



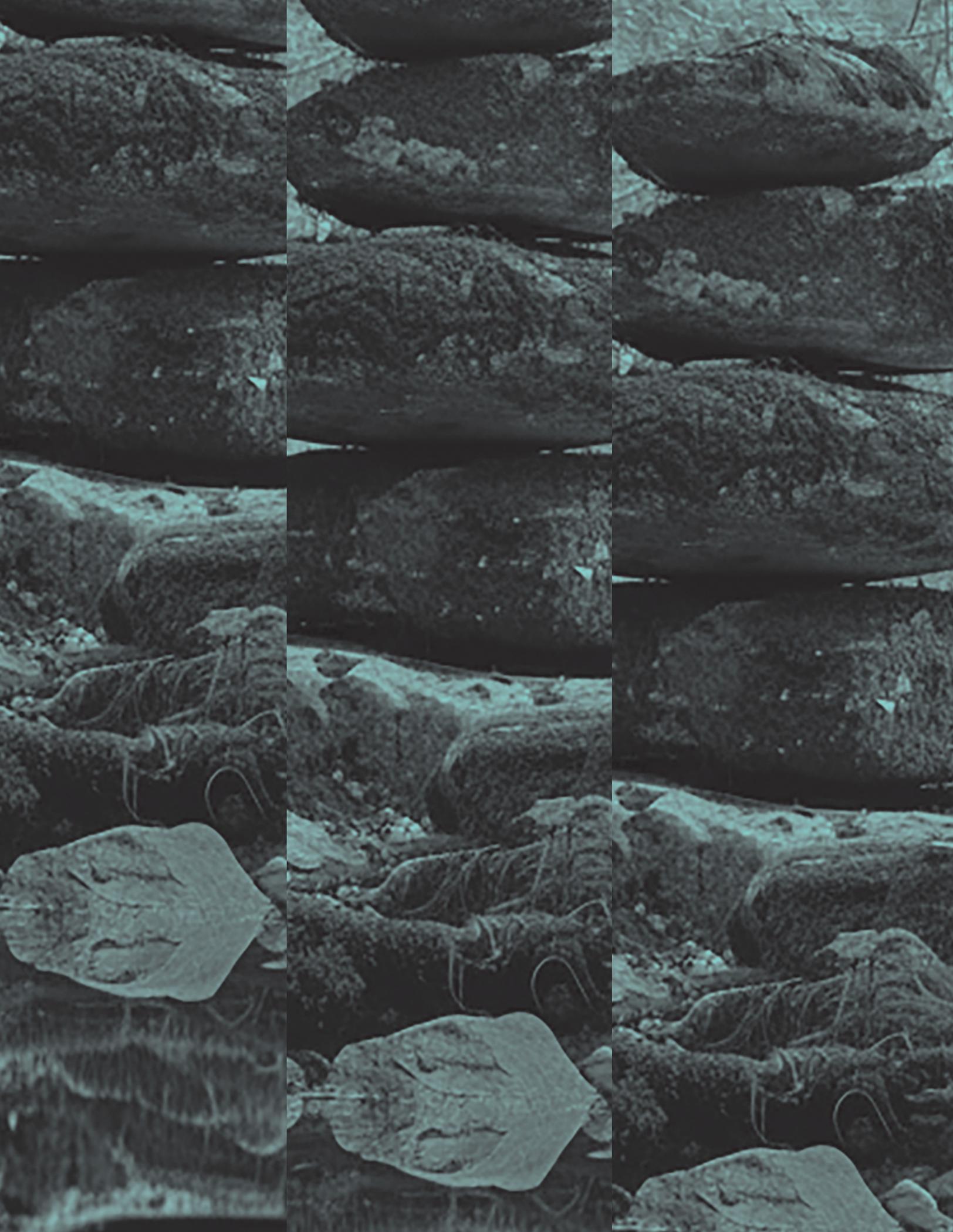
**Independent
Evaluation Office**
GLOBAL ENVIRONMENT FACILITY

Assessing Portfolio-Level Risk at the GEF

An Evaluation Report by the GEF IEO

2026 | February





Assessing Portfolio-Level Risk at the GEF

Evaluation Report No. 171
February 2026

© 2026 Global Environment Facility Independent Evaluation Office
1818 H Street, NW, Washington, DC 20433
Internet: www.gefief.org/; email: gefevaluation@thegef.org

Reproduction permitted provided source is acknowledged. Please cite the work as follows: Global Environment Facility Independent Evaluation Office (GEF IEO), *Assessing Portfolio-Level Risk at the GEF*, Evaluation Report No. 171, Washington, DC: GEF IEO, 2026.

The findings, interpretations, and conclusions in this report are those of the authors and do not necessarily reflect the views of the GEF Council or the governments it represents.

This report was presented to the GEF Council in June 2024.

ISBN: 978-1-64233-062-5

Task Team Leader: Silke Heuser, sheuser@thegef.org
GEF IEO Director: Geeta Batra

Cover design: AM Mascia Design + Illustration Inc.

Interior design and layout: Nita Congress

Editing: Karen Holmes

Cover photo: © ajam14024/Freepik.com

All dollar amounts are US dollars unless otherwise indicated.

GEF replenishment periods: **Pilot phase:** 1991–94; **GEF-1:** 1995–98; **GEF-2:** 1999–2002; **GEF-3:** 2003–06; **GEF-4:** 2006–10; **GEF-5:** 2010–14; **GEF-6:** 2014–18; **GEF-7:** 2018–22; **GEF-8:** 2022–26

Contents

	Foreword	v
	Acknowledgments	vi
	Abbreviations	vii
	Executive summary	viii
1	Introduction	1
	1.1 Background	1
	1.2 Objectives and scope	3
	1.3 Approach	4
	1.4 Data sources	5
	1.5 Limitations	6
2	The GEF's risk management framework	7
3	Portfolio assessment	16
	3.1 Risk ratings in the GEF portfolio	18
	3.2 Relationship between risk and outcomes	20
	3.3 Rewards in high-risk projects	21
	3.4 Risks and rewards in protected area projects	22
	3.5 Risks and outcomes in complex country environments	23
4	Revealed risk appetite and tolerance in the GEF portfolio	27
	4.1 Predicting risk-related changes in outcome	28
	4.2 Risk factors	29
	4.3 Adaptive measures	31
5	Conclusions and recommendations	34
	5.1 Conclusions	34
	5.2 Recommendations	36

Annexes

A	Evaluation portfolio	37
B	Comparison of GEF Agency risk management practices	56

References	62
-------------------------	-----------

Boxes

2.1	World Bank risk management framework	13
2.2	UNDP's risk management framework	14
2.3	Conservation International's risk management framework ..	15
3.1	Examples of high-risk, high-reward projects in the energy sector	22
3.2	Example of high-risk, high-reward project in the protected areas sector	22
3.3	Achieving global environmental benefits in high-risk protected area projects in Uruguay	24

Figures

ES.1	Heatmap of risk and outcome ratings	viii
ES.2	Risk profiles and outcomes	ix
2.1	Dimensions and categories of the GEF's risk appetite framework	8
2.2	Risk profiles and outcomes	10
2.3	Average risk rating and standard deviation for each lead Agency	11
2.4	Distribution of latest risk ratings for closed and ongoing projects across nine GEF Agencies	12
3.1	Risk profile for closed and ongoing projects as per early risk ratings	16
3.2	Average project risk rating by project status	17

3.3 Distribution of risk ratings for GEF-8 projects at PIF/CEO endorsement stage 18

3.5 Heatmap of risk and outcome ratings 20

3.6 Changes in risk rating for closed projects 21

4.1 Risk factors in closed high-risk projects, GEF-5 to GEF-7 31

Tables

2.1 Comparing risk frameworks among GEF Agencies 9

3.1 Portfolio of closed and ongoing projects with at least one risk rating, by focal area and GEF replenishment period 17

3.2 Portfolio of closed projects by focal area and GEF replenishment period 19

4.1 Comparing GEF-8 project average risk ratings at entry with the GEF's risk appetite. 29

4.2 Comparison of risk ratings for GEF-8 projects at entry based on different calculation methods 29

4.3 Average project risk and outcome ratings, baseline versus increased risk to match GEF risk appetite statement 30

4.4 Risk type with highest risk rating at PIF/CEO endorsement, by lead GEF Agency 32

Foreword

Managing risk has become increasingly important for international development organizations over the past decade. In response, many Global Environment Facility (GEF) Agencies have developed enterprise risk management frameworks to help them navigate risk at the project and portfolio levels. Faced with escalating risks and challenges, development organizations are compelled to adopt strategies that optimize their resources and impact. This involves assuming higher levels of risk while prioritizing transparency in risk-taking processes.

The GEF has also recognized the need to embrace more deliberate risks in pursuit of transformative change in environmental outcomes. Toward this end, during its 66th meeting, the GEF Council approved a risk appetite document to guide Agencies in deliberate risk-taking. This evaluation assessed the evolution and current state of the GEF's risk management framework and its practical application, covering the period from GEF-5 onward.

The portfolio review shows that most GEF projects are low risk and deliver satisfactory results; at the same time, projects that take on higher levels of risk often hold the greatest potential for transformative impact. These high-risk projects include investments in fragile contexts, emerging clean technologies, and forest protection in areas prone to illegal activity. To shift the overall portfolio toward more deliberate risk-taking and align it with bold technological ambition, the GEF must clearly define acceptable risk levels, assign ownership, and align internal processes accordingly. Success will depend on tailored support for Agencies, recognizing that each operates within a distinct institutional culture and incentive structures that shape their capacity and appetite for risk.

The evaluation's findings were presented to the 67th GEF Council in June 2024. The Council acknowledged the conclusions and endorsed the recommendations, taking into account the GEF management response.

Geeta Batra
Director, GEF Independent Evaluation Office

Acknowledgments

Silke Heuser, Evaluation Officer in the Global Environment Facility Independent Evaluation Office (GEF IEO), led this evaluation. Core evaluation team members were Eki Ramadhan, IEO Evaluation Analyst, and expert consultant Hans-Martin Boehmer.

The evaluation benefited from oversight provided by Geeta Batra, Director of the IEO; quality control was provided by Neeraj Kumar Negi, IEO Senior Evaluation Officer.

The evaluation team would like to thank the GEF Secretariat, the GEF Scientific and Technical Advisory Panel, and the GEF Agencies for their cooperation and assistance in providing relevant information and contacts.

Marie-Constance Manuella Koukoui, Senior Executive Assistant, supported the evaluation team; Juan Jose Portillo, Senior Operations Officer, provided operations/administrative oversight. Karen Holmes and Nita Congress edited the report; Nita Congress also designed and laid out the publication.

The GEF IEO is deeply grateful to all these individuals and institutions for their contributions, which were critical to the success of the evaluation. The final responsibility for this report remains firmly with the Office.

Abbreviations

ADB	Asian Development Bank	OPS	comprehensive evaluation of the GEF (previously overall performance study)
CEO	Chief Executive Officer	PIF	project implementation form
CPIA	Country Policy and Institutional Assessment	PIR	project implementation report
EBRD	European Bank for Reconstruction and Development	POP	persistent organic pollutant
ERM	enterprise risk management	STAP	Scientific and Technical Advisory Panel
FAO	Food and Agriculture Organization of the United Nations	STAR	System for Transparent Allocation of Resources
FCS	fragile and conflict-affected situations	UN	United Nations
GEF	Global Environment Facility	UNDP	United Nations Development Programme
IDB	Inter-American Development Bank	UNEP	United Nations Environment Programme
IEO	Independent Evaluation Office	UNIDO	United Nations Industrial Development Organization
NGI	nongrant instrument		

Executive summary

Managing risk has become increasingly important for international development organizations over the past decade. In response, many Global Environment Facility (GEF) Agencies have developed enterprise risk management frameworks to help them navigate risk at the project and portfolio levels. Faced with escalating risks and challenges such as climate change, development organizations are compelled to adopt strategies that optimize their resources and impact. This involves assuming higher levels of risk while prioritizing transparency in risk-taking processes.

The GEF has also recognized the need to embrace more deliberate risks in pursuit of transformative change in environmental outcomes. Toward this end, during its 66th meeting, the GEF Council approved a risk appetite document to guide Agencies in deliberate risk-taking.

To facilitate increased risk-taking in the pursuit of global environmental benefits, the robustness of each Agency's internal risk management framework becomes paramount. Strengthening internal risk management frameworks is essential to manage these risks prudently while maximizing the potential for positive environmental impact.

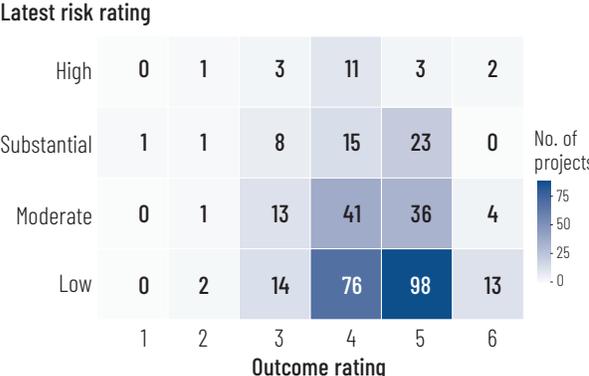
Main findings

The GEF portfolio has a low to moderate risk profile. The majority of projects in the portfolio are categorized as low risk and have generally yielded satisfactory

outcomes. The heatmap in [figure ES.1](#) shows the distribution of closed projects based on their risk and outcome ratings, with the largest concentration of projects centered around low-risk projects with satisfactory outcomes. High-risk projects, most of which had at least marginally satisfactory outcomes, constitute a small portion of the portfolio. Additionally, a shift toward higher-risk projects over GEF replenishment periods has not been discernible in closed projects thus far.

GEF Agencies have different risk cultures and vary in their ability to take on high risks. They have different attitudes

Figure ES.1 Heatmap of risk and outcome ratings



Source: Completed projects with available risk and outcome ratings from GEF Portal, United Nations Development Programme, World Bank, and the Annual Performance Report 2023 data set.

Note: Six-point scale for outcome ratings: 1 = highly unsatisfactory; 2 = unsatisfactory; 3 = moderately unsatisfactory; 4 = moderately satisfactory; 5 = satisfactory; 6 = highly satisfactory. *n* = 366.

toward risk-taking and different criteria by which risk is measured and managed. In addition, the self-described risk culture is not always consistent with what the data show. The discrepancy could be due to a lack of harmonization and underscores the need for a more uniform understanding of risks taken in relation to the GEF’s mission and goals, in order to be able to translate the GEF risk appetite statement into actual changes in risk-taking. The GEF risk document highlights the need for greater consultation and elaboration on the implementation of the risk appetite framework within the GEF and its Agencies.

Across GEF Agencies, distinct risk profiles ultimately yield comparable outcomes. While the Agencies vary significantly in the average risk rating of their projects, they mostly achieve average project outcome ratings in the moderately satisfactory to satisfactory range (figure ES.2). Despite the comparable outcomes, Agencies are influenced by their particular incentive structures and are resolute in their preference to maintain their individual risk standards, which are complex and tailored to each organization’s needs.

High-risk projects exhibit greater outcome variance. On average, the correlation between risk and outcome

Figure ES.2 Risk profiles and outcomes

Mean risk rating at entry



Source: Completed projects with available risk and outcome ratings from GEF Portal, United Nations Development Programme, World Bank, and the Annual Performance Report 2023 data set. *n* = 366.

Note: The high-risk dimension was excluded to enhance readability.

ratings in closed projects is negative. High-risk projects also tend to exhibit greater outcome variance, indicating a wider range of outcomes compared to low-risk projects. This evaluation estimates that the GEF accepts approximately 10 percent lower outcome ratings and a broader range of outcomes on average when engaging in higher-risk projects. Examples of such high-risk initiatives include remaining engaged with conflict-affected countries, investing in innovative green energy technologies, and protecting forests threatened by illegal logging activities.

While taking on higher risk does not directly translate into higher rewards, high-risk projects have yielded substantial benefits in some instances. In the climate change focal area, for example, renewable energy projects present both risks and rewards. High-risk renewable energy ventures are geared toward leveling the playing field within the energy sector. They address regulatory hurdles, promote energy efficiency, and reduce fuel subsidies. The evaluation noted that these projects yielded significant benefits. For instance, three projects supported solar energy installations and policies designed to reduce subsidies for fossil fuels. All three projects achieved the highest possible outcome rating, underscoring the potential for substantial rewards from high-risk investments in this area.

The GEF also engages in high-risk projects to protect forests and biodiversity. A high-risk protected area project in Uruguay demonstrates the benefits of sustained GEF involvement in this sector. The project was assessed as having moderate to high levels of risk at different points in its implementation, including issues regarding political factors, institutional capacity, and financial sustainability. Adaptive management strategies were able to address these risks, and remote-sensing analysis reveals minimal forest loss within the protected areas in most years since 2001.

Institutional and state capacity influence risk. In the evaluation portfolio of projects, the most significant internal risk factors were associated with institutional capacity,

encompassing deficiencies in technical or financial resources, insufficient government ownership, and limitations in local capacity. Countries with stronger institutional frameworks, more effective institutions, and better rule of law are better equipped to manage and execute projects, leading to more favorable outcomes. This highlights the need for tailored approaches by the GEF to support projects in countries with lower state and institutional capacity.

Adaptive risk management yields positive results. Based on quantitative evidence of adaptive risk management in the GEF risk portfolio, of the 315 projects that reported multiple risk ratings over their life cycle, 29 percent demonstrated a decrease in risk ratings, indicating potential proactive risk management practices. Conversely, 13 percent of projects experienced an increase in risk ratings, suggesting that challenges might have arisen during implementation or were not managed effectively. A decrease in risk ratings is associated with improved project outcomes.

Additional risk-taking based on the new risk statement will still result in satisfactory outcomes overall. Going forward, the GEF has indicated a willingness to take on additional risk by setting its risk appetite as high for innovation, as substantial for context, and as moderate for execution. According to statistical analyses, if these stated risk levels for the three risk dimensions were to be achieved, the average overall project risk rating is projected to slightly exceed the substantial level, reaching 3.02 (versus the current level of 1.89 for closed projects) on a four-point scale. The overall effect on outcomes would be about a 6 percentage point decline in the proportion of projects with outcome ratings in the satisfactory range, from 88 percent to 82 percent.

Conclusions and recommendations

The GEF risk appetite document reflects ambitious goals for the GEF's risk management approach. However, to foster a cultural shift to deliberate risk-taking in pursuit of greater global environmental benefits, it is crucial to

clearly articulate the desired risk level for the portfolio, define risk tolerance, and establish clarity on risk ownership. Changing the risk profile of GEF-funded projects will also require risk management within the GEF.

The ability of GEF Agencies to take on risks and manage them toward successful outcomes varies significantly. To elevate the level of risk-taking in the GEF will require collaboration with the Agencies to ensure they possess the capacity and willingness to take on additional risks. Understanding the internal incentives and dynamics unique to each institution would be instrumental in supporting Agencies' risk-taking endeavors.

Project outcomes are expected to exhibit greater variance as Agencies undertake higher risks. Given the diverse range of outcome ratings, the GEF Secretariat and the GEF Council should anticipate some projects delivering the expected higher global environmental benefits, while others may fall short of achieving intended results, at least in the short term.

Management of risks will ultimately determine outcomes. Proactive risk management has a significant impact on project outcomes. Although institutional capacity remains a major risk factor—especially alongside climate change—recognizing these risks and managing projects accordingly can lead to the realization of global environmental benefits.

Based on the findings of this evaluation, the GEF's Independent Evaluation Office developed the following two recommendations.

Recommendation 1: The GEF should refine the 2024 risk appetite statement to clarify risk ownership and establish a risk tolerance band.

- **Clarify risk ownership.** Articulate risk ownership within the GEF's implementing mechanism, encompassing implementing and executing agencies, member countries, the Council, and the GEF itself. Specify the risk ownership of each entity.
- **Establish a risk tolerance band.** Define a clear range of risk tolerance for both the GEF and the Agencies at the portfolio level, clearly recognizing that levels of risk outside this band may still be accepted, but subject to a higher level of management scrutiny and approval.

Recommendation 2: Establish a risk management mechanism to proactively manage risks within the GEF framework. This would include developing guidelines and processes for the GEF Secretariat and the GEF Agencies.

Drawing on the experience of other global partnerships like the Green Climate Fund and the Global Fund, the GEF should enhance transparency and efficacy in risk management practices going forward. These may include (1) establishing risk management processes, setting standards, and providing the necessary support to Agencies; (2) monitoring compliance; and (3) ensuring consistent communication of risk appetite by the GEF Council and GEF management.

1

Introduction

1.1 Background

Managing risk has been of rising significance for most agencies in the international development space over the past decade. Many of the Global Environment Facility (GEF) Agencies have developed enterprise risk management frameworks—initially focused on financial risks, but more recently also on operational, strategic, and to some extent, stakeholder risks. As donor resources face depletion in the aftermath of the 2008 financial crisis, compounded by the impacts of COVID-19, the war in Ukraine, and inflation, development organizations are confronted with unprecedented challenges. Concurrently, global issues such as climate change, biodiversity loss, and pandemics are intensifying, further straining available resources. In response to these multifaceted challenges, development organizations are compelled to adopt strategies aimed at maximizing their resources and impact. This involves assuming greater levels of risk, coupled with a concerted effort to enhance transparency in risk-taking processes.

The GEF Scientific and Technical Advisory Panel's (STAP's) 2018 guidance on innovation provided a framework for a strategic direction for innovation in GEF programming and underscored the importance of having a risk appetite statement (GEF STAP 2018). In its Seventh Comprehensive Evaluation of the GEF (OPS7), the GEF's Independent Evaluation Office (IEO) urged a continued emphasis on innovation for transformational change, noting that the GEF should encourage innovation and clearly articulate an acceptable level of risk (GEF IEO 2022). In its management response, the GEF Secretariat agreed and asked the STAP and Council members for guidance in establishing an acceptable appetite for risk that would guide the preparation, selection, and design of innovative projects. In response, the GEF Secretariat, the STAP, and Council members prepared a paper, "GEF Risk Appetite," which was endorsed by the GEF Council in February 2024 (GEF 2024a).

This IEO evaluation contributes to implementation of the GEF’s risk appetite document. To do so, it looked at available data and engaged in discussions about risk appetite with the GEF Agencies. Additionally, it compared risk appetite to the existing levels of risk in the GEF portfolio from GEF-5 onwards. Its quantitative analysis is grounded in annual risk and outcome ratings extracted from project implementation reports (PIRs) and terminal evaluations, captured in the GEF Portal database, as well as in-depth document reviews for high-risk projects.

The GEF has progressively adopted elements allowing it to analyze risks across the project life cycle, culminating in the 2024 risk appetite document. In GEF-7, the GEF introduced a dedicated section on risk both in the project implementation form (PIF) and the Chief Executive Officer (CEO) endorsement templates for elaboration by the GEF Agencies. The risk section in GEF-7 was a blank field for Agencies’ own statements, but the GEF-8 template introduced a [structured format](#) keyed to the risk categories outlined in the GEF risk appetite document and tracked by the GEF Secretariat (i.e., *context risks*: climate, environment and social, political and governance; *innovation risks*: institutional and policy, technological, financial and business model; and *execution risks*: capacity for implementation, fiduciary, and stakeholder). Every year throughout project implementation, Agencies provide an overall risk rating, as required by the GEF’s monitoring policy (GEF 2019b). These elements provide the basis for reporting on risk from project concept to completion (GEF 2022).

GEF Agencies have distinct risk management frameworks in place that serve their mandates. Each of the 9 GEF Agencies of the total 18 Agencies interviewed by the IEO for this evaluation—the Asian Development Bank (ADB), Conservation International, the European Bank for Reconstruction and Development (EBRD), the Food and Agriculture Organization of the United Nations (FAO), the Inter-American Development Bank (IDB), the United Nations Development Programme (UNDP), the

United Nations Environment Programme (UNEP), the United Nations Industrial Development Organization (UNIDO), and the World Bank—has a risk management framework in place reflecting their individual mandate ([table 2.1](#)). Within the sample of nine reviewed Agencies, GEF projects tend to have the same risk profile as non-GEF-funded projects. Each of the nine Agencies uses a risk log system to monitor risks annually while implementing mitigation measures.¹ EBRD, UNDP, and the World Bank have established both a risk appetite statement and a risk tolerance statement; Conservation International is presently crafting an aspirational risk appetite statement.

This evaluation offers insights into the risk profile of GEF operations by assessing the GEF portfolio of closed projects.² It does so based on risks encountered throughout the project cycle and on outcome ratings, which serve as a proxy for achieving global environmental benefits.³ Moreover, this evaluation proposes a risk tolerance band in terms of slightly lower outcome ratings, reflecting the acceptance of potentially reduced achievement ratings in higher-risk projects. In addition to employing qualitative research methods, the evaluation used remote-sensing technology to identify and verify examples of rewards associated with taking high risks, particularly in cases where projects are effectively managed.

Finally, drawing from the portfolio evidence and interviews with Agencies, the evaluation formulates

¹A risk log system is a structured tool or database used to identify, assess, track, and manage risks associated with a project, organization, or process.

²The terms “completed” and “closed” are used interchangeably in this evaluation and refer to projects that have completed implementation, regardless of their financial closure status.

³Since GEF-7, projects have been reporting on their global environmental benefits at the terminal evaluation stage. However, no GEF-7 projects were closed at the time of this evaluation and available for inclusion in the IEO’s risk database of 366 projects that had both risk and outcome ratings.

recommendations aimed at supporting implementation of the GEF's risk appetite statement. These recommendations focus on clarifying risk ownership to facilitate effective risk management practices within the GEF framework, as well as steps that the GEF Secretariat and the GEF Council can take to build on the progress achieved so far.

Several upstream decisions affect the GEF's risk-taking behavior. One key decision is the allocative preference inherent in the GEF's System for Transparent Allocation of Resources (STAR) allocation mechanism. As noted by the GEF IEO in its comprehensive evaluation of the STAR, the allocation system and formula hold the potential for concentration risk (GEF IEO 2018). According to the evaluation, the level of concentration of GEF resources among countries has decreased. Because that evaluation found that the GEF had been effective in avoiding concentration risks, the current study does not cover the GEF's STAR.

The findings and recommendations of earlier IEO evaluations have contributed to this evaluation. Notably, the Seventh Comprehensive Evaluation (OPS7) of the GEF recommended, based on GEF IEO (2021b), that the GEF formulate a risk appetite statement:

Since innovation is associated with some level of risk, the GEF Council, together with the GEF Secretariat and the STAP, should clearly articulate the level of acceptable risk across the various instruments and approaches, for clarity across the partnership and to encourage innovation through a managed approach. (GEF IEO 2022, xxi)

Another evaluation that provided valuable insights is the recent Learning from Challenges in GEF Projects, which looked at risks to project outcomes and how they can be managed through adaptive management practices (GEF IEO 2025). Additionally, the Evaluation of GEF Support in Fragile and Conflict-Affected Situations provided measures of conflict and fragility that informed the present evaluation (GEF IEO 2024b).

