

GEF CSO Network Statement on Agenda 02 : <u>Work Program for GEF Trust Fund</u> 69th GEF Council, June 2025

The GEF CSO Network welcomes the proposed Work Program for the GEF Trust Fund. The Work Program requests \$175 million of project financing, representing 3.8% of the total GEF 8 amount and bringing utilisation to 75% of GEF 8 target.

We are very positive to note the proposed *SGP Microfinance Initiative for Locally Led Action* which will support action in 7 countries with GEF funds of \$9 million and nearly \$1.5 billion in Co-finance through the World Bank. The program aims to strengthen the ecosystem for microfinance and improve global knowledge and implementation of microfinance in locally-led environmental actions and will prioritize youth, women, and Indigenous Peoples as its primary beneficiaries.

However, we would like to seek clarity on the following issues:

a) There is no information in the Programme Framework Document on the specific planned linkage and synergy to the overall SGP program. There is no information on the current and planned SGP activities in the targeted countries or how the Micro-finance Initiative will link with and support the ongoing global and country level SGP programs.

b) The targeted Global Environment Benefits (GEBs) does not match the scale of resources allocated with only about 14,000ha of restoration and improved habitat management and 317,000 tCO2 mitigation targeted despite a \$1.5 billion budget and target of 4.4 million beneficiaries. We recognize that this may be due to the early stage of targeting the microfinance - but this needs to be developed in more detail during the design process, before CEO endorsement to ensure the GEBs are commensurate with the financing.

With regard to the project *Spatial-based Natural Forest Planning and Governance for Robust Ecosystems (SPARE)* in Indonesia - we welcome the focus on enhancing forest planning and governance and note the priority mentioned in the PIF for participatory approaches. However, in the stakeholder engagement section - we note that CSOs and IPLCs are lumped in the same stakeholder category as GEF agencies and from other information given there does not appear to have been any prior consultation with IPLCs or CSOs in the targeted provinces and landscapes.

On gender and social inclusion, the Network supports the strong emphasis on gender in most projects in the Work Program. However the consideration of youth, Indigenous Peoples and Local communities and CSOs appear to have been given lesser consideration in the projects in the Work Program. We also encourage effective engagement of CSOs in the project design (PPG) stage and the appointment of representatives for CSO and IPLCs in the respective project steering committees.

Finally, we note that 25% of the GEF 8 budget remains to be programmed with only one year remaining. We urge all GEF donors with outstanding contributions to expedite their payments and for GEF recipients

and agencies to finalise and submit proposals for the remaining funds. We urge that emphasis is given to projects that address the Whole of Society and whole of Government Approach.

As we reflect on this GEF 8 Work program at this meeting, we need to also think of the future financing needs of the GEF and in particular the GEF 9 replenishment. We need all the GEF donors to meet their commitments to scale-up their funding which have been made under GEF-related Multilateral Environmental Agreements. Parties to CBD have agreed to double their financing for Biodiversity by 2030 and so should be doubling their GEF contributions for biodiversity. Similarly, Parties to UNFCCC have agreed to triple the resources to address climate change by 2030. In addition, we need more recipient countries to also become GEF donors and contribute to the common vision to safeguard our planet.

Following the meeting, we will submit additional written comments on selected projects in the Work Program