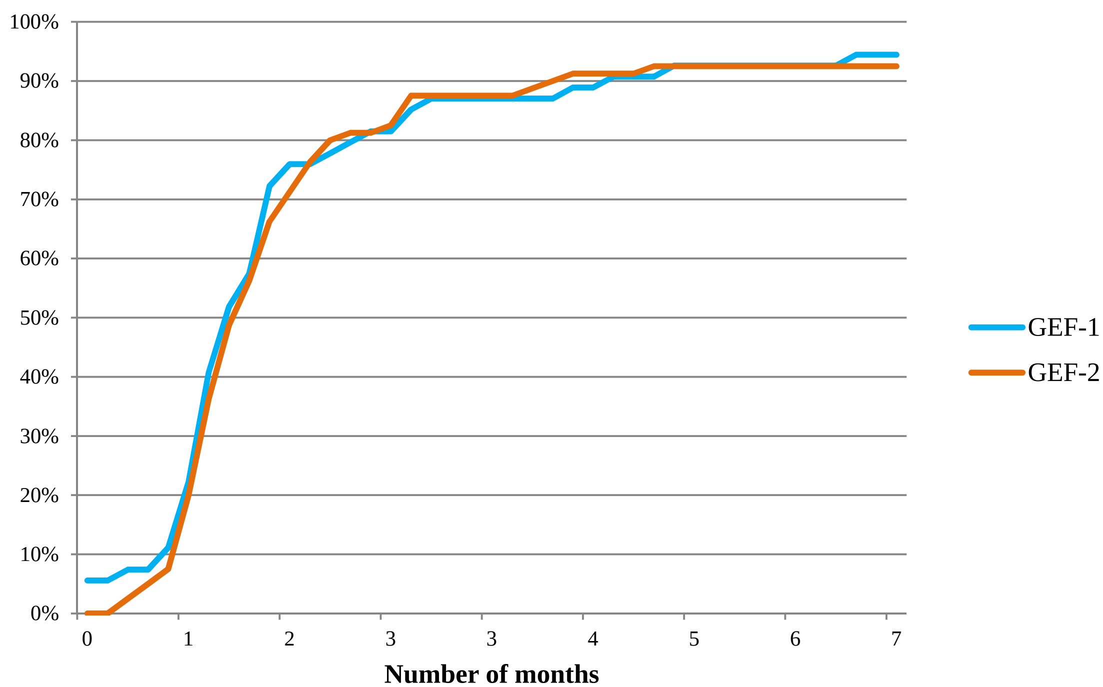
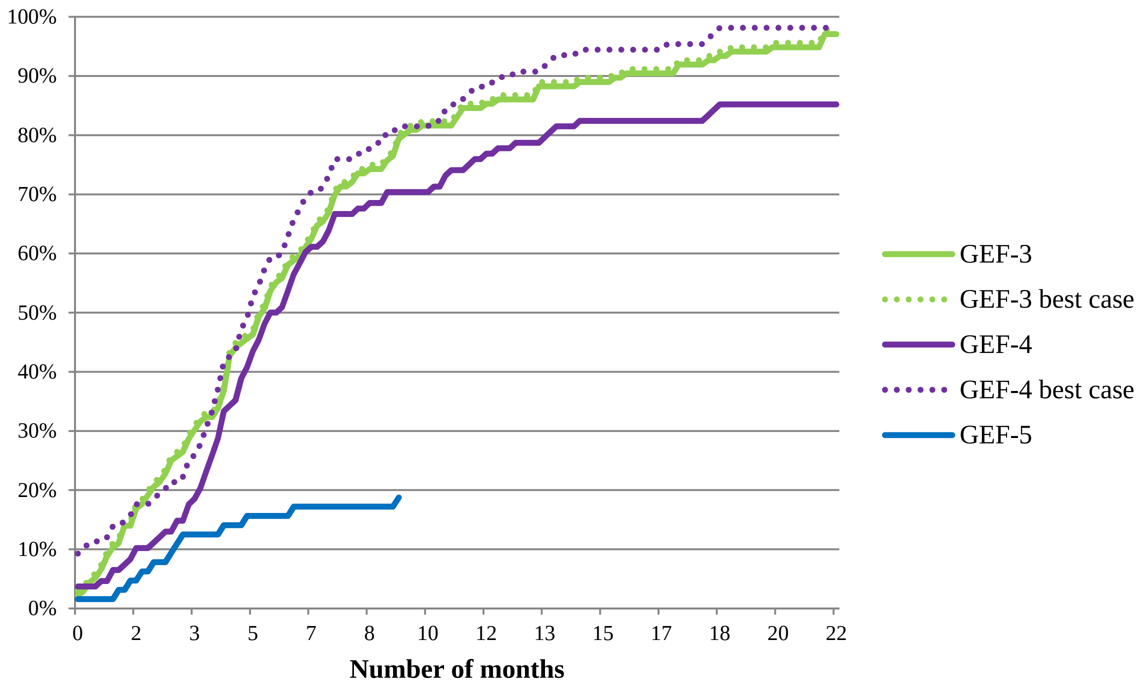
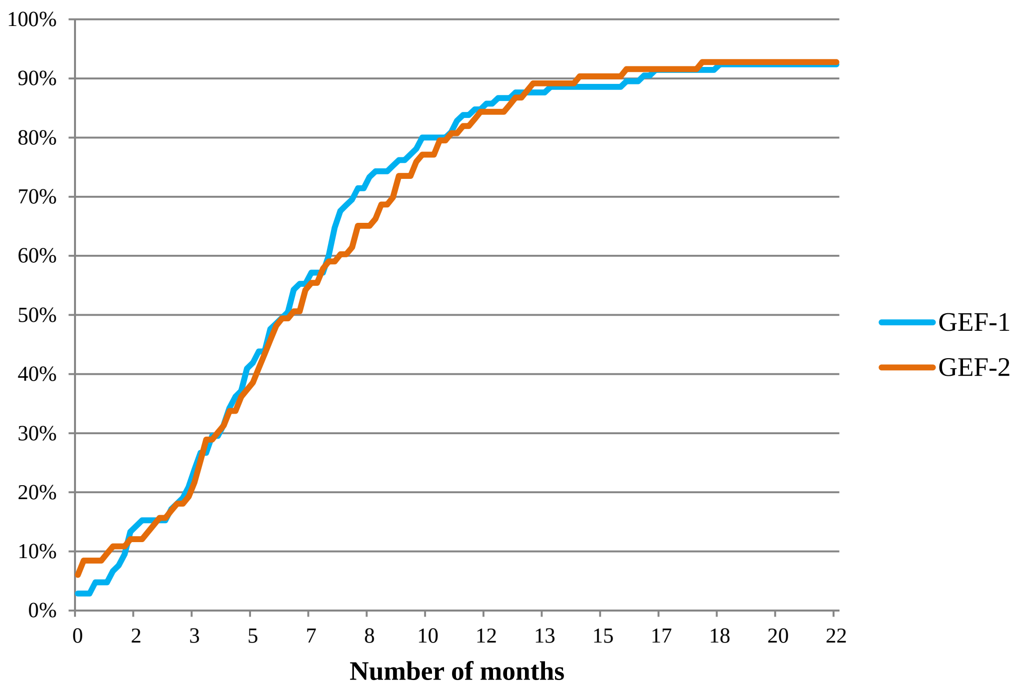


Figure D-13. From Board Approval to Effectiveness





Comparison of Elapsed Time in the Bank Project Cycle for Bank vs. GEF Projects

In the following, the elapsed time between World Bank project cycle milestones is calculated and compared for IRBD/IDA projects vs. GEF Full-Sized Projects. The purpose is to find out whether GEF projects are slower than IBRD/IDA investment projects to reach Board approval or not and whether the difference in processing speed has evolved over time.

Figure D-14. Milestones Measured in the World Bank Project Cycle

The sample for this analysis consists of all projects that are mapped to Environment and Natural Resource Management in the Bank data system and have been approved by the Board from July 1990to June 2013:

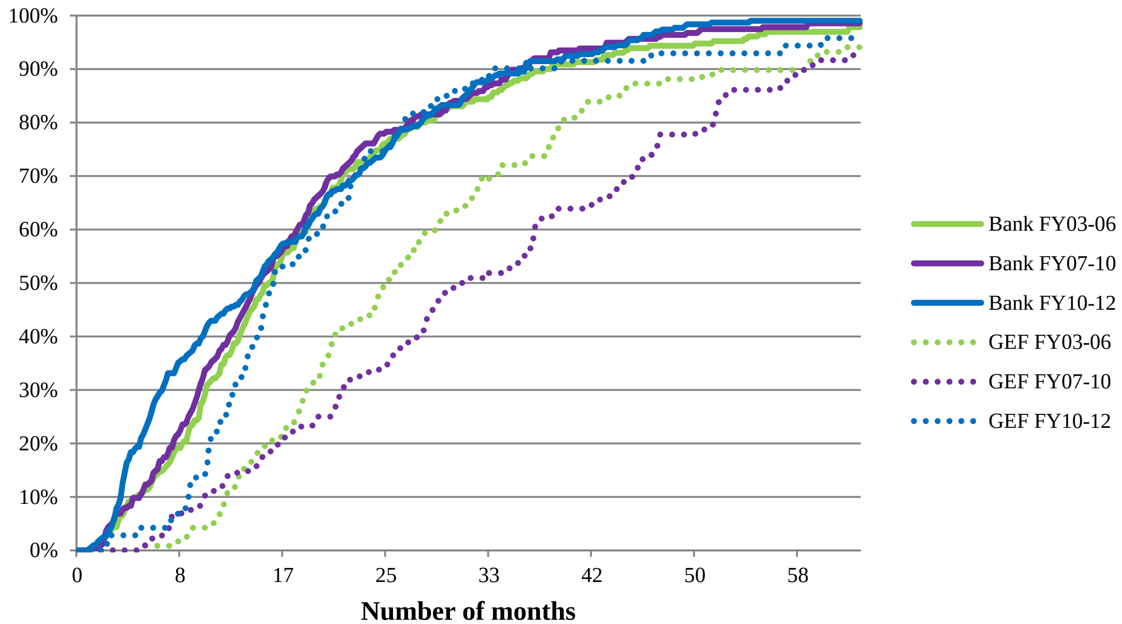
- 1672 IBRD/IDA projects mapped to ENRM
- 449 GEF Full-Sized Projects mapped to ENRM, both stand-alone and blended with IBRD/IDA projects

In order to observe the evolution of the processing speed, projects are grouped according to the financial year of their approval. The grouping approximately corresponds to GEF phases.[35] The total number of Board-approved projects serves as basis for calculating the cumulative percentages.

Full curves represent the elapsed time for IBRD/IDA projects. Dotted curves represent GEF projects. For matters of visibility, projects approved until FY02 are represented in separate charts with identical axis scales for comparison.

35. The GEF-phase of GEF projects depends on their Council approval date.

Figure D-15. From Concept Meeting to Board Approval



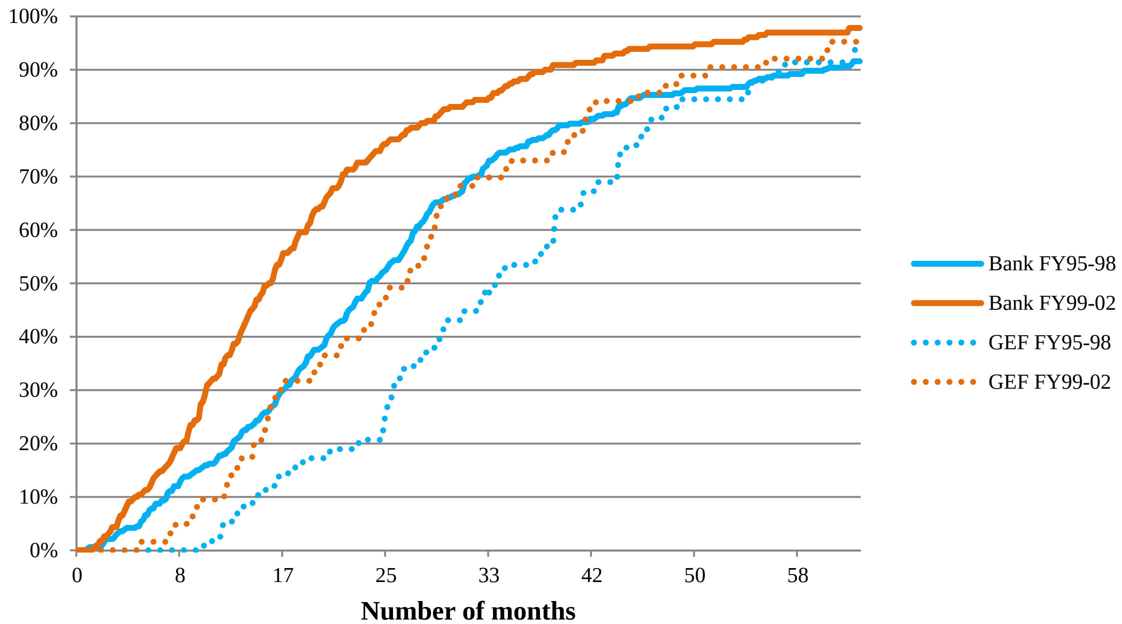
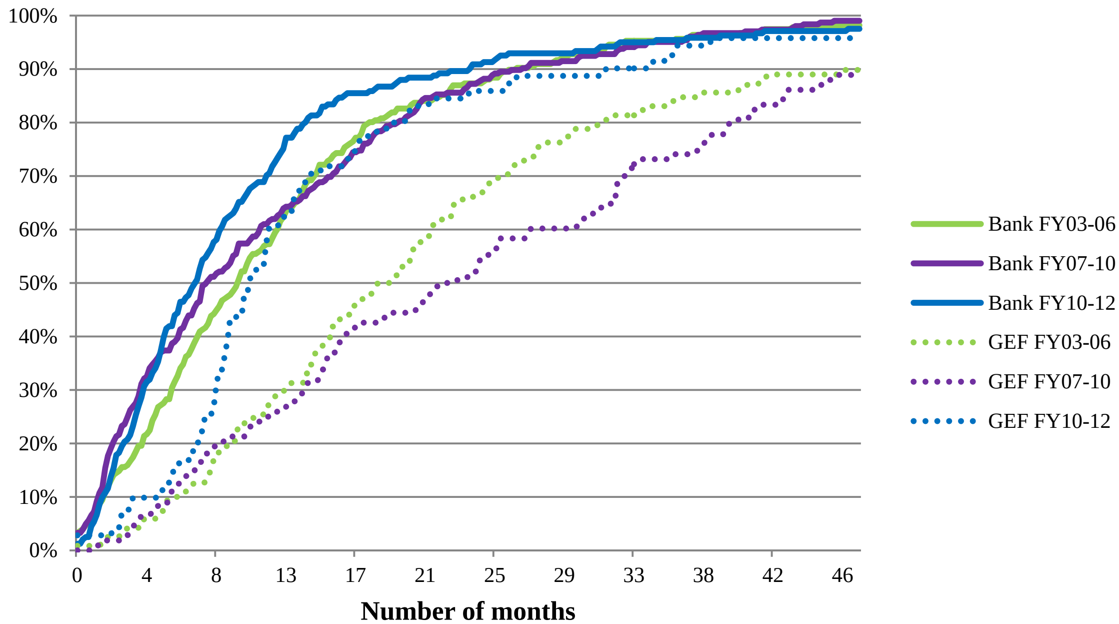


