

DRAFT

**JOINT SUMMARY OF THE CHAIRS
GEF COUNCIL MEETING
NOVEMBER 14-16, 2007**

OPENING OF THE MEETING

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

ELECTION OF A CHAIRPERSON

2. The Council elected Mr. Gerben de Jong, the Council Member representing the Netherlands as its elected Co-Chair.

ADOPTION OF THE AGENDA

3. The Council approved the provisional agenda set forth in document GEF/C.32/1/Rev.3.

REPORT BY THE CHAIR OF STAP

4. Ms. Yolanda Kakabadse, Chair of STAP, reported on the restructuring of STAP and the activities of STAP.

STATEMENTS BY THE REPRESENTATIVES OF THE SECRETARIATS OF THE UNITED NATIONS CONVENTION ON BIOLOGICAL DIVERSITY, UNITED NATIONS CONVENTION TO COMBAT DESERTIFICATION, AND THE OZONE SECRETARIAT OF THE MONTREAL PROTOCOL

5. The Council heard statements from Mr. Yibin Xiang, presenting a message on behalf of Mr. Ahmed Djoghla, the Executive Secretary of the Convention, Mr. Luc Gnacadja, the new Executive Secretary of the UN Convention to Combat Desertification, and Mr. Paul Horwitz, Deputy Executive Secretary of the Ozone Secretariat of the Montreal Protocol. Printed versions of the statements of Mr. Djoghla and Mr. Gnacadja were made available at the Council meeting.

DECISIONS

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

Decision on Agenda Item 6 Relations with Conventions and other Institutions

7. The Council considered document GEF/C.32/4, *Relations with the Conventions and Other International Institutions*, and welcomes the proposed guidance and decisions that have been approved by the Conferences of the Parties to the global environmental conventions. The Council requests the Secretariat and the GEF Agencies to continue to work with recipient countries to reflect the guidance and national priorities in their GEF programming and activities.

Decision on Agenda Item 7 Adaptation Fund of the Kyoto Protocol

8. The Council, having reviewed document GEF/C.32/5/Rev.1, *Note on the Adaptation Fund*, takes note of the information included in it and endorses the recommendation that the GEF continue to adopt a flexible approach to the establishment and operationalization of the Adaptation Fund in response to decisions by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (COP/MOP).

9. The Council notes the progress achieved by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol in negotiating an agreement on the Adaptation Fund.

10. The Council authorizes the GEF CEO and Chair to communicate to the Conference of the Parties, serving as the meeting of the Parties of the Kyoto Protocol at its Third session to be held in Bali in December 2007, based on the principles in the decision 5/CMP.2, the GEF's flexibility, including as to the governance of the Adaptation Fund, and the GEF's willingness to support a COP/MOP decision, should one be made, requesting the GEF Secretariat to function as the Secretariat of the Adaptation Fund.

Decision on Agenda Item 8 Evaluation Office Progress Report

11. The Council, having reviewed document GEF/ME/C.32/1, *GEF Evaluation Office: Progress Report of the Evaluation Director*, takes note of the on-going work on the evaluation of Capacity Development and requests the Office to incorporate appropriate methodology in the upcoming focal area evaluations. On the International Workshop on Evaluating Climate Change and Development, the Council requests the Office to take into account the comments of the Council in its further preparations of the Workshop.

Agenda Item 9 Evaluation of the Small Grants Programme and Management Response

12. The Council, having reviewed Document GEF/ME/C.32/2, *Joint Evaluation of the Small Grants Programme – Executive Version*, as well as Document GEF/ME/C.32/3, *Management Response to the Joint Evaluation of the Small Grants Programme*, takes note of the conclusions and recommendations and requests the SGP Steering Committee to implement the recommendations by:

- (a) Proposing a level of management costs on the basis of services rendered and cost-efficiency rather than on the basis of a stated percentage.
- (b) Starting a process to change SGP's central management system suitable for the new phase of growth and to address the risks of growing complexity.
- (c) Strengthening country programme oversight.
- (d) Further strengthening Monitoring and Evaluation.
- (e) Proposing a revision of the current criteria for access to SGP resources to maintain cost efficiency.

- (f) Further developing a graduation policy for the SGP country programmes which takes into account the identified risks to GEF achievements and cost effectiveness, especially in SIDS and LDCs.

