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MANAGEMENT RESPONSE TO THE MID-TERM EVALUATION OF THE SYSTEM FOR TRANSPARENT ALLOCATION OF RESOURCES

(Prepared by the GEF Secretariat)

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INTRODUCTION

1. This is the Management Response, prepared by the GEF Secretariat, with reference to document GEF/ME/C.45/04, *Mid-Term Evaluation of the System for Transparent Allocation of Resources*, undertaken by the GEF Evaluation Office. The management response will focus on the main conclusions and recommendations stemming from the report.
2. The Resource Allocation Framework (RAF) was adopted by the Global Environment Facility (GEF) in 2005. In 2010, this system was modified into the System for Transparent Allocation of Resources (STAR) based on the outcomes of a mid-term review of the system conducted by the Evaluation Office in 2008. It is the STAR allocation system that has governed the allocation of resources in the GEF-5 replenishment period of 2010-2014 in the specific focal areas of climate change, biodiversity, and land degradation.
3. As the GEF Secretariat approaches the final year of GEF-5 and the upcoming replenishment period of GEF-6, it has begun a process of both looking backward at the performance of the STAR over GEF-5, and looking forward to the possible modifications for that will enable the GEF to better effect global environmental impact and transformational change. The Mid-Term Evaluation (MTE) of the STAR by the Evaluation Office is welcomed by the GEF Secretariat as a critical input into this reflection.
4. Through three main sections focusing on (i) design, (ii) implementation; and (iii) effectiveness, the Mid-Term Evaluation sought to address five key questions:
 - (a) To what extent does the design of the STAR facilitate allocation and utilization of scarce GEF resources to enhance global environmental benefits?
 - (b) To what extent does the STAR promote transparency and predictability in allocation of GEF resources and strengthen country driven approaches?
 - (c) To what extent does the STAR provide flexibility in allocation and utilization of GEF resources?
 - (d) To what extent has the implementation process of the STAR been effective?
 - (e) To what extent has the RAF mid-term review been followed up on in STAR through relevant Council decisions and general lessons learned?
5. The MTE largely focuses on technical design and implementation issues; it could have been helpful if some key strategic issues regarding STAR had been assessed.
6. The management response relates directly to the two main categories of the mid-term evaluation: (i) conclusions; and (ii) recommendations.

CONCLUSIONS OF THE EVALUATION

7. The mid-term evaluation has nine conclusions. The management response, while responding to the main conclusions, also focuses on some of the critical issues within each of the conclusions.

Conclusion 1: STAR indices are scientifically and technically valid, although minor fine-tuning needs to take place

8. The Secretariat agrees with the MTE on the scientific and technical validity of the indices. We respond individually to the fine tuning suggested by the MTE for each of the focal area GBIs.

MTE: The Biodiversity global environmental benefit index is assessed to be conceptually simple and based on scientific evidence. The index gives a lot of weight to species-level data. However, GEF investments in the focal area are primarily directed to ecosystem scale interventions indicating a minor disconnect between the GEF priorities and weights in GBI index.

9. Response: Species richness and abundance are indicative of biodiversity value and importance, and hence their presence in the GBI. Ecosystem coverage is also captured in the GBI in terms of the extent of ecosystems (ecoregions) that are present in a country as measured by extent and coverage. In conclusion, there is no disconnect between GEF's priority to manage and maintain globally important biodiversity at the scale of ecosystems and landscapes and weights in the GBI index.

10. MTE: *The coverage of GEF-eligible countries in terms of data richness is uneven across recipient countries. This creates a situation where countries that may have rich biodiversity but poor documentation of it receive lower allocation. For example, Angola which is widely regarded to be among the countries with rich biodiversity is assessed to have received a lower allocation due to poor documentation of its biodiversity.*

11. Response: The taxonomic groups used in the index (mammals, birds, amphibians, reptiles, freshwater fish, and vascular plants) have all been assessed globally, and thus are mostly insensitive to sampling effects. We agree that the index could be improved in the future by adding more taxonomic breadth to it by including additional groups that are currently in the process of being assessed globally, particularly some plant taxa.

MTE: The present split of 75 percent weight to terrestrial biodiversity and 25 percent to marine biodiversity is assessed to be appropriate. While it is true that marine areas account for 70 percent of the global surface, much of the marine biodiversity related national projects are focused on shore or near shore activities. Further, GEF provides support to areas beyond national jurisdiction through set-asides for regional and global projects.

