

CROSS-CUTTING CAPACITY DEVELOPMENT STRATEGY

Proposed Directions for the GEF-6 Replenishment Phase

Background

Countries require appropriate foundational capacity to undertake the necessary actions to achieve sustainable development and overcome global environmental challenges. The capacities needed to meet global environmental objectives are closely linked to the capacities to undertake priority actions at the national level. Building countries' capacities for managing the global commons has always been and must remain a key concern for the GEF.

Cross-Cutting Capacity Development (CCCD) in the GEF context traditionally refers to the targeted support provided to countries to strengthen their capacities to meet their commitments under the Rio Conventions and other Multilateral Environment Agreements. The GEF funded National Capacity Self Assessments (NCSA) projects in 153 countries most of which have been completed. A synthesis of the results and lessons learned of the NCSAs conducted in 2010 indicated that the top five capacity development needs were: public awareness and education; information management and sharing; policy, legislative, and regulatory framework; organizational mandates and structures; and economic and financial sustainability.

Follow up projects aimed at addressing the challenges identified have begun in some of the countries during GEF5. A comprehensive assessment of this Capacity Development portfolio will be undertaken during 2013 to analyze whether CCCD projects have been transformative and responsive to critical gaps in countries' capacity development needs.

The value added of the GEF CCCD resides in its ability to address capacity needs across multiple GEF focal areas and catalyze synergies among different sectors. The Cross-Cutting Capacity Development Strategy for GEF-6 is distinct in that it will address those transversal issues that focal area projects alone do not address. Cross-cutting refers to the GEF's ability to establish synergies between the Rio conventions and other MEAs and the consequent possibility to work across sectors of the economy. During GEF 6 special emphasis will be placed on these projects bringing together the national and local stakeholders, in particular the Ministries of Finance, Agriculture, Industry, Energy, Planning, Budget, as appropriate, so that the issues referring to the global commons are understood as an essential part of national interest and are incorporated in to the regular process of decision making.

Overall Goal

To help countries meet and sustain global environmental outcomes by strengthening key capacities that address challenges and remove barriers common to the MEAs that the GEF serves and to mainstream the global commons into decision making.

Strategic Objectives

The Cross-Cutting Capacity Development Strategy for GEF-6 (2014-2018) will facilitate the acquisition, exchange and use of knowledge, skills, good practices, behavior necessary to shape and influence national planning and budgeting processes and implementation in support of global environmental benefits by:

1. ***Promoting country ownership*** and country-led programs to ensure that the GEF supports embedded environmental objectives at the core of national decision-making and the development planning;
2. ***Fostering Innovation*** and replicable actions;
3. ***Catalyzing*** synergies, burden-sharing and the scale-up of capacities to support on-going sustainable environmental management and growth.
4. ***Promoting knowledge sharing and improved information management*** at all levels to enhance public awareness and promote a behavioral change;
5. ***Ensuring consultations and involvement of public and other stakeholders*** in decision making from the earliest stages of planning;
6. ***Promoting partnerships*** with different stakeholders and across different (development) sectors; and
7. ***Empowering action*** through learning-by-doing.

Strategic Programs

The main features of the CCCD strategy in GEF-6 is that projects be transformative from a systemic perspective and pilot innovative approaches to realizing and sustaining global environmental outcomes.

Thus, in addition to mainstreaming of MEAs into the national and sub-national policy, legal and planning agenda, it is proposed that the strategy emphasizes integration of environmental sustainability across key development sectors, and across various actors including government, civil society and the private sector.

1) To integrate global environmental needs into management information systems.

This objective focuses on strengthening cross-sectoral, national and regional knowledge management systems that are directly relevant to meeting global environmental priorities. Institutional networks and information centers will be developed, both nationally and regionally, so as to strengthen an integrated approach to information analysis and its dissemination to support improved decision- and policy making, monitoring and evaluation.

2) To strengthen consultative and management structures and mechanisms

This objective focuses on filling critical decision- and policy-making gaps. Whereas objective 1 focuses on the creation, coordination and dissemination of new and improved

information, this objective focuses on how this information is used. Broader non-state stakeholder engagement would be built into the key consultative mechanisms that lead to policy-decisions, reinforced by related consultative processes from the local (e.g., private sector round-tables and local community and village meetings) to the national (open-ended technical committees in parliamentary sessions).