13. Council requests the SGP Steering Committee to report for decision on the actions taken to implement the recommendations at the April 2008 Council Meeting.

Decision on Agenda Item 10 GEF Annual Report on Impact 2007 – Executive Version

14. The Council, having reviewed Document GEF/ME/C.32/4, *GEF Annual Report on Impact 2007 – Executive Version*, as well as GEF/ME/C.32/5 *Management Response to the GEF Annual Report on Impact 2007*, takes note of the Annual Report's conclusions and requests the GEF Secretariat to incorporate its recommendations into project preparation and to ensure adequate monitoring of progress towards institutional continuity, and requests the Evaluation Office to continue its program of Impact Evaluation as proposed.

Decision on Agenda Item 11 Terms of Reference for the mid-term review of RAF

15. The Council having reviewed Document GEF/ME/C.32/6, *Terms of Reference for the Mid-term Review of the RAF*, approves the terms of reference, subject to comments made at the Council meeting, which will be reflected in revised Terms of Reference to be circulated by the GEF Evaluation Office. The Council also approves US\$ 500,000.00 as “special initiative” fund for the GEF Evaluation Office to cover the expenses for the mid-term review.

Decision on Agenda Item 12 Work Program

16. The Council reviewed the proposed work program submitted to Council in document GEF/C.32/6/Rev.1 (with a total in GEF financing of \$237.46 million), subject to comments made during the Council meeting and additional comments that may be submitted to the Secretariat by November 30, 2007.

17. The approved work program is comprised of 26 free-standing Project Identification Forms (PIFs) and three programmatic approaches, which contain 14 PIFs as follows:

Free-Standing PIFs

Biodiversity

- **Regional (Pakistan, Sri Lanka, Vietnam)** : Development and Application of Decision-support Tools to Conserve and Sustainably use Genetic Diversity in Indigenous Livestock and Wild Relatives (UNEP) (GEF Grant : \$ 1.98 m)
- **Brazil** : Rio Grande Do Sul Biodiversity Conservation (World Bank) (GEF Grant : \$ 5.00 m)
- **Brazil** : Espirito Santo Biodiversity and Watershed Conservation and Restoration Project (World Bank) (GEF Grant : \$ 4.00 m)
- **Chile** : Building a Comprehensive National Protected Areas System: A Financial and Operational Framework (UNDP) (GEF Grant : \$ 5.00 m)
- **Ecuador** : Management of Chimborazo's Natural Resources (World Bank) (GEF Grant : \$ 3.90 m)

- **Indonesia** : Citarum Watershed Management and Biodiversity Conservation Project (ADB) (GEF Grant : \$ 3.75 m)
- **Peru** : Strengthening Biodiversity Conservation through the National Protected Areas Program (World Bank) (GEF Grant : \$ 8.89 m)
- **Ukraine** : Strengthening Governance and Financial Sustainability of the National Protected Area System (UNDP) (GEF Grant : \$ 1.80 m)

Climate Change

- **Global** : Global Market Transformation for Efficient Lighting (UNEP/UNDP) (GEF Grant : \$ 5.00 m)
- **China** : Enabling China to Prepare Its Second National Communications to UNFCCC (UNDP) (GEF Grant : \$ 5.00 m)
- **China** : Market Transformation of Energy-Efficient Bricks and Rural Buildings (MTEBRB) (UNDP) (GEF Grant : \$ 7.00 m)
- **China** : Thermal Power Efficiency (World Bank) (GEF Grant : \$ 19.70 m)
- **India** : Sustainable Urban Transport Project (World Bank/UNDP) (GEF Grant : \$ 22.50 m)
- **Indonesia** : Geothermal Power Generation Development Program (World Bank) (GEF Grant : \$ 4.00 m)
- **Indonesia** : Micro-turbine Cogeneration Technology Application Project (MCTAP) (UNDP) (GEF Grant : \$ 2.59 m)
- **Thailand** : Promoting Renewable Energy in Mae Hong Son Province (UNDP) (GEF Grant : \$ 2.99 m)
- **Global (Yemen)** : Adaptation to Climate Change Using Agrobiodiversity Resources in the Rainfed Highlands of Yemen (World Bank) (GEF Grant : \$ 4.00 m)