12. Response: The point is noted.

MTE: The scientific and technical validity of the biodiversity GEB index could be improved and strengthened by giving greater attention to ecosystem functions and freshwater species. Although measures of ecosystem services and the quantification of the value of biodiversity and ecosystem services are difficult, this needs to be explored further. Finer-scale measures, than those that have been used in STAR, are also available for at least some dimensions of species distribution. Wherever possible incorporation of the finer scale data will help in strengthening the biodiversity GEB index. Inclusion of only fish species data for the marine component of the biodiversity index is another area for improvement. Incorporation of data on other aspects of marine biodiversity will strengthen the index, although it will require considerable effort to ensure equitable and transparent treatment of all GEF-eligible coastal countries.

13. Response: With regards to freshwater species and marines, globally available datasets are the limiting factor although mollusks should be completed soon, as well as dragonflies. Corals are also in the process of being completed, as are sharks, rays and skates.

14. Although interesting theoretically speaking, the recommendations about ecosystem function and ecosystem services are impractical due to methodological problems with accurately valuing ecosystem function and ecosystem services globally. In addition, many of the ecosystem function and service benefits reside at the very local and national level, hence they should not be included in an index for global benefits.

15. MTE: *The STAR GBI for climate change focal area is composed of two components. The first component, which accounts for 95 percent of the GBI weight, is based on countries' emissions of greenhouse gases in tons of CO₂ equivalents in the year 2007 multiplied by an adjustment factor, which rewards countries that show a decrease in the amount of emissions of CO₂ relative to GDP or "Carbon Intensity." The adjustment factor is expressed as a country's Carbon Intensity in 1990 divided by the country's Carbon Intensity in 2007. The second component, which accounts for 5 percent of the GBI weight, uses forest cover as a proxy for LULUCF related climate change mitigation benefits potential. It incentivizes increase in forest cover between 1990 and 2000.*

16. Response: The point is noted.

17. MTE: *Since 95 percent of GBI is accounted for by the emissions related factor, despite the adjustment factor, the index leads to high allocations to countries with high GHG emissions. However, it is also true that potential of climate change mitigation is also higher in such countries. Therefore, concentrating resource in these countries for activities that reduce GHG emissions is likely to lead to generation of greater amount of global environmental benefits (i.e. carbon emissions reduction). Moreover, the scale of GEF support to these countries is relatively small and moderated through an adjustment factor that encourages reduction in carbon intensity for a given level of production. Consequently, it is unlikely that greater GEF support to countries that have high carbon emissions will create negative incentives that lead to increased carbon emissions.*

18. Response: Low weight (5 percent) was used to account for CO₂ emissions from LULUCF due to the initial introduction of the LULUCF index in STAR. In the future this weight could be increased up to approximately 17 percent, which is the percentage of GHG emissions from LULUCF over the total global GHG emissions.

19. MTE: *The indicators used for determination of the GEB potential are linked with the overall objective of the GEF-5 strategies for climate change mitigation. However, linkage with each of the climate change mitigation strategies pursued in GEF-5 is not as clear. For example, while GEF strategies may focus on sectors such as transportation or renewable energy for climate change mitigation, the index does not incorporate direct indicators from these areas. Strengthening linkages with the climate change mitigation focal area strategies may remain a challenge as increasing linkages also increases the risk of making the GEB index too complicated. Nonetheless, the STAR GEB index may be further improved by strengthening the adjustment factor to provide greater allocation to countries that have a good record of reducing their GHG emissions in recent years.*

20. Response: It was infeasible to link the climate change mitigation focal area strategies with the GEB index in STAR due to the following reasons: (i) it would have made the GEB index too complicated to be understood by recipient countries; and (ii) there were no comparable economic and technical data across 144 CCM recipient countries in technology transfer, energy efficiency, renewable energy, and transport.

21. The Secretariat will consider the recommendation of “The STAR GEB index may be further improved by strengthening the adjustment factor to provide greater allocation to countries that have a good record of reducing their GHG emissions in recent years”. Close attention will be paid to the drivers of GHG emission reductions in countries. Some countries have reduced their GHG emissions over the past few years, not because of good performance in energy use but because of poor economic development. If STAR rewards these countries, the GEF could potentially be criticized.

