Pathways towards GEF SGP 2.0 in GEF-8 and beyond

**Facilitating a consultative stocktaking process to inform and build consensus around a longer-term vision for the GEF SGP Corporate Program in GEF-8 and beyond.**

**Concept Note: *Draft, December 2021***

*Following the discussion and decision made in the SGP Steering Committee in April 2021, in response to the Third joint Evaluation of the SGP, this draft concept note is the result of informal collaborative discussions among GEF Secretariat, UNDP, and SGP CPMT staff. It has been further updated to reflect/align with GEF proposals submitted in subsequent GEF-8 replenishment meetings.*

1. **INTRODUCTION**

The GEF SGP Corporate Program has played, during the last 30 years, an important role supporting local actions and civil society actors to influence and deliver on national and global sustainable development and environmental goals and commitments. A lot has changed, however, since its establishment in 1992. Not only have civil society organizations and their roles evolved, but the threats from climate change, biodiversity loss, chemical pollution, and pressure on forests, oceans, landscapes, and wildlife are increasingly impacting development prospects for local communities and their livelihoods. Just in the last two years, for example, the impact of the COVID-19 pandemic has dramatically changed the context and opportunities for local communities and vulnerable populations around the world.

As the GEF Partnership is refining its ambition and strategic approach in GEF-8 and beyond, the GEF Small Grant Program (SGP) will need to build on past successes while finding new and innovative ways to catalyze and mobilize the needed civil society engagement, action and innovations to support pathways towards a green recovery. Local actions supported by civil society actors, through the GEF SGP Corporate Program, and by other GEF financed projects and programs, will have to play an increasing role to help deliver on GEF’s ambition to contribute to a green and blue recovery and a healthier, more productive and resilient planet. As the GEF is seeking to increase the ambition, scale and scope of the GEF SGP Corporate Program in GEF-8 and beyond, it is very timely for the GEF to facilitate a consultative stocktaking process to reappraise the almost 30 years of programming and initiate a consultative process to inform the broader GEF SGP ambition as well as key modalities of the GEF SGP moving forward.

This effort is in line with the Third Joint Evaluation of the GEF Small Grant Programme (2021)[[1]](#footnote-1) that recommended that: “***the SGP should conduct a consultative process towards the formulation of an updated long-term vision for the SGP****”[[2]](#footnote-2).* Further in line with the findings, conclusions, and recommendation of the Joint Evaluation, the GEF’s expectation is that this process will allow the GEF to consult across the GEF Partnership to inform and guide efforts of the SGP to inform and support the GEF’s increased ambition moving into GEF-8 and beyond.

As reflected in the respective management responses to the Third Joint Evaluation, the GEF Secretariat[[3]](#footnote-3) and UNDP committed to initiate a consultative process towards the formulation of a longer-term vision for the GEF SGP to serve as a guiding framework for policy decisions through future GEF cycles. Also responding to the Evaluation, the GEF and UNDP further committed to review and recalibrate a number of modalities, including the SGP Upgrading Policy.

GEF submitted an ambitious proposal for the GEF SGP in GEF-8 to the 2nd Replenishment meeting in September 2021. It outlined GEF’s ambition to increase the scale and scope of financing for civil society and elevating the GEF SGP Corporate Program as the premier GEF grant mechanism and platform for civil society and local communities for the global environment. The proposal further outlined that this would be delivered by strengthening existing mechanisms and introducing/piloting new modalities, including:

* Continued and increased resource allocation for the existing SGP, implemented by UNDP. Recalibrations of key SGP modalities were also proposed including the SGP upgrading policy as well as extending the SGP universal access/opportunity.
* Establishing a dedicated CSO Initiative that would allow more GEF Agencies accessing GEF SGP financing to channel resources to civil society organizations and actors to support, engage and leverage their important role in the delivery of proposed Integrated Programs in GEF-8, incorporating two distinct but interlinked components, including (i) a CSO Challenge Program and (ii) a MSME Pilot.

This proposal was received positively by replenishment participants during the 2nd replenishment meeting, including strong support for opening up GEF SGP financing to other Agencies.