The academic literature on the effectiveness of risk appetite statements in the nonfinancial sector is scant.⁴ A significant challenge faced by the GEF—and this evaluation—is a dearth of discussion in the academic literature of risk frameworks and risk appetite statements in the nonfinancial sector. While risk management frameworks are standard practice within the financial sector, and guidance notes exist for several multilateral organizations on the development of risk management frameworks,⁵ evidence regarding the effectiveness of risk management frameworks in terms of achieving better development outcomes is limited.⁶ As a result, the analysis presented in this evaluation builds on an existing understanding of risk and limits itself to evaluative questions that can be readily answered with the available data on risk and outcome ratings collected from the Agencies by the GEF Secretariat.

1.2 Objectives and scope

The GEF has embraced an agenda of transformative change. The GEF aims to leverage its limited resources to shift the trajectory of major environmental trends. Incremental progress is inadequate to achieve this ambition. Therefore, it is necessary to question and assess at a strategic level what constitutes a desirable and acceptable level of risk in different areas of the investment portfolio.

This evaluation worked with generally accepted concepts of risk.⁷ Risk is generally defined as the uncertainty of outcomes. *Risk management* can be described as the

⁴This point was notably raised by Kaiser (2016).

⁵See Beasley, Branson, and Hancock (2010); Martens and Rittenberg (2020); and Rittenberg and Martens (2012).

⁶Note, however, the [risk appetite framework](#) and implementing documents developed by the Global Fund to Fight Tuberculosis, Aids, and Malaria; this is one of the few examples to cast risk management in the context of a global partnership program.

⁷See, for example, Crouhy, Galai, and Mark (2006).

systematic application of management policies, procedures, and practices to the tasks of communicating, consulting, establishing the context of, identifying, analyzing, evaluating, treating, monitoring, and reviewing risk. *Risk appetite* can be defined as the total impact of risk an organization is prepared to accept in pursuit of its strategic objectives.

This evaluation contributes to an understanding of past and current risk management and appetite in the GEF. It assessed whether the risk management and appetite of GEF Agencies are coherent with the GEF's risk profile. It also compared Agencies' risk management structures and developed an understanding of the costs involved in risk-taking. Furthermore, the evaluation sought to gain greater insight into the concept of high-risk/high-reward projects in its closed portfolio to understand risk factors, risk-prone focal areas such as energy and biodiversity, and mitigation measures. Finally, the evaluation developed a measure to assess the GEF's revealed risk appetite and tolerance for risk before drawing lessons and providing recommendations. This report concludes with a set of conclusions and recommendations derived from the evaluation. These address risk appetite and ownership within the GEF, elaborate on risk factors, and discuss rewards for high risk-taking. The findings shed light on the GEF's demonstrated risk appetite in completed projects, highlight the risk management models employed by GEF Agencies, and examine strategies for the GEF to enhance Agency risk-taking.

1.3 Approach

This evaluation reviewed the current risk framework of the GEF, assessed and compared risk practices across GEF Agencies, and validated the profile of risk of GEF projects based on a portfolio review. As detailed in the approach paper (GEF IEO 2024a), the evaluation sought to answer the following key questions:

- To what extent is a pattern of high risk/high reward reflected in the portfolio of closed projects, based on a comparison of GEF project risk and outcome ratings?
- To what extent is the relationship between high risk/high reward reflected in the GEF's portfolio of current projects and its current appetite for risk?
- To what extent do the risk categories and risk appetite statements of selected GEF Agencies align with the GEF's risk profile?
- Is there further guidance on risk that the GEF could provide to its Agencies?

Risk and risk management are multidimensional. To the extent possible, the evaluation drew on risk management frameworks and guidance notes that have been prepared in recent years. For instance, their governing bodies have asked multilateral development banks and United Nations (UN) entities to specify their risk management frameworks and develop risk appetite statements. Many have developed corporate risk management frameworks that build on a three-tier structure of "lines of defense." Without assessing the effectiveness of each Agency's risk management framework, this evaluation used in-depth discussions and document reviews of selected Agencies to gain a better understanding of the robustness, rigor, and Agency-specific characteristics of managing risks. The IEO team interviewed representatives of 9 of the 18 GEF Agencies to better understand their risk management frameworks and risk appetite,⁹ asking about constraints in their ability to manage risks and requests to the GEF Secretariat. The team also conducted interviews with selected task managers of GEF projects from various Agencies.

⁹ The nine Agencies were selected to ensure representation of all three GEF Agency types: multilateral development banks (ADB, EBRD, IDB, World Bank), UN entities (FAO, UNDP, UNEP, UNIDO), and nongovernmental organizations (Conservation International). This qualitative sampling technique was developed by Glaser and Strauss (1967).

The evaluation used both qualitative and quantitative methods. Given the differences in Agencies' risk management frameworks, the quantitative data collected by the IEO provide a strong, but incomplete, picture of risk-taking. To arrive at robust findings and conclusions, qualitative information on individual Agencies' risk management practices and guidelines were reviewed. This review informed the interpretation of a qualitative analysis of Agencies' risk profiles and the overall GEF risk profile. Heatmap profiles, combined with statistical analysis,⁹ were used to develop a profile for the GEF portfolio, as well as for selected Agencies. Detailed profiles were developed for the 5 most significant recipients of GEF funding, out of a total of 18 Agencies that received funding during the GEF-5 replenishment period.

- **Applying quantitative research methods.** The IEO team examined the entire portfolio of closed and ongoing projects in terms of their risk and outcome ratings and generated a heatmap. The GEF Portal contains data to monitor risks classified on a four-point scale with development outcomes classified on a six-point scale. Subsequently, the team assessed risk and outcome ratings for projects in countries classified as fragile and conflict-affected according to various indexes, as discussed [below](#); and on the basis of country capacity, as measured by the [State Capacity Index](#) and the World Bank's [Country Policy and Institutional Assessment \(CPIA\) Index](#).¹⁰
- **Applying qualitative analysis.** The IEO team compared high- and low-risk groups of closed projects based on their outcome and risk ratings. It identified risk-prone focal areas and the most prevalent risk factors. Additionally, the team assessed the global environmental benefits of a GEF project in Uruguay

⁹ All of the statistical analyses are available from the GEF IEO upon request.

¹⁰ The State Capacity Dataset was developed by Hanson and Sigman (2021). The World Bank index only covers low-income countries.

to demonstrate some of the benefits of taking on elevated levels of risks.

The general portfolio-level analysis was supplemented with more detailed case studies for the World Bank, UNDP, and Conservation International. These Agencies were selected because they represent the three types of GEF Agencies—multilateral development banks, UN entities, and nongovernmental organizations, respectively. In the case of the World Bank, detailed risk data were available, even though such data were not required before 2019 in reporting to the GEF Secretariat.

1.4 Data sources

The evaluation's primary data sources were GEF project risk and outcome ratings, as well as country and focal area characteristics collected by the GEF for all projects, as captured in the GEF Portal. As part of regular portfolio tracking, the GEF has included risk ratings by Agencies since 2014, although it has only become a required reporting element since 2019. This evaluation used risk ratings for all projects from GEF-5 onward. Risk ratings available in the GEF Portal include PIR ratings from 2014 to 2023, latest available PIR risk ratings, and terminal evaluation risk ratings. The evaluation portfolio comprises 366 completed projects from GEF-5 onward that have both risk and outcome ratings (see [annex A](#)); this is the risk evaluation database the findings, figures, and tables in this report draw on.

Externally available data were used to gain a more granular understanding of the GEF risk profile. The evaluation team made use of the most recent (fiscal year 2024) World Bank [classification of fragile and conflict-affected situations](#). According to this classification, a total of 36 countries receiving GEF funding since GEF-5 are considered fragile or conflict-affected. Additionally, drawing on the methodology used in the evaluation of GEF Support in Fragile and Conflict-Affected Situations (GEF IEO 2024b), the team also examined fragile situations listed in the [Fragile States Index](#) produced by

the Fund for Peace and conflict situations using data from the [Uppsala Conflict Data Program](#) and the Peace Research Institute Oslo (UCDP/PRIO) Armed Conflict database.¹¹ In addition, as noted earlier, the IEO used the State Capacity Index which captures a multidimensional measurement of state capacity.

Detailed risk ratings were obtained from UNDP and the World Bank. The IEO team obtained overall annual risk ratings from UNDP for each year from 2017 through 2023. Similarly, the team received data from the World Bank's Systematic Operations Risk-Rating Tool from 2019 to 2024.

1.5 Limitations

The methodological approach to this evaluation is constrained by several factors. First, the GEF introduced specific risk rating categories in 2022, but outcome ratings are not yet available for recently approved projects. Therefore, this evaluation focuses on completed projects. The bulk of the projects in the evaluation portfolio have an annual overall risk rating documented in their PIR documents and in the GEF Portal database. Second, there are conceptual differences in how individual Agencies assign risk ratings for GEF projects because of differences in the structure and purpose of each Agency's internal risk management framework. Finally, considering the GEF as a partnership involving funding organizations and implementing Agencies, it is essential to clearly articulate risk ownership within the GEF's implementing mechanism. This should encompass implementing and executing agencies, member countries, the Council, and the GEF Secretariat. Defining the roles and

¹¹ In line with Harbom and Wallensteen (2008), who define a major armed conflict as an armed conflict in which there are at least 1,000 battle-related deaths, this evaluation defines conflict-affected situations as those experiencing more than 1,000 annual battle-related deaths at least one year since 2010 (start of GEF-5). The UCDP/PRIO Armed Conflict data include no observations from a total of 45 countries receiving GEF funding from GEF-5 onwards.

responsibilities for managing risks across these stakeholders will ensure a more coordinated and effective approach to risk-taking and mitigation.

Data availability is improving, but has limited the scope of ex post portfolio analysis. There are two dynamics that have a significant bearing on the portfolio analysis, which relies heavily on risk and outcome ratings data. First, by the nature of GEF project duration, outcome data derived from terminal evaluations are heavily skewed toward projects that were approved during GEF-5. At the same time, risk ratings, whether provided during implementation or at closure, have become much more readily available since 2018. Furthermore, assessment of risks at the CEO approval stage has become available during GEF-7—a significant step in the right direction for future analysis or deliberate risk-taking by the GEF. For the time being, the GEF and the IEO will concentrate on closed projects to assess portfolio risks, despite having a limited number of data points. Data availability is expected to improve following the 2022 revisions to specific risk rating categories.

Risk ratings are used for different purposes at different points in the project approval/implementation cycle; they are also useful postproject, as in this evaluation, when comparing risk and outcome ratings. For example, at the CEO endorsement stage, approval of GEF funding depends in part on risk ratings. These ratings may change during implementation as a result of unforeseen external developments and unanticipated implementation challenges. At the terminal evaluation stage, it is insightful to examine the correlation between risk ratings and outcome ratings and how changes in risk ratings during implementation translate into outcomes. Therefore, the analysis in this evaluation considers various perspectives of risks at different stages of the project cycle to draw well-supported conclusions.

2

The GEF's risk management framework

The GEF aims to embrace more deliberate risks in its efforts to achieve transformative environmental outcomes. During its 66th meeting, the GEF Council adopted a risk appetite document (GEF 2024a) designed to guide Agencies in undertaking calculated risks. The document outlines three key risk dimensions and nine specific risk categories ([figure 2.1](#)). To encourage greater risk-taking in pursuit of global environmental benefits, the robustness of each Agency's internal risk management framework is critical. This chapter focuses on the challenges that may arise in translating the GEF risk appetite statement into greater risk-taking by Agencies aiming to achieve greater global environmental benefits.

The GEF's risk appetite statement is ambitious. In response to the Council's request to significantly boost the GEF's risk appetite,¹ the GEF Secretariat has set the risk appetite levels as *substantial* for contextual risk, *high* for innovation risk, and *moderate* for execution risk. However, the GEF's risk management mechanism is less clear. The risk appetite document does not specify a risk tolerance band, unlike other Agencies. For instance, the World Bank identifies a risk tolerance of 10 percent for its overall portfolio. The document highlights the need for further consultation and elaboration on the implementation of the risk appetite framework within the GEF and its Agencies.

While the GEF's risk appetite levels for the three dimensions are clear, the desired risk level for the overall portfolio is not clearly articulated. Although differentiated data along the risk dimensions are available only for one year, the current overall portfolio risk ratings fall

¹ During the 66th GEF Council meeting, Switzerland and the United Kingdom encouraged the GEF to take on more risk while at the same time learning from possible failure. According to one Council member, "We anticipate that the new risk statement will further facilitate risk-taking and innovation. It is imperative for the GEF to embrace the possibility of failure as we encourage higher risk-taking. Failure should not be seen as a problem in itself, as long as we continuously extract valuable lessons from it" (Protocol of the 66th GEF Council meeting, available upon request).

Figure 2.1 Dimensions and categories of the GEF’s risk appetite framework

Dimension	CONTEXT	INNOVATION	EXECUTION
Category	Climate	Institutional and Policy	Capacity for Implementation
	Environmental and Social	Technological	Fiduciary
	Political and Governance	Financial and Business Model	Stakeholder

Source: Adapted from GEF 2024a, figure 1.

well below the moderate level, with only a few Agencies exceeding a moderate aggregate risk-taking. What the risk appetite level means in practice is left undefined.

The concept of residual risk—that is, the remaining risk after mitigating measures have been put in place—raises the question of risk ownership. For instance, innovation risks acceptable to, and encouraged by, the GEF risk appetite statement may well exceed individual Agencies’ internal risk appetite for the same dimension or category. The action plan for the implementation of the GEF risk appetite framework remains thin on this question, and the description of the current risk management practice (GEF 2024a, annex A) assigns the Secretariat and the Council only a reporting and oversight role.

Internal risk management practices are robust in GEF Agencies. Based on documents provided by and interviews with 9 of 18 GEF Agencies, significant steps have been taken in recent years to strengthen internal risk management practices within the Agencies.² [Table 2.1](#) and the extended version in [annex B](#) compare Agencies’ operational risk management practices, along with some institutional dimensions such as risk ownership, risk appetite, and risk culture.

²The IEO also examined risk management practices at the Green Climate Fund, the Climate Investment Funds, and the Global Fund to Fight Tuberculosis, Aids, and Malaria to better understand similar partnership funds.

Agencies have different risk categories and different risk cultures. The comparative analysis of the GEF and nine of its Agencies illustrates the different attitudes toward risk-taking across GEF Agencies, as well as the different criteria by which risk is measured and managed. This may pose a significant challenge in translating the GEF risk appetite statement into actual changes in risk-taking by the Agencies.

Based on interviews with staff responsible for risk management in the nine Agencies, the ADB, Conservation International, EBRD, UNDP, and UNEP consider themselves to take a risk-embracing approach; the other organizations consider themselves to be more risk averse. However, this assessment is driven more by the organizations’ own ambitions than actual risks and risk assessments within the GEF portfolio. For instance, Conservation International categorizes most of its risks as low to moderate and avoids operating in fragile and conflict-affected situations (FCS) with high risk, despite portraying itself as risk embracing. In contrast, the World Bank perceives itself as risk averse but ranks among the Agencies with the highest revealed risk appetite ([figure 2.2](#)).³

³In 2019 and 2020, the World Bank conducted a recalibration of its risk rating system known as the Systematic Operations Risk-Rating Tool (SORT). This exercise involved a shift in focus from inherent to residual risks, affecting the risk ratings rather than the actual risks themselves. As a result, risk ratings were generally adjusted downwards, primarily affecting projects

Table 2.1 Comparing risk frameworks among GEF Agencies

Agency	No. of risk categories	Risk rating scale	Risk alert/flag or escalation system	Risk appetite statement	Risk culture
ADB	4	4 point	No information available	Yes	Cautiously forward leaning
CI	5, with 27 subcategories	4 point	High-risk projects receive additional resources for implementation and training, and are audited on an annual basis	Developing aspirational document	Considers itself a brave organization
EBRD	12	Qualitative 4 point	High risks are escalated up the hierarchy	Yes	Prudent risk management practices
FAO	5	4 point	High risks are flagged and escalated along the institutional hierarchy	No	Mostly risk averse
IDB	17	4 point	High- and medium-high-risk projects are flagged in the PMR system	No	Rather risk averse
UNDP	8	4 point	A time-bound and performance-based risk alert system and escalation of risks via PIMS+ for vertical fund-specific risks	Yes (since 2021)	Risk embracing depending on category of risk
UNEP	9, with 135 subcategories	4 point	A risk escalation process is in place	No (no plans)	Risk embracing
UNIDO	2	4 point	Risk alert/flag or escalation system is in place to alert higher levels of oversight	Annual risk appetites statement for each department	Risk embracing (innovation and private sector collaboration)
WB	9, including overall risk rating	4 point	High-risk projects are being flagged in the ISR system	Yes (since 2022)	Risk averse

Source: Interviews with selected GEF Agencies.

Note: ADB = Asian Development Bank; CI = Conservation International; EBRD = European Bank for Reconstruction and Development; FAO = Food and Agriculture Organization of the United Nations; IDB = Inter-American Development Bank; UNDP = United Nations Development Programme; UNEP = United Nations Environment Programme; WB = World Bank.

Across Agencies, distinct risk profiles ultimately yield comparable outcomes. Despite the range of mean project risk ratings among GEF Agencies, the average outcome ratings were clustered in the moderately satisfactory to satisfactory range ([figure 2.2](#)). UNDP and the World Bank, which collectively constitute the largest portion of the portfolio, have similar risk (and outcome) profiles within the GEF portfolio ([figure 2.2](#) and [figure 2.3](#)); Conservation International, FAO, and the World

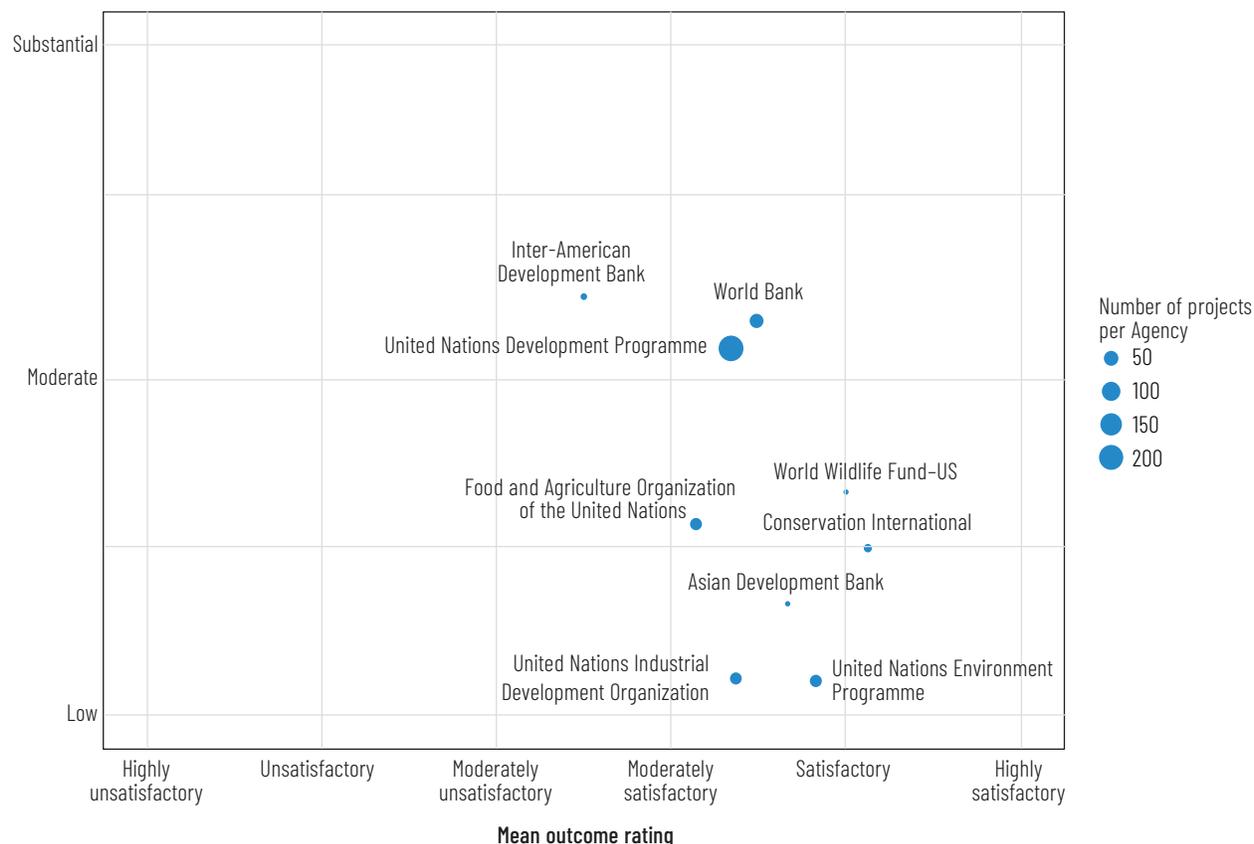
previously categorized as high risk. Following the recalibration, the remaining high-risk projects were slated to receive additional management attention.

Wildlife Fund-US demonstrate a lower risk appetite. When asked about their disparate risk management systems, Agencies were resolute in their stance against harmonization, preferring to adhere to their individual standards. These divergent standards are tailored to each Agency's mandate, are complex, and are designed to serve their intended purposes effectively.

Agencies monitor risks closely. All Agencies employ risk log systems to monitor risks on either an annual or biannual basis, alongside implementing mitigation measures ([annex B](#)). In addition, Agencies have established alert systems designed to identify high-risk

Figure 2.2 Risk profiles and outcomes

Mean risk rating at entry



Source: Completed projects with available risk and outcome ratings from GEF Portal, United Nations Development Programme, World Bank, and the Annual Performance Report 2023 data set. *n* = 366.

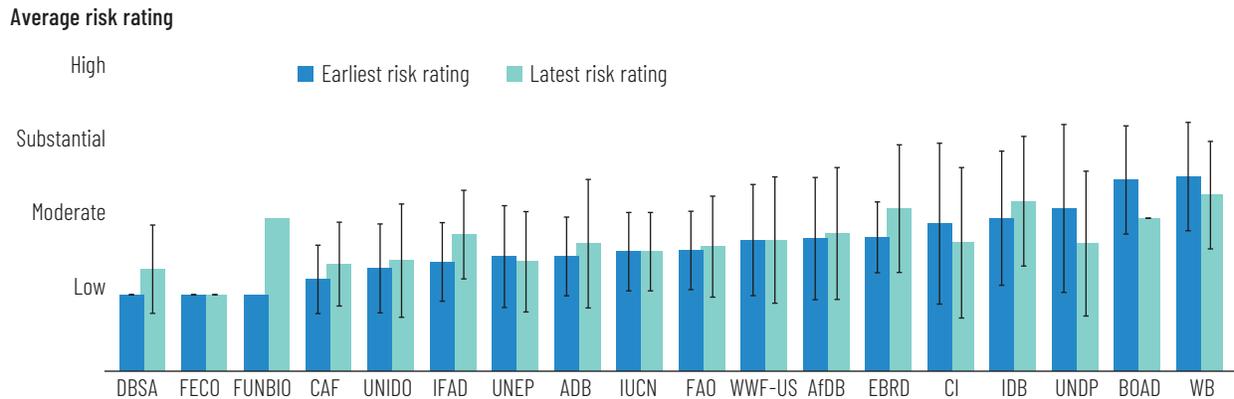
Note: The high-risk dimension was excluded to enhance readability.

projects promptly and escalate them to senior management—and if necessary, to headquarters and the board. These systems underscore compliance with the GEF’s 2019 Updated Policy on Minimum Fiduciary Standards (GEF 2019c), which mandates that Agencies implement processes or systems, such as a project at risk system, to signal when a project encounters issues that could impede its objectives; detect fiduciary risks, such as the misuse of GEF funds; and trigger appropriate corrective actions. In accordance with its Policy on Environmental and Social Safeguards (GEF 2019a), the GEF also requires Agencies to identify high social

and environmental risks, such as potential harm to local communities.

Agencies maintain an overarching risk management system.

The respective enterprise risk management (ERM) frameworks specify designated risk owners within the institutional hierarchy. Each Agency has either a dedicated specialist or a team tasked with managing risks. Larger organizations often feature a chief risk officer overseeing risk management functions, alongside a risk committee comprising directors who address risks organizationwide, and specialized risk management

Figure 2.3 Average risk rating and standard deviation for each lead Agency

Source: Risk evaluation database.

Note: ADB = Asian Development Bank; AfDB = African Development Bank; BOAD = West African Development Bank; CAF = Development Bank of Latin America; CI = Conservation International; DBSA = Development Bank of South Africa; EBRD = European Bank for Reconstruction and Development; FAO = Food and Agriculture Organization of the United Nations; FECO = Foreign Economic Cooperation Office, Ministry of Environmental Protection of China; FUNBIO = Brazilian Biodiversity Fund; IDB = Inter-American Development Bank; IFAD = International Fund for Agricultural Development; IUCN = International Union for the Conservation of Nature; UNDP = United Nations Development Programme; UNEP = United Nations Environment Programme; UNIDO = United Nations Industrial Development Organization; WB = World Bank; WWF-US = World Wildlife Fund–United States. $n = 1,259$.

units. The GEF monitors risks along different stages in the project life cycle. The IEO selected the earliest and latest available risk ratings in the GEF Portal database for analysis. In this study, the former (“early risk” rating) is from the overall risk ratings provided by Agencies in the first available PIR during project implementation; the latter (“late risk” rating) is from the most recently available PIR (also see the [discussion](#) in chapter 3 on risk ratings in the GEF portfolio of closed projects).