22. MTE: *A weakness in the index in its present form is a weight of 60 percent given to the proportion of dry land area in countries. The rationale provided in the STAR paper that consolidates the Council decisions (PL/RA/01) is that “dry-lands are an important indicator because they are predisposed to desertification and are a major factor influencing livelihoods of nearly a third of the world’s population.” Although the use of this proxy indicator is aligned with UNCCD’s core interests and directly reflects each country’s opportunity regarding dry-lands, the 60 percent weightage accorded to it is probably too high.*

23. Response: The 60 percent was used because it turned out to be the most appropriate weightage for achieving balance in total allocations between the different UNCCD regions. Hence “affected” regions such as Africa and Asia with significantly large dryland areas will get a proportionally higher total allocations overall. A lower weightage will shift the balance considerable, and make it difficult to target the focal area resources where the GEF value-added is greatest.

24. MTE: *Given the high weightage, countries with higher proportion of dry lands tend to obtain superior allocation weighting, compared to countries with a significant land degradation record but lower proportion of dry land. Indeed, it has been argued that investments in semi-arid zones especially bring lowest returns because of the limited options for sustainable land management and because the degradation processes are naturally far greater than in, say, humid areas. Comparing similar sized African countries, one comprising almost entirely dryland adjacent to another which has a high percentage of humid degraded forest, yet has a low percentage of dry land, the former attracts almost double the allocation in spite of the likelihood that the latter country can deliver more GEBs.*

25. Response: It is important to note that the emphasis on drylands is essential for several reasons. First, drylands are globally important for crop and livestock production, and include **arid, semi-arid, and dry sub-humid** regions according to the UNCCD. Second, all drylands are predisposed to risks of “desertification” due to natural and anthropogenic forces, which makes them an important factor for safeguarding the planetary boundaries. It is not clear who has “argued about investments in semi-arid zones bringing low returns,” but the fact remains that drylands are not wastelands. Dryland degradation leads to considerable emissions of GHGs, massive loss of productive soils, and with major consequences for millions of lives (mostly poor) who have virtually no other options for survival. The focal area mandate is about GEBs from all production systems – agricultural, pastoral, rangelands, and forest landscapes. Therefore GEBs

from combating land degradation are actually multiple depending on the context, and regardless of whether the country is dominated by drylands or humid areas. All countries affected by land degradation, specifically **desertification and deforestation**, will contribute GEBs if the focal area resources are appropriately targeted for interventions to combat such degradation. The fact that the GBI gives considerable attention to drylands is purely due to direct relevance to the UNCCD for which the focal area serves as GEF financing window. However, countries with humid forest zones can also benefit from combating deforestation through sustainable forest management and biodiversity conservation.

Conclusion 2: The market exchange rate based GDP indicator was effective in directing additional resources to least developed countries (LDCs). Nonetheless, use of a purchasing power parity (PPP) based indicator would have been more appropriate for capturing socio-economic conditions in recipient countries

26. The Secretariat will look into the feasibility of including the purchasing power parity based indicator.

27. The Secretariat acknowledges the challenges faced in the calculation of the GEF Performance Index, in particular in the use of the Project Implementation Reports (PIRs) and the Terminal Evaluation Reports (TERs). The Secretariat agrees that the constraints of the TER dataset in GEF-5 and that this data constraint is likely to persist into GEF-6. Given both of these challenges, however, the Secretariat would have welcomed recommendations in the MTE on alternatives to both of these indicators.

28. We do not concur that the PIR is “more a reflection of the performance of an Implementing Agency or executing agency than of recipient countries,” and find that the analysis and hypothesis around project/country /agency performance is not very informative, and may have misinterpreted the notion of ‘implementation’ and respective responsibilities between the GEF agency and the country executing agent.

Conclusion 3: Removal of the 50 percent rule from RAF to STAR was an unqualified success

29. The Secretariat welcomes this conclusion, and agrees with the MTE on the success of the removal of the 50 percent rule.

Conclusion 4: A significant proportion of countries that had full flexibility were able to use focal area resources across focal areas. However, countries that had marginal flexibility did not benefit as much because of the low limits set for permissible flexibility.

