



IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
Executive Board – Seventy-Third Session
Rome, 12-13 September 2001

COOPERATION ARRANGEMENTS
WITH THE GLOBAL ENVIRONMENT FACILITY (GEF)

1. The Executive Board is invited to note that the GEF Council approved a proposal at its May 2001 session to allow for the participation of IFAD as an executing agency of GEF under the policy of expanded opportunities. During the same session, the GEF Council also approved the recommendation to expand GEF focal areas to include land degradation as a new focal area under “Options to Enhance GEF Support for the Implementation of the United Nations Convention to Combat Desertification (CCD)”.
2. GEF was launched in 1991. It was restructured in 1994 through the Instrument for the Establishment of the Restructured Global Environment Facility to serve the environmental interests of people in all parts of the world. In that year, 34 nations pledged USD 2 billion in support of GEF’s mission and, in 1998, 36 nations pledged USD 2.75 billion to protect the global environment and promote sustainable development. The International Bank for Reconstruction and Development (IBRD) was appointed to act as the trustee of GEF.
3. In accordance with Article 8, Section 2, of the Agreement Establishing IFAD, the Executive Board is requested to authorize the President to negotiate and finalize a letter of agreement and a memorandum of understanding between IFAD and GEF and a financial procedures agreement between IFAD and IBRD, as trustee of the GEF Trust Fund, along the lines of similar agreements already signed between IFAD and other institutions. The texts of the agreements to be negotiated and concluded will be submitted to the Executive Board for its information at a subsequent session.
4. The Executive Board is also invited to note that GEF policy provides for full disclosure. All documents submitted formally by executing agencies to GEF as part of the project cycle become public and are posted on the GEF website. The Executive Board is requested to authorize the extension of IFAD’s disclosure policy to permit documents submitted by IFAD to GEF to be so disclosed.
5. Relevant background information on GEF is attached in the Annex.



THE GLOBAL ENVIRONMENT FACILITY (GEF)

Introduction

The Global Environment Facility (GEF) is a multilateral mechanism created in 1991 to forge international cooperation and to finance actions to address biodiversity loss, climate change, degradation of international waters and ozone depletion within the framework of sustainable development. With the membership of 168 states, GEF's mandate continues to evolve, with growing attention to diversification, deforestation and persistent organic pollutants. In the last decade, GEF has committed USD 3.2 billion in grants to over 800 projects in 160 developing countries and transitional economies.

GEF is the designated financial mechanism for three international treaties: the Convention on Biological Diversity, the United Nations Framework Convention on Climate Change, and the Stockholm Convention on Persistent Organic Pollutants (POPs). Initiatives that cut across GEF's four focal areas in addressing land degradation are pursued in cooperation with the Convention to Combat Desertification (CCD). GEF also collaborates closely with other treaties and agreements.

Three agencies implement GEF projects: the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP) and the World Bank. Other international bodies work with countries to propose and execute projects, often on topics in which these bodies have a comparative advantage. They include the Food and Agriculture Organization of the United Nations, the United Nations Industrial Development Organization, the African Development Bank, the Asian Development Bank, the European Bank for Reconstruction and Development, IFAD and the Inter-American Development Bank.

Activities

GEF funds projects in four focal areas: biodiversity, climate change, international waters and ozone. Projects to address land degradation, as it relates to the four focal areas, are also eligible for funding. However, as noted, at its May 2001 session, the GEF Council approved a recommendation to include land degradation as a new, fifth focal area.

GEF activities are conducted according to ten operational principles:

1. For purposes of the financial mechanisms for the implementation of the Convention on Biological Diversity and the United Nations Framework Convention on Climate Change, 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.
2. GEF will provide additional and new grant and concessional funding to meet the agreed incremental costs of measures to achieve agreed global environmental benefits.
3. GEF will ensure the cost-effectiveness of its activities to maximize global environmental benefits.
4. 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 programmes.



5. 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.
6. GEF projects will provide for full disclosure of all non-confidential information.
7. GEF projects will provide for consultation with and appropriate participation of beneficiaries and affected groups.
8. GEF projects will conform to the eligibility requirements set forth in paragraph 9 of the GEF Instrument.
9. In seeking to maximize global environmental benefits, GEF will emphasize its catalytic role and leverage additional financing from other sources.
10. GEF will ensure that its programmes and projects are monitored and evaluated on a regular basis.

Aims

GEF was established to forge international cooperation and to finance actions to address four critical threats to the global environment: biodiversity loss, climate change, degradation of international waters and ozone depletion. Related work to stem the pervasive problem of land degradation is also eligible for GEF funding.

Executive Secretary

The Chief Executive Officer and Chairman of GEF is Mohamed T. El-Ashry.

Establishment

Launched in 1991 as an experimental facility, GEF was restructured after the Earth Summit in Rio de Janeiro, Brazil, to serve the environmental interests of people in all parts of the world. The facility that emerged after restructuring responded to the requirements of the global environment conventions agreed at the Earth Summit, and was structured to be strategic, effective, transparent and participatory.

Finance

In 1994, 34 nations pledged USD 2 billion in support of the GEF mission; in 1998, 36 nations pledged USD 2.75 billion to protect the global environment and promote sustainable development.