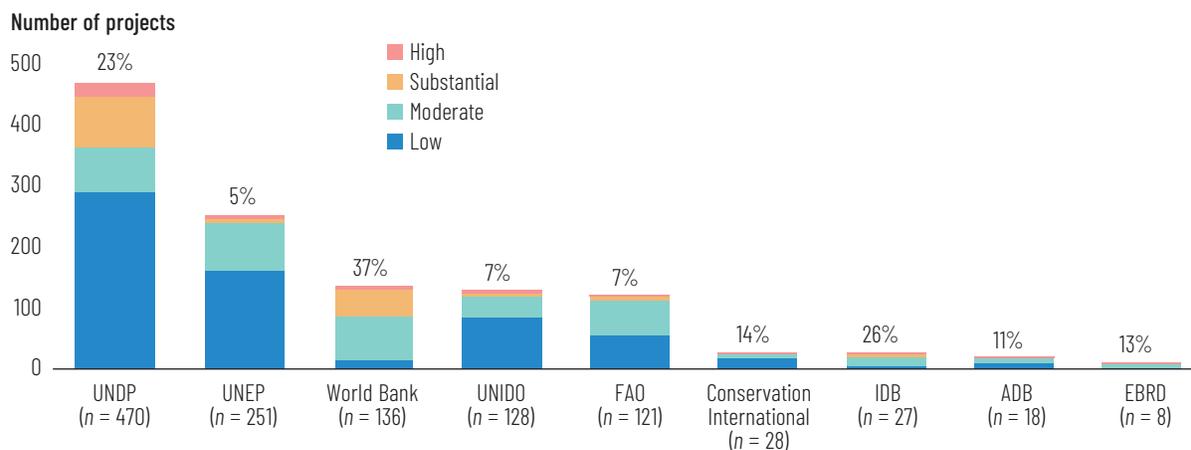
Interestingly, the self-described risk culture is often at odds with what the data show. This discrepancy could be due to a lack of harmonization and underscores the need for a more uniform understanding of risks taken in relation to the GEF’s mission and goals. [Figure 2.4](#) shows the distribution of risk ratings across Agencies in the overall portfolio of closed and ongoing projects with risk ratings ($n = 1,259$). It also highlights the percentage of projects categorized as high and substantial risk.

Some Agencies are better equipped to manage risks than others. [Figure 2.4](#) illustrates the ability of the World

Bank, UNDP, and IDB to handle higher risks, with 37 percent, 23 percent, and 26 percent of their projects categorized as having substantial or high risk, respectively. The other six Agencies are more cautious, with between 7 and 14 percent of their projects having substantial or high risk ratings. These more cautious Agencies may lack the resources to manage greater risk-taking endeavors.

There are also variations in risk management approaches among the GEF Agencies. [Figure 2.4](#) shows that only three GEF Agencies—IDB, UNDP, and the World Bank—have more than 20 percent of their projects classified as substantial or high risk. These substantial- and high-risk projects account for between 7 and 37 percent of each Agency’s portfolio, with the World Bank having the largest share. The majority of projects managed by ADB, UNEP, and UNIDO are categorized as low risk.

World Bank projects consistently exhibit higher risk levels throughout their project cycles, yet they manage to deliver satisfactory outcomes. Across UNDP projects, project

Figure 2.4 Distribution of latest risk ratings for closed and ongoing projects across nine GEF Agencies

Source: Risk evaluation database.

Note: ADB = Asian Development Bank; EBRD = European Bank for Reconstruction and Development; FAO = Food and Agriculture Organization of the United Nations; IDB = Inter-American Development Bank; UNDP = United Nations Development Programme; UNEP = United Nations Environment Programme; UNIDO = United Nations Industrial Development Organization. Percentages represent the portion of each Agency's projects rated as having high or substantial risk. $n = 1,187$.

managers tend to mitigate and lower high risks through adaptive management practices, resulting in moderately satisfactory outcomes on average. Notably, both UNDP and the World Bank lead some high-risk, high-return projects. These projects, initially classified as having substantial or high risk, ultimately achieve outcomes within the satisfactory range, rated 4 or above on a six-point scale.

An in-depth look at the risk management frameworks of three GEF Agencies illustrates how risks in GEF projects are managed. These examples—the World Bank, UNDP, and Conservation International—show how risk is addressed in a multilateral development bank, a United Nations agency, and a nongovernmental organization ([box 2.1](#), [box 2.2](#), and [box 2.3](#)). The key characteristics of the Agency frameworks were identified through in-depth interviews, supplemented with document reviews. In some cases, interviews conducted with other GEF Agencies served as a useful reference point.

Based on the above analysis, additional risk-taking in the GEF portfolio will need additional efforts. The risks that

Agencies are willing to take in their GEF-funded projects largely mirror the risks taken in their own overall portfolios. Strong and divergent internal risk management frameworks and differing risk-taking cultures within Agencies indicate that GEF statements on risk-taking alone will have little impact on the GEF risk profile. The GEF would need to encourage Agencies to pursue innovative, high-risk projects in challenging country contexts. This could be achieved by either new instruments or through further expanding current initiatives.

Risk ownership needs clarification. The GEF project implementation mechanism is complex, involving multiple stakeholders: the GEF provides funding, the implementing Agency conceptualizes the project, and the executing agency carries out the project in respective countries. Agencies have expressed the need for clearer guidance on risk ownership from the GEF Secretariat and the Council. They anticipate instructions on the conditions that encourage boldness and innovation in project design and implementation, allowing them to push boundaries to achieve transformative outcomes.

Box 2.1 World Bank risk management framework

GEF projects implemented by the World Bank operate within the International Bank for Reconstruction and Development's (IBRD's) risk management framework (World Bank 2019). At the World Bank Group, the Chief Risk Officer and the Operations Policy and Country Services (OPCS) team are tasked with overseeing risk management for the IBRD and the International Development Association (IDA). The World Bank takes no more and no less risk in GEF-funded projects than it does in other projects.

The IBRD has three lines of defense—the operations and legal departments, the Office of the Chief Risk Officer and OPCS, and the Group Internal Audit Department. In contrast to UNDP, the Bank's risk management framework appears somewhat fragmented. IBRD lacks a dedicated risk management committee and a clear firewall within its second line of defense, something GEF policies require (GEF 2019c). The Systematic Operations Risk-Rating Tool (SORT), classifies risk as low, medium, substantial, or high based on eight categories—political and governance, macroeconomic, sector policies, technical design, institutional capacity, fiduciary, environment and social, stakeholder—as well as “other” and an overall risk rating. These ratings are updated on a semiannual basis for every project under implementation, with a summary rating at the final self-evaluation and independent evaluation stage. The World Bank risk categories are more similar to the GEF's 12 categories than those of the other GEF Agencies.

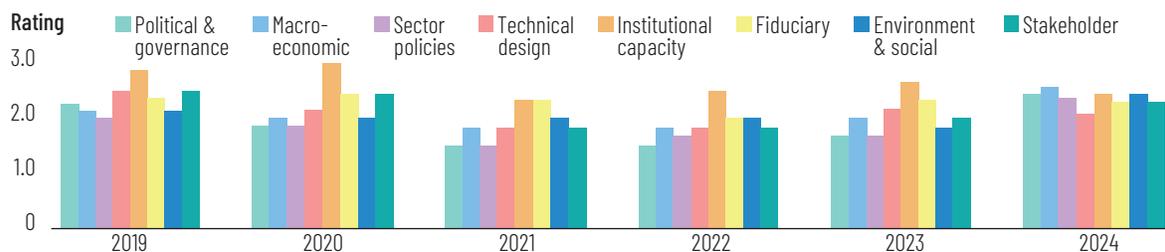
The Bank's overall risk culture could be characterized as risk averse, particularly with regard to the use of funds, owing to

stringent oversight from its Board and the need to protect its AAA rating. While the Board of Directors mandates prudent use of IBRD and IDA funds, there is a growing desire to enhance impact by embracing a more risk-tolerant approach. Establishing a risk appetite statement and robust risk management system marked the initial step toward this goal.

In January 2022, the World Bank finalized a risk appetite statement (World Bank 2023). According to this statement, the risk appetite for the IBRD's overall risk is designated as substantial (three on a four-point scale), applicable to the entire portfolio. Additionally, the OPCS implemented a 10 percent risk tolerance, which allows 10 percent of the projects in the portfolio to be classified as high risk. (The GEF currently does not define a level of risk tolerance.) For projects in FCS countries, the World Bank's risk appetite is defined as high. The Bank has exceeded that band several times without taking extraordinary action, which reflects a general tolerance for informed risk-taking in the interest of achieving development outcomes.

Institutional capacity emerges as the most significant project risk, and GEF-funded projects show the identical risk pattern. Based on an analysis of over 3,000 World Bank projects, two clear patterns emerge: (1) among the risk categories captured in the SORT database, institutional capacity consistently ranked as the highest-rated risk between 2019 and 2024 (figure B2.1.1); and (2) overall risk ratings are statistically indistinguishable between the Bank's GEF-funded projects compared to its overall portfolio.

Figure B2.1.1 Average risk ratings by World Bank risk categories



Source: World Bank Systematic Operations Risk-Rating Tool (SORT); excludes data for “other” category.

Sources: Interviews and document review. IEO analysis for case study available upon request.

Box 2.2 UNDP's risk management framework

Since 2019, UNDP has fortified its risk management system and implemented a state-of-the-art enterprise risk management system. This ERM system is structured with three lines of defense—implementation, oversight, and internal audit—ensuring robust risk management practices. A firewall has been established between project managers involved in project design and those responsible for its implementation, enhancing accountability and integrity within the organization. At various levels, such as project, program, or unit, as well as at the corporate level, UNDP rates risks as low, medium, substantial, or high across eight risk categories. Notably, UNDP does not have an overall risk rating.

A time-bound risk alert system has been implemented to register and escalate risks within UNDP's decentralized organizational structure. Risks are escalated sequentially, first to the mission representative, then to a risk committee known as the Organizational Performance Group. Finally, significant risks are brought to the attention of the Associate Administrator and Chief Risk Officer. This risk escalation process is facilitated by an integrated information management system (Quantum), ensuring timely and effective management of potential risks at every level of the organization.

UNDP has established a dedicated risk management and oversight unit to proactively mitigate risks in GEF-funded projects. This unit serves as a model for the entire agency. Consistent with GEF policy (GEF 2019a), UNDP projects are flagged if they encounter environmental or social safeguards issues

or fiduciary challenges. This proactive approach ensures that potential risks are identified and addressed promptly to ensure the integrity and success of UNDP's projects.

Artificial intelligence (AI) technology helps identify high-risk projects. As of 2023, AI technology is being used to identify high-risk projects based on seven predefined categories: substantial funding (over \$150 million), projects in the oil sector, those in fragile and conflict-affected situations, cash projects, safeguards, infrastructure, and projects in critical habitats. Once identified, these high-risk projects undergo intensified monitoring and are allocated additional funding to enhance oversight and bolster implementation capacity.

UNDP has a risk appetite statement. UNDP developed a risk appetite statement, which came into effect in October 2021 (UNDP 2021). This statement outlines risk expectation levels according to five tiers (minimal, cautious, exploratory, open, and seeking) for each of UNDP's eight risk categories: social and environmental, financial, operational, organizational, political, regulatory, strategic, and safety and security. The statement serves as a reference point for acceptable risk levels across all UNDP country offices worldwide, as well as for its stakeholders, donors, partners, and the public. It delineates the maximum level of risk the organization is willing to accept, in contrast with the World Bank, whose risk appetite statement identifies a desired risk appetite level plus a risk tolerance band.

Sources: Interviews and document review. IEO analysis for case study available upon request.

Additionally, they seek clarification on the circumstances under which they should exercise caution.

It would be beneficial for the GEF and the Council to establish a clear metric for risk allocation. This metric should specify various risks, allowing Agencies to choose those that they are prepared to manage. For example, Agencies working with innovative technologies in fragile contexts face inherent high risks, including reputational risks

for the Agencies and the GEF. These Agencies need a platform for feedback and additional mechanisms to support larger-scale implementation.

Another aspect to consider is the implementing Agency's relationship with the client country, which entails cofinancing risks if the project fails to deliver results. Experienced project managers are thus hesitant to undertake high-risk endeavors and pursue innovation, as doing so could

Box 2.3 Conservation International's risk management framework

Given Conservation International's reliance on donor contributions, reputational risk takes precedence on the organization's risk management agenda. To effectively address this risk, Conservation International conducts annual surveys among its managers to assess potential threats to its reputation. By proactively identifying and evaluating reputational risks, the organization can implement appropriate strategies to safeguard its standing and maintain the trust of its donors and stakeholders. To support this focus, Conservation International's risk management framework encompasses three key risk categories: operational, implementation, and strategic.

As a nonprofit organization, Conservation International adheres to the Committee of Sponsoring Organizations of the Treadway Commission (COSO) risk management guidelines (Rittenberg and Martens 2012). It conducts an internal audit with comprehensive reviews of all projects every two to three years. In the case of high-risk projects, additional resources are allocated for implementation and training, and these projects undergo annual audits. It is worth noting that, to date, no closed GEF-financed projects implemented by Conservation International have been classified as high risk.

Conservation International is currently in the process of crafting a risk appetite statement, which it views as an aspirational document. The organization perceives itself as bold and adventurous, willingly embracing risks as it endeavors to discover scientific and technical solutions to climate

change and conservation challenges. Conservation International believes that enhancing the transparency of its risk management framework will enable it to undertake even more calculated risks. From the organization's perspective, the greatest risk it faces is the prospect of inaction. This philosophy underscores Conservation International's commitment to innovation and proactive engagement in addressing critical environmental issues.

Conservation International formulates an annual risk management plan to systematically address potential risks. The audit and risk committee establishes the tone and expectations for risk management, providing reports to both management and the Board. In addition to these measures, Conservation International uses safeguards and a grievance mechanism as additional tools for managing risks effectively. These comprehensive strategies contribute to the organization's proactive approach to risk management, ensuring that it is well prepared to navigate challenges and achieve its conservation objectives.

Most GEF-funded projects in Conservation International's portfolio are rated as low risk. This evaluation did not examine risk ratings and development outcomes for Conservation International separately because only 11 projects were financially closed in the evaluation time frame. However, the contrast between an ambition to take on risks, a sound risk management framework, and the low-risk ratings for GEF-funded projects is striking.

Sources: Interviews and document review. IEO analysis for case study available upon request.

potentially strain the long-term relationship with the client country.

Risk-taking comes at a cost. It is imperative for the GEF to openly discuss risks and clearly outline costs. In

addition to identifying risks, the GEF requires a robust methodology for effectively mitigating them. For example, in an FCS country such as the Republic of Yemen, overhead costs can represent up to 18 percent of project expenses.

3

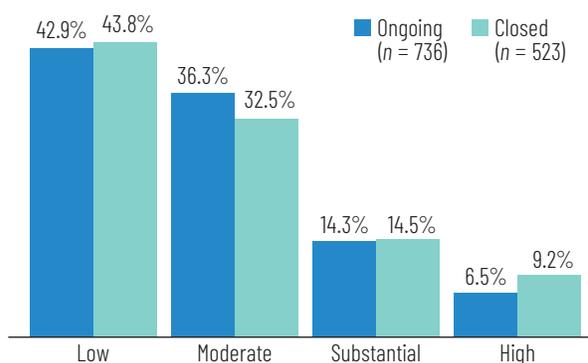
Portfolio assessment

In this chapter, available risk and outcome ratings are used to investigate correlations across the entire portfolio of closed (i.e., completed and/or financially closed) projects. The analysis looks at these relationships within fragile and conflict-affected situations, as well as according to country capacity as measured by the State Capacity Index (Hanson and Sigman 2021). The chapter also examines risk concentration by focal area and offers a qualitative overview of the benefits associated with high-risk endeavors.

Overall, the analyzed universe of projects comprises 1,259 closed and ongoing projects with at least one risk rating (figure 3.1; table 3.1). This evaluation portfolio was drawn from a larger set of 1,463 closed and ongoing projects, 1,269 of which have risk ratings; 10 of those 1,269 have been suspended or canceled. Outcome ratings are available and have been validated by the GEF IEO for closed projects that have received a terminal evaluation.¹ In total, 366 projects have both risk and outcome ratings; these form the basis for the portfolio analysis (see [annex A](#)).

This evaluation primarily considered projects funded under GEF-5 through GEF-7, given that GEF-8 projects have not yet reached the

Figure 3.1 Risk profile for closed and ongoing projects as per early risk ratings



Source: Risk evaluation database.

Note: n = 1,259.

¹This evaluation utilizes the GEF IEO's validated terminal evaluation data set from June 2023.

Table 3.1 Portfolio of closed and ongoing projects with at least one risk rating, by focal area and GEF replenishment period

Focal area	GEF-5		GEF-6		GEF-7	
	Ongoing	Closed	Ongoing	Closed	Ongoing	Closed
Biodiversity	36	108	65	21	38	1
Climate change	51	113	75	20	53	0
International waters	13	29	19	9	13	0
Land degradation	8	39	22	1	11	0
Chemicals and waste	31	46	38	9	14	0
Multifocal	44	91	142	35	63	1

Source: Risk evaluation database.

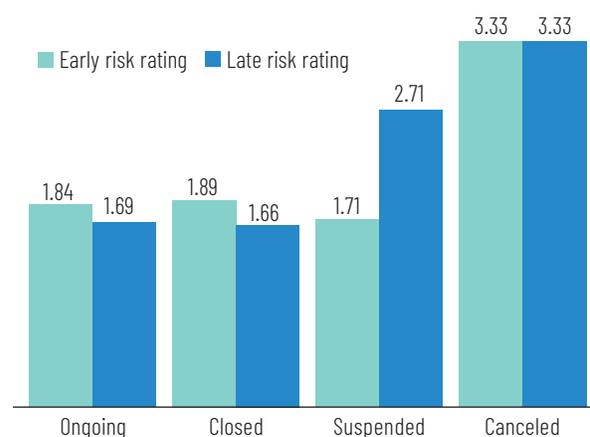
Note: $n = 1,259$.

implementation stage. Furthermore, only projects that received funding through the GEF Trust Fund and are either full or medium size are included; projects under the Small Grants Programme (SGP) and nongrant instrument (NGI) projects have been excluded from the analysis.² Given the typical implementation duration of GEF-funded projects, a significant number of these projects are still under implementation and, thus, no terminal evaluations or outcome ratings are available.

Elevated risk ratings may serve as an indication of potential project cancellation or suspension in a limited number of cases. Within the evaluation portfolio of 1,269 projects spanning GEF-5 to GEF-7, a total of 4 projects have been canceled and 6 suspended, each having reported elevated risk ratings at least once. Examining projects by

²Of the 1,259 projects in the evaluation portfolio, only 25 (less than 2 percent) are tagged as NGI; the number of NGI projects drops to 2 when considering those that also have outcome ratings. There is no statistically significant difference in risk rating at entry between NGI and non-NGI projects. When examining risk ratings at closure, NGI projects tend to have a higher risk profile (slightly above moderate, compared to slightly below moderate for other projects). Including NGI projects would unduly skew the statistical results of the analyses in this evaluation; excluding them did not alter the overall findings or conclusions drawn.

their status, it is noted that average risk ratings generally remain consistent from project initiation to closure, with the exception of suspended projects. Prior to their suspension, these projects exhibited markedly heightened risk ratings, nearing the substantial threshold. This disparity is statistically significant. Additionally, canceled projects demonstrate consistently higher average risk ratings (exceeding the moderate threshold) compared to ongoing projects (figure 3.2).

Figure 3.2 Average project risk rating by project status

Source: Risk evaluation database.

Note: The GEF rates risk on a scale of 1-4 (low = 1, moderate = 2, substantial = 3, and high = 4). $n = 1,269$.

Canceled projects consistently exhibit significantly higher average risk ratings compared to ongoing projects, as evidenced by both early and late risk assessments.³ This disparity is statistically significant. Conversely, while the average risk rating for suspended projects does not statistically differ from that of other projects at project initiation, it is significantly escalated by project closure, surpassing the risk levels observed in ongoing projects.

3.1 Risk ratings in the GEF portfolio

Ongoing projects

Overall risk ratings at the CEO endorsement stage may offer the most impartial estimates of each project’s risk level.

In contrast, PIR ratings during implementation often capture challenges such as delays that typically do not affect the final risk and outcome ratings. The ratings at CEO endorsement reflect useful insights on risk levels assessed prior to implementation and may be less influenced by factors such as quality of implementation and project outcomes. However, these risk ratings are only available starting in GEF-6, and none of the projects with these ratings have reached closure. A total of 240 projects (mainly from GEF-7) with this type of risk rating are currently under implementation, providing an opportunity for further analytical work in the future.

Comparing the distribution of projects by risk at PIF/CEO endorsement, there is evidence that suggests that the GEF is pursuing more moderate-risk projects. These moderate-risk projects coincide with fewer low-risk projects and a greater number of higher-risk projects. In other words, risk ratings at the CEO endorsement stage tend to be more concentrated at a slightly higher level of risk than those in the ongoing or closed portfolio. Among GEF-8 projects that have not reached implementation (still at the PIF/CEO endorsement stage), less than 30 percent

³See explanation of these assessments in [next section](#).

of projects were rated as low risk ([figure 3.3](#)), compared to 36.1 percent for projects under implementation. At the same time, the share of projects with substantial or high risk has declined from nearly 17.4 percent among projects under implementation to 13.7 percent among projects that are still at the PIF/CEO endorsement stage.

The availability of risk ratings is expected to improve in the future. According to the GEF risk appetite document,

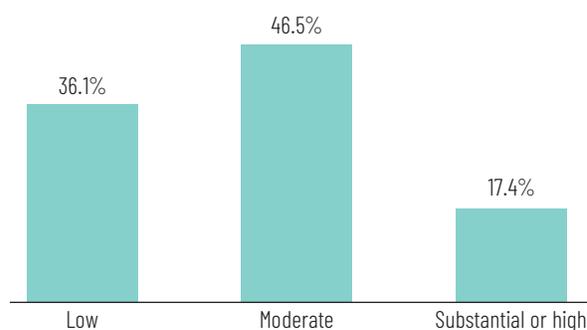
A standard risk tracking tool recording multiple categories of risk in each project and program has been piloted in GEF-8 project and program templates. To help ensure risks are adequately taken into account, GEF-8 project, and program templates introduced standardized categories for risk assessment and ratings, informing an overall risk rating.” (GEF 2024a, 8)

This indicates that the quality and availability of risk data may facilitate risk analysis going forward.

Closed projects

This evaluation primarily assesses risk for closed projects at two key stages in the project cycle: at the outset of implementation and upon completion. The terms “early risk” rating and “late risk” rating are used, corresponding to the earliest and latest ratings in PIRs available in the GEF Portal. (The terms “at entry” and “at closure,”

Figure 3.3 Distribution of risk ratings for GEF-8 projects at PIF/CEO endorsement stage



Sources: Risk evaluation database; PIF/CEO endorsement documentation.

Note: $n = 241$.

respectively, are used interchangeably with early risk and late risk PIR ratings.) As early risk ratings are a better predictor of outcome ratings, this evaluation focused on those ratings in most cases. Late risk ratings tend to signal the sustainability of a project. To analyze project performance and its correlation with risk ratings, this evaluation examined a portfolio of closed projects with at least one reported risk rating and a validated outcome rating ($n = 366$) (table 3.2).

The portfolio of high-risk projects reveals a concentration in certain sectors, notably biodiversity, forest management, and protected areas management. Project documents often highlight risks such as encroachment on protected areas, wildfires, illegal logging, and cattle ranching—all of which negatively affect project outcomes. Similarly, high-risk renewable energy projects tend to cite issues like fossil fuel subsidies posing a risk to renewable energy projects.

A mapping exercise analyzing risk distribution within the portfolio of closed GEF projects is presented in

Table 3.2 Portfolio of closed projects by focal area and GEF replenishment period

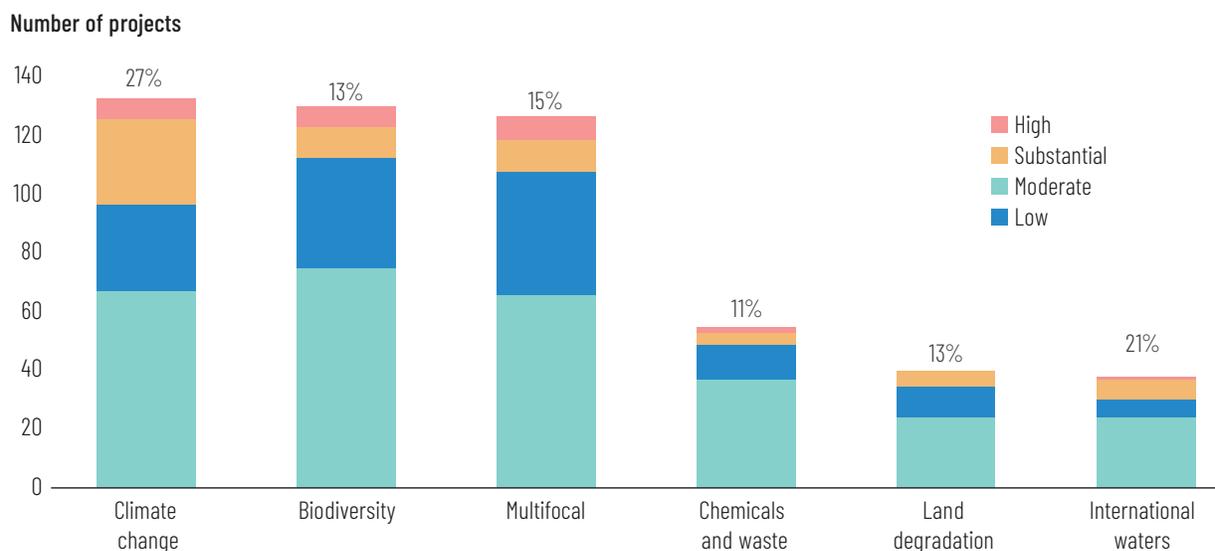
Focal area	GEF-5	GEF-6
Biodiversity	88	7
Climate change	84	6
International waters	22	8
Land degradation	29	1
Chemicals and waste	39	3
Multifocal	71	8

Source: Risk evaluation database.

Note: Closed projects with at least one reported risk rating and an available validated outcome rating ($n = 366$).

figure 3.4. It illustrates the distribution of risk rating by GEF focal area in closed projects, providing the percentage of projects within each focal area with high and substantial risk rating in relation to the total number of closed projects.

Figure 3.4 Distribution of latest risk ratings by GEF focal area in closed projects



Source: Risk evaluation database.

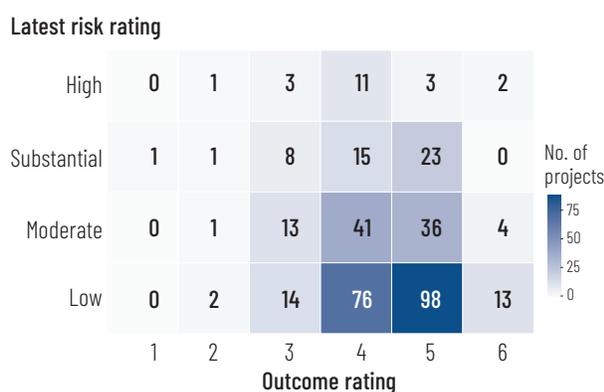
Note: Percentages represent the portion of each focal area's projects rated as having high or substantial risk. $n = 523$.

Interestingly, the analysis reveals that the climate change focal area exhibits the largest percentage—30 percent—of projects rated as substantial or high risk. This finding is consistent with the fact that innovative energy projects are included in this focal area; these are often characterized as high-risk but also high-reward endeavors. The international waters focal area shows the second largest percentage of projects rated as substantial or high risk (23 percent), followed by chemicals and waste (20 percent), multifocal (18 percent), land degradation (17 percent), and biodiversity (16 percent).