International Waters

- **Regional (Angola, Namibia, South Africa)** : Implementation of the Benguela Current LME Action Program for Restoring Depleted Fisheries and Reducing Coastal Resources Degradation (UNDP) (GEF Grant : \$ 5.14 m)
- **Regional (Antigua And Barbuda, Bahamas, Barbados, Belize, Brazil, Colombia, Costa Rica, Dominica, Dominican Republic, Guatemala, Grenada, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, St. Kitts And Nevis, St. Lucia, St. Vincent and Grenadines, Suriname, Trinidad and Tobago)** : Sustainable Management of the Shared Marine Resources of the Caribbean Large Marine Ecosystem (CLME) and Adjacent Regions (UNDP) (GEF Grant : \$ 7.08 m)
- **Regional (Bolivia, Brazil, Colombia, Ecuador, Guyana, Peru, Suriname, Venezuela)** : Integrated and Sustainable Management of Transboundary Water Resources in the Amazon River Basin Considering Climate Variability and Change (UNEP) (GEF Grant : \$ 7.00 m)

Persistent Organic Pollutants (POPs)

- **Ghana** : Capacity Building for PCB Elimination (UNDP) (GEF Grant : \$ 3.50 m)

- **Mexico** : Environmentally Sound Management and Destruction of PCBs (UNDP) (GEF Grant : \$ 4.63 m)
- **Morocco** : Safe Management and Disposal of PCBs (UNDP/UNIDO) (GEF Grant : \$ 4.76 m)
- **Russian Federation** : Building the Capacity of the Russian Federation to Implement the Stockholm Convention on POPs and Develop a National Implementation Plan (UNEP) (GEF Grant : \$ 1.44 m)¹
- **Tunisia** : Demonstrating and Promoting Best Techniques and Practices for Managing Healthcare Waste and PCBs (World Bank) (GEF Grant : \$ 5.50 m)
- **Vietnam** : Building Capacity to Eliminate POPs Pesticides Stockpiles (UNDP) (GEF Grant : \$ 4.30 m)

Programmatic Approaches

18. The Council, having reviewed the three Programmatic Approaches, identified below, endorses the overall objectives and scope of the Approaches and approves the associated PIFs presented in this work program as follows:

China Biodiversity Partnership Framework for Action

- **China** : CBPF Conservation and Sustainable Use of Biodiversity in the Headwaters of the Huaihe River Basin (UNDP) (GEF Grant : \$ 2.73 m)
- **China** : CBPF Priority Institutional Strengthening and Capacity Development to Implement the China Biodiversity Partnership and Framework for Action (UNDP) (GEF Grant : \$ 4.54 m)
- **China** : CBPF Shaanxi Qinling Mountains Integrated Ecosystem Development (ADB) (GEF Grant : \$ 4.27 m)

Sustainable Forest Management (SFM)

- **Brazil** : SFM Catalyzing the Contribution of Indigenous Lands to the Conservation of Brazil's Forest Ecosystems (UNDP) (GEF Grant: \$ 6.00 m)
- **Mongolia**: SFM Forest Landscapes Development and Conservation (World Bank) (GEF Grant: \$ 1.73 m)
- **Russian Federation** : SFM - Strengthening Protected Area System of the Komi Republic to Conserve Virgin Forest Biodiversity in the Pechora River Headwaters Region (UNDP) (GEF Grant: \$ 4.50 m)
- **Tanzania**: SFM Extending the Coastal Forest Protected Area Subsystem (UNDP) (GEF Grant: \$ 3.55 m)
- **Global** : SFM Carbon Benefits Project (CBP): Modeling, Measurement, and Monitoring (UNEP/World Bank) (GEF Grant: \$ 5.00 m)
- **Regional (Indonesia, Malaysia, Philippines, Thailand, Vietnam, Singapore, Brunei)** : SFM Rehabilitation and Sustainable Use of Peatland Forests in South-East Asia (IFAD) (GEF Grant: \$ 4.51 m)

¹ This project will not be CEO endorsed until Russia deposits its Instrument of Ratification to the Stockholm Convention with the United Nations in New York.