Language

The working languages of GEF are English, French and Spanish.

NGO Relations

Non-governmental organizations (NGOs) have had a role in shaping GEF and its agenda from the very beginning. More than 150 GEF-financed projects are executed or coexecuted by, or include contracts or sub-contracts with, NGOs. More than 60 regional and global NGO networks are involved in the design and implementation of GEF-funded transboundary waters projects. GEF's Small Grants



Programme, administered by UNDP, has provided grants of up to USD 50 000 to finance more than 1 200 NGO-executed projects.

Staff

GEF currently employs 42 staff members at its Washington, D.C., headquarters. The staff reports to the GEF Council and Assembly, ensuring that their decisions are translated into effective action. In establishing GEF, the nations involved chose to tap the comparative advantages of three experienced institutions to implement its projects, rather than construct a new one.

Structure

The GEF Council functions as an independent board of directors, with primary responsibility for developing, adopting and evaluating GEF programmes. Council members representing 32 constituencies (16 from developing countries, 14 from developed countries, and two from countries with transitional economies) meet twice each year for three days and also conduct business by mail. All decisions are by consensus. The Council's open-door policy towards NGOs and representatives of civil society makes it unique among international financial institutions.

The GEF Assembly, composed of all participating states (currently 168), meets every four years to assess overall direction.

The secretariat coordinates the formulation of projects included in the annual work programme, oversees its implementation and makes certain that operational strategy and policies are followed.

GEF's implementing agencies – UNDP, UNEP and the World Bank – combine the respective strengths of Bretton-Woods institutions and the United Nations system. Through them, GEF has quickly amassed a diverse project portfolio serving the developing world, eastern Europe, and countries of the former Russian Federation – more than 140 countries in all.

GEF's 12-member scientific and technical advisory panel reports to the GEF Council, which sets the panel's terms of reference. The panel provides objective scientific and technical advice on GEF policies, operational strategies and programmes, conducts selective reviews of projects in certain circumstances and at specific points in the project cycle, and maintains a roster of experts.

Secretariat Headquarters

The Global Environment Facility Secretariat is located in Washington, D.C., United States. GEF can be contacted using the following coordinates:

GEF Secretariat
1818 H Street, NW
Washington, D.C., 20433, United States of America
Telephone: (202) 473-0508
Fax: (202) 522-3240/3245
E-mail: gef@gefweb.org



Present Membership

GEF brings together 168 member states, leading development institutions, the scientific community, and a wide spectrum of private-sector and non-governmental organizations on behalf of a common global environmental agenda. The member states are:

Afghanistan	Fiji	Nauru
Albania	Finland	Namibia
Algeria	France	Nepal
Antigua and Barbuda	Gabon	Netherlands
Argentina	Gambia, The	New Zealand
Armenia	Georgia	Nicaragua
Australia	Germany	Niger
Austria	Ghana	Nigeria
Azerbaijan	Greece	Niue
Bahamas	Grenada	Norway
Bangladesh	Guatemala	Pakistan
Barbados	Guinea	Palau
Belarus	Guyana	Panama
Belgium	Haiti	Papua New Guinea
Belize	Honduras	Paraguay
Benin	Hungary	Peru
Bhutan	India	Philippines
Bolivia	Indonesia	Poland
Botswana	Iran	Portugal
Brazil	Ireland	Republic of Korea
Bulgaria	Israel	Republic of Moldova
Burkina Faso	Italy	Romania
Burundi	Jamaica	Russian Federation
Cambodia	Japan	Saint Christopher and Nevis
Cameroon	Jordan	Saint Lucia
Canada	Kazakhstan	Saint Vincent and the Grenadines
Cape Verde	Kenya	Samoa
Central African Republic	Kiribati	Senegal
Chad	Kyrgyzstan	Sierra Leone
Chile	Laos	Slovakia
China	Latvia	Slovenia
Colombia	Lebanon	Solomon Islands
Comoros	Lesotho	South Africa
Congo	Liberia	Spain
Cook Islands	Libyan Arab Jamahiriya	Sri Lanka
Costa Rica	Lithuania	Sudan
Côte d'Ivoire	Luxembourg	Suriname
Cuba	Madagascar	Swaziland
Croatia	Malawi	Sweden
Czech Republic	Malaysia	Switzerland
Denmark	Maldives	Syria
Djibouti	Mali	Tajikistan
Dominica	Malta	Tanzania, United Republic of
Dominican Republic	Marshall Islands	Thailand
D.P.R. Korea	Mauritania	The Former Yugoslav Republic of Macedonia
D.R. Congo	Mauritius	Togo
Ecuador	Mexico	Tonga
Egypt	Micronesia	Trinidad and Tobago
El Salvador	Mongolia	Tunisia
Eritrea	Morocco	Turkey
Estonia	Mozambique	
Ethiopia	Myanmar	



ANNEX

Turkmenistan
Tuvalu
Uganda
Ukraine
United Kingdom

United States
Uruguay
Uzbekistan
Vanuatu
Venezuela

Viet Nam
Yemen
Zambia
Zimbabwe