3.2 Relationship between risk and outcomes

A heatmap for the portfolio of 366 closed projects with both risk and outcome ratings shows the distribution of early risk and outcome ratings (figure 3.5). The largest concentration of projects centers around low-risk projects with satisfactory outcomes. While there are high-risk projects, most of which have at least marginally satisfactory outcomes, they constitute a small

Figure 3.5 Heatmap of risk and outcome ratings



Source: Completed projects with available risk and outcome ratings from GEF Portal, United Nations Development Programme, World Bank, and the Annual Performance Report 2023 data set.

Note: Six-point scale for outcome ratings: 1 = highly unsatisfactory; 2 = unsatisfactory; 3 = moderately unsatisfactory; 4 = moderately satisfactory; 5 = satisfactory; 6 = highly satisfactory. $n = 366$.

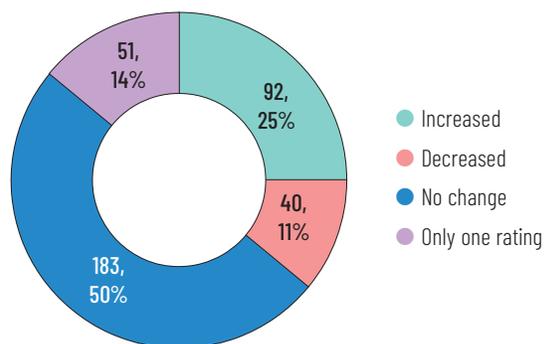
portion of the portfolio. There is no statistically significant difference in the distribution of risk and outcome ratings by GEF replenishment period.

Among the portfolio of closed projects for which both risk and outcome ratings are available, the analysis found a negative correlation between risk and outcome ratings. The relationship is statistically significant.

The majority of GEF projects in the portfolio did not experience changes in risk ratings. Based on data from the GEF risk evaluation database, the majority of closed projects (58 percent) did not undergo any change in risk rating (figure 3.6). These projects were frequently low-risk projects and tended to have an outcome in the satisfactory range (4 or above on a 6-point scale), suggesting that either these projects involved a lesser degree of uncertainty, or project managers had become adept in accurately assessing risks and effectively overseeing such projects to success. The average outcome rating for projects that experienced no change in their risk rating is 4.44, and a change in risk rating is associated with an approximately 0.20 point decrease in outcome rating on average.⁴

A decrease in risk rating correlates with higher outcome ratings. Specifically analyzing projects that underwent a change in risk rating, a decrease in risk rating correlates with higher outcome ratings despite these projects being more likely to have had a high early risk rating. Conversely, projects that encountered an increase in risk rating are less likely to achieve a satisfactory outcome, even though their early risk rating tends to be lower on average. This shows the importance of risk management practices that are able to achieve results even in the face of adversity. The IEO's evaluation on

⁴The average outcome rating for projects that experienced a decrease in risk rating is 4.25. Meanwhile, projects that experienced an increase in risk rating have an average outcome rating of 4.22. Note that the outcome ratings range from 1 (highly unsatisfactory) to 6 (highly satisfactory). Outcome ratings of 4 and above are considered in the satisfactory range.

Figure 3.6 Changes in risk rating for closed projects

Source: Risk evaluation database.

Note: $n = 366$.

fragility elaborated on adaptive management practices in challenging contexts (GEF IEO 2024b).

Projects involving the private sector tend to perform better, especially among the high-risk group of projects.⁵

A high-risk private sector project in Brazil managed to yield significant results while facing high risks. The GEF-6 project Taking Deforestation Out of the Soy Supply Chain in Brazil (GEF ID 9617, UNDP) began with a substantial risk rating. However, as the project progressed, risk ratings escalated to high, primarily due to a change in government stance toward deforestation and the onset of the COVID-19 pandemic. Nevertheless, the project adopted a value chain approach in collaboration with the world's largest soy producer, aiming to mitigate threats to biodiversity in the Matopiba, South America's second-largest biome. Through implementation of environmentally friendly agricultural practices with reduced carbon emissions, the project not only

⁵ This evaluation defines projects involving the private sector as including any of the following criteria: projects involving at least one private sector cofinancier, projects involving at least one private sector executor, or projects with a private sector flag according to the data on the GEF Portal. The first two criteria follow the methodology used in the Evaluation of GEF Engagement with the Private Sector (GEF IEO 2017). The third criterion was added to incorporate a new source of data that became available after the 2017 evaluation and takes into account the tagging system used by the GEF.

addressed environmental concerns but also bolstered farm productivity, receiving a moderately satisfactory outcome rating in the face of significant challenges.

3.3 Rewards in high-risk projects

The evaluation team conducted qualitative analysis to identify rewards to high risk-taking, using outcome ratings as a proxy for global environmental benefits as well as the results from remote-sensing technology. It assessed the universe of 24 completed high-risk projects in the portfolio.

Renewable energy projects entail both risks and rewards.

Among the high-risk projects financed, eight focused on renewable energy sources and aimed to level the playing field within the renewable energy sector by addressing regulatory issues, promoting energy efficiency, and reducing fuel subsidies. Of these projects, three received a rating of highly satisfactory, indicating clear benefits ([box 3.1](#)). Two projects were rated moderately satisfactory; two were deemed moderately unsatisfactory and one unsatisfactory.

An example of an unsatisfactory project is the GEF-5 project Transforming the Market for Urban Energy Efficiency in Moldova by Introducing Energy Service Companies (GEF ID 5157, UNDP). The project aimed to tackle legal, institutional, and financial barriers to promoting energy efficiency improvements in buildings within the city of Chisinau. The project faced challenges when the city became embroiled in a corruption scandal. Consequently, private sector participants grew hesitant to invest in energy efficiency initiatives, resulting in a moderately unsatisfactory outcome rating.

Similarly, the GEF-5 project De-risking Renewable Energy Nationally Appropriate Mitigation Action (NAMA) for the Nigerian Power Sector (GEF ID 5345, UNDP) faced challenges. Its objective was to catalyze increased

Box 3.1 Examples of high-risk, high-reward projects in the energy sector

The GEF-5 project Renewable Energy for Rural Livelihood (GEF ID 4345, UNDP) in Nepal financed community-managed and -owned off-grid renewable energy sources. Main risk factors involved natural disasters and the unexpected arrival of the main grid. The project was developed under a public-private partnership model, with financial contributions from the government, commercial banks, municipalities, and beneficiary communities. The project supported the scaling up of renewable energy technologies, including minihydro and large solar photovoltaic systems. This project received a highly satisfactory outcome rating.

The GEF-5 project Promoting Access to Clean Energy Services in Saint Vincent and the Grenadines (GEF ID 5297, UNDP) financed initiatives that included hosting a dialogue on renewable energy, drafting policies, and implementing a pilot project. The main risk factors included low government capacity and sustained levels of fossil fuel subsidies. This intervention significantly heightened awareness about renewable energy in St. Vincent and the Grenadines and was also rated highly satisfactory.

Another highly satisfactory project was the GEF-6 project in Morocco, Renewable Energy for the City of Marrakech's Bus Rapid Transit System (GEF ID 9567, UNDP). The project financed the development of a solar park and implementation of a bus rapid transit system. In this case, the main risk factors consisted of financial risks and the high debt levels of Marrakech.

private investments, enabling the mitigation action to generate national benefits such as green growth, energy security, and job creation on a significant scale. While the fragile context did not hamper implementation, fossil fuel energy remained less expensive than renewable energies; efforts to level the playing field by reducing fuel subsidies and promoting private sector

engagement encountered difficulties. These challenges ultimately led to a moderately unsatisfactory outcome.

These findings align with the statistical analysis conducted across the entire risk evaluation portfolio, where high-risk projects exhibit a broader range of outcomes as well as lower average outcomes. Technological innovations, such as renewable energy in this instance, often yielded highly satisfactory outcomes. Nonetheless, they also encountered obstacles, with some projects failing to deliver expected results within the anticipated time frame.

3.4 Risks and rewards in protected area projects

The team also evaluated the risk and rewards in protected area projects. Among the eight high-risk projects in the sustainable forest management and protected areas sectors, two received satisfactory ratings, while five were rated moderately satisfactory. One project fell below expectations, receiving a moderately unsatisfactory rating. Interestingly, project locations in fragile contexts, such as Armenia, the Democratic Republic of Congo ([box 3.2](#)), Eswatini, and Myanmar, did not directly affect project results.

Box 3.2 Example of high-risk, high-reward project in the protected areas sector

The GEF-6 Improved Forested Landscape Management Project (GEF ID 9760, World Bank) in the Democratic Republic of Congo financed afforestation, forest management, and forest set-aside initiatives. Risk factors included low levels of institutional capacity, cash flow constraints, and COVID-19. The project also introduced a payment for ecosystem services mechanism and provided clean stoves and road repairs to communities residing in buffer zones. Despite operating in a fragile context, the project achieved satisfactory results.

The project in the Democratic Republic of Congo, which received satisfactory ratings and demonstrated significant benefits in forest preservation, can be contrasted with a similar project in Eswatini, where results were rated moderately unsatisfactory, as further explained below.

The GEF-6 project Strengthening the National Protected Areas System of Eswatini (GEF ID 5065, UNDP) encountered challenges in investing in improved lodging for tourists on communal lands. Efforts to establish corridors linking four protected areas proved difficult to implement. Moreover, restoring biodiversity, including native fauna and flora, on communal lands incurred costs that communities could not afford, as they relied on communal land for grazing their animals. Risk factors included the global economic and financial downturn, which negatively affected tourist numbers; limited capacity and technical support; COVID-19; natural disasters; and encroachment on the protected areas.

Despite not achieving satisfactory outcomes across all aspects, the project financing in Eswatini played a crucial role in supplementing wildlife populations with greater genetic diversity—and in some instances, fostering larger populations of species within protected areas. Women benefited from beekeeping activities around wetlands supported by project funds, which also contributed to biodiversity conservation efforts. The Eswatini project highlights that while some projects may fall short of achieving satisfactory outcomes, their contribution to global environmental benefits can still be substantial.

Another high-risk protected area project demonstrates how long-term GEF engagement with Uruguay yielded forest and biodiversity protection, verified through remote sensing ([box 3.3](#)).

3.5 Risks and outcomes in complex country environments

Following an analysis of the correlation between risks and outcomes across the entirety of the GEF portfolio's closed projects ($n = 366$), this evaluation sought to delve into projects concluded within inherently high-risk environments, specifically focusing on FCS as well as countries with low capacity. The hypothesis is that projects situated within FCS nations would exhibit heightened risks and diminished outcomes compared to projects in non-FCS countries. Similarly, projects in low-capacity countries may manifest increased risks and reduced outcomes.

Risk and fragility

As described in [chapter 1](#), this evaluation drew on several sources—including a combination of the Fragile States Index produced by the Fund for Peace and the conflict data from the Uppsala Data Program and the Peace Research Institute Oslo (UCDP/PRIO) Armed Conflict database (GEF IEO 2024b)—to identify 42 countries categorized as fragile and/or conflict-affected situations that have received GEF funding since GEF-5.⁶

On average, GEF projects in FCS countries tend to exhibit significantly higher risk ratings. Among the 330 national projects implemented in FCS countries, the average risk rating is 1.84 (on a four-point scale where 2.0 is a moderate risk rating), compared with an average of 1.68

⁶The Fragile States Index has four broad categories of fragility: alert (very fragile), warning (of concern), stable (mostly stable), and sustainable (very stable). A country with a score of more than 90 in a particular year is classified as "alert" (very fragile). For this evaluation, a country was considered fragile if it had an average fragility score of ≥ 90 based on the Fragile States Index data since 2010 in any one year. Conflict-affected situations were defined as those experiencing more than 1,000 annual battle-related deaths in at least one year since 2010.

Box 3.3 Achieving global environmental benefits in high-risk protected area projects in Uruguay

The GEF has a long history with engaging with Uruguay on a protected areas system. Since 2000, the GEF has been instrumental in working with the government of Uruguay and UNDP to create the legal basis for Uruguay's National System of Protected Areas (SNAP). Today, the SNAP has 16 protected areas, of which 6 have been designated in the last decade.

Uruguay has received GEF funding for protected area and biodiversity conservation since 2001, with projects implemented by FAO, UNDP, and the World Bank. Between 2014 and 2018, UNDP implemented the project Strengthening the Effectiveness of the National Protected Area System by Including a Landscape Approach to Management (GEF ID 4841) in the amount of \$1.6 million in GEF grant financing and \$8.9 million in cofinancing. This high-risk turnaround project (a strategic intervention designed to reverse a negative trend, often involving a comprehensive restructuring of a project) was deemed satisfactory at closing and helped conserve forest and biodiversity in the protected area, thus achieving global environmental benefits.

Risk ratings for the project evolved from moderate to high. During the appraisal phase, the project was assessed as having a moderate level of risk, with critical risk categories including political support and institutional capacity to enforce environmental regulations and spatial plans. Starting in 2016, the project's risk rating escalated to high, primarily due to difficulties in ensuring the financial sustainability of the national park system. Planned mechanisms aimed at achieving this sustainability, such as tax exemptions

for forest conservation efforts by private owners of rural properties within protected areas, were unsuccessful. Additionally, the proposal to establish a National Protected Areas Fund ran into difficulties, including with the proposed funding mechanism.

Challenges arose due to a change in government and political processes, making the project more time-consuming and complex than anticipated. However, the project team implemented adaptive management practices, collaborating with experts from UNDP and the GEF who traveled to the project site to address emerging issues—particularly regarding the tax-exemption incentive for conserving primary forests and the establishment of the National Protected Areas Fund. Through proactive adaptive management and ongoing monitoring and evaluation, the issue surrounding the fund was resolved by redirecting proceeds to be managed by local protected area managers, instead of at the central SNAP level, thereby enhancing the financial sustainability of Uruguay's protected areas system.

The project has had substantial achievements on several fronts. It enhanced land management processes, allocated resources for infrastructure in protected areas, engaged with productive sectors, and established corridors to enhance connectivity between different protected areas. Additionally, it successfully promoted inter-institutional coordination among various ministries and agencies, and involved the private sector and local communities in decision-making processes.

for 530 projects in non-FCS countries. Twenty percent of projects in FCS countries are designated with a risk rating of substantial or high, compared with less than 16 percent of projects in non-FCS countries.

The evaluation identified a negative correlation between FCS classification and project outcomes, as well as between risk levels and outcomes. However, when focusing specifically on higher-risk projects—as defined by late risk

ratings—the findings suggest that, despite operating in more challenging environments, higher-risk projects in FCS countries can achieve outcomes that are at least comparable to, and in some cases better than, those in non-FCS countries. Specifically, 80 percent of projects in FCS countries received outcome ratings in the satisfactory range, compared to 79 percent in non-FCS countries. This trend is even more pronounced when applying the World Bank's 2024 FCS classification:

Box 3.3 Achieving global environmental benefits in high-risk protected area projects in Uruguay

(continued)

The project's accomplishments are even more noteworthy given the relatively nascent national park system and the considerable levels of human activity within protected area boundaries.

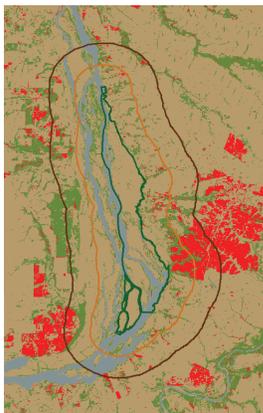
Efforts to safeguard forest resources in Uruguay's Esteros de Farrapos National Park, located along the border with Argentina, have extended beyond the project's duration. Despite challenges likely attributable to agricultural activities, the protected area continues to serve as an

effective buffer against deforestation in the adjoining zones, as revealed by remote-sensing data (figure B3.3.1). Remote-sensing analysis reveals minimal deforestation over the years in the protected area itself, while forest cover loss has increased within both the inner and outer buffer zones, reaching peaks in 2018 and 2022.¹

¹Supporting data for IEO analysis is available upon request.

Figure B3.3.1 Comparison of forest loss in Quebrada Protected Area and buffer zones, Uruguay, 2022

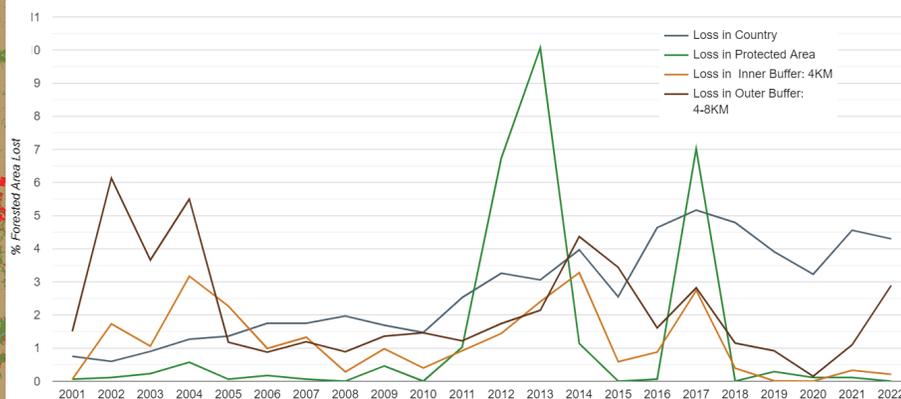
a. Area of forest loss



Source: GEF IEO, based on UMD GLAD Data set.

Note: Deforested areas are visible in red around the national park (boundaries depicted in green), in the adjacent 4-km (orange boundary) and 8-km (brown boundary) buffers, and beyond; minimal loss in the protected area.

b. % forest loss cover by year



90 percent of higher-risk projects in FCS countries were rated satisfactory, compared to 78 percent in non-FCS countries.⁷ As mentioned earlier, adaptive management practices as showcased in the IEO fragility

⁷Statistical analysis suggests that, on average, higher-risk projects in FCS countries are more likely to achieve satisfactory outcomes compared to similarly risky projects in non-FCS countries. However, these estimates lack sufficient statistical power due to the relatively small sample size of higher-risk projects.

evaluation can help lead to satisfactory results in a fragile context (GEF IEO 2024b).

An example from Myanmar serves as an illustration of how projects can achieve success even in challenging, conflict-ridden environments. The GEF-5 project Sustainable Cropland and Forest Management in Priority Agro-ecosystems of Myanmar (GEF ID 5123, FAO) initially received a moderate risk rating during appraisal. This assessment escalated to a risk rating of high, primarily due to the political turmoil in Myanmar and the onset of the COVID-19 pandemic. Despite facing numerous

adversities that hindered implementation, including delayed initiation and a complex and inconsistent design with ambitious targets, the project succeeded in maintaining a commendable level of execution. As a result, it attained a moderately satisfactory outcome rating. Notably, the project made significant strides in enhancing land tenure security for local communities by issuing community forestry certificates valid for 30 years and by enhancing community forest management practices.

Risk and state capacity

Examining the GEF's latest risk data, this evaluation finds a significant correlation between state capacity and risk rating: projects in countries with a higher state capacity index tend to be rated in the lower risk group. This negative correlation is statistically significant, and it can be observed using either the early or late PIR risk rating available for each project. Further, in evaluating the distribution of GEF projects, it is evident that there is a positive correlation between the state capacity of project host countries as measured by the State Capacity Index and project outcomes.⁹ This indicates that projects situated in

⁹ Within the cohort of GEF recipient countries, there is a notable overrepresentation of projects in countries with higher state capacity indexes. This pattern may reflect a preference for engaging with countries that have established systems for effective project implementation and management over those with weaker institutional structures, even though the latter may be in greater need of environmental assistance. However, this observation may be explained by countries with higher state capacity ratings also having higher GEF funding allocations according to the System for Transparent Allocation of Resources (STAR; IEO statistical analysis of state capacity available upon request).

countries with higher levels of state capacity are more likely to yield better outcomes.

Notably, this positive relationship between high state capacity and better outcomes remains consistent even when comparing projects with similar risk levels. For instance, Georgia has a Country Policy and Institutional Assessment (CPIA) rating of 4.4, while the neighboring Armenia has a CPIA score of 4.1.⁹ In Georgia's portfolio of projects, all lower-risk projects received outcome ratings in the satisfactory range; in Armenia, 20 percent of lower-risk projects were rated in the unsatisfactory range. Similarly, when comparing the portfolios of higher-risk projects in Senegal (CPIA score: 3.8) and Guinea (CPIA score: 3.1), the higher-risk project in Senegal received a satisfactory outcome rating, while the project in Guinea was rated moderately unsatisfactory.

The implication of these findings is that state capacity plays a crucial role in the successful implementation and completion of projects. Countries with stronger institutional frameworks, more effective institutions, and better rule of law are better equipped to manage and execute projects, leading to more favorable outcomes. This trend persists irrespective of risk rating (low or high) at initial risk assessment, suggesting that the inherent strengths of high-capacity states can mitigate risks that might otherwise impede project performance.

⁹ The CPIA index is a World Bank tool measuring state capacity. Countries are rated on a scale of 1 (low) to 6 (high) on their capacity to manage their economy, have effective policies, promote social inclusion and equity, and manage their public sector and institutions.

4

Revealed risk appetite and tolerance in the GEF portfolio

The GEF places a premium on outcomes in projects that carry significant risks. A simple calculation of averages for the lower- and higher-risk pools (i.e., bundling the lower half of the risk ratings, and the upper half of the risk ratings) shows that the mean outcome rating for the lower-risk pool is 4.45, and 4.18 for the higher-risk pool. This difference is statistically significant. It can be inferred from this that despite their lower average performance, the GEF deliberately engages in projects carrying a substantial or high risk in pursuit of higher rewards in terms of global environmental benefits. The GEF places a premium of approximately 0.27 points (4.45 – 4.18) on the six-point outcome rating scale, on engaging (to a limited extent) in projects that carry higher risks.

High-risk projects also demonstrate greater variance in outcomes. In other words, outcome ratings for a portfolio with an increased average risk rating would be expected to be more spread out along the six-point outcome scale. This evaluation found that this characteristic indeed holds true for the GEF portfolio. While the high-risk pool is relatively small, the standard deviation of outcome ratings for the higher-risk pool is 0.95, whereas the lower-risk pool has a standard deviation of 0.78. This difference in standard deviations is statistically significant.

The GEF attaches a risk-adjusted premium of about 10 percent to funding higher-risk projects. This calculation is influenced by two main factors: lower outcome ratings and greater variability in outcome ratings, as discussed above. For a risk-averse organization, this higher variability is a negative factor, akin to the likelihood of achieving lower development outcomes. Drawing from standard finance concepts, the risk-adjusted premium accounts for the differences in standard deviations (0.17) plus the difference in means (0.27). Consequently, on a risk-adjusted basis, higher-risk GEF projects carry a premium of approximately 0.44 outcome rating points. Given that the GEF could choose to engage only in lower-risk projects, the mean outcome rating of the low-risk pool can be used to determine the risk appetite ratio: 0.44/4.45. This approach suggests

that the GEF has an implicit risk appetite of approximately 10 percent for accepting lower outcome ratings and a wider spread.

Accepting lower outcomes for high risks may seem counter-intuitive compared with the typical understanding of “high risk, high reward.” However, there are qualitative and resource allocation reasons for funding projects that are intentionally part of the higher-risk pool. Implicitly, the GEF values these qualitative reasons, which include working deliberately in higher-risk countries and achieving specific global environmental benefits that may not be fully reflected in outcome ratings. Ideally, risk-taking would be measured against global environmental benefits directly rather than outcome ratings, as outcome ratings are proxies for the broader environmental impact the GEF aims to achieve.

4.1 Predicting risk-related changes in outcome

Going forward, the GEF has indicated a willingness to take on additional risk. According to the GEF risk appetite paper (GEF 2024a), the GEF is willing to take on substantially more risk by setting its risk appetite as high for innovation, substantial for context, and moderate for execution. The obvious question is how to assess the potential impact of additional risk-taking. It should be noted that such projections are based on historical evidence and are limited by the imperfections in Agencies’ risk ratings, determination of outcome ratings, and the possible gap between outcome ratings and the achievement of global environmental benefits.

The GEF has started tracking detailed risk ratings for projects in GEF-8. These detailed risk ratings are recorded for 11 separate categories: climate, environment and social, fiduciary, financial, institutional capacity, macroeconomic, political and governance, stakeholder engagement, strategies and policies, technical design, and other. Each project also reports an overall

risk rating. Each of these risk ratings is scored on a four-point scale: low, moderate, substantial, and high.¹

The GEF risk appetite statement sets summary expectations about preferences for three risk dimensions: context, innovation, and execution. Each dimension consists of three component risk categories ([table 4.1](#)). Since the approval of the GEF risk appetite document at the February 2024 GEF Council meeting, the data collected are aligned with the dimensions of the risk appetite document. A new key risks section is now in place in GEF-8 templates, which is aligned with the GEF risk appetite framework. It replaces the risk table used in the earlier part of GEF-8. This evaluation relies to a large extent on collected risk data from earlier years (GEF-5 to GEF-7).

Looking at projects at entry, the average risk rating for each dimension is much lower than the risk appetite statement aspires to achieve. The gap between actual risk rating among projects at entry and stated risk appetite is especially pronounced for the innovation risk dimension. While the appetite for innovation risk is high (4.0), the average risk rating among projects at entry (1.3) is close to low ([table 4.1](#)).

Correlation between the overall risk rating and the ratings for the different risk categories is not obvious ([table 4.2](#)). To explore the correlations between various dimensions of risk ratings and the overall risk assessment, a statistical analysis was conducted. While there is no statistically significant correlation between innovation risk and the overall risk rating, there is a positive and statistically significant correlation between the context risk and the overall risk as well as between the execution risk and the overall risk.

This evaluation looked at the average overall risk rating under the assumption that the GEF portfolio aligns with

¹The GEF risk appetite paper mentions two separate financial ratings: financial management and procurement and financial risks for NGI projects. Since GEF-7, a new category of financial risks has superseded financial risks for NGI projects.

Table 4.1 Comparing GEF-8 project average risk ratings at entry with the GEF's risk appetite

Dimension	Categories included	Average risk rating	Risk appetite
Context	<ul style="list-style-type: none"> Climate Environment & social Political & governance 	1.89	Substantial (3.0)
Innovation	<ul style="list-style-type: none"> Strategies & policies Technical design Finance 	1.30	High (4.0)
Execution	<ul style="list-style-type: none"> Institutional capacity Fiduciary Stakeholder engagement 	1.57	Moderate (2.0)

Source: Risk evaluation database.

Note: Data are for GEF-8 projects submitted for GEF Secretariat review. Overall risk ratings are available for 131 of 137 projects; all projects have at least one risk rating. None of these projects had yet begun implementation at the time of this evaluation.

Table 4.2 Comparison of risk ratings for GEF-8 projects at entry based on different calculation methods

Item	Rating
Average overall risk rating as reported	1.84
Average of risk ratings for 3 risk dimensions (context, innovation, execution)	1.60
Average of risk ratings for all 11 risk categories	1.64

Source: Risk evaluation database.