Figure D-16. From Project Concept Meeting to Appraisal Meeting



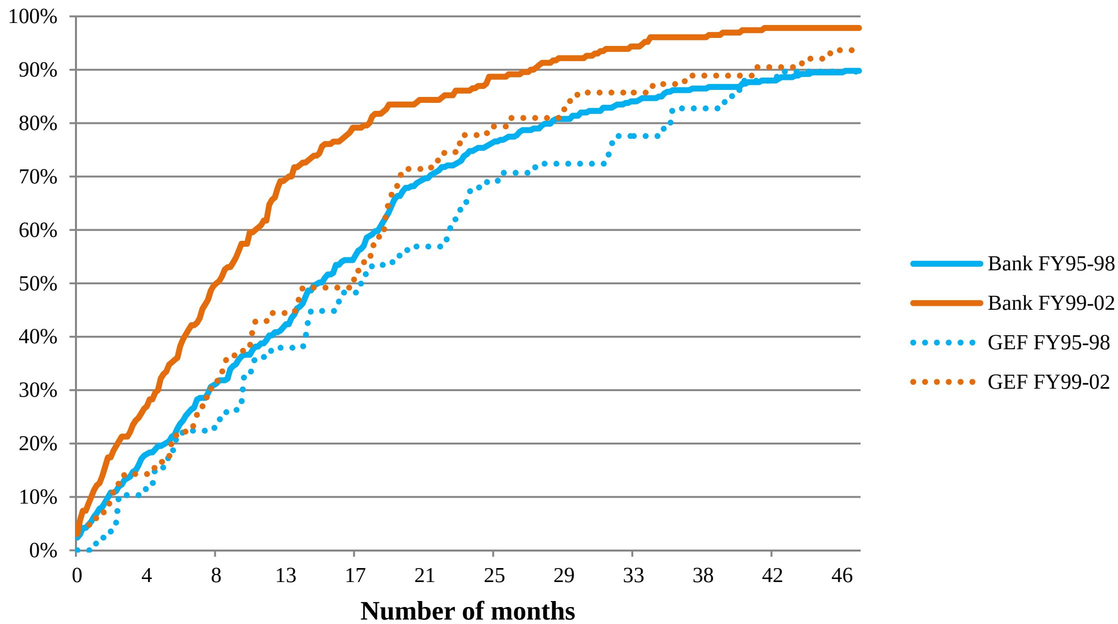
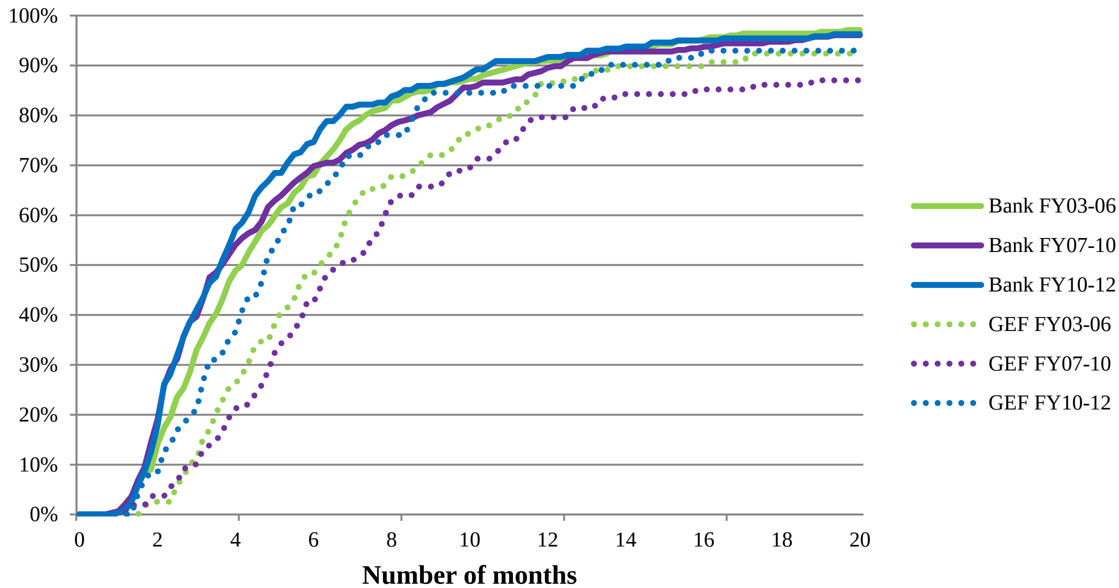
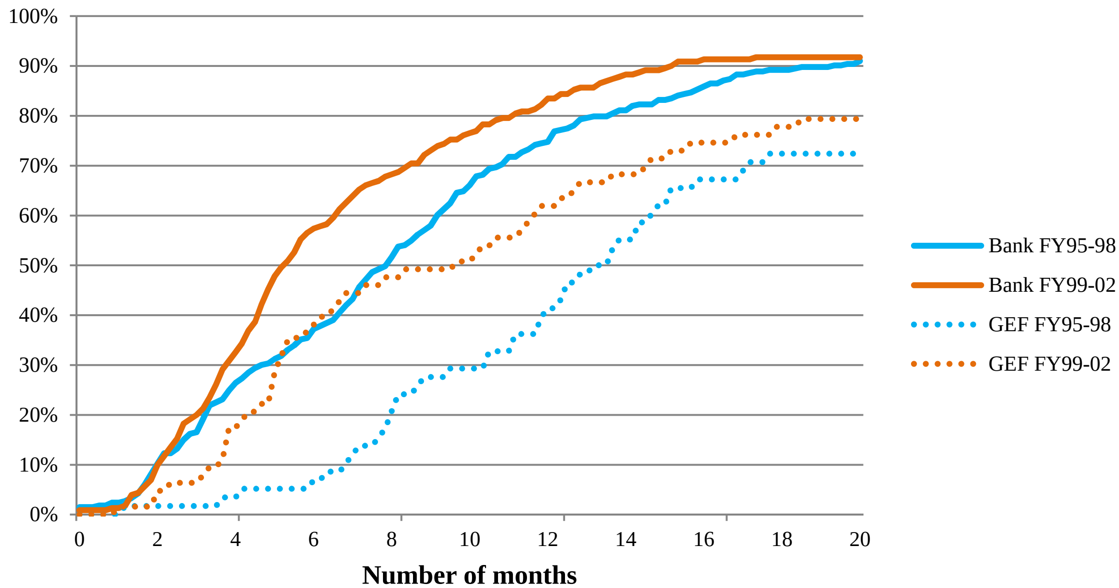


Figure D-17. From Project Appraisal Meeting to Board Approval





Comparison of Elapsed Time in the Bank Project Cycle for Bank vs. Bank Projects that are Fully Blended with a GEF Project

In the following, we compare the time needed by IBRD/IDA projects and by IBRD-IDA projects that are fully blended with a GEF project (i.e. parent projects) to reach from one milestone to the next in the Bank project cycle.

Figure D-18. Milestones Measured in the World Bank Project Cycle

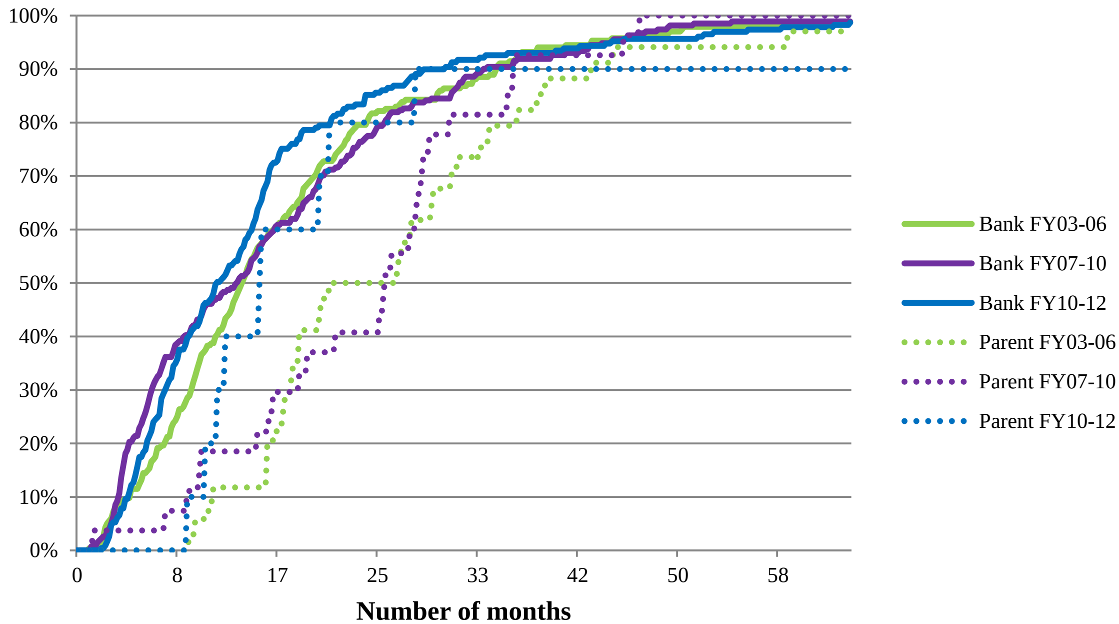
The purpose of this analysis is to find out whether IBRD-IDA projects that are fully blended with a GEF project (which must comply with GEF requirements) take longer than IBRD-IDA projects to reach Board approval and how the difference in processing speed has evolved over the years. The total number of Board-approved projects serves as basis for calculating the cumulative percentages. The portfolio consists of:

- 107 IBRD/IDA projects mapped to ENRM and fully blended with a GEF project (All GEF blends are Full-Sized Projects)
- 1539 IBRD/IDA projects mapped to ENRM not blended with a GEF project

The analysis is based on the portfolio of all Board-approved projects mapped to ENRM in the Bank data system. IBRD-IDA projects are represented by full curves. IBRD-IDA parents of GEF projects are represented by the dotted curves. Projects are grouped in financial years that approximately correspond to GEF phases.

Since fully blended projects are processed through the Bank cycle as one project, the sample of IBRD-IDA that are fully blended with a GEF component is based on the Board approval dates of the IBRD-IDA and the GEF components. Components that have the same Board approval date are considered fully blended.