1. **SCOPE**

The consultative process is expected to reappraise GEF’s vision for the SGP in order to expand its purpose and potential for impact. As such it will seek to explore and solicit input on the ambition, ways and means to expand the scale and scope of the GEF SGP Corporate Program moving into GEF8 and beyond. There are conceptual and concrete overlaps relating to GEF’s ambition to maximize the contribution of local actions, civil society to support the GEF ambition in GEF-8 and Beyond [[4]](#footnote-4) and (i) formulating a longer-term vision for SGP; (ii) recalibrating SGP modalities; and (iii) introducing new SGP models. As such, it is suggested that the scope of this exercise should leverage stakeholder consultations to cover a set of separate but complementary issues, including:

* Models to expand the GEF SGP model, including opportunities for other GEF Agencies to access financing from the GEF SGP Corporate Program.
* Strategic initiatives and cross-cutting priorities for SGP and opportunities/means to further link GEF SGP financing to support the delivery of GEF broader strategy and integrated programs.
* Recalibrations of SGP modalities and governance models, implemented by UNDP.

It will also take into account emerging roles and functions of CSOs linked to the delivery of GEF evolving ambition in GEF-8 and beyond including the proposed Integrated Program.

Early findings of the stocktaking and consultative exercise are expected to be incorporated in the forthcoming GEF-8 SGP Implementation Arrangements. It is important to note, however, that it is not does not expect that the findings of the longer-term visioning process will be immediately reflected in the GEF-8 Replenishment documents, but that the findings rather will help guide a gradual convergence around an expanded and transitional shift of the GEF SGP Corporate Program over GEF-8 towards GEF-9.

1. **PROCESS**

As was recommended to both GEF and UNDP in the Joint Evaluation, the process to develop a longer-term vision of the SGP should be highly participatory and inclusive. The evaluation recommended that the process should “*be inclusive of upgraded countries, countries participating in the SGP global programme, GEF Council and UNDP, and the final vision should be adopted by the GEF Council/Assembly*”. The strategic recommendation (1) of the Third Joint evaluation, further stressed that the purpose would be to “*ensure that the vision, mission and mandate of the SGP are clear and consensual and serve as a guiding framework for policy decisions through future GEF periods*”.

Further, considering that the GEF SGP is a community-driven and country-led programme, it was agreed at the SGP Steering Committee (April 2021) that it would be important for the GEF Secretariat, UNDP, and CPMT to ensure a consultative process that adequately engages all relevant actors from all SGP participating countries including upgraded countries together with other stakeholders including government representatives as well as civil society organizations. This is especially important given that a longer-term vision is not only expected to inform the GEF SGP Implementation Arrangements for GEF-8 but also serve as a broader guiding framework for the GEF SGP Corporate Program in future GEF replenishment periods.

In line with the conclusions and recommendations of the Evaluation, the consultative process of developing a longer-term vision of the SGP will therefore include, among others, representatives from recipient countries, grantees, GEF STAP, GEF Agencies, GEF CSO Network and other CSOs, and a number of interested Council members. This process is proposed to be facilitated by an experienced consultant who would be hired by the GEF Secretariat and lead a highly consultative processes among the partners. The roles and responsibilities of the different partners and stakeholders will be discussed and clarified as the TOR for the consultant is being developed.

The process will include:

