



**GEF CSO Network Statement**  
**Agenda item 8: Co-Financing policy**  
**46<sup>th</sup> GEF Council Meeting, Cancun, Mexico**

The GEF CSO Network welcomes the proposed revision of the GEF Co-financing Policy. CSOs see co-financing as an important way to enhance the available resources to complement GEF funding and address serious environmental management issues.

The earlier rigid requirements for co-financing have acted as a serious barrier for engagement of civil society in GEF projects and programmes. Co-financing has also been a constraint for countries including Least Developed Countries, Small Island Developing States and other developing countries - that lack adequate financial resources to implement necessary measures to address the global environment.

While the paper highlights co-financing from Governments, private sector and bilateral donors – it should be recognized that CSOs have historically been one of the most important contributors or facilitators of GEF co-finance having contributed or leveraged more than \$2billion for GEF projects over the past 20 years. However CSOs, particularly in recipient countries, often do not have predictable funding sources and so are often unable to guarantee co-finance significantly before the start of the project..

We therefore support the more flexible definition of co-financing as in paragraph 3 and the proposal that co-financing secured or mobilized during the implementation can also be included in the project co-financing. However we would request that footnote 14 be amended to include Civil society organisations as well as private sector entities and project beneficiaries. Projects or project components to support the engagement of civil society often require provision of co-finance from the participating CSOs which can only be confirmed during implementation. We believe however that this can generally be predicted in advance and included in the design of the project.

We are happy to see the statement in paragraph 8 that the secretariat will not impose minimum thresholds in the review of specific projects. From our experience it is very difficult to secure up-front co-financing commitments for CSO-led projects focusing on CSO capacity building, policy advocacy and public and community engagement and awareness. These projects may lead to important systemic changes at national and local level with positive results and may leverage significant long-term contributions and benefits.

With regard to the private sector we welcome engagement and co-financing from for the private sector - provided that this does not undermine the participation of civil society or give large companies inequitable advantages compared to local communities and other stakeholders in accessing GEF resources or obtaining control over natural resources or traditional and indigenous knowledge. This should be addressed through effective monitoring and evaluation.