Figure D-19. From Concept Meeting to Board Approval



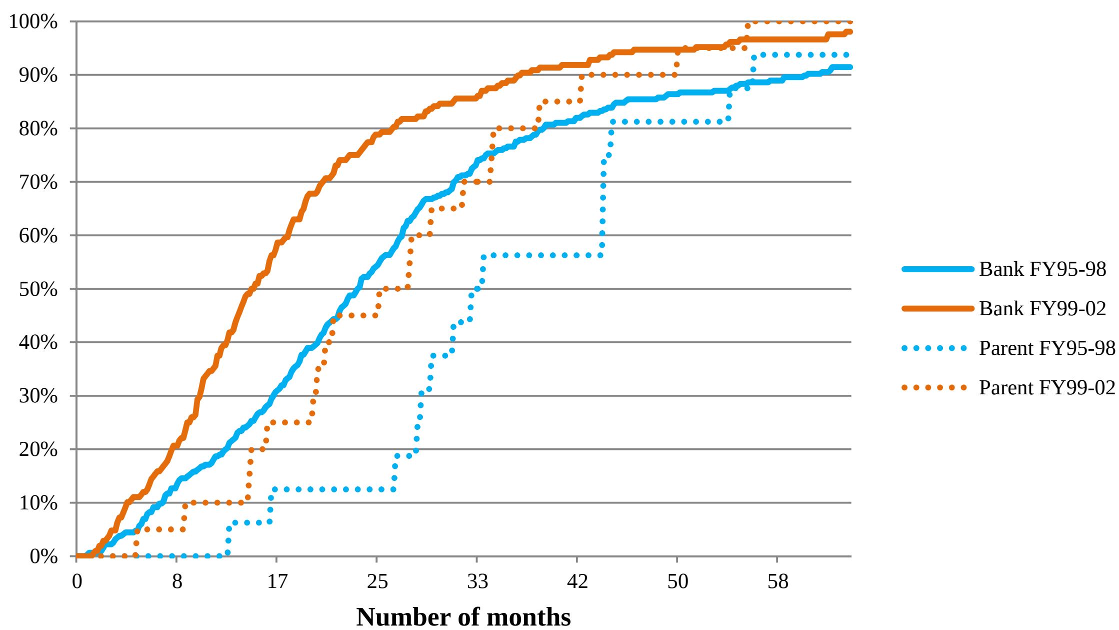
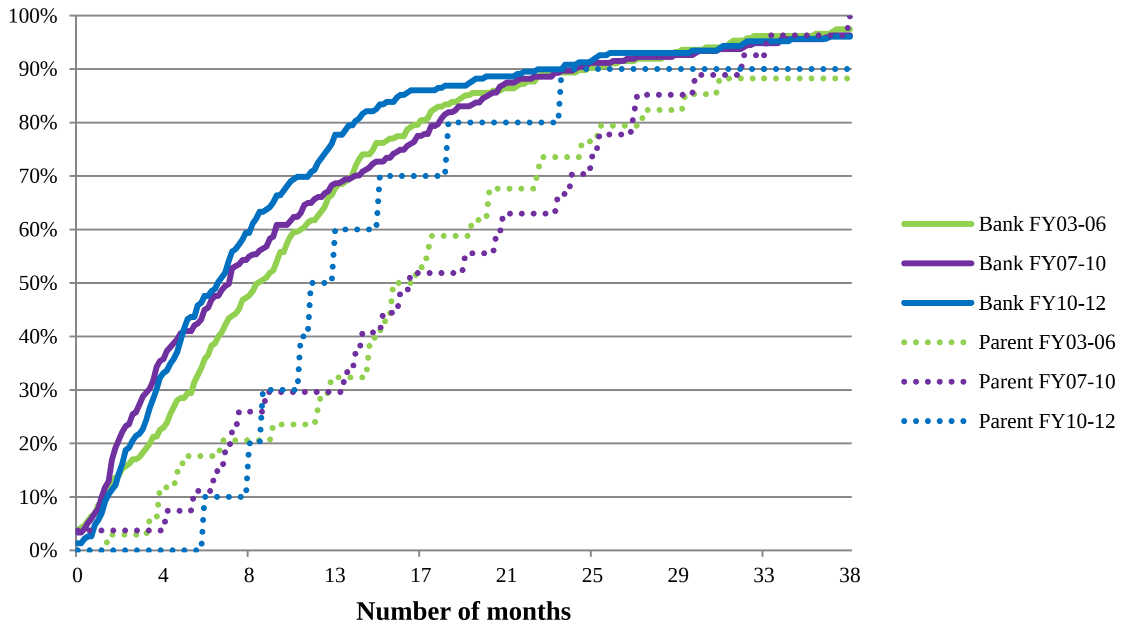


Figure D-20. From Project Concept Meeting to Appraisal Meeting



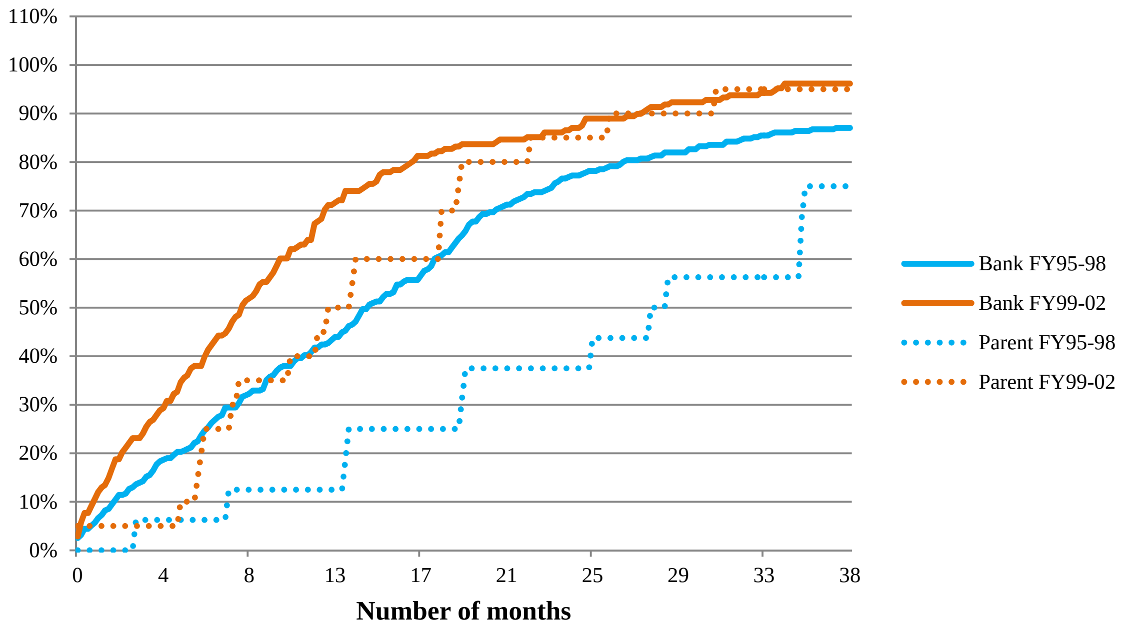
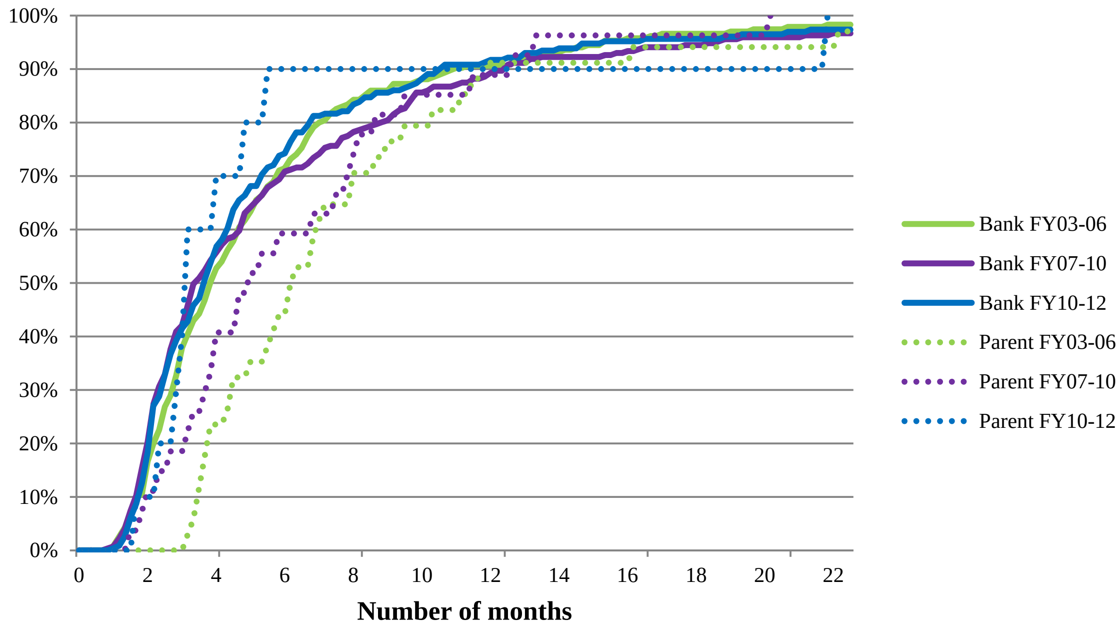
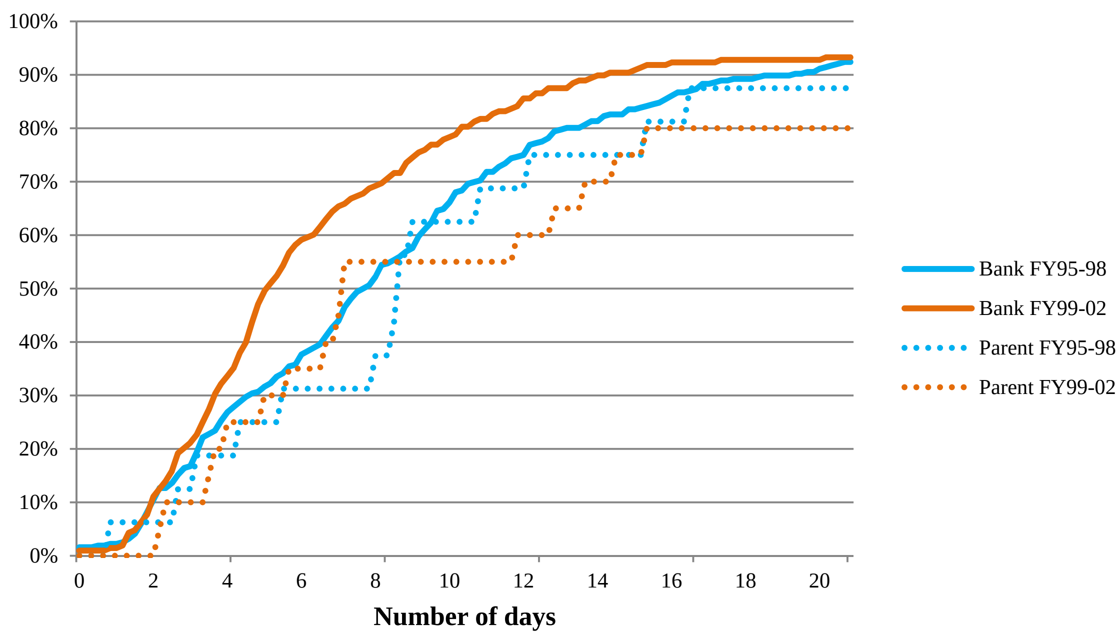


Figure D-21. From Appraisal Meeting to Board Approval





Appendix E1: The World Bank-GEF Project Portfolio

This appendix provides the background data for the charts in Chapters 3, 5, and 6 on the World Bank's portfolio of GEF projects.

This portfolio includes all Full and Medium-Sized Projects approved by the GEF and by the World Bank from the beginning of the GEF pilot phase until the end of the WBG-GEF fiscal year 2012 on June 30, 2012. This covers active and closed projects, including those that were canceled after approval, but excludes pipeline projects and projects dropped before approval by the World Bank.

The portfolio covers the two primary GEF project modalities: Full-Sized Projects (FSPs) with a GEF contribution of more than $1 million (recently increased to $2 million) and Medium-Sized Projects (MSPs) of $1 million or less. The analysis also covers the GEF's Programmatic Approaches as far as these are composed of FSPs and/or MSPs. This portfolio analysis does not include other GEF modalities such as Project Preparation Grants, Enabling Activities, and projects under the GEF's Small Grants Program (administered by UNDP).

The portfolio includes projects financed from the *GEF Trust Fund*, the GEF's largest and primary fund, as well as the two smaller funds, the *Least Developed Countries Fund for Climate Change (LDCF)*, and the *Special Climate Change Fund (SCCF)*, both established in 2001.

The IEG team sought to compile as complete a project list as possible and to collect comprehensive and accurate data for commitment amounts, milestone dates, full and partial blending and other descriptive information to analyze the portfolio. Attaining this goal was challenging due to pervasive data discrepancies.

Project List Compilation: Four sources were used to compile the World Bank's GEF portfolio:

- The World Bank's Business Warehouse (BW) of the Bank's lending operations
- The Council List, obtained from the World Bank's GEF Coordination Unit
- The GEF's Project Management Information System (PMIS)
- The Multilateral Trustee and Innovative Financing (CFPMI) Department list.

An initial effort was made to reconcile these four project databases, but this proved impractical. None of the lists included all the same projects and there were discrepancies in dates, commitment amounts, and pervasive gaps.

In compiling the portfolio of World Bank-implemented GEF projects:

- First, we compared the Council List to the World Bank's Business Warehouse list, which has a product line designation for GEF projects, which also distinguishes full and medium-sized projects. Using the Council List as the base, a few blended projects were added from the BW list. The status of many projects was unclear — whether or not they had been approved — so that many were checked individually in the World

Bank's project portal on the Bank's intranet. Many of the early MSPs were not well tracked, so that the relevant information was not available even in the project portal, in which case project documents were searched for the relevant information.