30. The flexibility rules¹ allow a country with a total STAR allocation amount of less than US\$ 7 million to flexibly use its STAR funds in any of the three focal areas. Countries are categorized as “fully flexible” or “not flexible” based on this rule. However, for countries that

¹ GEF/C.38/09/Rev.1, GEF-5, *Operational Policies for the System for a Transparent Allocation of Resources (STAR)*, GEF Council Meeting, June 2010

are “not flexible”, some marginal movements of funds between focal areas are in fact possible. The overall rules that govern flexibility of funds are as follows:

- (a) For countries whose total initial allocations are between 7 and 20 million, they are permitted marginal adjustments up to \$200 000.
- (b) For countries whose total initial allocations are between 20 and 100 million, they are permitted marginal adjustments up to \$1 million.
- (c) For countries whose total initial allocations are greater than 100 million, they are permitted marginal adjustments up to \$2 million.

31. A fully flexible country is therefore free to re-allocate its initial allocation between focal areas. However, countries that are only permitted limited marginal adjustments do not have the freedom to move unlimited resources among their focal areas. Such countries are only permitted to move between focal areas the amounts that are within their allowable adjustment bands. The number of countries to fall into each of these categories is summarized in Table 1 below.

Table 1: Number of Flexible Countries

Flexibility Status	Number of Countries
Fully flexible	63
Marginal adjustments of 0.2 million	53
Marginal adjustments of 1 million	24
Marginal adjustments of 2 million	4

32. The Secretariat agrees with the findings that the countries defined as fully flexible made use of this flexibility to move resources across the three STAR focal areas. It is true that countries with marginal flexibility did not benefit as much from the flexibility policy of the STAR. This was indeed the expectation, as the system was designed so that countries with larger allocations were allowed relatively smaller marginal adjustments.

Conclusion 5: The SFM set aside has been effective in directing resources to SFM activities. However, overall utilization of the scheme has been moderate due to a slow start in disseminating information and low ceilings

33. ***MTE:** Countries from Africa and Latin America and Caribbean have been able to utilize a relatively higher percentage of SFM set aside funding than their share in STAR allocations and the STAR resources utilized by them so far. A key achievement has been the utilization of the SFM set aside funding by countries in Europe and Central Asia region, which had not been able to access these incentives during the GEF-4 period. Countries that have total STAR allocation of less than US \$ 10 million are accessing relatively more SFM set aside resources. Similarly, LDCs and land locked countries have accessed a relatively higher percentage of SFM resources.*

34. **Response:** We are pleased with the findings that LDCs and countries with modest STAR allocations have accessed relatively more of the SFM/REDD+ resources when they have made use of the incentive, including those who were not active on forest-related activities in GEF-4. We are also pleased with the level of programming in Africa, Latin America and the Caribbean, regions with significant forest resources of global relevance.

MTE: Considerable effort may be required upfront to bring countries and agencies up to speed as they may require a lot of information before they become familiar with the approach. During the first year of GEF-5 the recipient countries and to some extent key staff of the implementing agencies had little knowledge and understanding of how this incentive scheme is likely to operate. This led to poor utilization during the first year and much of the utilization took place during the second year.

35. *Response: The slow start can be attributed in part to the novelty of the mechanism as an incentive within the GEF, but after the first year the programming of SFM resources accelerated significantly. We support the conclusion that pro-active support for the roll-out of new mechanisms is important in preparing all partners to make best use of GEF resources and hence the SFM incentive became part of GEF's outreach programs such as NDIs, ECWs and GEF familiarization seminars.*

MTE: A low ceiling for individual countries at \$10 million has prevented countries with large STAR allocations from accessing more resources. Application of a ceiling in utilization of funds from the SFM envelope is appropriate as there is a risk that without a ceiling it might lead to a net flow of resources to countries that have higher allocations. However, it also seems that the ceiling has been set on a rather conservative side and there is a case for a slight increase in it. In countries with smaller aggregate allocation, utilization of resources for SFM faced a different barrier. By the time recipient countries and agencies fully understood how resources from SFM may be utilized most countries with smaller allocations had already programmed their STAR allocations. Consequently, they now have little STAR resources left to access funding from the SFM set aside.