Note: Data are for GEF-8 projects submitted for GEF Secretariat review. Overall risk ratings are available for 131 of 137 projects; all projects have at least one risk rating. None of these projects had yet begun implementation at the time of this evaluation.

the stated risk appetite—that is, with context risk rated as substantial, innovation risk as high, and execution risk as moderate. According to a statistical analysis, if the GEF were to achieve the stated risk appetite values for the three risk dimensions, then the average overall risk is projected to slightly exceed the substantial level, reaching 3.02, compared to the current overall risk for closed projects with both risk and outcome ratings of 1.89.

Subsequently, this evaluation examined how an increase in average risk rating may change the average outcome rating among GEF projects. By leveraging different statistical models to assess the correlation between risk rating at entry and outcome rating among completed projects since GEF-5, this evaluation predicts that a 60 percent increase in risk rating from 1.89 (the average risk rating at entry among closed projects with both risk and outcome ratings) to 3.02 (the predicted risk rating when risk appetite statement is met) is predicted to lower outcome ratings by 4–9 percent, under the strong assumption that project characteristics remain the same on average and no additional risk management strategy is pursued. Despite the decline, the average outcome rating will remain at or above the moderately satisfactory level. The overall effect would be about a 6 percentage point decline in the percentage of projects with outcomes in the satisfactory range ([table 4.3](#)).

An important caveat is that the analyses are based on the current portfolio of completed projects. Historically, there is a negative correlation between the duration of project implementation and outcome ratings; in other words, the pool of available projects with risk and outcome ratings used is biased toward those projects that close earlier and have better outcome ratings than the overall cohort of projects. As a result, the baseline outcome rating of 4.40 and the high share of projects with an outcome rating in the satisfactory range (88 percent) may represent a higher than average performance than among all projects funded under GEF-5 and subsequent replenishment periods.

4.2 Risk factors

The IEO team conducted qualitative analysis to better understand what rewards were associated with high risks. This involved assessing risk factors by reviewing projects categorized as high risk in the GEF Portal database, based on their latest PIR ratings.

Table 4.3 Average project risk and outcome ratings, baseline versus increased risk to match GEF risk appetite statement

Item	Baseline (calculated values)	Average risk rating increase to match risk appetite statement (predicted values)
Risk rating at entry	1.89	3.02
Average outcome rating (6 points)	4.40	4.00–4.21
% of projects with an outcome rating in the satisfactory range	88	81.7–82.0

Source: Risk evaluation database.

Note: Calculated using reported risk and outcome ratings of 366 closed projects since GEF-5.

Both high-risk and low-risk projects operate in FCS countries.

It might be assumed that projects situated in fragile contexts would be predominantly high risk. However, it is noteworthy that both high- and low-risk projects operated within such environments. Completed high-risk projects in fragile contexts encompassed initiatives in Armenia, Bosnia and Herzegovina, the Democratic Republic of Congo, Haiti, Myanmar, and Ukraine. Similarly, completed low-risk projects operated in Afghanistan, Burkina Faso, Ethiopia, Mali, Nigeria, and Ukraine.

The IEO identified a number of risk factors in high-risk projects. The evaluation team analyzed the full universe of 24 completed high-risk projects, focusing on the development of the annual risk ratings in the PIRs for each project. The risks at CEO endorsement were compared with those at the terminal evaluation stage.

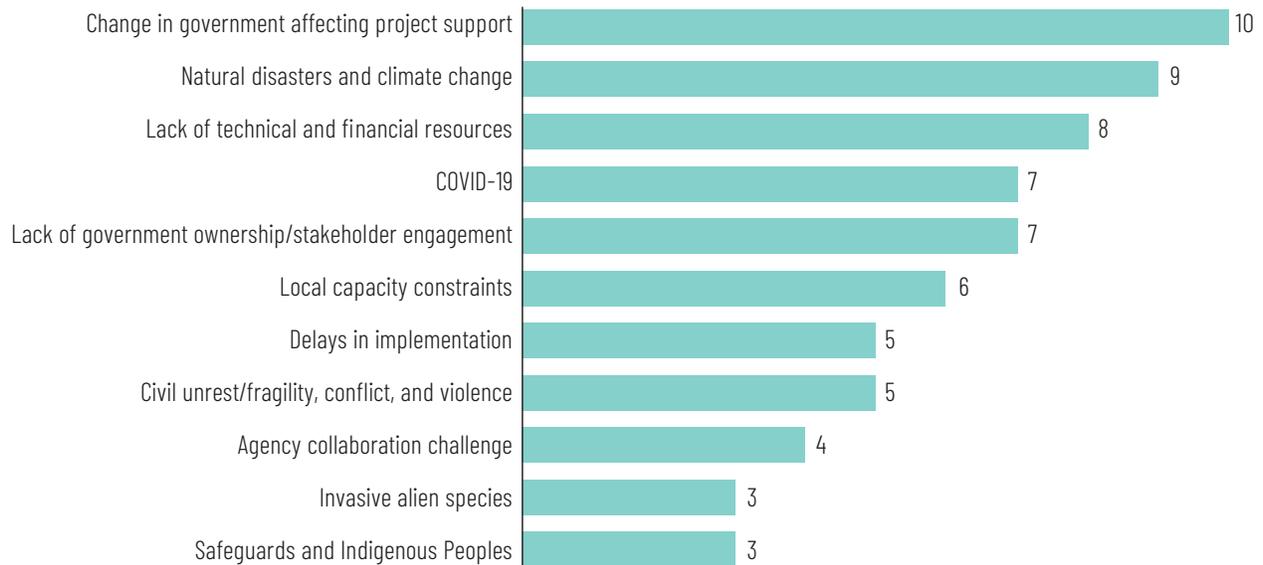
The risk factors faced by GEF projects fall into two categories: external risk factors that are beyond the control of project managers, and internal risk factors over which project managers have some influence. Among the most frequently cited risk factors are external risks. These include changes in government affecting the project, natural disasters, and climate change. COVID-19 has also been a frequent risk, leading to delays in project implementation ([figure 4.1](#)).

Institutional capacity-related issues emerged as the most pervasive internal risk factors. These encompassed

deficiencies in technical or financial resources, insufficient government ownership, and limitations in local capacity. This observation aligns with earlier findings from the World Bank case study, where institutional capacity proved to be the primary risk factor.²

The GEF’s detailed risk ratings quantitatively confirm institutional capacity as an important risk factor. Since 2022, the GEF has had a monitoring system in place that tracks three detailed risk categories under each of the three risk dimensions ([table 4.1](#)), along with an “other” category and an overall risk category. This risk tracking system will inform future risk-taking and required mitigation measures going forward. Analyzing the GEF’s detailed risk data, institutional capacity emerged as a significant predictor of outcome. The analysis of risk at PIF/CEO endorsement ([table 4.4](#)) suggests that some GEF Agencies such as the World Bank and Conservation International identify institutional capacity as their most important type of risk. Furthermore, considering how institutional capacity is defined here (encompassing deficiencies in technical or financial resources, insufficient government ownership, and limitations in local capacity), the fact that four Agencies—ADB, UNDP, UNEP, and World Wildlife Fund-US—rate governance and financial risks as particularly high might serve as relevant evidence to support the overall finding. These

²Case studies are available upon request.

Figure 4.1 Risk factors in closed high-risk projects, GEF-5 to GEF-7

Source: Risk evaluation database.

four Agencies represent more than half of the portfolio of projects at entry; they also represent different types of GEF Agencies (multilateral development banks, UN entities, and NGOs).

4.3 Adaptive measures

The IEO team found quantitative evidence of adaptive risk management in projects in the evaluation portfolio. Of the 315 projects that reported multiple risk ratings over their life cycle, 29 percent demonstrated a decrease in risk ratings, indicating potential proactive risk management practices. Conversely, 13 percent of projects experienced an increase in risk ratings, suggesting that challenges might have arisen during implementation.

Following are two examples of projects that experienced changes in their risk ratings over the course of implementation. The first project, located in Kazakhstan, witnessed a decrease in risk rating. The second project, in Trinidad and Tobago, initially underestimated

the risks involved, resulting in upward revision of risk ratings. However, through proactive adaptive management practices, both projects eventually achieved satisfactory results.

The GEF-5 project **Integration of Persistent Organic Pollutants (POPs) into National Planning and Promoting Sound Healthcare Waste Management in Kazakhstan** (GEF ID 4442, UNDP) aimed to mitigate the release of unintentionally produced POPs and other globally harmful pollutants into the environment by advocating for sound health care waste management practices in Kazakhstan. The project also sought to support the country in fulfilling its obligations under the Stockholm Convention.

Project managers assessed the PIR outcomes for 2015 and 2016 as satisfactory, noting a reduction in risk rating from high in 2015 to low in 2016. This improvement was primarily attributed to the project team's efficient risk monitoring and adaptive management actions, such as reallocating resources. Despite facing challenges such as a lack of government cooperation in data collection,

Table 4.4 Risk type with highest risk rating at PIF/CEO endorsement, by lead GEF Agency

Lead Agency	Risk type with highest risk rating	Risk rating	Number of projects
Asian Development Bank	Financial	2.00	3
African Development Bank	Climate	4.00	1
Brazilian Biodiversity Fund	Other	2.00	3
Conservation International	Institutional capacity	2.38	8
Development Bank of Latin America and the Caribbean	Climate	2.43	7
Development Bank of Southern Africa	Climate	1.50	2
European Bank for Reconstruction and Development	Macroeconomic	2.00	2
Food and Agriculture Organization of the United Nations	Climate	2.18	39
Inter-American Development Bank	Climate	1.67	3
International Fund for Agricultural Development	Climate	3.00	8
International Union for Conservation of Nature	Environment and social	2.29	10
United Nations Development Programme	Financial	4.00	36
United Nations Environment Programme	Political and governance	1.90	30
United Nations Industrial Development Organization	Other	2.00	12
World Bank	Institutional capacity	2.71	4
World Wildlife Fund-US	Financial	3.00	7

Source: Risk evaluation database.

inadequate analytical equipment at laboratories, and delays in reviewing and approving legislation, the project ultimately achieved a satisfactory rating. By the project's conclusion, the government of Kazakhstan had established a monitoring system for POPs and had effectively minimized unintentionally produced POPs through enhancements in health care waste treatment and the regulation of mercury management.

The design of the GEF-5 project **Improving Forest and Protected Area Management** (GEF ID 4769), implemented by FAO in Trinidad and Tobago, was influenced by demand from national and local stakeholders for increased co-management of protected areas. At the design phase, the project adequately identified and documented major risks, including potential shifts in political circumstances.

However, the design documents underestimated the risk and impact associated with the incoming government's reluctance to establish a unified agency for all protected areas in the country. This oversight ultimately hindered the project's ability to fully achieve its objectives. Despite initially recognizing these risks, their assessment—deemed low to medium in both cases—proved to be insufficient and failed to anticipate the extensive adaptive management required. In response, project management adopted adaptive measures by reallocating funds from activities that were no longer feasible to new initiatives, such as conducting socio-economic surveys in the six protected areas. Therefore, the project ultimately achieved a satisfactory outcome rating through significant adaptive measures.

A recent GEF-8 project in the Republic of Yemen is already demonstrating how the GEF is taking proactive risk management measures in ongoing projects. The Support the Urgent UN-brokered SAFER Salvage Operation to Prevent an Environmental, Humanitarian and Economic Oil Spill Disaster in the Southern Red Sea (GEF ID 11056, UNDP) project took the high risks associated with the UN-led salvage operation into account by making additional project preparation grant resources available to complete the safeguards-related risk analysis and planning for the project, including the oil transfer operation as a whole, during project development. These resources will permit the recruitment of a specialist safeguards team to assess risks and identify mitigation measures.

The recent IEO evaluation on Learning from Challenges analyzed a broader sample of turnaround projects and reached a significant conclusion. The study emphasized the crucial

role of implementing adaptive management measures to enhance project performance (GEF IEO 2025). Of 141 projects evaluated, 38 exhibited successes by actively learning from challenges and adapting during the implementation phase. These successful projects implemented more comprehensive restructuring strategies by thoroughly analyzing and addressing the root causes of performance failure across all types of challenges encountered. In contrast, the less successful or unimproved projects frequently failed to implement analysis-based adaptive management. Where adaptive management was attempted, it was usually introduced belatedly and concentrated solely on isolated challenges rather than addressing the comprehensive array of issues encountered.

5

Conclusions and recommendations

5.1 Conclusions

Risk management

The risk profile of the GEF portfolio has remained largely unchanged. From GEF-5 through GEF-7, the risk profile of the GEF portfolio remained largely unchanged. This is expected to change, given the GEF's 2024 risk appetite statement. In addition, the risk profile of individual Agencies for GEF-funded projects is comparable to their internal profiles. However, looking at data from new projects at the CEO approval stage, there is some indication of an uptick in the risk profile. These data have only recently become available and comparison to earlier years is not available. Thus, whether a higher risk profile at the CEO approval stage translates into a similar profile during implementation and at the terminal evaluation stage remains to be seen.

Agencies have robust internal risk management systems. In-depth interviews and document reviews have shown that all Agencies have strengthened their internal risk management systems to a significant extent in recent years. There is no comparable risk management mechanism within the GEF. This means that GEF-funded projects are subject to the same Agency risk management reviews, escalation, and management interventions as other Agency projects. Setting a risk profile for the GEF will require significant harmonization across all GEF Agencies. Agencies repeatedly emphasized the need for clearer guidance and transparency from the GEF Secretariat regarding risk expectations.

The ability of Agencies to take on risks and manage them toward successful outcomes varies significantly. Not all GEF Agencies have the capacity to carry similar risks. Furthermore, the internal perception of and risk culture are quite different across Agencies and often in stark contrast to the risk profile of the Agencies' GEF-funded projects. This means that the interpretation of risk-taking differs significantly across Agencies. At the same time, some institutions, particularly multilateral development banks and UNDP, are

able to take on more risk and achieve successful outcomes; whereas other Agencies largely remain within the low-risk category of projects.

Another aspect to consider is the Agency's relationship with the client country, which entails cofinancing risks if the project fails to deliver results. Experienced project managers are thus hesitant to undertake high-risk endeavors and pursue innovation, as doing so could potentially strain the long-term relationship with the client country. In countries with lower state capacity, additional capacity-building measures may be needed to enhance the prospects for positive outcomes.

Additional risk-taking in the GEF portfolio will need additional efforts. The risks that Agencies are willing to take in their GEF-funded projects largely mirror the risks taken in their own overall portfolios. Strong and divergent internal risk management frameworks and differing risk-taking cultures within Agencies indicate that GEF statements on risk-taking alone will have little impact on the GEF risk profile. Therefore, any initiative by the GEF Secretariat and the GEF Council to elevate the level of risk-taking requires collaboration with Agencies to ensure they possess the capacity and willingness to take on additional risks and pursue innovative, high-risk projects in challenging country contexts. This could be achieved by either new instruments or through further expanding current initiatives.

Changing the risk profile of GEF-funded projects requires a shift toward Agencies that have the ability to carry more risk. Separating the GEF-funded projects from each Agency's own projects with respect to the risk profile is virtually impossible. As they are subject to the same risk management structure, increasing the risk profile of GEF-funded projects would require a mechanism to work with Agencies to take on more of the risks they already have experienced in pursuing and steering toward successful outcomes. At present, all risk is borne by the individual Agencies and the executing country institutions. Based on the interviews conducted, there is significant uncertainty within the

Agencies about who the carrier of additional risk would be.

Risk ownership needs clarification. The GEF project implementation mechanism is complex, involving multiple stakeholders: the GEF provides funding, the GEF Agency conceptualizes the project, and the executing agency carries out the project in respective countries. The GEF Agencies have expressed the need for clearer guidance on risk ownership from the GEF Secretariat and the Council. They anticipate instructions on the conditions that encourage boldness and innovation in project design and implementation, allowing them to push boundaries to achieve transformative outcomes. Additionally, they seek clarification on the circumstances under which Agencies should exercise caution.

It would be beneficial for the GEF and the Council to establish a clear metric for risk allocation. This metric should specify various risks, allowing Agencies to choose those that they are prepared to manage. For example, Agencies working with innovative technologies in fragile contexts face inherent high risks, including reputational risks for the Agencies and the GEF. These Agencies need a platform for feedback and additional mechanisms to support larger-scale implementation.

Risk-reward trade-off

Risk-taking comes at a cost. It is imperative for the GEF to openly discuss risks and clearly outline costs. In addition to identifying risks, the GEF requires a robust methodology for effectively mitigating them. For example, in FCS countries like the Republic of Yemen, overhead costs can represent up to 18 percent of project expenses.¹

Taking on higher risk does not directly translate into higher rewards, although there are projects where high risk-taking clearly paid off. The notion that higher-risk projects

¹Source: Interview with FAO.

translate into higher rewards cannot be substantiated based on the analysis in this evaluation. While higher-risk projects have a wider range of outcome ratings, on average, they perform more poorly than lower-risk projects. Nonetheless, high-risk projects in the green energy sector clearly demonstrate potential rewards, even though not all projects may succeed. It will be important to assess the value of investing in renewable projects, considering the significant likelihood of achieving highly satisfactory outcomes, while also acknowledging the inherent risk of failure.

Operating in complex country conditions, such as in FCS countries, does not necessarily lead to lower outcomes. The analysis has shown that on average, there is a negative correlation between higher-risk projects and outcome ratings. However, a closer look at different country circumstances and changes in risk ratings over time has revealed that projects where risks are recognized during the implementation cycle can lead to higher outcome ratings than projects in non-FCS countries.

Project outcomes are expected to vary as Agencies undertake higher risks. Given the diverse range of outcome ratings in GEF projects, the GEF Secretariat and the GEF Council should anticipate some projects delivering the expected higher global environmental benefits, with green energy initiatives being a prominent example. However, other projects may fall short of achieving the intended results, at least in the short term. Efforts to level the playing field for renewable energy, such as eliminating subsidies and altering policies to support green energy viability, illustrate this point. This process can span several years, and while a GEF project may initially focus on raising awareness, achieving substantial changes in energy policies on the ground typically requires a significantly longer time frame.

Management of risks will ultimately determine outcomes. Identifying risks from the outset and managing them throughout the implementation process is essential. Proactive risk management has a significant impact on project outcomes, and Agencies are well advised

to promote adaptive management from the outset. Although institutional capacity remains a major risk factor—especially alongside climate change—recognizing these risks and managing projects accordingly can lead to the realization of global environmental benefits.

5.2 Recommendations

Based on the findings of this evaluation, the IEO developed the following two recommendations.

Recommendation 1: The GEF should refine the 2024 risk appetite statement to clarify risk ownership and establish a risk tolerance band.

- **Clarify risk ownership.** Articulate risk ownership within the GEF's implementing mechanism, encompassing implementing, and executing agencies, member countries, the Council, and the GEF itself. Specify the risk ownership of each entity.
- **Establish a risk tolerance band.** Define a clear range of risk tolerance for both the GEF and the Agencies at the portfolio level, clearly recognizing that levels of risk outside this band may still be accepted, but subject to a higher level of management scrutiny and approval.

Recommendation 2: Establish a risk management mechanism to proactively manage risks within the GEF framework. This would include developing guidelines and processes for the GEF Secretariat and the GEF Agencies.

Drawing on the experience of other global partnerships like the Green Climate Fund and the Global Fund, the GEF should enhance transparency and efficacy in risk management practices going forward. These may include (1) establishing risk management processes, setting standards, and providing the necessary support to implementing Agencies; (2) monitoring compliance; and (3) ensuring consistent communication of risk appetite from the Council and the GEF management.

Evaluation portfolio

GEF ID	Project title	GEF period	GEF Agency	Country	Focal area	Modality	Risk rating	Cofinancing	GEF grant
								Millions	
4330	Strengthening National Frameworks for IAS Governance - Piloting in Juan Fernandez Archipelago	GEF-5	UNDP	Chile	BD	FSP	S	8.2	4.2
4332	Sustainable Land and Forest Management in the Greater Caucasus Landscape	GEF-5	UNDP	Azerbaijan	MF	FSP	S	11.4	5.8
4336	Lighting One Million Lives in Liberia	GEF-5	WB	Liberia	CC	FSP	S	4.1	1.5
4343	EAS: Implementation of the Yellow Sea LME Strategic Action Programme for Adaptive Ecosystem-Based Management	GEF-5	UNDP	Regional	IW	FSP	L	225.5	7.6
4344	Promoting Sustainable Bio-energy Production from Biomass	GEF-5	UNDP	Timor-Leste	CC	FSP	S	6.7	1.8
4345	Renewable Energy for Rural Livelihood (RERL)	GEF-5	UNDP	Nepal	CC	FSP	H	32.3	3.1
4352	Environmental Land Management and Rural Livelihoods	GEF-5	WB	Tajikistan	LD	FSP	M	16.9	5.4
4356	Securing Biodiversity Conservation and Sustainable Use in China's Dongting Lake Protected Areas	GEF-5	FAO	China	BD	FSP	L	7.6	3.0
4374	Removing Barriers to Wind Power Development in Belarus	GEF-5	UNDP	Belarus	CC	FSP	S	40.9	3.1
4377	Development and Commercialization of Bioenergy Technologies in the Municipal Sector in Ukraine	GEF-5	UNDP	Ukraine	CC	FSP	H	30.0	4.8
4387	Phase-out of CFC Consumption in the Manufacture of Aerosol Metered-dose Inhalers (MDIs) in the Russian Federation	GEF-5	UNIDO	Russian Federation	CW	FSP	L	5.6	2.6
4392	Protect Human Health and the Environment from Unintentional Releases of POPs Originating from Incineration and Open Burning of Health Care- and Electronic-waste	GEF-5	UNDP	Egypt, Arab Rep.	CW	FSP	M	17.6	4.3
4410	Development of the Guidelines for updating of National Implementation Plans (NIPs) under the Stockholm Convention taking into account the new POPs added to the Convention	GEF-5	UNIDO	Global	CW	MSP	L	1.0	0.7
4412	Establishing the tools and methods to include the nine new POPs into the Global Monitoring Plan	GEF-5	UNEP	Global	CW	MSP	L	1.5	0.7
4415	Capacity Building for the Early Entry into Force of the Protocol on Access and Benefit Sharing	GEF-5	UNEP	Global	BD	MSP	L	1.2	0.9
4417	Development of National Capacity for the Environmentally Sound Management and Disposal of PCBs	GEF-5	UNDP	Colombia	CW	FSP	L	16.2	3.5
4441	Dioxins Reductions from the Pulp and Paper Industry in China	GEF-5	WB	China	CW	FSP	S	66.0	15.0

GEF ID	Project title	GEF period	GEF Agency	Country	Focal area	Modality	Risk rating	Cofinancing	GEF grant
								Millions	
4442	NIP Update, Integration of POPs into National Planning and Promoting Sound Healthcare Waste Management in Kazakhstan	GEF-5	UNDP	Kazakhstan	CW	FSP	H	35.0	3.5
4454	Integrated Management of the Yallahs River and Hope River Watersheds	GEF-5	IDB	Jamaica	MF	FSP	H	8.9	4.1
4456	Conservation and Sustainable Use of the Threatened Savanna Woodland in the Kidepo Critical Landscape in North Eastern Uganda	GEF-5	UNDP	Uganda	BD	FSP	L	10.7	3.2
4459	Development of Sustainable Renewable Energy Power Generation (SREPGen)	GEF-5	UNDP	Bangladesh	CC	FSP	L	49.6	4.2
4468	Landscape Approach to Management of Peatlands Aiming at Multiple Ecological Benefits	GEF-5	UNDP	Belarus	MF	FSP	L	9.4	2.8
4469	Integrated Approach to Management of Forests, with Demonstration in High Conservation Value Forests in the Mediterranean Region	GEF-5	UNDP	Türkiye	MF	FSP	L	21.4	7.3
4470	Building a Multiple-Use Forest Management Framework to Conserve Biodiversity in the Caspian Hyrcanian Forest Landscape	GEF-5	UNDP	Iran	BD	FSP	L	5.3	2.0
4477	Comprehensive Reduction and Elimination of Persistent Organic Pollutants in Pakistan	GEF-5	UNDP	Pakistan	CW	FSP	L	34.2	5.2
4479	Sustainable Forest Management and Multiple Global Environmental Benefits	GEF-5	UNDP	Guatemala	MF	FSP	L	13.7	4.5
4483	Enabling Trans-boundary Cooperation and Integrated Water Resources Management in the Extended Drin River Basin	GEF-5	UNDP	Regional	IW	FSP	S	221.8	4.6
4485	Integrated PCB Management in Costa Rica	GEF-5	UNDP	Costa Rica	CW	FSP	L	8.7	2.0
4488	Green Energy Schemes for Low-Carbon City in Shanghai, China	GEF-5	WB	China	CC	FSP	S	251.7	4.5
4489	A Transboundary Waters Assessment Programme: Aquifers, Lake/Reservoir Basins, River Basins, Large Marine Ecosystems, and Open Ocean to Catalyze Sound Environmental Management	GEF-5	UNEP	Global	IW	FSP	L	31.9	5.2
4500	GEF Large-City Congestion and Carbon Reduction Project	GEF-5	WB	China	CC	FSP	M	96.0	18.2
4505	Strengthening Sustainable Management of the Guano Islands, Isles and Capes National Reserve System (RNSIIPG)	GEF-5	WB	Peru	BD	FSP	M	7.0	9.1
4514	Greening the COP17 in Durban	GEF-5	UNIDO	South Africa	CC	MSP	L	1.4	1.0
4517	Reducing Barriers to Accelerate the Development of Biomass Markets in Serbia	GEF-5	UNDP	Serbia	CC	FSP	M	27.6	2.9
4527	Partnering for Natural Resource Management - Conservation Council of Nations (CCN)	GEF-5	UNEP	Global	BD	MSP	M	1.4	0.9
4533	Development of Tools to Incorporate Impacts of Climatic Variability and Change in Particular Floods and Droughts into Basin Planning Processes	GEF-5	UNEP	Global	IW	FSP	L	22.5	4.3
4543	The GLOBE Legislator Forest Initiative	GEF-5	UNEP	Global	MF	MSP	L	1.2	1.0
4544	Improved Management Effectiveness of the Chobe-Kwando-Linyanti Matrix of Protected Areas	GEF-5	UNDP	Botswana	BD	FSP	L	7.0	1.9