- This list was then compared to the GEF's PMIS and with the CFPMI list, which yielded an additional 64 projects. There was often more than one World Bank "P" number for one GEF ID number. The opposite was also true: there was frequently more than one GEF ID number for one World Bank "P" numbered project. After sorting out the project IDs of enabling activities, preparation costs, small grants and knowledge dissemination events, the IEG team determined that there were 18 more projects that should be added.

The IEG team tentatively added these projects and then sent the new list to the GEF Coordination Unit for confirmation. In the end, the team added projects from all four lists, after verification with the GEF Coordination Unit.

Blended Projects. The team found that no accurate record of blended projects is kept. The team started with an initial list from the GEF Coordination Unit, and then sought to verify all Fully Blended and Partially blended projects. By checking approval dates of Parent and Child projects, the team was able to compile a complete list of Fully Blended projects. The Partially Blended projects were harder to verify since many milestones are not the same for the Parent and Child projects. The team was able to add partially blended projects in the course of doing the study when coming upon them. The rest of the partially blended projects were based on the Council List.

Data Completeness and Accuracy. Once the team had a complete project list, the next focus was on accuracy, consistency and completeness. Numerous discrepancies were found, such as the following.

Dates. There were discrepancies between the PMIS and the BW information with respect to the World Bank Board approval dates (5%) and effectiveness dates (19%). Some projects that had been approved, and some that had even closed, were listed as "pipeline." There were additional discrepancies between the PMIS and the Council List. In order to do an accurate elapsed time analyses, the team examined these discrepancies and found the following.

Council Approval Dates (for all projects regardless of modalities and phases). Three projects had a date in the PMIS but no date in the Council List, while ten projects had a date in the Council List but not in the PMIS. For the projects that had a date in both lists, the following table compares these dates.

	Discrepancy	Discrepancy of more than 1 day	Discrepancy of more than 10 days
Absolute number	342	223	125
Percentage	54%	35%	20%

CEO Endorsement Dates: Twenty-eight projects had an endorsement date in the Council List but not in the PMIS, and 271 projects had a date in the PMIS but not in the Council List. For the 130 projects that had a date in both lists, the following table compares these dates.

	Discrepancy	Discrepancy of more than 1 day	Discrepancy of more than 10 days
Absolute number	93	59	29
Percentage	72%	45%	22%

Commitment Amounts: There were many instances of approved commitment amounts differing between the Council List, the Bank's Business Warehouse, and CFPMI. Data on supplemental, or additional, financing was inconsistently recorded. Of all implementing agency approved projects, 28 percent had no final commitment amount (at the CEO endorsement or agency approval stage) shown in PMIS.

In the end, the commitment amounts were taken from PMIS at the Council approval stage for the share of the World Bank in each focal area (Table E-1 below) and for the shares of the GEF Agencies in GEF commitments (Table E-11). The CEO approval/endorsement dates for the World Bank's GEF portfolio were taken from the Council List, and the Board approval dates, effectiveness dates, and completion dates were taken from the Bank's Business Warehouse. For the elapsed time analysis in Chapter 4 and Appendix D-3, all these dates were taken from the PMIS on the assumption that each agency would keep the best track of its own dates.

Reasons for Data Discrepancies: The Bank's GEF Coordination Unit explained the many reasons for many of these data issues. For instance, commitment amounts are inconsistent because the PMIS records the amount that is approved by the Council and the Bank's Business Warehouse records the amount approved by the World Bank's Board. For many projects, preparation costs are included in the project commitment amounts, while for others they are not, and depending on which list one consults, one may get either situation. CFPMI commitments can include enabling activities, preparation costs, administrative fees, etc., which are difficult to tease out. The GEF Coordination Unit reconciles its numbers with CFPMI once a year, but the numbers are inconsistent between the two at any other time of the year. There are constraints in using the Bank's project data system, with the unique structure of GEF projects making it difficult to reflect all their information accurately in a data system geared to World Bank lending products. Lack of staff time and budget for doing this was also cited.

Such poor recording and lack of coherence make portfolio monitoring, reporting, evaluation, and accountability more difficult in a consistent and timely manner; require additional time to prepare reports to reconcile amounts; and need specialized staff to work with the data.

Many of these problems are well known and documented in the recent study by Deloite and Touche of the GEF's Information Systems (GEF 2012f). Hopefully, the agreement of the Trustee and the Secretariat to move the PMIS back-end functionality to the World Bank's SAP platform, while enhancing PMIS front-end functionality, in order to harmonize the data structure and flows between the Trustee and the Secretariat, will improve this situation over time.

Table E-1. Share of the World Bank Group in GEF Approvals, 1992–2013, by GEF Focal Area

GEF Focal Area	GEF Council-Approved Projects (US$ millions)			Share of the World Bank Group
	World Bank Group	Other Implementing/ Executing Agencies	Total	
Climate Change	1,934	2,300	4,234	46%
Biodiversity	1,382	1,817	3,199	43%
Multi-focal Area	696	1,668	2,364	29%
International Waters	506	701	1,207	42%
Persistent Organic Pollutants	171	493	664	26%
Land Degradation	144	269	413	35%
Ozone Depletion	145	49	194	75%
Total	4,979	7,295	12,275	41%

Source: GEF Project Management and Information System. These shares are based on GEF Council Approvals of full-sized projects, medium-sized projects, and enabling activities, and includes projects implemented by both the World and IFC.

Table E-2. Share of GEF Financing in World Bank Commitments to Environment Projects, 1992–2013, by Sector Board Mapping

Sector Board	World Bank-Approved Environmental Commitments ($US millions)			GEF Share
	GEF Financing	IBRD/IDA and Other Financing	Total	
Energy and Mining	645	11,862	12,507	5.2%
Agriculture and Rural Development	416	12,059	12,475	3.3%
Water	100	10,374	10,474	1.0%
Environment	1,392	7,517	8,909	15.6%
Transport	88	4,736	4,823	1.8%
Urban Development	28	3,552	3,580	0.8%
Education		285	285	0.0%
Financial & Private Sector Devt.	2	154	156	1.2%
Public Sector Governance		155	155	0.0%
Health		154	154	0.0%
Social Development	8	98	106	7.9%
Social Protection		66	66	0.0%
Poverty Reduction		12	12	0.0%
Global Information/ Communications Technology		7	7	0.0%
Investment Climate		1	1	0.0%
Economic Policy	1	0	1	100.0%
Total	2,668	50,100	52,767	5.1%

Source: World Bank data.

Notes:

(a) Each World Bank project can identify up to five themes promoted by the project including environment and natural resource management themes such as biodiversity, climate change, pollution management, and water resources management. Commitments represent the proportion of the Bank's total project commitments dedicated to such themes. GEF financing represents the share of these commitments financed by the GEF and related trust funds.

(b) These data exclude development policy operations (DPOs), since the GEF does not generally finance DPOs. If DPOs had been included, the percentages would be even lower.

(c) Each World Bank project is supervised by a task team leader who reports to a regional manager who is represented on a Bank-wide sector board. Each project is thereby "mapped" — or becomes the responsibility of — that sector board.

Table E-3. Contributions of Selected Financing Sources for World Bank Environment Projects, 2008–2013 (US$ millions)

	2008	2009	2010	2011	2012	2013	2008-10	2011-13
GEF Trust Fund	264	187	223	119	104	157	674	380
LCDF/SCCF Trust Funds	16		11	13	34	6	27	59
Carbon Finance	200	236	142	64	108		578	172
Climate Invest-ment Funds		100		76	482	174	100	732
Total	480	523	375	272	728	337	1,379	1,343

Source: World Bank Business Warehouse, GEF Council List

Table E-4. World Bank-Implemented GEF Projects by Fiscal Year of World Bank Approval

Approval Fiscal Year	Full-sized Projects	Medium-sized Projects	Commitments ($ millions)
1992	5		61
1993	10		70
1994	16		137
1995	14		100
1996	13		168
1997	17		193
1998	15	2	139
1999	10	19	99
2000	16	15	132
2001	16	16	158
2002	21	7	182
2003	20	14	180
2004	30	7	221
2005	29	14	246
2006	38	4	338
2007	22	7	225
2008	28	7	280
2009	23	5	187
2010	33	4	234
2011	22	8	132
2012	22	5	138
2013	25	4	163
Total	445	138	3,781

Source: World Bank Business Warehouse, GEF Council List

Table E-5. World Bank-Implemented GEF Projects, 1992–2013, Commitments by World Bank Region and Country (US$ millions)

Region/Country	Stand-Alone Projects		Blended Projects		Total Commitments
	Number	Commitments	Number	Commitments	
Africa	104	479.9	63	373.8	853.7
East Asia/Pacific	65	446.1	44	444.3	890.3
Europe/Central Asia	65	425.2	26	130.7	555.8
Latin America/Caribbean	120	746.8	22	167.2	914.1
Middle East/North Africa	37	255.0	4	29.1	283.9
South Asia	10	61.1	11	161.8	222.9
Global Projects	12	61.2			61.2
Total	413	2,475.2	170	1,306.9	3,781.8
Africa	104	479.9	63	373.8	853.7
South Africa	11	53.6			53.6
Uganda	2	4.8	6	48.1	52.9
Ghana	4	24.1	4	24.9	49.0
Nigeria	4	24.1	3	21.1	45.2
Kenya	6	27.3	2	14.8	42.1
Tanzania	1	0.4	4	33.3	33.7
Madagascar	1	10.0	2	23.0	33.0
Mozambique	1	5.0	4	23.4	28.4
Benin	4	16.3	3	9.5	25.8
Cameroon	2	9.5	2	16.0	25.5
Senegal	1	4.8	4	20.7	25.5
Malawi	3	13.0	2	12.4	25.4
Burkina Faso	3	12.9	1	7.4	20.3
Guinea	2	12.0	2	6.5	18.5
Mali	2	8.0	2	9.7	17.7
Ethiopia			3	15.7	15.7
Namibia	3	13.9			13.9
Niger			3	13.2	13.2
Congo, Dem. Rep. of	1	7.0	1	6.0	13.0
Burundi	1	4.2	2	6.8	11.0
Chad	2	10.6			10.6
Zambia	2	1.6	2	8.5	10.1
Gabon	1	10.0			10.0
Congo, Republic of	1	10.0			10.0
Rwanda	2	8.8			8.8
Lesotho	1	7.3			7.3
Togo	1	5.5	1	1.8	7.3
Sierra Leone	2	6.8			6.8

Region/Country	Stand-Alone Projects		Blended Projects		Total Commitments
	Number	Commitments	Number	Commitments	
Mauritania			1	6.0	6.0
Guinea-Bissau			2	5.8	5.8
Zimbabwe	1	0.8	1	4.8	5.6
Botswana	1	5.5			5.5
Mauritius			1	5.3	5.3
Cape Verde			1	4.7	4.7
Seychelles	4	4.6			4.6
Liberia	4	4.2			4.2
Sao Tome and Principe	1	4.1			4.1
Cote d'Ivoire	2	3.2			3.2
Gambia, The	2	2.0			2.0
Africa Regional Projects	25	144.0	4	24.4	168.4
East Asia/Pacific	65	446.1	44	444.3	890.3
China	25	287.7	16	241.0	528.7
Philippines	6	56.1	6	54.9	111.0
Indonesia	9	23.8	6	57.4	81.2
Vietnam	8	19.3	6	40.1	59.3
Papua New Guinea	1	1.0	2	17.9	18.9
Lao PDR	2	1.6	4	11.5	13.1
Thailand	2	3.2	1	9.5	12.7
Pacific Islands	1	9.5			9.5
Cambodia			2	8.5	8.5
Kiribati	3	5.8			5.8
Vanuatu	1	5.6			5.6
Mongolia	2	1.6	1	3.5	5.1
Samoa	1	0.9			0.9
East Asia/Pacific Regional Projects	4	30.0			30.0
Europe/Central Asia	65	425.2	26	130.7	555.8
Russian Federation	4	84.6			84.6
Poland	4	46.7	2	8.4	55.1
Romania	4	25.2	2	12.5	37.7
Ukraine	4	32.1			32.1
Croatia	3	11.4	3	18.4	29.8
Bulgaria	4	28.9			28.9
Turkey	2	13.3	2	10.6	23.9
Moldova	6	18.8	1	4.4	23.2
Hungary	3	19.8			19.8
Serbia	1	9.0	1	4.5	13.5

Region/Country	Stand-Alone Projects		Blended Projects		Total Commitments
	Number	Commitments	Number	Commitments	
Belarus	2	7.9	1	5.5	13.4
Lithuania	1	6.5	1	6.9	13.4
Uzbekistan			1	12.7	12.7
Georgia	1	8.7	2	3.8	12.5
Bosnia and Herzegovina	2	12.3			12.3
Armenia	2	3.3	3	9.0	12.3
Albania	2	5.9	1	5.0	10.9
Tajikistan	2	6.4	1	4.5	10.9
Kazakhstan	1	5.3	1	5.0	10.3
Czech Republic	3	10.1			10.1
Macedonia, FYR of	2	6.3			6.3
Slovenia	1	6.2			6.2
Latvia			1	5.1	5.1
Azerbaijan			1	5.0	5.0
Montenegro			1	4.0	4.0
Slovak Republic	2	3.1			3.0
Kyrgyz Republic	1	1.0			1.0
Europe/Central Asia Regional Projects	8	52.4	1	5.4	57.8
Latin America/Caribbean	120	746.8	22	167.2	914.1
Mexico	18	221.0	4	47.6	268.6
Brazil	15	165.5	2	19.0	184.5
Argentina	13	42.8	2	17.0	59.8
Peru	8	41.7	2	17.9	59.6
Colombia	10	50.9			50.9
Costa Rica	3	11.0	2	18.0	29.0
Ecuador	7	18.6	1	2.8	21.5
Bolivia	3	20.2			20.2
Nicaragua	3	13.8	1	4.0	17.8
Chile	4	14.4	1	1.0	15.4
Panama	3	15.1			15.1
Uruguay	2	7.3	1	7.0	14.3
El Salvador	2	5.7	1	5.0	10.7
Guatemala	2	1.5	1	8.0	9.5
Honduras	1	7.0	1	2.4	9.4
Paraguay	1	0.5	1	4.5	5.0
Guyana	1	3.8			3.8
Jamaica	1	3.8			3.8
Venezuela	2	1.7			1.7