3) To integrate Multilateral Environmental Agreements' provisions within national policy, legislative, and regulatory frameworks.

This objective will be targeted to a set of mainstreaming exercises. Specifically, projects would support a more systematic integration of the global environmental priorities called for in the articles of the three Rio Conventions and decisions of their respective Conference of the Parties and other MEAs. Vertical integration would be piloted to demonstrate the need for monitoring and enforcing of new and improved policies, legislation, and regulation. This type of cross-cutting capacity development project could build upon the outcomes delivered under objectives 1 and/or 2.

4) To pilot innovative economic and financial tools for Convention implementation.

Under this objective, projects would pilot environmental fiscal reform within a broader program of fiscal reforms to improve the flow of resources to finance activities under the MEAs, as well as to create stronger financial disincentives for degradation of the global environment under the Rio Conventions. In concrete terms, this would mean the restructuring of processes for the collection of environmental taxes, fees and fines, as well as a more transparent and streamlined process of resource allocation and distribution between the local, regional, and central government authorities.

Another type of project would develop a set of natural resource valuation tools that could be applied to the national sustainable development context, which would include SMART program indicators for the delivery of global environmental outcomes. The project would complement the development of these natural resource valuation tools with a set of training and awareness-raising workshops to facilitate the use of these tools, including the piloting of these for a specific sectoral plan, program or project.

5) Updating of NCSAs

Countries will be supported to update their NCSAs and, as appropriate, expand them to include other MEAs for which the GEF serves as a financial mechanism. Those countries that have assessed the capacity development needs across the set of MEAs whose implementation is being financed by the GEF would be eligible to design a CCCD project that delivers global environmental outcomes under that set of MEAs.

Table A: Examples of CCCD activities

Programmatic Objectives:	Program Activities	Performance Activities
Integrating global environmental needs into management information systems	<ul style="list-style-type: none"> • Carry out (or update) an in-depth analysis of the current management information systems (MIS) related to the Rio Conventions and other MEAs employed by line ministries and their agencies • Negotiate an agreement among all key line ministries and agencies on a realignment of their MIS mandates to fill data gaps and reduce unnecessary duplication • Provide training on the use of targeted advanced data collection methodologies 	<ul style="list-style-type: none"> • Preparation of draft background analyses by national experts are peer reviewed by representatives of all key stakeholders • Draft policy and program recommendations are prepared collaboratively among representatives of all stakeholders
Strengthening consultative and management structures and mechanisms	<ul style="list-style-type: none"> • Undertake (or update) an in-depth evaluation of the current domestic decision-making processes related to the Rio Conventions and other MEAs • Negotiate an agreement among ministries and non-state stakeholders on the best practicable consultative process for improved decision-making on the Rio Conventions and other MEAs • Provide training to decision-makers on the critical linkages between the objectives of the Rio Conventions and other MEAs and sectoral development priorities 	<ul style="list-style-type: none"> • Carry out public dialogues of key issues with targeted stakeholder groups • Conduct surveys to assess baseline and evolving environmental attitudes, values and behavior (N>500) • Actively engage potential project champions
Integrating MEAs provisions within national policy, legislative, and regulatory frameworks	<ul style="list-style-type: none"> • Undertake (or update) an in-depth analysis of the country's environment and development policy framework • Develop an analytical framework for the in-depth analysis of sectoral policies, plans, programs and associate legislative and regulatory instruments • Pilot the negotiated realignment of a selected set of sectoral policies with the provisions of the Rio Convention and other MEAs 	<ul style="list-style-type: none"> • Pilot proposed recommendations and/or reforms to a targeted sector or region • Negotiate strengthened partnership agreements with key national and international organizations
Piloting innovative economic and financial tools for Convention implementation	<ul style="list-style-type: none"> • Undertake a detailed study on the applicability of innovative econometric indicators for the valuation of natural resources • Undertake a detailed study on potentially applicable best practices on environmental fiscal reforms • Test the applicability of targeted innovative tools for the review of a proposed development project. 	<ul style="list-style-type: none"> • Facilitate active roles for partner stakeholders to carry out project activities and promote project objectives
Updating of NCSAs	<ul style="list-style-type: none"> • Conduct a consultative process to update the capacity needs to implement the Rio Conventions and the country's commitments under other MEAs 	<ul style="list-style-type: none"> • Preparation of the updated NCSA involving different stakeholders and sectors