GEF ID	Project title	GEF period	GEF Agency	Country	Focal area	Modal-ity	Risk rating	Cofinancing	GEF grant
								Millions	
4550	Strengthening Multi-sectoral Management of Critical Landscapes	GEF-5	UNDP	Samoa	LD	FSP	L	24.2	4.9
4562	Network of Managed Resource Protected Areas	GEF-5	UNDP	Mongolia	BD	FSP	M	4.9	1.4
4581	Sustainable Management of Tuna Fisheries and Biodiversity Conservation in the Areas Beyond National Jurisdiction	GEF-5	FAO	Global	MF	FSP	L	150.8	27.6
4582	ABNJ: Strengthening Global Capacity to Effectively Manage Areas Beyond National Jurisdiction	GEF-5	FAO	Global	MF	MSP	L	4.6	1.0
4584	Improving Sustainability of PA System in Desert Eco-systems through Promotion of Biodiversity-compatible Livelihoods in and around PAs	GEF-5	UNDP	Kazakhstan	MF	FSP	L	19.2	4.5
4586	Mainstreaming Biodiversity Conservation in Tourism Sector Development in Jordan	GEF-5	UNDP	Jordan	BD	FSP	L	22.7	2.8
4590	Delivering Multiple Global Environment Benefits through Sustainable Management of Production Landscapes	GEF-5	UNDP	Honduras	MF	FSP	L	17.6	3.2
4600	Reducing Pressures on Natural Resources from Competing Land Use in Non-irrigated Arid Mountain, Semi-desert and Desert Landscapes	GEF-5	UNDP	Uzbekistan	LD	FSP	M	9.9	2.4
4601	POPs Legacy Elimination and POPs Release Reduction Project	GEF-5	UNDP	Türkiye	CW	FSP	L	84.7	11.1
4605	Management and Protection of Key Biodiversity Areas	GEF-5	WB	Belize	MF	FSP	S	16.0	6.2
4611	Reducing UPOPs and Mercury Releases from the Health Sector in Africa	GEF-5	UNDP	Regional	CW	FSP	L	28.9	6.7
4617	Municipal Solid Waste Management	GEF-5	WB	China	CW	FSP	M	50.9	12.2
4618	Access to and Benefit Sharing and Protection of Traditional Knowledge to Promote Biodiversity Conservation and Sustainable Use	GEF-5	UNEP	Guatemala	BD	MSP	L	1.0	0.9
4619	Third National Communication to the UNFCCC	GEF-5	UNDP	Colombia	CC	FSP	L	1.7	2.0
4631	Watershed Approach to Sustainable Coffee Production in Burundi	GEF-5	WB	Burundi	MF	FSP	M	20.8	4.2
4637	Marine and Coastal Protected Areas	GEF-5	WB	Brazil	BD	FSP	S	99.7	18.2
4639	Strengthening Management Effectiveness and Generating Multiple Environmental Benefits within and around the Greater Kafue National Park in Zambia	GEF-5	UNDP	Zambia	MF	FSP	S	46.9	13.3
4642	Sustainable Agriculture and Climate Change Mitigation Project	GEF-5	WB	Uzbekistan	MF	FSP	M	108.0	12.7
4644	Addressing Barriers to the Adoption of Improved Charcoal Production Technologies and Sustainable Land Management Practices through an Integrated Approach	GEF-5	UNDP	Uganda	MF	FSP	M	14.7	3.6
4645	Hwange-Sanyati Biological Corridor (HSBC) Project	GEF-5	WB	Zimbabwe	MF	FSP	M	23.2	5.9
4651	A Landscape Approach to Wildlife Conservation in North-eastern China	GEF-5	WB	China	BD	FSP	M	17.6	3.0
4653	CBPF-MSL: Strengthening the Management Effectiveness of the Protected Area Landscape in Altai Mountains and Wetlands	GEF-5	UNDP	China	BD	FSP	L	22.0	3.6

GEF ID	Project title	GEF period	GEF Agency	Country	Focal area	Modality	Risk rating	Cofinancing	GEF grant
								Millions	
4655	CBPF-MSL: Strengthening the Management Effectiveness of the Sub-system of Wetland Protected Areas for Conservation of Globally Significant Biodiversity	GEF-5	UNDP	China	BD	FSP	L	16.8	2.7
4659	LME-EA: Coastal Resources for Sustainable Development: Mainstreaming the Application of Marine Spatial Planning Strategies, Biodiversity Conservation and Sustainable Use	GEF-5	WB	Vietnam	MF	FSP	M	117.9	6.5
4660	ABNJ: Sustainable Fisheries Management and Biodiversity Conservation of Deep-sea Living Marine Resources and Ecosystems in the Areas Beyond National Jurisdiction (ABNJ)	GEF-5	FAO	Global	MF	FSP	L	79.6	7.7
4669	Namibian Coast Conservation and Management Project	GEF-5	WB	Namibia	MF	FSP	M	5.9	1.9
4677	GMS-FBP: Strengthening Capacity and Incentives for Wildlife Conservation in the Western Forest Complex	GEF-5	UNDP	Thailand	MF	FSP	M	24.2	7.3
4690	Capturing Coral Reef and Related Ecosystem Services (CCRES)	GEF-5	WB	Regional	IW	FSP	L	27.8	4.5
4708	Strengthening the Sub-system of Coastal and Marine Protected Areas	GEF-5	UNDP	Honduras	BD	FSP	L	10.9	3.1
4716	Conservation and Sustainable Use of Biodiversity in Coastal and Marine Protected Areas (MPAs)	GEF-5	UNDP	Guatemala	BD	FSP	L	16.2	5.5
4717	Expansion and Strengthening of the Protected Area Subsystem of the Outer Islands of Seychelles and its Integration into the Broader Land and Seascape	GEF-5	UNDP	Seychelles	MF	FSP	L	10.4	1.9
4718	Production of Sustainable, Renewable Biomass-based Charcoal for the Iron and steel Industry in Brazil	GEF-5	UNDP	Brazil	CC	FSP	M	36.8	7.2
4720	Land Rehabilitation and Rangelands Management in Small Holders Agropastoral Production Systems in Southwestern Angola	GEF-5	FAO	Angola	LD	FSP	M	17.3	3.2
4729	Strengthening the Capacity of the Protected Area System to Address New Management Challenges	GEF-5	UNDP	Namibia	BD	FSP	L	14.5	4.1
4730	Increasing Representation of Effectively Managed Marine Ecosystems in the Protected Area System	GEF-5	UNDP	Azerbaijan	BD	FSP	L	6.5	1.4
4731	Advancing Landscape Approaches in Ecuador's National Protected Area System to Improve Conservation of Globally Endangered Wildlife	GEF-5	UNDP	Ecuador	BD	FSP	L	19.8	4.6
4737	Elimination of Obsolete Pesticide Stockpiles and Addressing POPs Contaminated Sites within a Sound Chemicals Management Framework	GEF-5	UNDP	Armenia	CW	FSP	M	19.3	4.9
4741	Integrated and Environmentally Sound PCBs Management in Ecuador	GEF-5	UNDP	Ecuador	CW	FSP	M	9.4	2.1
4742	Green Urban Lighting	GEF-5	UNDP	Armenia	CC	FSP	L	8.5	1.7
4744	Mainstreaming Biodiversity Conservation, SFM and Carbon Sink Enhancement Into Mongolia's Productive Forest Landscapes	GEF-5	FAO	Mongolia	MF	FSP	L	19.8	3.6
4745	Promoting Utility-Scale Power Generation from Wind Energy	GEF-5	UNDP	Sudan	CC	FSP	S	214.0	3.6

GEF ID	Project title	GEF period	GEF Agency	Country	Focal area	Modality	Risk rating	Cofinancing	GEF grant
								Millions	
4746	Implementation of Global and Regional Oceanic Fisheries Conventions and Related Instruments in the Pacific Small Island Developing States (SIDS)	GEF-5	UNDP	Regional	IW	FSP	S	84.9	10.2
4749	Small Decentralized Renewable Energy Power Generation	GEF-5	UNDP	Lebanon	CC	FSP	S	11.6	1.5
4750	Multiplying Environmental and Carbon Benefits in High Andean Ecosystems	GEF-5	UNEP	Regional	MF	FSP	L	16.2	4.9
4751	Mainstreaming SLM in Rangeland Areas of Ngamiland District Productive Landscapes for Improved livelihoods	GEF-5	UNDP	Botswana	LD	FSP	M	28.6	3.2
4754	Sustainable Land Management Programme to Combat Desertification	GEF-5	UNDP	Pakistan	LD	FSP	L	16.6	3.8
4756	Disposal of POPs and Obsolete Pesticides and Strengthening Life-cycle Management of Pesticides	GEF-5	FAO	Benin	CW	FSP	M	10.6	1.9
4760	Conservation of Critical Wetland PAs and Linked Landscapes	GEF-5	UNDP	Vietnam	BD	FSP	M	14.9	3.3
4761	Sustainable Management of Mountainous Forest and Land Resources under Climate Change Conditions	GEF-5	FAO	Kyrgyz Republic	MF	FSP	M	19.0	5.6
4763	Strengthening Management Effectiveness and Resilience of Protected Areas to Safeguard Biodiversity Threatened by Climate Change	GEF-5	UNDP	Mexico	BD	FSP	S	77.0	10.3
4765	Strengthening National and Decentralized Management for Global Environmental Benefits	GEF-5	UNDP	Togo	MF	MSP	M	1.0	0.8
4766	Implementation of Eco-industrial Park Initiative for Sustainable Industrial Zones in Vietnam	GEF-5	UNIDO	Vietnam	MF	FSP	L	49.6	3.5
4767	Capacity Development : Generating Global Environmental Benefits from Improved Local Planning and Decision-making Systems in Burkina Faso	GEF-5	UNDP	Burkina Faso	MF	MSP	L	2.0	1.0
4769	Improving Forest and Protected Area Management	GEF-5	FAO	Trinidad and Tobago	BD	FSP	H	27.7	2.9
4770	Integrated Management of Marine and Coastal Areas of High Value for Biodiversity in Continental Ecuador	GEF-5	FAO	Ecuador	BD	FSP	S	19.4	4.3
4771	Enhancing National Capacities to Manage Invasive Alien Species (IAS) by Implementing the National Strategy on IAS	GEF-5	UNDP	Mexico	BD	FSP	H	26.1	5.5
4772	Conservation and Sustainable Use of Biodiversity in Dry Ecosystems to Guarantee the Flow of Ecosystem Services and to Mitigate the Processes of Deforestation and Desertification	GEF-5	UNDP	Colombia	MF	FSP	L	26.9	8.9
4774	Conservation and Sustainable Use of Biodiversity, Forests, Soil and Water to Achieve the Good Living (Buen Vivir/ Sumac Kasay) in the Napo Province	GEF-5	FAO	Ecuador	MF	FSP	M	12.3	2.7
4777	Mainstreaming of the Use and Conservation of Agrobiodiversity in Public Policies through Integrated Strategies and In situ Implementation in three Provinces in the Andean Highlands	GEF-5	FAO	Ecuador	BD	FSP	M	6.6	1.3
4778	Environmental Services Project	GEF-5	WB	Albania	MF	FSP	M	22.6	2.9

GEF ID	Project title	GEF period	GEF Agency	Country	Focal area	Modality	Risk rating	Cofinancing	GEF grant
								Millions	
4779	Sustainable Forest and Landscape Management	GEF-5	WB	Bosnia-Herzegovina	MF	FSP	M	18.4	5.6
4792	Conservation of Coastal Watersheds to Achieve Multiple Global Environmental Benefits in the Context of Changing Environments	GEF-5	WB	Mexico	MF	FSP	M	228.3	39.5
4799	Implementing Integrated Measures for Minimizing Mercury Releases from Artisanal Gold Mining	GEF-5	UNIDO	Regional	MF	MSP	L	2.7	1.0
4801	Promotion of Non-fired Brick (NFB) Production and Utilization	GEF-5	UNDP	Vietnam	CC	FSP	M	36.1	2.9
4806	A Global Initiative on Landscapes for People, Food and Nature	GEF-5	UNEP	Global	LD	MSP	L	2.6	1.0
4810	Strengthening the Marine Protected Area System to Conserve Marine Key Biodiversity Areas	GEF-5	UNDP	Philippines	BD	FSP	M	25.8	8.2
4811	CBPF-MSL: Strengthening the Management Effectiveness of the Wetland Protected Area System in Hainan for Conservation of Globally Significant Biodiversity	GEF-5	UNDP	China	BD	FSP	L	18.0	2.8
4816	Reduction of Mercury Emissions and Promotion of Sound Chemical Management in Zinc Smelting Operations	GEF-5	UNIDO	China	CW	MSP	L	4.0	1.0
4827	Enhancing Wildlife Conservation in the Productive Southern Kenya Rangelands through a Landscape Approach	GEF-5	UNDP	Kenya	BD	FSP	L	24.8	4.1
4832	Sustainable Management of Namibia's Forested Lands	GEF-5	UNDP	Namibia	LD	FSP	L	20.0	4.6
4835	Expansion and Improved Management Effectiveness of the Achara Region's Protected Areas	GEF-5	UNDP	Georgia	BD	FSP	L	13.7	1.4
4836	Conservation, Sustainable Use of Biodiversity, and Maintenance of Ecosystem Services of Internationally Important Protected Wetlands	GEF-5	UNDP	Costa Rica	BD	FSP	L	17.2	3.8
4839	Establishing Integrated Models for Protected Areas and their Co-management	GEF-5	UNDP	Afghanistan	MF	FSP	L	53.3	6.6
4840	Energy Efficient Production and Utilization of Charcoal through Innovative Technologies and Private Sector Involvement	GEF-5	UNDP	Sierra Leone	CC	FSP	S	9.0	1.8
4841	Strengthening the Effectiveness of the National Protected Area System by Including a Landscape Approach to Management	GEF-5	UNDP	Uruguay	BD	FSP	H	8.9	1.7
4842	Strengthening the Institutional and Financial Sustainability of the National Protected Area System	GEF-5	UNDP	Croatia	BD	FSP	M	18.0	5.1
4844	Improving the Coverage and Management Effectiveness of PAs in the Central Tian Shan Mountains	GEF-5	UNDP	Kyrgyz Republic	BD	MSP	M	5.0	1.0
4848	Improving Management Effectiveness of the Protected Area Network	GEF-5	UNDP	South Africa	BD	FSP	H	49.6	8.7
4855	Kihansi Catchment Conservation and Management	GEF-5	WB	Tanzania	BD	FSP	M	18.3	6.0
4860	Mainstreaming Biodiversity Conservation and Sustainable Land Management into Production Practices in all Bioregions and Biomes	GEF-5	UNDP	Paraguay	MF	FSP	L	22.4	7.0

GEF ID	Project title	GEF period	GEF Agency	Country	Focal area	Modality	Risk rating	Cofinancing	GEF grant
								Millions	
4862	Reduction of POPs and PTS Release by Environmentally Sound Management throughout the Life Cycle of Electrical and Electronic Equipment and Associated Wastes in China	GEF-5	UNDP	China	CW	FSP	H	47.0	11.9
4867	Enhancing the Protected Area System in Sulawesi (E-PASS) for Biodiversity Conservation	GEF-5	UNDP	Indonesia	BD	FSP	L	43.7	6.4
4868	CBPF-MSL: Strengthening the Management Effectiveness of the Protected Area Network in the Daxing'anling Landscape	GEF-5	UNDP	China	BD	FSP	L	24.5	3.7
4869	Urban-Scale Building Energy Efficiency and Renewable Energy	GEF-5	WB	China	CC	FSP	M	138.6	12.0
4870	CBPF-MSL: Strengthening the Management Effectiveness of the Wetland Protected Area System in Hubei Province	GEF-5	UNDP	China	BD	FSP	L	18.2	2.8
4882	Enabling China to Prepare Its Third National Communication (3NC) and Biennial Update Report to the UNFCCC	GEF-5	UNDP	China	CC	FSP	M	0.9	7.3
4884	Nationally Appropriate Mitigation Actions in the Energy Generation and End-Use Sectors	GEF-5	UNDP	Peru	CC	FSP	L	32.0	4.5
4892	Transforming Effectiveness of Biodiversity Conservation in Priority Sumatran Landscapes	GEF-5	UNDP	Indonesia	BD	FSP	L	53.5	9.1
4896	CBPF-MSL: Strengthening the Management Effectiveness of the Wetland Protected Area System in Anhui Province	GEF-5	UNDP	China	BD	FSP	L	18.1	2.8
4900	Scale Up of Access to Clean Energy for Rural Productive and Domestic Uses	GEF-5	UNDP	India	CC	FSP	S	19.0	4.1
4913	Capacity Development: Integrating Rio Convention Provisions into Ukraine's National Environmental Policy Framework	GEF-5	UNDP	Ukraine	MF	MSP	L	1.0	0.9
4916	Conservation of Biodiversity in Landscapes Impacted by Mining in the Choco Biogeographic Region	GEF-5	UNDP	Colombia	BD	FSP	L	30.6	6.0
4921	Efficient and Sustainable City Bus Services	GEF-5	WB	India	CC	FSP	M	113.6	9.2
4922	Decision Support for Mainstreaming and Scaling up of Sustainable Land Management	GEF-5	FAO	Global	LD	FSP	M	38.1	6.3
4930	Enhancing the Conservation Effectiveness of Seagrass Ecosystems Supporting Globally Significant Populations of Dugong Across the Indian and Pacific Ocean Basins	GEF-5	UNEP	Global	BD	FSP	L	99.3	6.1
4933	Third National Communication to the United Nations Framework Convention on Climate Change	GEF-5	UNDP	Indonesia	CC	FSP	S	21.0	4.6
4937	Strengthening Law Enforcement Capabilities to Combat Wildlife Crime for Conservation and Sustainable Use of Species in South Africa (target: Rhinoceros)	GEF-5	UNEP	South Africa	BD	FSP	L	23.8	2.7
4939	Supporting Civil Society and Community Initiatives to Generate Global Environmental Benefits using Grants and Micro Loans in the Mediterranean Ecoregion of Chile	GEF-5	UNDP	Chile	MF	FSP	L	17.1	3.5
4945	Collaborative Management for Watershed and Ecosystem Service Protection and Rehabilitation in the Cardamom Mountains, Upper Prek Thnot River Basin	GEF-5	UNDP	Cambodia	LD	FSP	M	4.9	1.1
4948	Technology Needs Assessment	GEF-5	UNEP	Global	CC	FSP	L	2.2	6.1

GEF ID	Project title	GEF period	GEF Agency	Country	Focal area	Modality	Risk rating	Cofinancing	GEF grant
								Millions	
4954	Community Agricultural Resource Management and Competitiveness (CARMAC)	GEF-5	WB	Armenia	LD	MSP	M	18.3	0.9
4957	Small and Medium Enterprise Energy Efficiency Project	GEF-5	WB	Türkiye	CC	FSP	M	302.3	3.6
4962	Pilot project on the development of a mercury inventory in China	GEF-5	UNEP	China	CW	MSP	L	3.1	1.0
4966	Sustainable Groundwater Management in SADC Member States	GEF-5	WB	Regional	IW	FSP	L	42.6	8.3
4968	Integrated National Monitoring and Assessment System on Forest Ecosystems (SIMEF) in Support of Policies, Regulations and SFM Practices Incorporating REDD+ and Biodiversity Conservation in Forest Ecosystems	GEF-5	FAO	Chile	MF	FSP	L	25.6	6.4
4985	Reducing global and local environmental risks from primary mercury mining in Khaidarkan the Kyrgyz Republic	GEF-5	UNEP	Kyrgyz Republic	CW	MSP	M	3.0	0.9
4998	Environmental Sound Life-Cycle Management of Mercury Containing Products and their Wastes	GEF-5	UNDP	Uruguay	CW	MSP	M	2.9	1.3
4999	Integrated Responses to Short lived Climate Forcers Promoting Clean Energy and Energy Efficiency	GEF-5	UNEP	Mexico	CC	MSP	L	22.5	0.9
5026	MENA: Badia Ecosystem and Livelihoods Project (BELP)	GEF-5	WB	Jordan	MF	FSP	M	11.3	3.3
5028	Capacity Building for Mainstreaming MEA Objectives into Inter-Ministerial Structures and Mechanisms	GEF-5	UNDP	Costa Rica	MF	MSP	L	1.4	1.0
5034	Enhancing the Forest Nature Reserves Network for Biodiversity Conservation in Tanzania	GEF-5	UNDP	Tanzania	BD	FSP	L	19.6	4.2
5038	Implementation of BAT and BEP for Reduction of UP-POPs Releases from Open Burning Sources in Armenia	GEF-5	UNIDO	Armenia	CW	MSP	L	3.4	0.9
5040	Investment Promotion on Environmentally sound Management of Electrical and Electronic Waste: Up-Scale and Promotion of Activities and Initiatives on Environmentally Sound Management of Electrical and Electronic Waste	GEF-5	UNIDO	Ethiopia	CW	MSP	L	2.0	1.0
5052	Reducing Releases of PBDEs and UPOPs Originating from Unsound Waste Management and Recycling Practices and the Manufacturing of Plastics in Indonesia	GEF-5	UNDP	Indonesia	CW	FSP	M	18.7	4.1
5058	Mainstreaming Biodiversity into Land Use Regulation and Management at the Municipal Scale	GEF-5	UNDP	South Africa	BD	FSP	L	50.7	8.3
5062	Development of a National Network of Terrestrial and Marine Protected Areas Representative of the Comoros Unique Natural Heritage and Co-managed with Local Village Communities	GEF-5	UNDP	Comoros	BD	FSP	M	21.6	4.4
5063	Catalysing the Use of Solar Photovoltaic Energy	GEF-5	UNDP	Iraq	CC	FSP	S	33.0	2.3
5065	Strengthening the National Protected Areas System of Swaziland	GEF-5	UNDP	Eswatini	BD	FSP	H	23.6	5.6
5067	Vietnam POPs and Sound Harmful Chemicals Management Project	GEF-5	UNDP	Vietnam	CW	FSP	S	11.1	2.7

GEF ID	Project title	GEF period	GEF Agency	Country	Focal area	Modal-ity	Risk rating	Cofinancing	GEF grant
								Millions	
5068	Protect Human Health and the Environment from Unintentional Releases of POPs and Mercury from the Unsound Disposal of Healthcare Waste in Kyrgyzstan	GEF-5	UNDP	Kyrgyz Republic	CW	MSP	L	7.0	1.5
5069	Implementing a "Ridge to Reef" Approach to Protecting Biodiversity and Ecosystem Functions within and Around Protected Areas	GEF-5	UNDP	Grenada	MF	FSP	M	15.4	3.1
5078	Conserving Biodiversity and Reducing Habitat Degradation in Protected Areas and their Buffer Zones	GEF-5	UNDP	St. Kitts and Nevis	BD	FSP	L	17.1	3.4
5080	Transforming Management of Protected Area/Landscape Complexes to Strengthen Ecosystem Resilience	GEF-5	UNDP	Peru	MF	FSP	S	50.7	9.1
5086	Achieving Low Carbon Growth in Cities through Sustainable Urban Systems Management in Thailand (LCC)	GEF-5	UNDP	Thailand	CC	FSP	L	182.3	3.3
5088	Conserving Biodiversity in Coastal Areas Threatened by Rapid Tourism and Physical Infrastructure Development	GEF-5	UNDP	Dominican Republic	BD	FSP	L	16.0	2.9
5089	Strengthening Management of the PA System to Better Conserve Endangered Species and their Habitats	GEF-5	UNDP	Mexico	BD	FSP	S	31.9	5.6
5091	Mainstreaming Biodiversity Conservation and Sustainable Use into NTFP and AFS Production Practices in Multiple-Use Forest Landscapes of High Conservation Value	GEF-5	UNDP	Brazil	BD	FSP	L	27.8	5.6
5096	Payment for Watershed Services in the Chishui River Basin for the Conservation of Globally Significant Biodiversity	GEF-5	UNDP	China	BD	MSP	M	16.0	2.0
5098	Towards Carbon Neutral Tourism	GEF-5	UNDP	Montenegro	CC	FSP	L	121.9	3.2
5099	Expanding the PA System to Incorporate Important Aquatic Ecosystems	GEF-5	UNDP	Bangladesh	BD	MSP	L	8.5	1.7
5101	Strengthened Environmental Management Information System for Coastal Development to Meet Rio Convention Objectives	GEF-5	UNDP	Côte d'Ivoire	MF	MSP	L	0.7	0.6
5110	LME-EA: Applying Knowledge Management to Scale up Partnership Investments for Sustainable Development of Large Marine Ecosystems of East Asia and their Coasts	GEF-5	WB	Regional	IW	MSP	M	1.2	1.0
5114	Securing Energy Efficiency in the Ecuadorian Residential and Public Sectors (SECURE)	GEF-5	UNDP	Ecuador	CC	MSP	M	25.8	1.8
5121	Energy Conservation, Greenhouse Gas Mitigation and Soil Carbon Sequestration in Staple Crop Production	GEF-5	WB	China	CC	FSP	M	25.0	5.1
5123	Sustainable Cropland and Forest Management in Priority Agro-ecosystems of Myanmar	GEF-5	FAO	Myanmar	MF	FSP	H	13.6	6.3
5140	Sixth National Communication to the UNFCCC	GEF-5	UNDP	Mexico	CC	FSP	M	4.0	3.6
5142	Sustainable and Climate Resilient Land Management in Western PRC	GEF-5	ADB	China	LD	FSP	L	18.5	5.3
5145	GEF UNIDO Cleantech Programme for SMEs	GEF-5	UNIDO	Armenia	CC	MSP	L	2.6	0.5
5146	GEF UNIDO Cleantech Programme for SMEs in Malaysia	GEF-5	UNIDO	Malaysia	CC	MSP	L	3.0	1.0
5150	Delivering the Transition to Energy Efficient Lighting	GEF-5	UNEP	Chile	MF	FSP	L	9.4	2.5