Region/Country	Stand-Alone Projects		Blended Projects		Total Commitments
	Number	Commitments	Number	Commitments	
Belize	2	1.6			1.6
Grenada	1	0.7			0.7
Haiti	1	0.5			0.5
Latin America/Caribbean Regional Projects	17	97.7	2	13.0	110.7
Middle East/North Africa	37	255.0	4	29.1	283.9
Morocco	8	82.0			82.0
Egypt, Arab Republic of	5	69.5	1	5.2	74.6
Tunisia	7	39.7	2	17.8	57.5
Jordan	6	24.2			24.2
Algeria	2	16.6			16.6
Yemen, Republic of	4	6.5			6.5
Djibouti			1	6.1	6.0
Syrian Arab Republic	2	2.2			2.2
Iran, Islamic Republic of	1	2.0			2.0
Middle East/North Africa Regional Projects	2	12.2			12.2
South Asia	10	61.1	11	161.8	222.9
India	4	19.6	8	139.7	159.3
Bhutan	3	21.8			21.8
Sri Lanka	1	4.6	2	13.9	18.5
Bangladesh	1	5.0	1	8.2	13.2
Pakistan	1	10.1			10.1
Global Projects	12	61.2			61.2
Total	413	2,475.2	170	1,306.9	3,781.8

Source: World Bank Business Warehouse, GEF Council List

Table E-6. World Bank-Implemented GEF Projects, 1992–2013, by GEF Focal Areas

Focal Area	Number of Projects	Share of Projects	Commitments ($ millions)	Share of Commitments
Climate Change	171	29.3%	1,341	35.5%
Biodiversity	237	40.7%	1,260	33.3%
International Waters	70	12.0%	482	12.7%
Multi-focal Area	58	9.9%	326	8.6%
Ozone Depletion	8	1.4%	122	3.2%
Persistent Organic Pollutants	14	2.4%	126	3.3%
Land Degradation	25	4.3%	124	3.3%
Total	583	100.0%	3,781	100.0%

Source: World Bank Business Warehouse, GEF Council List

Table E-7. IBRD/IDA and GEF Commitments for Blended Full-Sized Projects

Approval FY (World Bank)	Number of Projects	Share of GEF Projects	IBRD/IDA Commitments ($ millions)	GEF Commitments ($ millions)	Share of GEF Commitments
1992	2	40%	30.0	33.3	55%
1993	2	20%	299.0	35.5	50%
1994	3	19%	490.7	45.0	33%
1995	1	7%	11.5	12.5	13%
1996	2	15%	25.0	21.9	13%
1997	9	53%	208.8	96.4	50%
1998	5	29%	149.7	44.9	32%
1999	5	17%	164.3	53.0	53%
2000	10	33%	638.3	72.0	55%
2001	3	9%	80.1	5.6	4%
2002	8	29%	713.8	73.8	41%
2003	6	18%	256.9	31.2	17%
2004	15	41%	851.8	106.8	48%
2005	12	28%	538.6	100.3	41%
2006	13	31%	770.3	96.0	28%
2007	8	28%	804.0	44.3	20%
2008	14	40%	937.7	101.2	36%
2009	14	50%	690.7	117.5	63%
2010	13	35%	780.8	101.4	43%
2011	6	23%	380.0	36.0	28%
2012	6	26%	763.3	30.5	23%
2013	7	31%	403.0	50.7	32%
Total	168	29%	10,043.4	1,313.4	35%

Table E-8. Share of Blended Projects in GEF Commitments, 1992–2013, by Focal Area (US$ millions)

	Blended Projects	Stand-Alone Projects	Total	Share of Blended Projects
Climate Change	611	730	1,341	46%
Biodiversity	312	948	1,260	25%
International Waters	173	309	482	36%
Multi-focal Area	133	193	326	41%
Ozone Depletion	0	122	122	0%
Persistent Organic Pollutants	6	121	127	4%
Land Degradation	70	54	124	56%
Total	1,303	2,478	3,781	34%

Source: World Bank data.

Table E-9. Share of Blended Projects in GEF Commitments, 1992–2013, by Sector Board Mapping (US$ millions)

	Blended Projects	Stand-Alone Projects	Total	Share of Blended Projects
Environment	350	1,458	1,808	19%
Energy and Mining	492	508	1,000	49%
Agriculture and Rural Development	302	318	620	49%
Transport	81	81	162	50%
Water	39	94	133	30%
Urban Development	28	17	44	62%
Social Development	8	1	9	88%
Financial and Private Sector Development	3	1	4	76%
Economic Policy	0	1	1	0%
Grand Total	1,303	2,479	3,781	34%

Source: World Bank data.

Table E-10. World Bank-Implemented Projects with at Least One Environmental Theme, by Product Line
(a) Number of Projects

	GEF Stand-Alones	GEF Blends	IBRD/IDA Blends	Other IBRD/IDA Projects	Carbon Finance	Other Trust-Funded Projects	Total
1992	3	2	2	75	0	0	82
1993	8	2	2	72	0	1	85
1994	13	3	3	73	0	6	98
1995	13	1	1	77	0	11	103
1996	11	2	2	77	0	4	96
1997	8	9	9	67	0	5	98
1998	11	5	5	89	0	2	112
1999	24	4	4	58	0	3	94
2000	20	9	8	54	0	2	95
2001	28	3	2	48	1	3	86
2002	20	8	8	35	0	3	75
2003	27	6	6	46	3	1	90
2004	22	15	16	50	9	4	117
2005	31	11	12	61	13	13	142
2006	28	11	10	63	23	2	142
2007	21	8	8	56	25	6	127
2008	20	14	11	57	25	0	130
2009	14	14	7	48	13	4	104
2010	25	12	8	54	19	4	124
2011	22	7	7	74	6	3	120
2012	20	7	5	48	7	4	91
2013	19	9	5	51	0	12	97
Total	408	162	141	1333	144	93	2,308

Source: World Bank Business Warehouse and GEF Council List

Note: Projects that provide additional financing for existing projects are not counted as separate projects.

(b) Commitments (US$ millions)

	GEF Stand-Alones	GEF Blends	IBRD/IDA Blends	All Other IBRD/IDA Projects	Carbon Finance	Other Trust-Funded Projects	Total
1992	23	32	30	2,822			2,908
1993	26	25	141	3,247		1	3,440
1994	71	24	211	3,377		29	3,712
1995	69	10	8	2,945		206	3,238
1996	123	14	14	2,448		22	2,621
1997	69	62	126	2,300		52	2,609
1998	70	32	105	2,425		113	2,745
1999	32	13	66	1,440		23	1,575
2000	38	50	448	1,382		89	2,007
2001	93	3	9	1,345	2	10	1,462
2002	66	31	185	739		16	1,037
2003	103	21	92	1,010	5	13	1,245
2004	85	83	318	987	55	36	1,563
2005	109	59	146	2,331	38	144	2,828
2006	178	61	201	1,186	996	26	2,649
2007	117	27	428	1,589	106	55	2,322
2008	151	71	411	2,251	166	21	3,071
2009	62	97	232	4,853	231	63	5,539
2010	110	67	239	4,098	131	59	4,704
2011	87	34	235	5,867	62	14	6,299
2012	90	17	623	3,374	108	281	4,493
2013	60	31	251	2,220		468	3,030
Total	1,832	864	4,520	54,238	1,900	1,742	65,097

Source: World Bank Business Warehouse and GEF Council List

Note: Commitments equal the proportion of the total project commitments that are dedicated to environment and natural resource management themes.

Table E-11. Share of GEF Approvals by Implementing/Executing Agency and Replenishment Phase

	Pilot Phase	GEF-1	GEF-2	GEF-3	GEF-4	GEF-5	Total
	March 1991 – June 1994	July 1994 – June 1998	July 1998 – June 2002	July 2002 – June 2006	July 2006 – June 2010	July 2010 – June 2013	
World Bank	453.6	804.4	1,023.2	1,071.6	1,088.3	726.4	5,167.4
UNDP	253.0	380.5	627.6	914.3	1,267.8	1,316.7	4,759.9
UNEP	19.0	43.7	182.7	247.9	350.0	322.6	1,165.9
						149.4	345.3
UNIDO	0.0	0.0	10.7	15.6	169.6	197.8	279.5
IADB	0.0	0.0	0.0	11.8	90.0	152.8	254.6
FAO	0.0	0.0	0.0	12.1	69.6	49.5	179.6
ADB	0.0	0.0	6.4	31.1	92.6	47.5	153.1
IFAD	0.0	0.0	0.0	17.3	88.4	114.4	127.1
AfDB	0.0	0.0	0.0	0.0	12.8	46.8	94.1
EBRD	0.0	0.0	0.0	0.0	47.3	3,123.8	12,526.7
Total	725.6	1,228.6	1,850.6	2,321.7	3,276.3	726.4	5,167.4
Shares							
World Bank	62.5%	65.5%	55.3%	46.2%	33.2%	23.3%	41.3%
UNDP	34.9%	31.0%	33.9%	39.4%	38.7%	42.1%	38.0%
UNEP	2.6%	3.6%	9.9%	10.7%	10.7%	10.3%	9.3%
UNIDO	0.0%	0.0%	0.6%	0.7%	5.2%	4.8%	2.8%
IADB	0.0%	0.0%	0.0%	0.5%	2.7%	6.3%	2.2%
FAO	0.0%	0.0%	0.0%	0.5%	2.1%	4.9%	2.0%
ADB	0.0%	0.0%	0.3%	1.3%	2.8%	1.6%	1.4%
IFAD	0.0%	0.0%	0.0%	0.7%	2.7%	1.5%	1.2%
AfDB	0.0%	0.0%	0.0%	0.0%	0.4%	3.7%	1.0%
EBRD	0.0%	0.0%	0.0%	0.0%	1.4%	1.5%	0.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: GEF Project Management Information System. These shares are based on GEF Council approvals of full-sized projects, medium-sized projects, and enabling activities, and include projects implemented by both the World Bank and IFC.

Appendix E2: The IFC-GEF Project Portfolio

This appendix provides the complete list of 40 IFC-implemented GEF projects approved by IFC. This portfolio had to be compiled from scratch, since there is no separate product line designation in the IFC project data system, like there is in the World Bank.

An initial list of recent projects was obtained from the Blended Finance unit of the IFC. For the earlier projects, the list from CFPMI was consulted, which was then verified from information in the following documents:

- The GEF's Project Management Information System
- Annual reports from the IFC to the World Bank's Board on IFC's GEF Portfolio from 1996 to 2006, listing closed projects, projects under implementation, and a pipeline
- An evaluation done by an outside consulting group in 2006[36] which had projects from inception
- Internal IEG evaluation studies that had been done of some IFC projects
- A review of concessional financing for sustainable energy investments done by IFC management
- Evaluations of the four largest GEF programs, done by Ernst and Young consultants for IFC management
- *Selling Solar*, an assessment of IFC's experience with GEF-financed solar PV projects, prepared by IFC[37]

Information from all of these sources was used to compile a complete database with commitments, dates, and descriptive information on the projects.

There were similar consistency problems with the data as in the World Bank portfolio. Amounts in the GEF PMIS were different from those in the IFC system. CFPMI amounts included preparation costs. There were similar problems in relation to the dates recorded in the various sources.

There were also numerous individual project recording mistakes, such as:

- The same project ID for two unrelated projects
- The same project and its commitment amount was double counted — once in 2000 and again separately in 2005 with two IDs — but only one project was implemented

There was also difficulty in defining what is a project for the IFC-GEF portfolio. There were numerous subprojects for each of the four major programs — SME, EBFP, PVMTI and the Earth Fund — many (but not all) had their own IFC project ID. Most of the subprojects have been identified, but are not recorded in Table E-12 below.

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36. Le Groupe conseil baastel ltée. 2007. *Evaluation of the Environmental Finance Group's Global Environmental Facility Funded Initiative*.