- **Indonesia** : SFM Strengthening Community Based Forest and Watershed Management (SCBFWM) (UNDP) (GEF Grant: \$ 7.00 m)
- **Iran** : SFM Rehabilitation of Forest Landscapes and Degraded Land with Particular Attention to Saline Soils and Areas Prone to Wind Erosion (FAO) (GEF Grant : \$ 2.67 m)²
- **Paraguay**: SFM Improving the Conservation of Biodiversity in Atlantic Forest of Eastern Paraguay (World Bank) (GEF Grant: \$ 4.50 m)

India Country Partnership Program: Sustainable Land and Ecosystem Management (SLEM)

- **India**: SLEM/CPP-Sustainable Land Management in Shifting Cultivation Areas of Nagaland for Ecological and Livelihood Security (UNDP) (GEF Grant: \$3.6 m)
- **India**: SLEM/CPP-Sustainable Rural Livelihood Security through Innovations in Land and Ecosystem Management (World Bank) (GEF Grant: \$10 m)

19. For all programmatic approaches, the Council requests that future PIFs be financed under these programmatic approaches are included in work programs submitted to the Council for approval.

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

21. With respect to the ***Regional (Botswana, Lesotho, Namibia, South Africa)*** : *Development and Adoption of a Strategic Action Program for Balancing Water Uses and Sustainable Natural Resource Management in the Orange-Senqu River Transboundary Basin* project, the Council withholds its approval of the project pending resolution of the project financing issues. When the issues are resolved, the project may be resubmitted at the next Council meeting.

Decision on Agenda Item 13

Operational Policies and Guidelines for the Use of Non-Grant Instruments in the GEF

22. The Council, having reviewed document GEF/C.32/7, *The Use of Non-Grant Instruments in GEF Projects: Update*, requests the Agencies to track by type of financing all projects that provide non-grant financing, and to notify the Secretariat and the Trustee about any project that may generate reflows of funds to them and/or to the GEF Trust Fund.

23. The Council requests the Secretariat, in collaboration with the Trustee, the World Bank and the Regional Development Banks, and in consultation with the other Agencies, (a) to determine where the use of non- grant instruments would enhance the function of the GEF, with reference to the focal area strategies, and (b) to develop operational policies and guidance for the

² The Council Member representing the United States of America, in light of its national legislation regarding its country's voting position for development projects financed by certain development institutions, opposed this objective.

use of non-grant instruments, and to report to the next Council meeting in April 2008 for decision. Emphasis should be put in particular on (a) the use of GEF grants to provide concessional loans through blending, (b) the listing of non-grant instruments other than loans that can be used with GEF resources and (c) the list of Agencies authorized to use the different kinds of non-grant instruments.

24. The Council endorses the two ground rules specified in paragraphs 23 and 25 regarding the concessionality of non-grant instruments and the requirements for the approval of new projects that include such instruments.

Decision on Agenda Item 14 GEF Communications Strategy

25. The Council, having reviewed document GEF/C.32/8, *Communications and Outreach Strategy*, approves the strategy presented in the document.

26. The Council, taking note of the indicative deliverables and budget as a suggested approach for implementation, requests the Secretariat to proceed with implementation of the strategy in full consultation with GEF partners, and asks that the Secretariat report back to the Council on outcomes in November 2009.

Decisions on Agenda Item 15 Other Business

27. The Council adopts the following revision to paragraph 11 of the project cycle paper GEF/C.31/7/Rev.1 – as approved in June 2007.

28. The revised paragraph 11 will read as follows:

11. Council Approval of Umbrella Programmes. Beginning in FY08, umbrella programmes for GEF funding will only be submitted to Council at its meetings, not inter-sessionally. Documentation for an umbrella program presented to the Council in a work programme will identify all the projects to be financed under the program and will present the PIFs for the concepts. If a PIF for a project is not ready for presentation as part of the programmatic framework, then: (i) the amount requested for the program will be reduced by the amount of the project; and (ii) when the PIF is ready, and cleared by the CEO, it will be presented for approval, in future work programs. All approved PIFs will be posted on the GEF web site.

29. As proposed in the document GEF/C.32/9/Rev.1, *Confirmation of Participants Joining Constituencies*, the Council confirms the following constituency groupings: (i) Comoros, Djibouti, Eritrea, Ethiopia, Kenya, Madagascar, Mauritius, Rwanda, Seychelles, Somalia, Tanzania, and Uganda

CLOSURE OF THE MEETING

30. The meeting closed on November 16, 2007.