GEF ID	Project title	GEF period	GEF Agency	Country	Focal area	Modality	Risk rating	Cofinancing	GEF grant
								Millions	
5157	ESCO Moldova - Transforming the market for Urban Energy Efficiency in Moldova by Introducing Energy Service Companies (ESCO)	GEF-5	UNDP	Moldova	CC	MSP	H	7.6	1.4
5159	Strengthening Sustainability of Protected Area Management	GEF-5	UNDP	Myanmar	BD	FSP	S	17.9	6.1
5186	MENA: Desert Ecosystems and Livelihoods Knowledge Sharing and Coordination Project	GEF-5	WB	Regional	LD	MSP	L	0.5	1.0
5187	GGW: Community based Rural Development Project 3rd Phase with Sustainable Land and Forestry Management	GEF-5	WB	Burkina Faso	MF	FSP	L	97.4	7.4
5215	GGW: Forests and Adjacent Lands Management Project	GEF-5	WB	Benin	MF	FSP	M	46.5	5.6
5216	Improve the Health and Environment of Artisanal Gold Mining Communities in the Philippines by Reducing Mercury Emissions	GEF-5	UNIDO	Philippines	CW	MSP	L	1.1	0.6
5218	Cleantech Programme for SMEs in India	GEF-5	UNIDO	India	CC	MSP	L	3.0	1.0
5222	Pilot Project on the Development of Mercury Inventory in the Russian Federation (RF)	GEF-5	UNEP	Russian Federation	CW	MSP	L	3.4	1.0
5225	Mozambique Conservation Areas for Biodiversity and Development Project	GEF-5	WB	Mozambique	MF	FSP	M	61.5	6.3
5229	Sustainable Land Management in the Qaroun Catchment	GEF-5	UNDP	Lebanon	LD	FSP	L	18.1	3.3
5266	Oases Ecosystems and Livelihoods Project	GEF-5	WB	Tunisia	MF	FSP	S	59.0	5.8
5269	Adriatic Sea Environmental Pollution Control Project (I)	GEF-5	WB	Regional	IW	FSP	S	23.2	6.8
5271	Global Sustainable Supply Chains for Marine Commodities	GEF-5	UNDP	Global	IW	FSP	S	34.6	5.7
5276	Sustainable Land Use Management in the Semi-arid Region of North-east Brazil (Sergipe)	GEF-5	UNDP	Brazil	LD	FSP	S	17.3	3.9
5278	Strengthening Global Governance of Large Marine Ecosystems and their Coasts through Enhanced Sharing and Application of LME/ICM/MPA Knowledge and Information Tools	GEF-5	UNDP	Global	IW	FSP	L	13.3	2.6
5284	Integrated Water Resources Management in the Puyango-Tumbes, Catamayo-Chira and Zarumilla Transboundary Aquifers and River Basins	GEF-5	UNDP	Regional	IW	FSP	M	20.5	4.1
5288	Implementing the Socio-Ecosystem Connectivity Approach to Conserve and Sustainable Use Biodiversity in the Caribbean Region of Colombia	GEF-5	FAO	Colombia	BD	FSP	M	51.1	6.2
5289	Developing a Market for Biogas Resource Development and Utilization in Guinea	GEF-5	UNDP	Guinea	CC	FSP	S	11.0	2.7
5292	MENA: Morocco GEF Social and Integrated Agriculture (ASIMA)	GEF-5	WB	Morocco	MF	FSP	M	35.5	6.4
5297	Promoting Access to Clean Energy Services in Saint Vincent and the Grenadines	GEF-5	UNDP	St. Vincent and the Grenadines	CC	MSP	H	89.6	1.8
5304	Sustainable Management of Bycatch in Latin America and Caribbean Trawl Fisheries (REBYC-II LAC)	GEF-5	FAO	Regional	IW	FSP	L	17.2	6.0

GEF ID	Project title	GEF period	GEF Agency	Country	Focal area	Modality	Risk rating	Cofinancing	GEF grant
								Millions	
5307	Global Project on the Updating of National Implementation Plans for POPs	GEF-5	UNEP	Global	CW	FSP	L	5.5	5.0
5310	Enabling Transboundary Cooperation and Integrated Water Resources Management in the Chu and Talas River Basins	GEF-5	UNDP	Regional	IW	MSP	L	6.2	1.1
5316	Promotion and Up-scaling of Climate-resilient, Resource Efficient Technologies in a Tropical Island Context	GEF-5	UNDP	Seychelles	CC	MSP	M	10.3	1.8
5323	Reduce Exposure of Mercury to Human Health and the Environment by Promoting Sound Chemical Management in Mongolia	GEF-5	UNIDO	Mongolia	CW	MSP	L	1.6	0.6
5329	Green Technology Application for the Development of Low Carbon Cities (GTALCC)	GEF-5	UNDP	Malaysia	CC	FSP	L	55.6	4.5
5330	Maximizing Carbon Sink Capacity and Conserving Biodiversity through Sustainable Conservation, Restoration, and Management of Peat-swamp Ecosystems	GEF-5	UNDP	Thailand	MF	FSP	M	13.4	3.4
5331	Promoting Investments in Small to Medium Scale Renewable Energy Technologies in the Electricity Sector	GEF-5	UNIDO	Guinea-Bissau	CC	MSP	L	10.3	1.8
5334	Promotion of Environmentally Sustainable and Climate-Resilient Grid Isolated Grid Based Hydroelectric Electricity Through an Integrated Approach in São Tomé and Príncipe.	GEF-5	UNDP	São Tomé and Príncipe	MF	FSP	L	20.7	5.4
5335	Promoting The Development of Biogas Energy amongst Select Small- and Medium-Sized Agro-Industries	GEF-5	UNIDO	Chile	CC	MSP	M	16.4	1.8
5337	Enhancing Biodiversity Conservation and Sustainance of Ecosystem Services in Environmentally Sensitive Areas	GEF-5	UNDP	Sri Lanka	BD	FSP	M	16.7	2.7
5338	Mainstreaming Sustainable Use of Biodiversity in Production Practices of Small Producers to Protect the Biodiversity of High Value Conservation Forests in the Atlantic Forest, Yungas and Chaco	GEF-5	UNDP	Argentina	BD	FSP	L	23.7	4.8
5340	NAMA Support for the Tunisian Solar Plan	GEF-5	UNDP	Tunisia	CC	FSP	S	65.4	3.7
5341	South Africa Wind Energy Project (SAWEP) Phase II	GEF-5	UNDP	South Africa	CC	FSP	S	35.7	3.7
5342	Biomass Energy for Productive Use for Small and Medium Enterprises (SMEs) in the Olive Oil Sector	GEF-5	UNIDO	Albania	CC	MSP	L	4.5	1.0
5344	Cape Verde Appliances & Building Energy-Efficiency Project (CABEEP)	GEF-5	UNDP	Cabo Verde	CC	MSP	M	10.0	2.0
5345	De-risking Renewable Energy NAMA for the Nigerian Power Sector	GEF-5	UNDP	Nigeria	CC	FSP	H	213.6	4.5
5348	Conserving Biodiversity and Enhancing Ecosystem Functions through a "Ridge to Reef" Approach in the Cook Island	GEF-5	UNDP	Cook Islands	MF	FSP	L	15.0	4.4
5353	Mainstreaming Sustainable Land and Forest Management in Dry Mountain Landscapes	GEF-5	UNDP	Armenia	MF	FSP	H	14.0	3.1
5355	Mainstreaming Biodiversity Conservation into Territorial Planning Policies and Land-Use Practices	GEF-5	UNDP	Moldova	BD	MSP	L	4.9	1.0
5358	Mainstreaming Climate Change in the National Logistics Strategy and Roll-Out of Integrated Logistics Platforms	GEF-5	UNDP	Morocco	CC	FSP	L	121.3	2.4

GEF ID	Project title	GEF period	GEF Agency	Country	Focal area	Modality	Risk rating	Cofinancing	GEF grant
								Millions	
5361	Market Transformation and Removal of Barriers for Effective Implementation of the State Level Climate Change Action Plans	GEF-5	UNDP	India	CC	FSP	L	25.0	3.9
5362	Obsolete Pesticides Management Project	GEF-5	WB	Côte d'Ivoire	CW	FSP	M	25.0	7.2
5365	Energy Efficiency Improvement in Commercial and High-Rise Residential Buildings	GEF-5	UNDP	Vietnam	CC	FSP	L	21.5	3.3
5372	Belarus Green Cities: Supporting Green Urban Development in Small and Medium Sized Cities in Belarus	GEF-5	UNDP	Belarus	CC	FSP	S	12.4	3.2
5373	Greening the Logistics Industry in Zhejiang Province	GEF-5	UNDP	China	CC	FSP	L	12.1	3.0
5378	Fourth National Communication and Biennial Update Reports to the United Nations Framework Convention on Climate Change (UNFCCC)	GEF-5	UNDP	Brazil	CC	FSP	M	22.9	7.5
5381	R2R: Implementing a "Ridge to Reef" Approach to Protecting Biodiversity and Ecosystem Functions in Nauru (R2R Nauru)	GEF-5	UNDP	Nauru	MF	FSP	M	8.4	2.7
5387	Mexico Sustainable Energy Technology Development	GEF-5	WB	Mexico	CC	FSP	M	94.0	17.2
5393	Sustainable Management of Highly Migratory Fish Stocks in the West Pacific and East Asian Seas	GEF-5	UNDP	Regional	IW	FSP	H	19.9	2.3
5404	R2R: Testing the Integration of Water, Land, Forest & Coastal Management to Preserve Ecosystem Services, Store Carbon, Improve Climate Resilience and Sustain Livelihoods in Pacific Island Countries	GEF-5	UNDP	Regional	IW	FSP	L	87.7	10.6
5405	EAS: Scaling up the Implementation of the Sustainable Development Strategy for the Seas of East Asia	GEF-5	UNDP	Regional	IW	FSP	L	157.3	10.6
5407	Disposal of Obsolete Pesticides including POPs, Promotion of Alternatives and Strengthening Pesticides Management in the Caribbean	GEF-5	FAO	Regional	CW	FSP	M	26.4	4.5
5409	Development of a Plan for Global Monitoring of Human Exposure to and Environmental Concentrations of Mercury	GEF-5	UNEP	Global	CW	MSP	L	3.0	0.9
5411	ASTUD: Jiangxi Fuzhou Urban Integrated Infrastructure Improvement Project	GEF-5	ADB	China	CC	FSP	L	226.5	2.5
5423	GGW: Building Resilience Through Innovation, Communication and Knowledge Services (BRICKS) Project	GEF-5	WB	Regional	MF	FSP	M	10.0	4.6
5439	Fighting Against Wildlife Poaching and Illegal Trade in Africa The Case of African Elephants	GEF-5	WB	Global	BD	MSP	S	1.8	2.0
5440	Mainstreaming Incentives for Biodiversity Conservation in the Climate Resilient Green Economy Strategy (CRGE)	GEF-5	UNDP	Ethiopia	BD	FSP	L	16.0	3.4
5450	Transforming The Global Aviation Sector: Emissions Reductions From International Aviation	GEF-5	UNDP	Global	CC	MSP	L	13.1	2.0
5453	Disaster Risk & Energy Access Management (DREAM): Promoting Solar Photovoltaic Systems in Public Buildings for Clean Energy Access, Increased Climate Resilience and Disaster Risk Management	GEF-5	UNDP	Barbados	CC	MSP	L	30.9	1.8

GEF ID	Project title	GEF period	GEF Agency	Country	Focal area	Modality	Risk rating	Cofinancing	GEF grant
								Millions	
5458	Conservation, Management and Rehabilitation of Fragile Lomas Ecosystems	GEF-5	UNDP	Peru	MF	MSP	L	13.5	2.1
5463	Securing Watershed Services through Sustainable Land Management in the Ruvu and Zigi Catchments, Eastern Arc Region, Tanzania	GEF-5	UNDP	Tanzania	LD	FSP	S	24.0	3.8
5464	Reducing Greenhouse Gas and ODS Emissions Through Technology Transfer in Industrial Refrigeration	GEF-5	UNIDO	Vietnam	CC	MSP	L	1.9	0.3
5466	Reducing Greenhouse Gases and ODS Emissions through Technology Transfer in the Industrial Refrigeration and Air Conditioning Sector	GEF-5	UNIDO	Gambia, The	CC	MSP	M	2.5	0.5
5467	Harmonization of Information Management for Improved Knowledge and Monitoring of the Global Environment in Georgia	GEF-5	UNDP	Georgia	MF	MSP	L	1.3	1.3
5468	Green Cities : Integrated Sustainable Transport in the City of Batumi and the Achara Region	GEF-5	UNDP	Georgia	CC	MSP	S	10.7	0.9
5470	Improved Convention Coordination for Sustainable Growth in Uruguay (ECCOSUR)	GEF-5	UNDP	Uruguay	MF	MSP	L	1.9	2.0
5481	Conservation of Biodiversity and Mitigation of Land Degradation Through Adaptive Management of Agricultural Heritage Systems	GEF-5	FAO	Morocco	MF	MSP	M	7.9	0.8
5484	Environmental Sound Management of Mercury and Mercury Containing Products and their Wastes in Artisanal Small-scale Gold Mining and Healthcare	GEF-5	UNDP	Honduras	CW	MSP	L	6.2	1.4
5485	Seychelles' Protected Areas Finance Project	GEF-5	UNDP	Seychelles	BD	FSP	M	15.0	2.9
5494	Development of Mercury Risk Management Approaches in Latin America	GEF-5	UNEP	Regional	CW	MSP	L	2.9	0.9
5496	Preparatory Project to Facilitate the Implementation of the Legally Binding Instrument on Mercury (Minamata Convention) in Argentina to Protect Health and the Environment	GEF-5	UNIDO	Argentina	CW	MSP	L	0.5	0.4
5501	Promoting Sustainable Rural Energy Technologies (RETs) for Household and Productive Uses	GEF-5	UNDP	Ethiopia	CC	FSP	L	69.0	4.2
5505	GEF UNIDO Cleantech Programme for SMEs in Turkey	GEF-5	UNIDO	Türkiye	CC	MSP	L	3.0	1.0
5508	Transforming the Global Maritime Transport Industry towards a Low Carbon Future through Improved Energy Efficiency	GEF-5	UNDP	Global	MF	MSP	M	11.9	2.0
5510	R2R Strengthening the Management Effectiveness of the National System of Protected Areas	GEF-5	UNDP	Papua New Guinea	MF	FSP	L	44.4	11.3
5512	Conserving Habitats for Globally Important Flora and Fauna in Production Landscapes	GEF-5	UNDP	Thailand	BD	MSP	L	11.1	1.8
5515	GEF UNIDO Cleantech Programme for SMEs in South Africa	GEF-5	UNIDO	South Africa	CC	MSP	L	6.0	2.0
5518	Removing Barriers to Promote and Support Energy Management Information Systems in Municipalities (EMIS) throughout Serbia	GEF-5	UNDP	Serbia	CC	FSP	M	19.6	2.4

GEF ID	Project title	GEF period	GEF Agency	Country	Focal area	Modality	Risk rating	Cofinancing	GEF grant
								Millions	
5529	Gambia Protected Areas Network and Community Livelihood Project	GEF-5	UNDP	Gambia	BD	MSP	S	4.7	1.4
5533	Developing and Implementing the National Framework on Access to and Benefit Sharing of Genetic Resources and Associated Traditional Knowledge	GEF-5	UNDP	China	BD	FSP	L	22.9	4.6
5534	Conservation of Ecuadorian Amphibian Diversity and Sustainable Use of its Genetic Resources	GEF-5	UNDP	Ecuador	BD	FSP	M	14.2	2.8
5536	Energy Efficiency and Renewable Energy for Sustainable Water Management in Turkmenistan	GEF-5	UNDP	Turkmenistan	MF	FSP	M	72.1	6.3
5542	Catalyzing Implementation of the Strategic Action Programme for the Sustainable Management of Shared Living Marine Resources in the Caribbean and North Brazil Shelf Large Marine Ecosystems (CMLE+)	GEF-5	UNDP	Regional	IW	FSP	M	134.2	13.0
5546	Sustainable Production Systems and Conservation of Biodiversity	GEF-5	WB	Panama	BD	FSP	M	19.4	9.6
5549	Dynamic Conservation and Sustainable use of Agro-Biodiversity in Traditional Agro-ecosystems of the Philippines.	GEF-5	FAO	Philippines	BD	FSP	M	11.5	2.3
5550	R2R Implementing a Ridge to Reef Approach to Protect Biodiversity and Ecosystem Functions	GEF-5	UNDP	Tuvalu	MF	FSP	S	15.7	3.9
5552	Application of Ridge to Reef Concept for Biodiversity Conservation, and for the Enhancement of Ecosystem Service and Cultural Heritage in Niue	GEF-5	UNDP	Niue	MF	FSP	L	11.1	4.3
5553	GEF UNIDO Cleantech Programme for SMEs	GEF-5	UNIDO	Pakistan	CC	MSP	L	4.0	1.4
5555	Local Development and Promotion of LED Technologies for Advanced General Lighting	GEF-5	UNDP	Vietnam	CC	MSP	M	6.6	1.6
5556	West Balkans Drina River Basin Management	GEF-5	WB	Regional	IW	FSP	M	25.9	4.6
5586	Appropriate Mitigation Actions in the Energy Generation and End-Use Sectors in Sri Lanka	GEF-5	UNDP	Sri Lanka	CC	MSP	S	25.9	1.9
5587	Increasing Access to Clean and Affordable Decentralized Energy Services in Selected Vulnerable Areas of Malawi	GEF-5	UNDP	Malawi	CC	MSP	S	22.8	1.8
5593	Developing and Implementing a National Access and Benefit Sharing Framework	GEF-5	UNDP	Malaysia	BD	MSP	L	5.8	2.0
5596	Sustainable Land Management in the Churia Range	GEF-5	WWF-US	Nepal	LD	MSP	S	4.4	0.9
5601	Support to GEF Eligible Countries for Achieving Aichi Biodiversity Target 17 Through a Globally Guided NBSAPs Update Process	GEF-5	UNDP	Global	BD	MSP	L	2.0	1.7
5605	Developing a National Framework on Access to and Benefit-Sharing of Genetic Resources and Traditional Knowledge as a Strategy to Contribute to the Conservation and Sustainable Use of Biodiversity in Morocco	GEF-5	UNDP	Morocco	BD	MSP	L	1.3	0.8
5610	Reducing GHG Emissions Through Community Forests and Sustainable Biomass Energy in Afghanistan	GEF-5	FAO	Afghanistan	CC	MSP	M	4.8	1.8
5624	China's Compliance with the Stockholm Convention	GEF-5	UNIDO	China	CW	MSP	L	4.0	2.0
5627	ASTUD PRC Clean Bus Leasing	GEF-5	ADB	China	CC	FSP	L	275.7	2.3

GEF ID	Project title	GEF period	GEF Agency	Country	Focal area	Modal-ity	Risk rating	Cofi-nancing	GEF grant
								Millions	
5633	Lead Paint Elimination Project in Africa	GEF-5	UNEP	Regional	CW	MSP	L	3.2	1.0
5653	Capacity Building for the Implementation of the Nagoya Protocol on Access and Benefit Sharing	GEF-5	UNDP	Vietnam	BD	MSP	L	9.9	2.1
5656	Parks, People, Planet: Protected Areas as Solutions to Global Challenges	GEF-5	UNDP	Global	BD	MSP	L	4.5	1.8
5660	Sustainable Forest Management to Secure Multiple Benefits in High Conservation Value Forests	GEF-5	UNDP	Pakistan	MF	FSP	L	49.4	8.6
5662	Defining and Demonstrating Best Practices for Exchange of Information on Chemicals in Textile Products	GEF-5	UNEP	China	CW	MSP	L	4.4	1.0
5663	R2R Integrated Environmental Management of the Fan-ga'uta Lagoon Catchment	GEF-5	UNDP	Tonga	MF	MSP	M	6.7	1.8
5669	Enabling Solid State Lighting Market Transformation and Promotion of Light Emitting Diode Lighting	GEF-5	UNDP	China	CC	FSP	L	26.5	6.4
5677	Rehabilitation of Degraded Agricultural Lands in Kandy, Badulla and Nuwara Eliya Districts in the Central High-lands (CH)	GEF-5	FAO	Sri Lanka	LD	MSP	L	9.9	1.4
5686	Low Carbon Development Path: Promoting Energy Efficient Applications and Solar Photovoltaic Technologies in Streets, Outdoor areas and Public Buildings in Island Communities Nationwide (LCDP)	GEF-5	UNDP	Dominica	CC	MSP	H	8.9	1.8
5689	Sound Chemicals Management Mainstreaming and UPOPs Reduction in Kenya	GEF-5	UNDP	Kenya	CW	FSP	L	21.0	4.7
5692	Mainstreaming of Biodiversity Conservation into River Management	GEF-5	UNDP	Malaysia	BD	MSP	L	7.6	1.5
5698	Sustainable Land Management and Climate Change Mitigation Co-benefits SLM CCMC	GEF-5	UNEP	Global	LD	MSP	L	1.6	1.8
5699	Supporting Sustainable Land Management in Steppe and Semi-arid Zones through Integrated Territorial Planning and Agro-environmental Incentives	GEF-5	UNDP	Kazakhstan	LD	MSP	S	9.5	2.0
5700	Land Degradation Offset and Mitigation in Western Mongolia	GEF-5	UNDP	Mongolia	LD	MSP	L	5.3	1.4
5712	Improve Sustainability of Mangrove Forests and Coastal Mangrove Areas in Liberia through Protection, Planning and Livelihood Creation- as a Building Block Towards Liberia's Marine and Coastal Protected Areas	GEF-5	CI	Liberia	BD	MSP	L	3.7	1.1
5718	Integrated Landscape Management for Improved Livelihoods and Ecosystem Resilience in Mount Elgon	GEF-5	UNDP	Uganda	MF	MSP	M	8.8	1.7
5721	Rhino Impact Bonds An Innovative Financing Mechanism for Site-Based Rhinoceros Conservation	GEF-5	UNDP	Global	BD	MSP	L	6.4	1.8
5724	Participatory Assessment of Land Degradation and Sustainable Land Management in Grassland and Pastoral Systems	GEF-5	FAO	Global	LD	FSP	M	5.8	2.7
5726	Sustainable Management Models for Local Government Organisations to Enhance Biodiversity Protection and Utilization in Selected Eco-regions of Thailand	GEF-5	UNDP	Thailand	BD	MSP	M	7.6	1.8

GEF ID	Project title	GEF period	GEF Agency	Country	Focal area	Modality	Risk rating	Cofinancing	GEF grant
								Millions	
5728	Accelerating the Development and Commercialization of Fuel Cell Vehicles in China	GEF-5	UNDP	China	CC	FSP	L	53.5	8.4
5729	GEF International Waters Learning Exchange and Resources Network IW LEARN	GEF-5	UNDP	Global	IW	FSP	L	12.1	5.1
5731	Strengthening Human Resources, Legal Frameworks and Institutional Capacities to Implement the Nagoya Protocol	GEF-5	UNDP	Global	BD	FSP	L	16.9	12.3
5737	Energy Efficient Low-carbon Transport	GEF-5	UNIDO	South Africa	CC	MSP	L	7.1	1.4
5738	Strengthening of National Capacities for the Implementation of the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization to the Convention on Biological Diversity	GEF-5	UNDP	Mexico	BD	FSP	H	8.9	2.3
5741	Energy Efficient Low-carbon Transport	GEF-5	UNIDO	Malaysia	CC	MSP	L	28.7	2.1
5749	Conservation, Sustainable Use of Biodiversity, and Maintenance of Ecosystem Services in Protected Wetlands of International Importance	GEF-5	UNDP	El Salvador	BD	FSP	M	8.9	2.3
5750	Mainstreaming Sustainable Management of Tea Production Landscapes	GEF-5	UNEP	Global	LD	MSP	L	12.1	2.0
5751	Maintaining and Increasing Carbon Stocks in Agro-silvo-pastoral Systems in Rural Communities of the Selva Zoque - Sumidero Canyon Complex as a Climate Change Mitigation Strategy.	GEF-5	CI	Mexico	CC	MSP	L	4.0	1.1
5761	Supporting Sustainable Ecosystems by Strengthening the Effectiveness of Dominica's Protected Areas System	GEF-5	UNDP	Dominica	BD	MSP	M	7.7	1.8
5767	Implementation of SLM Practices to Address Land Degradation and Mitigate Effects of Drought	GEF-5	UNDP	Philippines	LD	MSP	L	5.8	0.9
5771	Improving Mangrove Conservation across the Eastern Tropical Pacific Seascape (ETPS) through Coordinated Regional and National Strategy Development and Implementation	GEF-5	WWF-US	Regional	IW	MSP	L	4.5	2.0
5772	Strengthening the Institutional Capacity of African Network of Basin Organization (ANBO), Contributing to the Improved Transboundary Water Governance in Africa	GEF-5	UNDP	Regional	IW	MSP	L	8.4	2.1
5774	Advancing the Nagoya Protocol in Countries of the Caribbean Region	GEF-5	UNEP	Regional	BD	MSP	L	3.8	1.9
5776	Supply Change Securing Food Sustaining Forests	GEF-5	UNEP	Global	BD	MSP	L	2.7	2.0
5784	Mainstreaming Biodiversity Conservation and Sustainable Management in Priority Socio Ecological Production Landscapes and Seascapes (SEPLS)	GEF-5	CI	Global	BD	MSP	L	6.4	2.0
5785	Sustainable Land Management Promotion	GEF-5	FAO	Mexico	LD	MSP	M	8.7	1.8
5789	Using SLM to Improve the Integrity of the Makgadikgadi Ecosystem and to Secure the Livelihoods of Rangeland Dependent Communities	GEF-5	UNDP	Botswana	LD	MSP	L	6.8	0.8
5792	PSG-Sustainable Landscape Management Project under SAWAP	GEF-5	WB	Mauritania	MF	FSP	L	19.2	4.8

GEF ID	Project title	GEF period	GEF Agency	Country	Focal area	Modality	Risk rating	Cofinancing	GEF grant
								Millions	
5797	Securing Tenure Rights for Forest Landscape Dependent Communities: Linking Science with Policy to Advance Tenure Security, Sustainable Forest Management and People's Livelihoods	GEF-5	FAO	Global	LD	MSP	L	4.5	2.0
5798	Adaptive Management and Monitoring of the Maghreb's Oases Systems	GEF-5	FAO	Regional	LD	MSP	L	6.3	1.8
5810	Spatial Planning for Protected Areas in Response to Climate Change (SPARC)	GEF-5	CI	Global	BD	MSP	L	3.7	1.8
5819	Promoting Sustainable Electricity Generation in Malian Rural Areas through Hybrid Technologies	GEF-5	UNDP	Mali	CC	MSP	L	24.0	1.2
5824	Sharing Knowledge on the Use of Biochar for Sustainable Land Management	GEF-5	UNEP	Global	LD	MSP	L	1.3	1.8
5826	Strengthening National Systems to Improve Governance and Management of Indigenous Peoples and Local Communities Conserved Areas and Territories	GEF-5	UNDP	Philippines	BD	MSP	L	5.0	1.8
5830	Nationally Appropriate Mitigation Actions in the Construction Sector in Mongolia	GEF-5	UNDP	Mongolia	CC	MSP	M	6.9	1.4
5831	Establishing the Foundations of a Partnership to Accelerate the Global Market Transformation for Efficient Appliances and Equipment	GEF-5	UNEP	Global	CC	MSP	L	7.7	1.4
5832	Promoting Accelerated Transfer and Scaled up Deployment of Mitigation Technologies through the Climate Technology Centre & Network (CTCN)	GEF-5	UNIDO	Global	CC	MSP	L	7.2	1.8
5838	Sustainable Urban Mobility Program for San Jose	GEF-5	IDB	Costa Rica	CC	MSP	M	8.2	1.8
5839	Mitigating Deforestation in Brazil Nut Concessions in Madre de Dios, Peru	GEF-5	IDB	Peru	CC	MSP	M	3.0	1.6
5841	NAMA Pilot Implementation of Technology Transfer Projects in the Industrial Sector of the Cundinamarca-Bogotá Region	GEF-5	UNDP	Colombia	CC	MSP	S	12.1	1.8
5843	Deployment of Renewable Energy and Improvement of Energy Efficiency in the Public Sector	GEF-5	UNDP	Jamaica	CC	MSP	L	10.7	1.4
5846	Enhancing Biodiversity Protection through Strengthened Monitoring, Enforcement and Uptake of Environmental Regulations in Guyana's Gold Mining Sector	GEF-5	UNDP	Guyana	BD	MSP	M	3.5	0.8
5847	Capacity Development for Improved Management of Multilateral Environmental Agreements for Global Environmental Benefits	GEF-5	UNDP	Trinidad and Tobago	MF	MSP	S	1.2	1.3
5848	Capacity Development for Implementing Rio Conventions through Enhancing Incentive Mechanism for Sustainable Watershed/Land Management	GEF-5	UNDP	Indonesia	MF	MSP	L	5.6	2.0
5886	Transboundary Cooperation for Snow Leopard and Ecosystem Conservation	GEF-5	UNDP	Global	BD	MSP	L	4.2	1.1
6940	Sustainable Forest and Land Management in the Dry Dipterocarp Forest Ecosystems of Southern Lao PDR	GEF-6	UNDP	Lao PDR	MF	FSP	H	79.0	11.0