37. International Finance Corporation and Global Environment Facility, 2007, *Selling Solar: Lessons from more than a Decade of IFC's Experience*. Washington DC: International Finance Corporation

Table E-12. IFC-Implemented GEF Projects, 1995–2012

Project count	IFC Approval FY	Project Name	Region	Country	GEF Focal Area	IFC Practice Area	GEF Commitment ($ millions)	IFC Funding ($ millions)
1	1995	Ozone Depleting Substances Reduction (IFC)	ECA	Slovak Republic	Ozone depletion	Ozone depletion	3.50	0.00
2	1995	Poland Efficient Lighting Project (PELP – IFC)	ECA	Poland	Climate change	Energy efficiency	5.00	0.00
3	1995	Small and Medium Scale Enterprise Program	Global	Global	Multifocal	Multifocal	4.30	0.00
	1997	Small and Medium Scale Enterprise Program Replenishment	Global	Global	Multifocal	Multifocal	16.50	0.00
4	1996	Hungary Energy Efficiency Co-Financing Program (IFC)	ECA	Hungary	Climate change	Energy efficiency	5.00	0.00
5	1996	Sustainable Energy Facility (SEF) (formerly Known as Renewable Energy and Energy Efficiency Fund – REEF) (IFC)	Global	Global	Climate change	Renewal energy/ energy efficiency	19.70	100.00
6	1996	Terra Capital Biodiversity Fund (IFC)	LAC	LAC	Biodiversity	Biodiversity	5.00	0.00
7	1997	Photovoltaic Market Transformation Initiative (IFC)	Global	Kenya, India, Morocco	Climate change	Renewable energy	30.38	0.00
8	1999	CEPALCO Grid-Connected Photovoltaic Distributed Utility Pilot Plant (IFC)	EAP	Philippines	Climate change	Renewable energy	4.03	0.00
9	1999	Efficient Street Lighting (IFC)	LAC	Argentina	Climate change	Energy efficiency	0.74	0.00
10	1999	I-Efficient Lighting Initiative (IFC) – Tranche I	Global	Global	Climate change	Energy efficiency	17.12	0.00

Project count	IFC Approval FY	Project Name	Region	Country	GEF Focal Area	IFC Practice Area	GEF Commitment ($ millions)	IFC Funding ($ millions)
	1999	II-Efficient Lighting Initiative (IFC) – Tranche II	Global	Global	Climate change	Energy efficiency	0.00	0.00
11	1999	Solar Development Group (IFC)	Global	Global	Climate change	Renewable energy	10.00	0.00
	2000	ENDESA/BOTROS Afforestation	LAC	Ecuador	Climate change		0.00	
12	2001	Balkan Energy Efficiency Program (IFC)	ECA	Regional – Central and Eastern Europe	Climate change	Energy efficiency	6.00	0.00
13	2002	Biofuels Transportation and Processing Opportunity(IFC) (GEF system: Obtaining Biofuels and Non-wood Cellulose Fiber from Agricultural Residues/Waste)	LAC	Peru	Climate change	Renewal energy/ energy efficiency	0.97	0.00
14	2002	EcoEnterprises Fund (IFC/TNC)	LAC	Regional	Biodiversity	Biodiversity	1.00	0.00
15	2002	Hungary Energy Efficiency Co-Financing Program 2 (IFC)	ECA	Hungary	Climate change	Energy efficiency	0.70	12.00
16	2002	Komodo Collaborative Management Initiative (KCMI) (IFC)	EAP	Indonesia	Biodiversity	biodiversity	5.38	0.00
17	2002	Olkaria III Geothermal Development (IFC)	AFR	Kenya	Climate change	Renewable energy	5.00	0.00
18	2003	Commercializing Energy Efficiency Finance	ECA	Regional ECA/Europe	Climate change	Energy efficiency	11.25	30–85 million second loss coverage

Project count	IFC Approval FY	Project Name	Region	Country	GEF Focal Area	IFC Practice Area	GEF Commitment ($ millions)	IFC Funding ($ millions)
	2002	Commercializing Energy Efficiency Finance	ECA	Regional ECA/Europe	Climate change	Energy efficiency	6.75	n/a
19	2003	Egin-Uur Watershed Conservation Initiative (IFC)	EAP	Mongolia	Biodiversity	Biodiversity	0.98	0.00
20	2004	Inka Terra Ecotourism (IFC)	LAC	Peru	Biodiversity	Biodiversity	0.75	0.00
21	2004	Asian Conservation Company(IFC) (Tranche I and II)	EAP	Philippines	Biodiversity	Biodiversity	1.60	0.00
22	2004	Developing Legal & Regulatory Framework for Wind Power	ECA	Russian Federation	Climate change	Renewable energy	0.73	0.00
23	2004	EBFP TOTAL	Global	Global	Multifocal	Multifocal	20.00	285.18
24	2004	I-Fuel Cell Financing for Distd. Generation Applic – Phase 1 (IFC)	Global	Global	Climate change	Long-term reduction of CO2	9.83	0.00
	2004	I-Fuel Cell Financing for Distd. Generation Applic – Phase 2 (IFC)	Global	Global	Climate change	Long-term reduction of CO3	0.00	0.00
25	2004	I-Marine Aquarium Market Transformation Initiative (IFC) Tranche I	EAP	Regional	Biodiversity	Biodiversity	6.62	0.00
26	2004	Lalkisale Biodiversity Conservation Support Project(IFC)	AFR	Tanzania	Biodiversity	Biodiversity	0.45	0.00
27	2004	Poison Dart Frog Ranching to Save Rain Forest & Alleviate Poverty (IFC)	LAC	Peru	Biodiversity	Biodiversity	0.81	0.00

Project count	IFC Approval FY	Project Name	Region	Country	GEF Focal Area	IFC Practice Area	GEF Commitment ($ millions)	IFC Funding ($ millions)
28	2005	China Utility-Based Energy Efficiency Finance Program (CHUEE) (formerly called Financing Initiative for Renewables and Energy-Efficiency (FIRE) (IFC)	EAP	China	Climate change	Energy efficiency	16.50	205.43
29	2005	EFCC Sugar Mill Cogen (IFC)	LAC	Brazil	Climate change	Energy efficiency	4.01	0.00
30	2005	Sustainable Energy Finance Program (formerly Financing Energy Efficiency in the Russian Federation (IFC)	ECA	Russian Federation	Climate change	Energy efficiency	7.00	0.00
31	2006	OTP Sub-Sovereign Schools Energy Efficiency Program	ECA	Hungary	Climate change	Energy efficiency	0.09	0.00
32	2007	Biodiversity and Agricultural Commodities Program (BACP) Phase 1	Global	Global	Biodiversity	Biodiversity	7.00	0.00
33	2007	Earth Fund TOTAL	Global	Global	Multifocal	Multifocal	30.00	74.67
34	2007	Lighting the "Bottom of the Pyramid"	AFR	Regional	Climate change	Renewable energy	5.40	0.00
35	2007	Portfolio Approach to Distributed Generation Opportunity (PADGO) Phase 1	SAR	Sri Lanka	Climate change	RE/EE	3.60	24.50
36	2007	Renewable Energy Project (RREP) (P079033)	ECA	Russian Federation	Climate change	Renewable energy	10.00	0.00
37	2007	SEGEF SP Marsh.Is	EAP	Marshall Islands	Climate change	Renewable energy	0.47	0.00

Project count	IFC Approval FY	Project Name	Region	Country	GEF Focal Area	IFC Practice Area	GEF Commitment ($ millions)	IFC Funding ($ millions)
38	2007	Sustainable Energy Finance Program	EAP	Philippines	Climate change	Renewal energy/ energy efficiency	5.30	41.00
39	2008	Housing Energy (Russia Residential Energy Efficiency Program)	ECA	Russian Federation	Climate change	Energy efficiency	9.67	0.00
40	2008	Geofund	ECA	Turkey	Climate change	Renewable energy	10.00	n/a

Qualitative Analysis of the Effectiveness of IFC-implemented GEF projects

1. The qualitative analysis of IFC-implemented GEF projects draws on the following assessments:

- IEG review of a sample of Project Completion Reports (PCRs) of IFC Advisory Services;
- IEG Environmental Sustainability Evaluation (2007 IEG)
- GEF assessments of its work with the private sector, including IFC implemented projects, through reviews of its engagement with the private sector in 1996, 1999, 2003, 2006, and in 2010 — the latter focused on the experience with the Earth Fund;
- An IFC commissioned review of the IFC-GEF portfolio (Le Groupe conseil baastel ltée, 2007); and
- Terminal Evaluation Reports by the GEF Evaluation Office evaluations, although not covering all projects and sometimes based on IFC Project Completion Reports.

2. The analysis is presented along the main practice areas covered by IFC-GEF projects, namely energy efficiency, renewable energy, biodiversity, and the multi-focal area. Among the two focal areas with the largest number of projects, IFC has rated the development effectiveness of its climate change projects as more satisfactory than its biodiversity projects, 71 percent to 56 percent, respectively, for an overall rating (including two other rated projects) of 68 percent satisfactory (See Table 13 in main report).

CLIMATE CHANGE – ENERGY EFFICIENCY

3. IFC's first GEF projects — the Poland Efficient Lighting project and Hungary Energy Efficiency Program — were energy efficiency projects that initiated the nearly two decades-long sustainable energy finance program. The portfolio grew to 14 projects representing GEF commitments of $89.8 million (not including those in multi-focal areas and in global programs supporting both energy efficiency and renewable energy).

4. In general, the energy efficiency portfolio is a successful example of the effectiveness and sustainability of the IFC-GEF partnership. Projects within this portfolio had a high replication level (especially those which qualified as sustainable energy facilities), and low records of losses. Based on the experience with these projects, IFC developed a methodology for pricing of risk-sharing guarantees (IFC 2012f, p. 29).

5. There are two main types of projects in the energy efficiency portfolio: (a) initiatives to promote energy efficient equipment such as Poland Efficient Lighting project and the Efficient Lighting Initiative (Box E-1.); and (b) energy efficiency finance programs implemented via financial intermediaries and other energy market stakeholders using GEF financing to support instruments such as first loss guarantees for the risk-sharing facilities, credit lines, mezzanine financing facilities, and technical assistance to financial intermediaries and to market players. The energy efficiency finance programs have subsequently become a major ongoing product line of IFC — now called Sustainable Energy Finance (SEF) — that helps financial institutions to develop new business lines dedicated to energy efficiency, water efficiency and renewable financing in emerging markets.

6. One of the most important impacts of the IFC-GEF partnership was achieved by the demonstration effect of its energy efficiency programs. An additional factor leading to replication of such programs was their economic returns during implementation. In terms of efficiency, for example, CHUEE led to about 43 percent of energy savings and emissions reductions (IEG 2010b, p. 39). As the IEG Climate Change Phase II report found, "GEF support has been crucial in mitigating clients' perceived risk, and expanded concessional funds will be needed for larger-scale demonstrations" (IEG 2010d, p. ix).

Box E-1. Efficient Lighting Initiative: Story of Market Transformation

The GEF-IFC Efficient Lighting Initiative (ELI) is a successful example of market transformation, long-term sustainable impact of GEF engagement with the private sector, and good example of mutual relevance of IFC and the GEF. The program incorporated lessons from previous efficient lighting projects, and was designed with minimal use of subsidies in mind, in contrast to previous efforts. There were seven different markets chosen for the program (Argentina, Peru, and South Africa in the first tranche of the program and the Czech Republic, Hungary, Latvia, and the Philippines in the second tranche), in South Africa leading to CO_2 savings of 2 million tons between 2000–2003 and reduced energy consumption by 2,590 GWH.

GEF provided about $15 million to this program to support consumer education and quality assurance that allowed IFC to go beyond the use of subsidies to accelerate market acceptance for an environmentally beneficial technology. Other IFC innovations, such as flexible financial instruments to stimulate commercial lending for energy efficiency and renewable energy, are further enhancing what has become a productive partnership between IFC and GEF.

Key achievements have been short-term and long-term impacts in market transformation, such as decreased prices, increased demand and availability, and improved product quality:

- Peru — annual sales of Compact Fluorescent Lamps (CFLs) increased 20 times;
- Argentina — the price of CFL dropped eight-fold, due to increased competition between manufactures;
- The quality of CFLs improved in the Philippines; and
- Interest from utilities and municipalities increased — utilities started selling and financing efficient lamps for customers in Argentina, Peru, Philippines, and South Africa, municipalities in several countries initiated energy-efficient street lighting.

Additional impact was achieved through certification. In 2005, IFC and the GEF, in cooperation with the China Standard Certification Center (CSCC), established the ELI Quality Certification Institute with expansion plans beyond the 7 initial markets and the aim of increasing manufacturer participation. Stakeholders to the institute are governments, international organizations, and manufacturers with interest in accelerating the adoption of efficient lighting solutions.

Source: World Bank Group 2009 and IFC 2009d

CLIMATE CHANGE – RENEWABLE ENERGY

7. Most renewable energy projects (7) have already been closed and only two projects remain active. This portfolio supported the following types of objectives:

- Market development in the off-grid sector;

- Sustainable and replicable business models that could be financed on a commercial basis; and
- Risk sharing guarantees.

8. IFC supported development and scaling-up of grid and off-grid clean energy via focused solar photovoltaic (PV) investments, and by supporting renewable energy in general. The main instruments of this support have been regulatory advice, improving access to finance, and addressing informational barriers to market development. These initiatives (such as Lighting Africa) are implemented in the vicinity of commercial markets, and leverage IFC and other commercial financing for scale-up.

9. However, overall impacts of IFC-GEF efforts in renewable energy have been mixed. Half of the portfolio received unsatisfactory ratings based on Project Completion Reports. Although generally highly relevant, the projects have been weak in achieving desired outcomes and impact.