36. *Response: We support the finding that ceilings are necessary to prevent uneven flows of funds; and that the GEF-5 ceiling has precluded a very small number of countries with larger STAR allocations from accessing incentive resources commensurate with their capacity to generate benefits from forest-related projects. We therefore support the establishment of a less conservative ceiling in GEF-6. In regards to country with smaller allocations and with early GEF-5 programming of STAR resources that did not consider SFM incentives, the uptake data for the SFM incentive in GEF-5 strongly suggests that information barriers will no longer be a problem during GEF-6. In summary, we agree that in preparation for GEF-6 there is a need to simplify and improve access to the SFM/REDD+ incentive mechanism through revising the eligibility requirements, country ceilings and the incentive ratio.*

37. *MTE. Set asides were increased significantly under the STAR, i.e., from 5 percent under the RAF to 20 percent under the STAR. This increase was in line with the trend seen across multilateral organizations – the African Development Bank and the Asian Development Bank increased the size of their setasides for regional projects due to increased demand. However, the mandate of these organizations is quite different from that of the GEF. Given the GEF's mandate for global environmental benefits, it has an even stronger reason for setasides.*

38. *Response. We are in agreement with the MTE regarding the need for setasides to be reflective of the unique mandate of the GEF to partner with recipient countries in delivering global environmental benefits. In further evolution of the allocation system, we will consider the option of expanding the setasides in the STAR focal areas.*

Conclusion 6: Compared to RAF, implementation of STAR was much smoother. Compared to communications in GEF-4 for RAF, the STAR related communications from the GEF Secretariat – with some exceptions – were clear and timely. The actual calculations of the allocations were in general carried out correctly – again with some exceptions.

39. The Secretariat is in agreement with the conclusion that the STAR-related communications were clear and timely.

40. The Secretariat agrees that TER data should have been improved. The Secretariat and the Evaluation Office will closely work together to improve TER data quality.

Conclusion 7: The actual utilization of STAR resources so far is in line with expectations and similar to that achieved under RAF in the same time of the replenishment period.

41. The Secretariat is in agreement with this statement, but does not understand the relevance of this conclusion. To say that the STAR utilization is the same as the RAF at this time period in the GEF cycle is simply to equate numbers. The critical question becomes, can these rates be considered satisfactory ones, and if so, on what grounds?

42. The utilization discussion centers on total utilizations and is also disaggregated into focal area allocations. However the Secretariat feels that much more relevant analysis was omitted from the discussion. For example, it would have been interesting to see utilizations by region for each focal area, and how this compared across the RAF and the STAR. Furthermore, it would have been useful to see utilizations by vulnerable country groups such as SIDS and LDCs, and how their utilizations fared across the two allocation systems.

43. The Secretariat does not understand the relevance of the statement that “*compared to the RAF, the level of cumulative utilization was higher for STAR at the end of the first year and second year*”. The RAF system contained the constraint that only up to 50 percent of the focal area resources could be used up to the middle of the replenishment period. As discussed above in conclusion 3 of this MTE, this constraint was removed in the STAR system, and its removal can be considered a success, with many countries now utilizing more than 50 percent of their resources by mid-term. These facts naturally imply that under the STAR, cumulative utilizations would be higher at mid-term than under the RAF.

44. The Secretariat does not understand the relevance of the related statement that “during RAF there was a rapid increase in utilization during the first half of its third year. Such abrupt spikes are not as evident for STAR”. The 50 percent rule clearly implied that an abrupt increase in utilization would take place early in the third year, by countries that had reached their 50 percent limit by mid-term and were waiting for the constraining period to be past in order to continue their programming. The smoothness of programming across GEF-5 can therefore be attributed in large part to the removal of the 50 percent rule, as already discussed above in conclusion 3.

45. Finally, the Secretariat notes with interest the analysis done on the NPFEs and their effects on STAR utilizations. The analysis indicates that there may not be a straightforward relationship between the two. This is another area in which a more detailed critical analysis is welcome.

Conclusion 8: STAR is perceived to have increased transparency and country ownership, and has helped smaller countries in accessing GEF resources.

46. The Secretariat is in agreement with this conclusion and pleased to note that such country ownership seems to have extended into the non-STAR focal areas.

Conclusion 9: Both RAF and STAR have led to countries having greater control of programming at the pre-PIF stage. Consequently, the aggregate amount requested through PIF submissions is in sync with allocations. This has reduced clogging of the project cycle in the pre-Council approval stages.

47. The Secretariat is in agreement with this conclusion.

RECOMMENDATIONS OF THE EVALUATION

Recommendation 1: Limits for flexible use of focal area allocations for activities should be increased for countries with marginal flexibility.