GEF ID	Project title	GEF period	GEF Agency	Country	Focal area	Modality	Risk rating	Cofinancing	GEF grant
								Millions	
6962	Advancing IWRM Across the Kura River Basin through Implementation of the Transboundary Agreed Actions and National Plans	GEF-6	UNDP	Regional	IW	FSP	L	194.9	5.5
6964	Volta River Basin Strategic Action Programme Implementation Project	GEF-6	WB	Regional	IW	FSP	S	36.1	7.4
6966	UPOPs Reduction through BAT/BEP and PPP-based Industry Chain Management in Secondary Copper Production Sector in China	GEF-6	UNDP	China	CW	FSP	S	52.5	12.9
6971	Generating Global Environment Benefits through Improved Environmental Information, Planning and Decision Making Systems	GEF-6	UNDP	Mali	MF	MSP	L	2.6	1.1
9112	The Ten Island Challenge: Derisking the Transition of the Caribbean from Fossil Fuels to Renewables	GEF-6	UNDP	Regional	CC	MSP	L	304.6	1.8
9121	Enabling Transboundary Cooperation and Integrated Water Resources Management in the White Drin and the Extended Drin Basin	GEF-6	UNDP	Kosovo	IW	MSP	S	7.9	1.0
9123	Cities-IAP: Sustainable Cities Initiative	GEF-6	WB	Senegal	MF	FSP	S	51.8	8.9
9160	Regional Partnership for African Fisheries Policy Reform	GEF-6	WB	Regional	IW	MSP	L	12.0	2.0
9163	Enabling the use of Global Data Sources to assess and Monitor Land Degradation at Multiple Scales	GEF-6	CI	Global	LD	MSP	L	10.0	1.8
9179	Adaptive Management and Learning for the Commodities IAP	GEF-6	UNDP	Global	MF	FSP	L	5.3	4.1
9180	Reducing Deforestation from Commodity Production	GEF-6	UNDP	Global	MF	FSP	L	164.7	14.9
9182	Commodities-IAP: Generating Responsible Demand for Reduced-Deforestation Commodities	GEF-6	WWF-US	Global	MF	FSP	L	42.3	9.0
9282	Safeguarding Biodiversity in the Galapagos Islands by Enhancing Biosecurity and Creating the Enabling Environment for the Restoration of Galapagos Island Ecosystems.	GEF-6	CI	Ecuador	BD	FSP	L	18.4	3.4
9289	Enhancing Financial Sustainability of the Protected Area System	GEF-6	UNDP	Albania	BD	MSP	L	7.0	1.5
9314	Strengthening of Multisector and Decentralised Environmental Management and Coordination to Achieve the Objectives of the Rio Conventions in the Union of Comoros	GEF-6	UNDP	Comoros	MF	MSP	L	1.5	1.6
9329	Scaling up the SE4ALL Building Efficiency Accelerator (BEA)	GEF-6	UNEP	Global	CC	MSP	L	8.3	2.0
9354	Public Lighting Energy Efficiency Program: Public lighting replacement of low-efficiency VSAP bulbs with high-efficiency LEDs in Colombia	GEF-6	IDB	Colombia	CC	MSP	S	25.9	2.0
9359	Enabling Transboundary Cooperation and Integrated Water Resources Management in the Dniester River Basin	GEF-6	UNDP	Regional	IW	MSP	L	19.5	2.0
9567	Renewable Energy for the City of Marrakech's Bus Rapid Transit System	GEF-6	UNDP	Morocco	CC	MSP	H	56.2	1.4
9712	Complete HCFC Phase-out in Tajikistan through Promotion of Zero ODS Low GWP Energy Efficient Technologies	GEF-6	UNDP	Tajikistan	CW	MSP	L	5.8	1.6

GEF ID	Project title	GEF period	GEF Agency	Country	Focal area	Modality	Risk rating	Cofinancing	GEF grant
								Millions	
9720	Developing Organizational Capacity for Ecosystem Stewardship and Livelihoods in Caribbean Small-Scale Fisheries (StewardFish)	GEF-6	FAO	Regional	IW	MSP	L	7.1	1.8
9724	Phase out of Endosulfan in China	GEF-6	UNDP	China	CW	MSP	L	7.9	2.0
9741	Developing a Comprehensive Framework for Practical Implementation of the Nagoya Protocol	GEF-6	UNDP	Cambodia	BD	MSP	L	2.0	0.9
9795	Forest Resources Assessment and Monitoring to Strengthen Forest Knowledge Framework in Azerbaijan	GEF-6	FAO	Azerbaijan	MF	MSP	L	7.0	1.5
9807	Global Deployment of the Industrial Energy Efficiency Accelerator	GEF-6	UNIDO	Global	CC	MSP	L	6.8	2.0
9821	Support to Eligible Parties to Produce the Sixth National Report to the CBD (LAC)	GEF-6	UNDP	Regional	BD	MSP	L	1.4	2.0
9826	Support to Eligible Parties to Produce the Sixth National Report (6NR) to the CBD (Asia)	GEF-6	UNDP	Global	BD	MSP	L	2.1	2.0
9829	Support to Eligible Parties to Produce the Sixth National Report to the CBD (6NR - Mixed regions)	GEF-6	UNDP	Global	BD	MSP	L	1.8	2.0
9840	Support to Eligible Parties to Produce the Sixth National Report to the CBD (6NR - LAC-II)	GEF-6	UNDP	Global	BD	MSP	L	0.7	1.5
9931	Clean Rural Electrification for African Countries	GEF-6	UNDP	Regional	CC	MSP	M	0.6	1.0
9949	Setting the Foundations for Zero Net Loss of the Mangroves that Underpin Human Wellbeing in the North Brazil Shelf LME	GEF-6	CI	Regional	IW	MSP	L	0.8	0.6
9959	Long-term Financial Mechanism to Enhance Mediterranean MPA Management Effectiveness	GEF-6	CI	Regional	IW	MSP	L	9.7	0.9

Source: GEF Portal.

Note: GEF Agency: ADB = Asian Development Bank, CI = Conservation International, FAO = Food and Agriculture Organization of the United Nations, IDB = Inter-American Development Bank, UNDP = United Nations Development Programme, UNEP = United Nations Environment Programme, WB = World Bank, WWF-US = World Wildlife Fund-US; **focal area:** BD = biodiversity, CC = climate change, CW = chemicals and waste, IW = international waters, LD = land degradation, MF = multifocal; **modality:** FSP = full-size project, MSP = medium-size project; **risk rating:** L = low, M = medium, S = substantial, H = high.

Comparison of GEF Agency risk management practices

ADB	CI	EBRD	FAO	IDB	UNDP	UNEP	UNIDO	WB
Risk categories								
4 broad risk categories	5 overarching categories with 27 subcategories; environmental and social risks category A, B, C	9; operational and reputational risk is split into 12 subcategories; applies to project review, Operations Committee (OpsCom) process, and ongoing monitoring	5	17	8	9 for projects under implementation	2 main, with several subcategories (risk taxonomy)	9, including overall risk rating
Risk log for monitoring								
Risk Assessment and Risk Management Plan (RAMP)	Risk registry; internal audit reviews all CI projects every 2-3 years	Operational risk issues and incidents are logged in OpRisk system; risk and control self-assessments are conducted by department covering the main operational risk categories, rating for inherent/residual risk and control effectiveness	4 risk categories rated in risk log (PIRES) and updated when needed, every 6 months minimum; environmental and social risks are captured in project cycle management tool (FPMIS)	Risk monitoring process leads to at least two biannual updates of the Risk Matrix and Response Action Plan during the progress monitoring report cycles of March and September	Quantum for project risks linked with Quantum Plus for program risks PIMS+ for vertical fund-specific risks	Corporate risk register: impact, likelihood and level of internal control	Risk register or Accountability, Control, and Performance Monitoring System: UNIDO's ERM approach embeds risk into results-oriented decision-making to adjust objectives to business context and results it aims to achieve	Systematic Operations Risk-Rating Tool (SORT)
Risk rating scale								
4-point scale: low, medium, substantial, high	4-point scale; high, substantial, medium, low	Capital, leverage, liquidity, credit, and market risk are assessed on quantitative basis relative to a set of limits and thresholds; qualitative 4-point scale (high, moderate, low, very low) used to assess model, climate, operational, and reputational risk	4-point scale: <i>Impact</i> : high, medium high, medium low, low; <i>likelihood</i> : low, medium low, medium high, high	4-point scale: high, medium high, medium low, low	4-point scale: low, moderate, substantial, high	4-point scale: low, moderate, substantial, high	4-point scale: low, medium, substantial high (may differ in collaborations with other Agencies)	4-point scale: low, moderate, substantial, high

ADB	CI	EBRD	FAO	IDB	UNDP	UNEP	UNIDO	WB
Risk mitigation								
Ex ante risk assessment with mitigation measures	Safe-guards and a grievance mechanism; annual risk survey sent to managers to assess reputational risks	Part of the OpsCom process and conditions to build into the project to mitigate identified risks (i.e. credit)	Risk mitigation plan and mitigation measures at project level	Action plan is being developed for projects with at least high and medium high risk ratings; it includes mitigation measures, assigned resources, and triggers	Risk mitigation measures at project and program levels; high-risk projects receive enhanced senior management oversight; nationally implemented project risks are owned, managed, and monitored by country office with second layer oversight provided by regional bureaus and headquarters	Risk mitigation measures are being monitored	Risk mitigation options selected; risk ownership assigned to ensure risks are controlled, managed, and escalated appropriately within a predefined level of risk appetite and authority, respectively	Risk mitigation measures at project level
Risk alert/flag or escalation system in place to alert higher levels of oversight¹								
Monitoring and escalation set specifically for project and portfolio risks	High-risk projects receive additional resources for implementation and training, and are audited on an annual basis	High risks are escalated according to value to vice president, chief risk officer, executive committee, and board	High risks are escalated, flagging and escalating risks along the institutional hierarchy up to core leadership at headquarters	Quality and risk review meeting held to discuss—among other things—the risk matrix and response plan. A summary of risks is included in documents that are approved by the Operations Policy Committee and the Board. During execution, high and medium high risks are flagged in the Progress Monitoring Report system. There is no formal escalation protocol.	A time-bound and performance-based risk alert system and escalation of risks via PIMS+ for vertical fund-specific risks	Projects with higher risk scores (at implementation) are flagged for higher-level of managerial oversight	A risk escalation process is in place; the strategic planning scope process identifies red flags and/or “black swans” that affect the organization, a program, or a project	High-risk projects are flagged in the Implementation Status and Results Report system

ADB	CI	EBRD	FAO	IDB	UNDP	UNEP	UNIDO	WB
Risk management framework								
Capital adequacy framework, latest version approved in 2023, individual risk policies in place, ERM framework to be finalized in 2024	Applies Committee of Sponsoring Organizations of the Treadway Commission (COSO) risk management guidelines	Framework consists of a set of more than 30 policies and procedures covering credit approval and review process, credit risk measurement and mitigation, model validation process, management of liquidity risk, etc.; the policies and procedures are tied to an overarching enterprisewide risk management document	Corporate risk management framework exists; risk management policy from 2013 currently being updated	Project Risk management framework approved in 2020 (effective since January 2021)	ERM framework defined in 2021	ERM is aligned with UN Secretariat Enterprise Risk Management and Internal Control	ERM policy from January 2021	ERM framework defined in 2019
Risk ownership								
Owned by first line of defense	Audit and risk committee sets tone and expectations for risk management and reports to management and the Board	Risk owned by department heads, ExCom owns the risk appetite, operational risks owned by relevant managing directors	FAO Director-General, core leadership team, Office of Strategy, Programme and Budget, and ERM team	Decentralized organization: project team leader identifies and owns risk at project preparation stage; executing agency manages project risks during implementation, under the supervision of the project team leader	Escalation from UNDP project assurance function in each project to resident representative to regional and central bureaus to Risk Committee	Chief Operations and Risk Management Unit	Director General establishes risk governance structure with delegation of authority and a risk-based escalation process; Office of Special Advisor on Risk Management informs Board about risks	For projects/development outcomes, there is collective ownership on project teams with primary responsibility resting with specific stakeholders depending on nature of the risk: safeguard specialists for environmental and social risks, procurement specialists for procurement risks; Chief Risk Officer at corporate level

ADB	CI	EBRD	FAO	IDB	UNDP	UNEP	UNIDO	WB
Three lines of defense								
Three lines of defense	Three lines of defense with internal audit being the third line.	Three lines of defense (strong second line—risk management)	Office of the Inspector General Internal Audit services established a three lines of defense model in 2016 with functions overseeing risk as the second line of defense	Three lines of defense with a weak second line (Strategic Planning Unit & Operational Risk Management Unit)	Three lines of defense; strong second line of defense (fire wall between project design and implementation)	Third: Audit and oversight committees (OIOS and Board of Auditors); second: ERM team; first: Divisional and multilateral environmental agreement risk focal points	Three lines of defense, with independent assurance as third line	Three lines of defense: Operations, ² Operations Policy and Country Services, Internal Audit (Group Internal Audit Department); weak second line of defense
Risk appetite statement								
Protect ADB's AAA rating; ADB increased its risk appetite in September 2023 by introducing reforms to its Capital Adequacy Framework; reforms expand the Bank's annual new commitments capacity to more than \$36 billion—an increase of approximately \$10 billion, or about 40%	In the process of developing a risk appetite statement as an aspirational document	Risk appetite statement at Bank level for a total of 9 risk types (operational and reputational risk broken into 12 subcategories)	No risk appetite statement	No risk appetite statement	Risk appetite statement from 2021 defines risk appetite for 8 risk categories rated by 5-point scale	No plans for a risk appetite statement	Accepts maximum of risk; risk appetite statements are developed by management at the department level during program and budget planning cycle	Risk appetite statement from 2021 set at substantial (and high for FCV countries)

ADB	CI	EBRD	FAO	IDB	UNDP	UNEP	UNIDO	WB
Risk tolerance								
Each government's risk appetite will be unique and will vary according to several variables (Bhatta 2008)	Not doing anything is greatest risk CI faces	Manages its business to avoid excessive losses and depletion of capital in a stressed economic environment; in particular, EBRD wishes to retain its AAA rating with a high degree of probability and does not wish to be forced to substantially revise its business plan due to a normal cyclical downturn	Low risk tolerance because of a lack of funding for project supervision from external sources	Rather risk adverse; delegates innovation to IDB Lab, hoping that innovation will over time influence the rest of the portfolio	Each of the 8 categories has a defined risk tolerance	Room for Agency interpretation	Margins of risk tolerance exist within risk appetite of UNIDO's management	10% risk tolerance ³
Capacity assessment tool								
Country risk assessment conducted every 2 years; stakeholder analysis conducted for each project	Assessment tool is at the draft stage and will be piloted in FY24	The Bank conducts annual Bank-wide stress tests as one of its key tools to assess its risk capacity; country policy and institutional assessments, conducted for International Development Association (IDA) countries	Harmonized Approach to Cash Transfers (HACT) assessment of executing partners (fiduciary); survey tool to identify operational partners' technical capacity development opportunities; tool to assess capacity of FAO country offices under development	Institutional capacity assessment platform used to assess capacities of executing agency during preparation of any sovereign guaranteed loan.	Tool to assess capacity of implementing partners (i.e., GEF executing agencies), corporate tool to assess capacities of country offices, other tools to assess partnerships with private sector and financial capacities of project partners	Institutional assessments of capacity gaps and priorities of Government institutions	SWOT (strength, weaknesses, opportunities, and threats) analyses carried out to assess organization's capabilities	Country policy and institutional assessment conducted annually
Risk culture								
Cautiously embracing more risk-taking recently (see risk appetite statement)	Considers itself a brave organization, embracing risks while trying to find scientific and technical answers to climate change and conservation	Prudent risk management practices	Mostly risk averse	Rather risk averse	Risk embracing depending on category of risk; risk awareness through trainings; risk escalation; clear communication from the top	Risk embracing, work in FCV countries; risk awareness through trainings; risk assessment through interviews with managers	The DG sets the tone at the top through good governance, implementation of the ERM policy, and by ensuring ethical values, behaviors, and risk awareness	Risk averse

ADB	CI	EBRD	FAO	IDB	UNDP	UNEP	UNIDO	WB
Risk category names								
Fragile and conflict-affected situations might include political instability, weak governance, economic insecurity, domestic or international conflict, ethnic tensions, and vulnerability to natural hazards ⁴	Overarching categories: (1) operational risk, (2) implementation risk, and (3) strategic risks; country-level risks; rated annually	Capital; leverage; liquidity; credit; market; model; climate; operational and reputational risk Operational and reputational risk is split into 12 subcategories: reputation; business resilience; change management; fraud and conduct; human resources and skills (people); information security including cyber; legal; physical security and health and safety; product; process; technology; vendor/third party	Strategic; operational; fiduciary; financial; environmental and social	Context: political, economic, institutional, legal, natural, social Agency: organizational structure, process, system; human resources; assets; integrity Project: technical design, planning, sustainability, safeguards, governance	Social and environmental; financial	Environment and social; socioeconomic development; reputational; fiduciary and capacity to deliver; management and governance structures; budget and implementation schedule; financial management; reporting	External context: social, cultural, environmental Internal context: strategic objectives, values, internal rules, standards, resources available, business processes, organizational culture, capacities and relationships among internal stakeholders; microlevel cost-benefit analysis	Environment and social; political and governance; macroeconomic; sector policies; technical design; institutional capacity; fiduciary; stakeholder; other; overall risk

Source: Interviews with selected GEF Agencies.

Note: ADB = Asian Development Bank; CI = Conservation International; EBRD = European Bank for Reconstruction and Development; ERM = enterprise risk management; FAO = Food and Agriculture Organization of the United Nations; FCV = fragility, conflict, and violence; IDB = Inter-American Development Bank; UNDP = United Nations Development Programme; UNEP = United Nations Environment Programme; WB = World Bank.

¹ “Monitoring reports at the project/activity level are provided to a project/activity manager as well as to an appropriately higher level of managerial oversight within the organization so that mid-course corrections can be made, if necessary. Monitoring reports at the entity/portfolio level are provided to both project/activity managers and to an appropriately higher level of oversight within the organization so that broader portfolio trends are identified, and corresponding policy changes can be considered.

“A process or system, such as a project-at-risk system, is in place to flag when a project has developed problems that may interfere with the achievement of its objectives, and to respond accordingly to redress the problem” (GEF 2019c, 21).

² Within operations alone, there are multiple accountabilities. Implementation status and results reports (ISRs), where risks are recorded, are first cleared by practice managers in the Global Practices after which they are sent to the country management units in the regions for final approval. Regional development effectiveness units in the regions can also step in to provide quality assurance for high-risk operations if warranted.

³ The 10% risk tolerance band is for the overall portfolio (versus fragile and conflict-affected states). Note that the World Bank has exceeded that band several times without taking extraordinary action—which reflects a general tolerance for informed risk-taking in the interest of achieving development outcomes.

⁴ “The circumstances in FCAS [fragile and conflict-affected situations] require a different approach. There is no one-size-fits-all solution in FCAS, wherein standard business processes can be challenged by the need for flexibility and customized solutions” (ADB 2014, 1).

References

All URLs were checked before publication.

- ADB (Asian Development Bank). 2014. "[Customized Risk Management Framework](#)." Publication Stock No. ARM146734-2.
- Beasley, Mark S., Beasley, Bruce C. Branson, and Bonnie V. Hancock. 2010. "[Developing Key Risk Indicators to Strengthen Enterprise Risk Management. How Key Risk Indicators Can Sharpen Focus on Emerging Risks](#)." Research commissioned by Committee of Sponsoring Organizations of the Treadway Commission.
- Bhatta. Gambhir. 2008. "[Public Sector Governance and Risks: A Proposed Methodology to Do Risk Assessments at the Program Level](#)." Asian Development Bank, Mandaluyong City, Philippines.
- Crouhy, Michel, Dan Galai, and Robert Mark. 2006. *The Essentials of Risk Management: The Definitive Guide for the Non-Risk Professional*. McGraw-Hill Education.
- GEF (Global Environment Facility). 2019a. "[Policy on Environmental and Social Safeguards](#)." SD/PL/03. GEF, Washington, DC.
- GEF (Global Environment Facility). 2019b. "[Policy on Monitoring](#)." ME/PL/03. GEF, Washington, DC.
- GEF (Global Environment Facility). 2019c. "[Updated Policy on Minimum Fiduciary Standards](#)." GEF/C.57/04/Rev.02 GEF, Washington, DC.
- GEF (Global Environment Facility). 2022. "[The GEF Monitoring Report 2022](#)." GEF/C.63/03. GEF, Washington, DC.
- GEF (Global Environment Facility). 2024a. "[GEF Risk Appetite](#)." GEF/C.66/13. GEF, Washington, DC.
- GEF (Global Environment Facility). 2024b. "[Streamlining the GEF Project Cycle](#)." GEF/C.66/08/Rev.03 February 7, 2024. GEF, Washington, DC.
- GEF IEO (Global Environment Facility Independent Evaluation Office). 2017. "[Evaluation of GEF Engagement with the Private Sector](#)." Evaluation Report No. 111. Washington, DC: GEF IEO.
- GEF IEO (Global Environment Facility Independent Evaluation Office). 2018. "[Evaluation of the GEF's System for Transparent Allocation of Resources](#)." Evaluation Report No. 130. Washington, DC: GEF IEO.
- GEF IEO (Global Environment Facility Independent Evaluation Office). 2021a. "[GEF Annual Performance Report 2021](#)." Evaluation Report No. 155. Washington, DC: GEF IEO.
- GEF IEO (Global Environment Facility Independent Evaluation Office). 2021b. "[GEF Support to Innovation: Findings and Lessons](#)." GEF/C.60/02. GEF IEO, Washington, DC.
- GEF IEO (Global Environment Facility Independent Evaluation Office). 2022. "[Seventh Comprehensive Evaluation of the GEF: Working Toward a Greener Global Recovery](#)." Washington, DC: GEF IEO.
- GEF IEO (Global Environment Facility Independent Evaluation Office). 2024a. "[Assessing Portfolio-Level Risk: A Concept Note](#)." GEF IEO, Washington, DC.
- GEF IEO (Global Environment Facility Independent Evaluation Office). 2024b. "[GEF Support in Fragile and Conflict-Affected Situations](#)." Evaluation Report No. 151. Washington, DC: GEF IEO.
- GEF IEO (Global Environment Facility Independent Evaluation Office). 2025. "[Learning from Challenges in GEF Projects](#)." Evaluation Report No. 166. Washington, DC: GEF IEO.
- GEF STAP (Global Environment Facility Scientific and Technical Advisory Panel). 2018. "[Innovation and the GEF: A STAP Document](#)." GEF/STAP/C.55/Inf.03. GEF, Washington, DC.
- Glaser, B.G., and A.L. Strauss. 1967. *The Discovery of Grounded Theory. Strategies for Qualitative Research*. Chicago: Aldine.

- Hanson, Jonathan K., and Rachel Sigman. 2021. "Leviathan's Latent Dimensions: Measuring State Capacity for Comparative Political Research." *Journal of Politics* 83 (4).
- Harbom, Lotta, and Peter Wallensteen. 2008. "[Appendix 2A. Patterns of Major Armed Conflicts, 1998–2007.](#)" In *SIPRI Yearbook 2008: Armaments, Disarmament and International Security*, 72–83. Stockholm: Stockholm International Peace Research Institute.
- Kaiser, Thomas, 2016. "[Managing non-financial risks: A new focus area for executive and non-executive board members.](#)" *Journal of Risk Management in Financial Institutions* 9 (1): 53–58.
- Martens, Frank and Larry Rittenberg. 2020. "[Risk Appetite Critical to Success. Using Risk Appetite to Thrive in a Changing World.](#)" Research commissioned by Committee of Sponsoring Organizations of the Treadway Commission.
- Rittenberg, Larry Rittenberg and Frank Martens. 2012. "[Enterprise Risk Management. Understanding and Communicating Risk Appetite.](#)" Research commissioned by Committee of Sponsoring Organizations of the Treadway Commission.
- UNDP (United Nations Development Programme). 2021. "[Performance Audit of UNDP Enterprise Risk Management.](#)" Report No. 2319.
- World Bank. 2019. "Risk Appetite Framework for Development Outcome Risk." Joint CODE/Audit Committee Meeting.
- World Bank. 2023. "Bank Directive: Enterprise Risk Management Framework." MDC1.01-DIR.136. World Bank, Washington, DC.

The Independent Evaluation Office (IEO) of the Global Environment Facility (GEF) was established by the GEF Council in July 2003. The Office is independent from GEF policy making and its delivery and management of assistance.

The Office undertakes independent evaluations at the strategic level. These evaluations typically focus on cross-cutting themes, such as focal area-wide topics or integrated approaches to delivering global environmental benefits. The IEO presents a GEF-wide annual performance report and also undertakes institutional evaluations, such as assessing GEF governance, policies, and strategies. The Office's work culminates in a quadrennial comprehensive evaluation of the GEF.

The Office cooperates with professional evaluation networks on developing evaluation approaches, setting standards, and delivering training—particularly with regard to environmental evaluation and evaluation at the interface of environment and socioeconomic development. We also collaborate with the broader global environmental community to ensure that we stay on the cutting edge of emerging and innovative methodologies.

To date, the Office has produced over 160 evaluation reports; explore these on our website: www.gefio.org/evaluations.

Independent Evaluation Office, Global Environment Facility
1818 H Street, NW • Washington, DC 20433, USA
www.gefio.org

 @gefio  @gefio