10. One of the main reasons has been that renewable energy almost always has to compete with the subsidized fossil-fuel energy supply. For example, IEG's Climate Change II report also found that efforts to provide support to the Russian Government to complement an IFC wind-farm project did not achieve its goals because of the existing subsidies for fossil-fuel energy prices (IEG 2010d, p. 23). Other examples included IFC's attempts at promoting private sector development in the Solar Home Systems (SHS) market, which were generally less successful than the World Bank's. The IEG Climate Change II evaluation found that "emerging evidence from evolving World Bank experience paints a more positive picture — though still with the qualifications that SHS appears to be a small niche market rather than a rural panacea and is largely still dependent on subsidies" (IEG 2010d, p. 28).

11. Other reasons have been the lack of knowledge of the renewable energy market and the specifics of the technology. For example, the solar PV projects over-estimated market prospects and the fuel cell projects suffered from the complexity of the technology itself.

12. Overall, IFC had less success in the solar PV projects, mostly because of weak governmental support, the inability to compete with cheaper fossil fuels, and the general lack of flexibility in such projects. For example, the Solar Development Group was terminated after unsuccessful attempts to transform the market for the solar PV/small solar home systems, and Photovoltaic Market Transformation Initiative (PVMTI) only somewhat succeeded in one of three targeted countries (IFC/GEF 2007).

13. Not all financial instruments proved to be appropriate for renewable energy and energy efficiency approaches in developing countries. For example, the Selling Solar report found that private equity is not the most appropriate financial mechanism for financing solar PV activities in developing countries (IFC/GEF 2007, p. 7). Profitable opportunities for solar PV utilization in the developing world lie further upstream in the value chain, primarily in the production of solar PV modules for export to subsidized developed world markets.

14. Experience with solar projects showed that some level of support from government is necessary for project success — either subsidies, location limitations for selling technology,

or conditions of pricing agreements (IFC/GEF 2007, p. 7). Additional factors of success have been were a “hands-on” approach (with the IFC team directly involved in project implementation, the diversity of the portfolio (i.e. the ability to switch to a different technology or approach when a project showed signs of failure), and local ownership (not government support per se, but the recognition on the local level by clients and suppliers).

15. More successful outcomes were achieved in the Cagayan Electric Power & Light Co., Inc. (CEPALCO) that established a 1 MW PV electricity generating power plant in Cagayan de Oro City in the Philippines. In spite of lacking support from local government and financial institutions (Box E-2.).

Box E-2. The CEPALCO Experience

The CEPALCO was designed as a stand-alone project to demonstrate the advantages of solar PV technology (operating in conjunction with a 7 MW hydroelectric plant) in addressing distribution system capacity issues. To date, the solar PV plant has made a strong technical case for the reliability of utility-scale solar PV power plants. Furthermore, by avoiding the need to purchase alternative thermal energy, the CEPALCO solar PV plant has resulted in a significant reduction in greenhouse gas emissions. The plant is expected to displace 24,000 tons of CO_2 over its lifetime. When the financing was provided, it was expected that solar PV prices would decrease and that solar PV technology used on a utility scale would therefore become more cost effective. Had the price of solar PV gone down as expected (and still predicted to occur in the future), CEPALCO would have been a project with a high potential for replication. However, with solar PV prices having increased, the potential for replication without significant subsidization is limited. Perhaps the most important demonstration value of the CEPALCO project is that solar PV works effectively in a conjunctive-use application. It also illustrates the fact that the technical solution is not always the best market solution.

Source: IFC/GEF 2007 pp. 54

BIODIVERSITY

16. With the exception of one project, the entire IFC-GEF biodiversity project portfolio is completed and rated (there are 10 projects rated by IFC). Results are mixed: 4 out of 9 completed projects have unsatisfactory development effectiveness ratings.

17. The most frequently used model involved NGOs, community organizations, and private sector companies to create a commercial market in selected biodiversity services. In general, the GEF considered these projects to be research and development laboratory products and incubators for financially risky approaches that could be safely tested and replicated if successful. The low outcomes ratings in this portfolio may therefore reflect the naturally higher failure rate of high-risk projects.

18. Interviewed IFC staff noted that biodiversity projects were generally unsuccessful in achieving ***sustainable*** private sector financing of biodiversity conservation. Their performance was constrained by the absence of knowledge about the respective markets they were trying to develop, about which little or no analysis was performed ahead of time. Almost half of the projects were cancelled or terminated. Some of them might have performed better if they had been bundled and replicated based on successful experiences.

However, the value of these projects was in lessons that they provided — about what works and what does not work in this area.

19. One of the largest investments in biodiversity, the Biodiversity and Agricultural Commodities Program (BACP) is still under implementation. Its objective is to preserve global genetic, species and ecosystem diversity within agricultural production landscapes, by transforming markets for targeted agricultural commodities. The program aims to integrate biodiversity into production landscapes, by moving sustainably produced commodities from niche markets into the mainstream.

MULTI-FOCAL PRACTICE AREA

20. This portfolio represents three important IFC-GEF programs, which served as test pilots for different approaches to GEF engagement with the private sector, in different stages of its evolution. (See Table E-12 for further details.)

21. **The Small and Medium Enterprise (SME) program.** The first SME program, which was approved in 1995 and replenished in 1997, was closed and folded in to the Environment and Business Finance Program (EBFP) in 2004 (Ernst &Young 2011, p. 10). This program focused on two important categories of IFC clients — small and medium business and financial intermediaries. IFC had adopted a general focus on SMEs in 1995 (IFC 1995). GEF financial support allowed IFC to also include SMEs working in environmental field and providing environmentally-friendly products. Implementing this program via financial intermediaries allowed IFC to pilot this approach and then, if successful, to replicate it on a larger scale. The SME program financed loans to 21 intermediaries that provided support to 140 SMEs around the world. The mid-term evaluation of the SME program showed that the program was highly relevant both to IFC and the GEF, particularly with respect to local development priorities. The program, however, only financed investments (as opposed to technical assistance) which enabled a higher co-financing ratio — the accompanying technical assistance being implemented at the expense of IFC. Effective implementation of the program was affected by procedures: every subproject in this portfolio had to seek approval from the GEF Focal Point which added significant delays to the approval process.

22. **The Environment and Business Finance Program (EBFP).** As the successor to the SME program, EBFP introduced several changes, including revising the SME eligibility criteria in order to soften the criteria for participation. There are 11 subprojects in the EBFP portfolio as of today. (See Table E-12 for further details.) There are many factors that influenced the effectiveness of the program. One of them was the provision of loans via financial intermediaries versus stand-alone projects (IFC 2009b). It appears that projects implemented via FI intermediaries are more successful in achieving sustainable results for the several reasons: larger leverage and number of participating SMEs, more specific focus on climate change and energy efficiency, covering an area already known to private sector and where financial benefits are easier to quantify, and local “attachments” of these projects — the participation of local financial intermediaries, NGOs and other stakeholders with good knowledge of the caveats of local markets.

23. **The IFC Earth Fund.** The IFC Earth Fund built on past IFC-GEF initiatives such as the SME program, EBFP, and the Environmental Opportunities Fund. The GEF Evaluation Office and IFC have conducted evaluations of the Earth Fund and the IFC Earth Fund, respectively. The GEF Evaluation Office evaluated the Earth Fund in 2010 (GEF Evaluation Office 2011a) and IFC commissioned a mid-term review of the IFC Earth Fund in 2012 (Ernst &Young 2012). The GEF evaluation focused on the design and efficiency of the Earth Fund, and concluded that the Earth Fund was not an efficient instrument for engaging with the private sector (GEF Evaluation Office 2011a, pp.3). Both evaluations agreed that the pace of deployment of the Earth Fund was slow, and that the design of the Earth Fund was inefficient, creating misunderstanding and confusion about the role of GEF and of the private sector in the Earth Fund. However, the mid-term review of the IFC Earth Fund was generally positive about the portfolio performance and hoped that Earth Fund would be implemented in time.

Appendix F: Previous References to Global-Country Linkages in World Bank and IEG Documents

Document Name	Publication month/year	Consideration of linkages	Page reference
World Bank Board Paper, *A Framework for Managing Global Programs and Partnerships*	January 2001	Linkages as approval criteria: This paper sets linkages of global programs to the Bank's core institutional objectives and country operational work as approval criteria for a partnership between the World Bank and a GRPP.	pp. 5–6
World Bank Board Paper, *Update on Management of Global Programs and Partnerships*	March 2003	Linkages as country alignment: Global Programs must be aligned with country-owned strategy(-ies). Bank's regional and country managements are expected to be engaged in the debate and decision-making process.	p. 6
Operations Evaluation Department, *Addressing the Challenges of Globalization: Phase 2 Report*	December 2004	Assessment of linkages between the Bank country operations and global programs: This assesses the linkages between the Bank and GRPPs classified in 3 categories. The report emphasizes the importance of linkages in both directions between the countries and the GRPP in order to increase the relevance and impact of activities.	pp. 41–45
World Bank Board Paper, *A Strategic Framework for the World Bank's Global Programs and Partnerships*	April 2005	Framework to strengthen the link between global issues and programs and the Bank's operational programs at the country level: The document outlines obstacles and measures to improve the links with programs at country level.	
Independent Evaluation Group, *GRPP Evaluation Sourcebook*	January 2007	Standards and guidelines for assessing the linkages between GRPPs and Country and Local-level activities: The document emphasizes the importance of assessing the effectiveness of operational linkages in terms of positive outcomes and impacts in both directions. It differentiates intended or controllable linkages from unintended ones.	pp. 62–64
Independent Evaluation Group, *IEG Guidelines for Global and Regional Program Reviews (GRPRs)*	January 2007	Guidelines for assessing linkages in GPRs: When assessing the efficacy of a program, the review should look at the effectiveness of linkages between the Global Program and Countries. When assessing the performance of the Bank as partner, the review should consider the linkages established and how they enhanced the effectiveness of both the Global Program and the Bank.	pp. 8 and 12
Independent Evaluation Group, *The Development Gateway Foundation*	June 2007	Assessment of the linkages with WBG operations: Linkages were not articulated in the beginning of the program and have not received much attention.	p. 22

Document Name	Publication month/year	Consideration of linkages	Page reference
Independent Evaluation Group, *Cities Alliance Global Program Review*	June 2007	Assessment of Cities Alliance-Bank linkages: Linkages are not mentioned explicitly. Two main findings are related to linkages: • The financial link is questionable since it is difficult to attribute the large Bank's investment to the small CA grants • The Alliance and the Bank are institutionally so intertwined that their work has become difficult to differentiate	pp. 5 and 18–19
Independent Evaluation Group, *The Medicines for Malaria Venture GPR*	June 2007	Assessment of linkages: The Bank's budget systems and incentives constitute obstacles to the establishment of linkages between the program and the Bank's country work.	p. 34
World Bank Development Committee Paper, *Global Public Goods: A Framework for the Role of the Bank*	August 2007	Linkages to provide GPG: The paper emphasizes the need for consistency with country priorities in the Bank's commitments to GPG. It recommends to use country strategy documents as a platform for strengthening the link between GPGs and national priorities;	pp. 20–21
Independent Evaluation Group, *The Critical Ecosystem Partnership Fund (CEPF)*	November 2007	Assessment of linkages with CEPF: Linkages are generally weak despite the measures taken to enhance them	pp. 33–34
Independent Evaluation Group, *Biennial Progress Report*	March 2008	Assessment of the linkages with Global Programs: Description of Bank experiences of Global-Country linkages with Global Programs reviewed by IEG	pp. 32–35
Independent Evaluation Group, *The Association for the Development of Education in Africa*	March 2008	Legitimacy through linkages with ADEA (not explicit): In countries where there was deep personal engagement between program, Bank and government staff are deeply engaged, the program has brought legitimacy and weight to Bank-supported reform and the country level	p. xv
Independent Evaluation Group, *The Population and Reproductive Health Capacity Building Program*	March 2008	Assessment of linkages with PRHCP: Linkages are weak and underexploited. Bank staff doesn't know the program well. The program is not considered in country operations/strategies.	pp. 22–23
Independent Evaluation Group, *The International Land Coalition*	June 2008	Assessment of linkages with the ILC: Linkages with Bank country operations have been weak to non-existent in CB, knowledge generation and facilitation.	pp. 21 and 34
Independent Evaluation Group, *The Consultative Group to Assist the Poor (CGAP)*	October 2008	Assessment of linkages with the CGAP (not explicit): The CGAP maintains close liaison with Bank country offices and staff. This ensures the sustainability of its policy work through integration in the Bank's country policy and operational work.	pp. 29–31