1. **A Rapid stocktaking of the past 25+ years of SGP Programming.** The Evaluation recommended that the process of developing a longer-term vision should include a stocktaking of 30 years of SGP programming. It is proposed that the initial step could include a rapid desktop review of the past and current SGP modalities, approaches and strategies (including governance, grantmaking, other essential program services such as capacity development, knowledge sharing and communication, monitoring and evaluation, technical assistance, etc.) as well as a brief assessment of the changing context of civil society actors as well as other similar grant mechanisms to civil society organizations. It is envisaged that the finding of this review would help support and guide a broader discussion/consultation with GEF Partners.
2. **Facilitation of a consultative process to help to further inform and build broad consensus around a longer-term vision for the GEF SGP 2.0**. The consultations would build on the proposed GEF SGP proposal for GEF-8 and the early findings of the consultative exercise. In line with the recommendation of the Evaluation, the process will be inclusive and include a series of dialogues and consultations from country to global levels, including:
3. **Country and constituency dialogues and consultations.** These consultations may besupported by the GEF Country Support Program and include surveys or other means to consult country level stakeholders including UNDP SGP National Steering Committee and National Coordinators, CSO networks and representatives, GEF OFPs, private sector representatives, GEF implementing and executing agencies and other key stakeholders. The consultations would seek to solicit feedback on the proposed GEF SGP 2.0 vision, important CSO roles and functions, SGP governance modalities as well as pathways for more effectively scaling up (e.g., national program/policy linkages), operational links with GEF projects and programs, leveraging knowledge sharing and replication, capacity development needs etc.
4. **Targeted global level technical dialogues and consultations** bringing together selected country representatives, thought leaders and renown experts (in addition to the GEF, UNDP, GEF Agencies, CSOs and other key stakeholders). These global workshop(s) may include a series of deep dive meetings on specific topics (e.g., the SGP 2.0 vision and model, governance modalities, upscaling/resource mobilization, operational modalities/mechanism, etc.). These dialogues and consultations will complement the consolidated inputs and feedback received from the country level stakeholders to help provide additional technical and global with the overall outcome of formulating a coherent vision and ambition for the GEF SGP corporate program.
5. **OUTPUT**

This process is envisaged to be an ongoing activity and learning opportunity with explicit outputs to inform specific decision points and processes leading up to GEF-8 and beyond. While, it is expected that some early findings of the consultative stocktaking exercise will be incorporated in the planned SGP Implementation Arrangements for GEF-8, it is not expected that the findings of the longer-term visioning process will be immediately reflected in the GEF-8 implementation arrangements. The findings of this exercise rather will help guide a gradual expansion and transitional shift of the GEF SGP Corporate Program over GEF-8 towards GEF-9.

It is envisaged that that process may culminate in a paper that articulates a common vision, mandate and governance modality guiding the GEF SGP ambition and strategy in GEF-9 and beyond, including further clarity on the SGP theory of change, illustrating how a desired change is expected to happen through GEF SGP’s financing and interventions This paper would initially be presented and discussed with the SGP Steering Committee and then potentially shared with the GEF Council in December 2021.

1. **TIMELINE**

**July-Aug 2021: D**evelop draft concept note for the SGP long term vision exercise(outlined in this concept note)

**Oct-Dec 2021:** **Review and reach agreement on the scope and process of the longer-term visioning process and consultation** among the GEF Leadership team, UNDP and the SGP Steering Committee

**Jan 2022: Recruitment of a consultant by GEF Secretariat**

**Feb-March 2022: Initiate a rapid stocktaking exercise** **and country level dialogues and targeted technical consultations** with key constituencies

**April-May 2022:** Incorporate early findings of the stocktaking and consultative process into the GEF-8 SGP Implementation Arrangement document

**June 2020: GEF-8 SGP Implementation Arrangement document** reviewed and approved by the GEF Council in June 2022.

**July-Aug 2022: Continue organization of country and global levels consultations and dialogues**

**Sept-Oct 2022:** **Compile feedback and input and draft a first summary note.** Organize discussions with the SGP Steering Committee members and other key stakeholders around the initial findings of the stocktaking/consultative process on the longer-term vision of the GEF SGP.

**Nov- Dec 2022:** **Prepare a summary note of the SGP consultative exercise visioning process** (potentially to be shared with the GEF Council), including important entry points for learning and additional consultations throughout GEF-8 leading up GEF-9.

1. GEF/E/C.60/01: <https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.E_C60_01_Third_Joint_GEF-UNDP_Evaluation_of_the_Small_Grants_Programme.pdf> [↑](#footnote-ref-1)
2. The Joint evaluation concluded that *“This process should begin by taking stock of the past 25+ years of programming and should serve to inform future replenishment discussions. The process should be inclusive of*  [↑](#footnote-ref-2)
3. GEF/E/C.60/09: <https://www.thegef.org/sites/default/files/council-meeting-documents/SGP%20Management%20Response.pdf> [↑](#footnote-ref-3)
4. :https://www.thegef.org/sites/default/files/council-meeting-documents/GEF-8%20Programming%20Directions\_0.pdf ( Page 210 – 227\_ [↑](#footnote-ref-4)