48. The Secretariat does not support this recommendation. The Secretariat has an obligation to respect the focal area allocations agreed during the replenishment negotiations. From the perspective of a country, increasing flexibility implies greater autonomy on how resources are used. Increasing flexibility means a fundamental shift in resources among focal areas that could be in gross contravention of replenishment agreements. Indeed, the flexibility policy of the STAR was developed to ensure that, despite allowed movements across focal areas in line with the flexibility bands, a minimum of 90 percent of the initial focal area allocations set out in the GEF-5 replenishment for the biodiversity and climate change focal areas would be respected.²

49. It should be noted that the target focal area allocations were agreed during the GEF-5 replenishment negotiations. Indeed, Council decisions in both the November 2012 and June 2013 on potential programming shortfalls unequivocally stated that the balance among the original focal areas as outlined by the GEF-5 replenishment should be maintained.³⁴

50. Finally, the Secretariat believes that the implementation of this recommendation is not only theoretically questionable; it is also operationally infeasible. The existing levels of marginal adjustments in themselves have caused significant operational complications and confusions during GEF-5, in particular in the context of potential programming shortfalls. In fact, for the upcoming GEF-6 period, the Secretariat has been investigating the programming implications of the removal of marginal adjustment bands, where countries would simply be categorized as either fully flexible, or non-flexible. The Secretariat has been looking at the possibility of increasing the cut-off for full flexibility in order that more countries fall into the flexible band.

² GEF/C.38/09/Rev.1, GEF-5, *Operational Policies for the System for a Transparent Allocation of Resources (STAR)*, GEF Council Meeting, June 2010

³ Joint Summary of the Chairs, 43th GEF Council Meeting, June 2013

⁴ Joint Summary of the Chairs, 44th GEF Council Meeting, June 2013

Recommendation 2: The STAR index should be improved through specification of better indicators and updating of data.

51. We agree with this recommendation, recognizing that any improvement of indicators depends upon the availability of supporting data.

52. While the Secretariat will continue to explore alternative indicators that better capture to potential for GEBs from combating land degradation, specifically desertification and deforestation, the current set of indicators will be used for the focal area GBI. Efforts will be made to update the data as appropriate and available from the original sources.

Recommendation 3: The implementation of STAR can be fine-tuned on several aspects, most notably a more thorough calculation of the allocations with sufficient quality control, and improvements in the process for STAR calculation and database management.

53. The Secretariat welcomes the recommendation of quality control. The STAR calculations are complex ones, and the idea of independent calculations by multiple people is a positive one. The Secretariat also welcomes the recommendation for improvements in database management.

54. The Secretariat welcomes the recommendation for improvements in the process for STAR calculations and suggests that we work more closely with the Evaluation Office to ensure that the Terminal Evaluation Report (TER) data being inputted into the model is of better quality.

CONCLUSIONS OF THE MANAGEMENT RESPONSE

55. The Secretariat welcomes the mid-term evaluation of the STAR, and concurs that there are indeed several areas where there is potential for technical improvement in the design of the STAR. The Secretariat will explore these options and their feasibility.

56. The Secretariat agrees with the MTE that the International Waters focal area is not conducive for inclusion into the STAR model.

57. The Secretariat agrees with the MTE that the incorporation of the Chemicals portfolio into the STAR faces several key constraints. From our perspective, we believe that a sufficient and reliable dataset on which such a model can be built does not yet exist. First, the development of robust indices will initially require detailed information on the amounts of chemicals that are produced, consumed and traded; it would require a chemical profile (or closest proxy) of each recipient country. Second, since the use of chemicals is not necessarily connected with readily available and routinely measurable indicators such as GDP per capita, there would be difficulties in constructing an index based on such reference proxies. The construction of an allocation system for chemicals will require (i) decisions on the factors to be included into the model, (ii) the collection of real or proxy data on these factors and (iii) the correction for the unique characteristics of each country's chemical usage profile.

58. The Secretariat agrees with the MTE that forthcoming new programs should take cognizance of the experiences of the implementation of the SFM, and give attention to the required efforts needed to effectively prepare the GEF partnership to make the best use of them.

59. However, the MTE also suggests some options, such as increased marginal flexibility that will increase operational complexity and therefore would not be in line with the overall urgency for streamlining at the GEF.