Document Name	Publication month/year	Consideration of linkages	Page reference
Independent Evaluation Group, *Global Development Network*	May 2009	Assessment of linkages with the GDN (not explicit): The GDN was initiated by the World Bank to provide input that would feed into local strategies and the design of Bank projects. Although Bank staff was involved, the GND has not engaged enough with relevant networks/regional units.	pp. xiii and 34
Independent Evaluation Group, *The Global Forum for Health Research*	June 2009	Assessment of linkages with the GFHR: The only direct linkages are through encouragement and loan/credit financing of AFM participants. The Bank is better linked with other global health programs.	pp. 42 and 44
Independent Evaluation Group, *The Global Invasive Species Program*	September 2009	Assessment of (the effects) linkages with the GISP: The document assesses the effects of the linkages: the links of the program to Bank country operations have been weak in terms of the integration of the issue in relevant Bank project documents and Bank policies.	
World Bank Development Committee Paper, *New World, New World Bank Group: (I) Post-Crisis Directions*	April 2010	Linkage as approval criteria: A clear linkage to the Bank's core institutional objectives and country operational work is stated as one criterion for the engagement of the Bank at global level	pp. 27–28
Independent Evaluation Group, *The Global Water Partnership*	June 2010	Assessment of linkages with the GWP: Linkages at the country level are almost non-existent because of the lack of relevance to the Bank operational programs. The initial strategic alignment and reinforcement has decreased over time as the relationship has become less intensive.	pp. xxiii–xxiv and 49–51
IEG, *The World Bank's Involvement in Global and Regional Partnership Programs: An Independent Assessment*	2011	There is no formal rule determining which of the PCN of PIF should be prepared first; The RC reviews the proposal's eligibility; The PIF is cleared by the RC and TS; Early informal consultations between the TTL and the GEF Sec Program Manager are recommended by the CO; A bilateral Meeting between the GEF Sec and the TTL/RC/TS might take place during the PIF review. Description of Bank experiences of Global-Country linkages with several Global Programs reviewed by IEG. The report recommends the Bank to develop an explicit engagement strategy for each GRPP in which it is involved, including on *"how the program's activities are expected to be linked with the Bank's country operations."*	pp. 71–72
Independent Evaluation Group, *Multi-Donor Trust Fund for the Extractive Industries Transparency Initiative*	February 2011	Assessment of linkages with EITI: At the strategic level, the WBG has developed a comprehensive strategy with transparency as key element, which has led Bank to support EITI at global and country level. In few cases, solid linkages were established between the program and the country governance concerning EI.	pp. 33–35

Document Name	Publication month/year	Consideration of linkages	Page reference
Independent Evaluation Group, *The Mesoamerican Biological Corridor*	May 2011	Assessment of linkages with the MBC: Bending of corridor concerns and other lending activities and has enabled the Bank to promote intersectoral policy dialogue between key sectors in the MBC countries and reach sustainable results	pp. 31–32
Independent Evaluation Group, *The Global Fund to Fight AIDS, Tuberculosis and* *Malaria, and the World Bank's Engagement with the Global Fund*	February 2011	Assessment of linkages with the GF (not explicit): The link between the program and the Bank's core objective is described. Bank staff and consultants have not generally been involved at the country level but rather in strategic and analytical work.	p. 85
Independent Evaluation Group, *The Global Facility for Disaster Reduction and Recovery*	October 2012	Assessment of linkages with the GFDRR: This program has strong linkages with the Bank country operations. The close liaison between Bank regional staff and GFDRR and the responsiveness of GFDDR have increased the relevance and mainstreaming of the issue in IBRD/IDA-supported investment and larger government investment programs.	p. xxi and 62–63

Appendix G: Persons Consulted

Name	Institution – Unit	Position	Date of interview
Agostini, Paola	World Bank – Africa region	GEF Regional Coordinator Africa	September 19, 2012 January 31, 2013
Aizawa, Motoko	World Bank – Sustainable Development Network Vice Presidency	Advisor	February 4, 2013
Aoki, Chizuru	GEF Secretariat – Climate Change Mitigation	Cluster Lead	September 26, 2012
Apel, Ulrich	GEF Secretariat – Natural Resources	Sr. Environmental Specialist	February 4, 2013
Armstrong, Angela	World Bank – ECA Region	GEF Regional Coordinator Europe & Central Asia	September 24, 2012
Bakarr, Mohamed	GEF Secretariat – Natural Resources	Sr Environment Specialist (Land Degradation)	September 26, 2012
Barbut, Monique	GEF	Former Chief Executive Officer	February 19, 2013
Bliss-Guest, Patricia	CIF Administration Unit	Manager	February 7, 2013
Brandon, Carter	World Bank – LAC Region	Task Team Leader	September 24, 2012
Cackler, Mark	World Bank – Agriculture sector	Sector Manager	January 31, 2013
Cadario, Paul	World Bank – Trust Fund Quality Assurance and Compliance Unit	Manager	September 21, 2012
Cassagne, Catherine	IFC – Business advisory services	Adviser, Business and Biodiversity	December 7, 2012
Chassard, Joelle	World Bank – Carbon Finance	Manager	January 29, 2013
Conrad, Björn	GEF Evaluation office	Evaluation Analyst	February 5, 2013
Crépin, Christophe	World Bank – Environment Sector Board	Sector Manager EAP	February 13, 2013
Crivelli, Pamela	World Bank – Financial Intermediary Trust Fund	Former responsible for IFC GEF Portfolio	October 9, 2012
Dada, Juan Jose	IFC – Environmental, Social and Trade Standards Unit	Senior Environmental Specialist	December 6, 2012
Davis, Robert Ragland	World Bank – LC Region	Task Team Leader	September 24, 2012
De Nevers, Michèle	Center for Global Development	Visiting Senior Program Associate	February 6, 2013
Dercon, Stefan	Department for International Development	Chief Economist	December 5, 2012
Desabatla, Praveen	World Bank – Financial Intermediary Trust Fund	Financial Officer (Current responsible for IFC GEF portfolio)	October 9, 2012
Di Leva, Charles	World Bank – Legal Department	Chief Counsel	February 4, 2013
Dixon, Robert	GEF Secretariat – Climate Change and Chemicals Section	Head	September 25, 2012
Dobardzic, Saliha	Climate Change Adaptation	Climate Change Specialist	September 26, 2012
Doretti, Diletta	World Bank – InfoDev Grant Administration Unit	Task Team Leader	September 25, 2012

Name	Institution – Unit	Position	Date of interview
Duporges, Francois-Xavier	French Fund for the Global Environment	Secretary-General of the FFEM and alternate GEF Council member	February 18, 2013
Edmeades, Svetlana	World Bank – LAC Region	Senior Agricultural Economist	September 24, 2012
Ehlers, William	GEF Secretariat External Affairs	Head	September 21, 2012
El Ashry, Mohamed T.	UN Foundation Global Leadership for Climate Action	Senior Fellow Facilitator	September 27, 2012
Evans, Warren	World Bank – Sustainable Development Network Vice Presidency	Senior Adviser Former Director, Environment Department	February 20, 2013
Fass-Metz, Franz	GEF council	German Council member	February 22, 2013
Feinstein, Charles	World Bank – Energy and Mining in the EAP region	Sector Manager	January 30, 2013
Fonseca, Gustavo	GEF Secretariat – Natural Resources	Head	September 26, 2012
Gibson, David Campbell	IFC – Environment, Social and Governance Department	Senior Environmental Specialist	December 6, 2012
Good, Leonard	GEF	Former CEO 2003–2006	February 21, 2013
Granier, Laurent	World Bank – GEF Coordination Unit	Sr. Environmental Specialist (Thematic Specialist: Chemicals and POPs)	September 25, 2012
Hale, Lily	GEF Operation and Business Strategy	Sr Operation Officer	September 26, 2012
Hammond, Thomas	GEF STAP	Secretary	February 6, 2013
Harper, Caroline	World Bank – Trust Fund Quality Assurance and Compliance Unit	Lead Operation Officer	September 21, 2012
Hickey, Valery	World Bank – Agriculture Sector	Biodiversity Specialist	January 31, 2013
Hosier, Richard	World Bank – GEF Coordination Office ENVGC	Sr. Climate Change Specialist (Thematic Specialist)	September 27, 2012 Tuesday march 5, 2013
Ishii, Naoko	GEF	CEO	Interviewed by Markus on Thursday, November 1 2012
Iyer, Vijay	World Bank – Sustainable Energy Group	Director	March 5, 2013
Jensen, Malcolm	World Bank – GEF Coordination Unit	Former Regional SAR	September 24, 2012
Kanungo, Gayatri	World Bank – Africa Region	Program Assistant to the Regional Coordinator	September 19, 2012 January 31, 2013
Kayser, Dominique	World Bank – GEF Coordination Unit	Operations Officer and Knowledge Management Coordinator	February 28, 2012 March 28, 2012 February 6, 2013
Kellenberg, John	IFC – Sustainable Business Advisory	Manager	January 30, 2013
Kemper, Karin	World Bank – Environment Sector Board	Sector Manager LCR	January 31, 2013

Name	Institution – Unit	Position	Date of interview
Khanna, Rohit	World Bank – Energy Sector Management Assistance Program	Program Manager	February 1, 2013
Kohli, Sandeep	World Bank – Infrastructure Department	Senior Project Officer	December 14, 2012
Kulsum, Ahmed	World Bank – Environment Sector Board	Environment sector Manager for ECA	February 5, 2013
Kushlin, Andrey	World Bank – Global Tiger Initiative	Program Coordinator	September 27, 2012
Li, Song	World Bank – MNA Region	GEF Regional Coordinator	December, 12, 2012
Lovei, Magda	Environment Sector Board	Sector Manager EAP (also for Social Development)	February 1, 2013
Mc Laughlin, Kristin	UNEP – GEF Coordination Office	Washington Liaison + Regional Focal Point Caribbean	December 11, 2012
McAdams, Susan	World Bank – Multilateral Trusteeship and Innovative Financing Department (CFPMI)	Director	October 09, 2012
Miller, Alan	IFC – Climate Change Unit	Principal Climate Change Specialist	Monday, February 27, 2012
Moore, Rawelston	Climate Change Adaptation	Sr Climate Change Specialit	September 26, 2012
Mukherjee, Joyita	IFC – Blended Finance Unit	IFC GEF coordinator	February 28, 2012
Nakagawa, Akiko	World Bank – SAR Region	Former GEF Regional Coordinator	September 24, 2012
Negi, Neeraj	GEF Evaluation office	Evaluation Officer and Acting Team Leader	April 30, 2012
Niamir-Fuller, Maryam	UNEP – GEF Coordination Office	Director	December 10, 2012
Pavy, Jean Michel	World Bank – EAP Region	Task Team Leader	September 21, 2012
Pswarayi-Riddihough, Idah Z.	World Bank – Environment Sector Board Africa Region	Sector Manager	
Ramankutty, Ramesh	GEF Secretariat – Operations and Business Strategy	Head of division	February 28, 2012 September 25, 2012 December 11, 2012
Rodgers, David	GEF Secretariat – Climate Change Mitigation	Sr Energy Specialist	September 27, 2012 December 14, 2012 February 4, 2013
Ru, Jiang	GEF Coordination office / Region	Regional coordinator for EAP	January 30, 2013
Sander, Klas	World Bank – SAR Region	GEF Regional Coordinator	September 24, 2012
Schreiber, Robert	GEF Secretariat External/communication team	Senior program	September 21, 2012
Shepardson, Karin	World Bank – GEF Coordination Unit	Executive Coordinator and Team Leader POPs/Montreal Protocol Operations	February 28, 2012 March 28, 2012 February 5, 2013
Shuker, Ian	World Bank – Agriculture Sector Board in EAP region	Sector Manager	February 13, 2013
Soderstrom, Sari	World Bank – Sustainable Development	Sector Manager	January 31, 2013

Name	Institution – Unit	Position	Date of interview
Sookdeo, Anil	GEF Secretariat – Chemicals	Climate Change Specialit	September 25, 2012
Spainhower, Kirsten	World Bank – Development Marketplace	Task Team Leader	September 25, 2012
Steer, Andrew	World Resoirce Institute	Director	February 13, 2013
Steinke, Marita	BMZ – Human Rights, Gender Equality, Culture and Development	Division Head	February 26, 2013
Stewart, John Fraser	World Bank – GEF Coordination Unit	Sr. Natural Resources Specialist (Thematic Specialist: Biodiversity, International Waters, Land Degradation)	Sept 26, 2012
Streck, Charlotte	ClimateFocus	Director	February 3, 2013
Sturm, Russell	IFC – Environment and Social Development Department, Climate Change Unit	Head	December 7, 2012
Swann, Stacey	IFC – Donor Funded Investment Unit	Sr program manager – Financial mechanisms for sustainability	September 25, 2012
Tokle, Siv	World Bank – GEF Coordination Office	Sr. Operations Officer, Deputy GEF Coordinator	February 28, 2012 February 29, 2012 Septenmber 19, 2012 March 28, 2012
Van den Berg, Rob	GEF Evaluation Office	Director	February 29, 2012
Vidaeus, Lars	World Bank – CIF Administration Unit	Consultant	February 6, 2013
Viggh, Anna	GEF Evaluation Office	Senior Evaluation Officer and Team Leader	February 5, 2013
Volonte, Claudio	IFC CDIAS Advisory Services Results Measurement	Head	September 21, 2012
Wahdwa, Baljit	GEF Evaluation office	Senior Evaluation Officer	October 02, 2012
Yang, Ming	GEF Secretariat – Climate Change Mitigation	Sr Environment Specialist	September 27, 2012
Zazueta, Aaron	GEF Evaluation Office	Senior Evaluation Officer	February 29, 2012 September 28, 2012
Zhang, Zhihong	World Bank – CIF Administration Unit	Senior Program Officer	February 5, 2013
Zimsky, Mark	GEF Secretariat – Natural Resources	Sr Biodiversity Specialist (Biodiversity)	September 25, 2012