

ODA Programme Annual Review

Title: Global Biodiversity Framework Fund		
Programme Value £ (full life): £55m		Review date: June 2025
Programme Code: GB-GOV-7-GBF Fund Investment	Start date: March 2024	End date: March 2030

Summary of Programme Performance

Year	2024/25			
Overall Output Score	B			
Risk Rating	Medium			

DevTracker Link to Business Case:	<a href="#">Business Case</a>
DevTracker Link to results framework:	<a href="#">Logical Framework</a>

A. SUMMARY AND OVERVIEW

A1. Description of programme

The Global Biodiversity Framework (GBF) Fund was launched in 2024 to support delivery of the Kunming-Montreal Global Biodiversity Framework. It provides grant funding in up to 143 ODA-eligible countries for biodiversity projects that aim to halt and reverse biodiversity loss. The GBF Fund is administered by the Global Environment Facility (GEF) - the principal multilateral climate and environment fund supporting developing countries in tackling major environmental problems - and focuses finance to countries with high levels of biodiversity and those with the greatest need or least capacity.

The GBF Fund is governed by the GBF Fund Council, with the UK (FCDO) occupying one of the 32 Council Member seats. Defra undertake all the programme and financial management and has provided the UK’s £55m financial contribution, making the UK the third largest contributor.

This Annual Review was conducted by the GBF Fund Programme Team using project level data provided by the GEF to report against outcome and output indicators. Supplementary information was obtained from publicly available GBF Fund Council papers and project documentation available via the GEF Project Portal.

A2. Summary supporting narrative for the overall score in this review

The GBF Fund was established less than nine months after the request by Parties to UN Convention on Biological Diversity (CBD) Fifteenth Conference of the Parties (COP15) in December 2022. The GEF Secretariat acted quickly and effectively to establish the GBF Fund at pace and have successfully piloted new processes within the GEF to minimise delays in programming and project approval. This first annual review for the UK’s contribution to the GBF Fund covers establishment of the GBF Fund in February 2024 through its first full year of operation until June 2025. Since launching, a total funding pot of \$210m has been made available under the GBF Fund for project financing, with around \$200m being provisionally allocated to successful project proposals. The annual review covers the seven projects within that total to date that have received final approval and are commencing implementation, representing \$66.2m of GEF investment.

**Overall, evidence suggests that progress at the start of the GBF Fund has been mixed, the pipeline is strong, but the GBF Fund but has not yet reached its full potential.** GBF Fund projects report project outputs against the ten core indicators of the GEF Trust Fund. In total, six of these indicators are relevant to and reported against by the seven approved GBF Fund projects within scope of this annual review. An additional four indicators monitor portfolio-level investment or operational targets, which are aggregated at a portfolio level. Of the six project indicators, only one indicator achieved the target milestone. At a portfolio level, only one indicator achieved the anticipated milestone.

Although most indicators show less progress than anticipated, the GBF Fund has only given final approval to projects representing 32% (\$66.2m) of the total funding pot available (\$210m). Whereas the indicator milestones assume a 100% funding distribution. The current pipeline of projects is very strong, and at the current rate of outputs per project, four of the six indicators are expected to reach the anticipated milestone once the remaining funding is allocated. At a portfolio level, the sample of approved projects is anticipated to increase from seven to 40 with a wider variety of projects in the pipeline of which is likely to increase the percentage of projects delivered by International Finance Institutions and the value of funding going to Least Developed Countries (LDC) and Small Island Developing States (SIDS).

**A3. Major lessons and recommendations for the year ahead**

Recommendation	Owner	Timescale
UK team to support the development of the GBF Fund Results Framework to reflect both the recently agreed GBF Monitoring Framework and the need to monitor actions to address poverty.	Defra	December 2025
UK team to update the milestones in the logframe to reflect the anticipated changes in programme funding	Defra	June 2026
UK team should monitor the funding allocated to projects to ensure that the pipeline of projects is receiving approval, and that portfolio level targets can be met. The UK should consider actions to support the GEF Secretariat in achieving the targets, including through resource mobilisation efforts.	GEF and Defra	December 2025
UK team to consider whether the current set of indicators measured in the logframe remain fit for purpose and, if needed, revise the logframe and indicators used for the next annual review.	Defra	June 2026

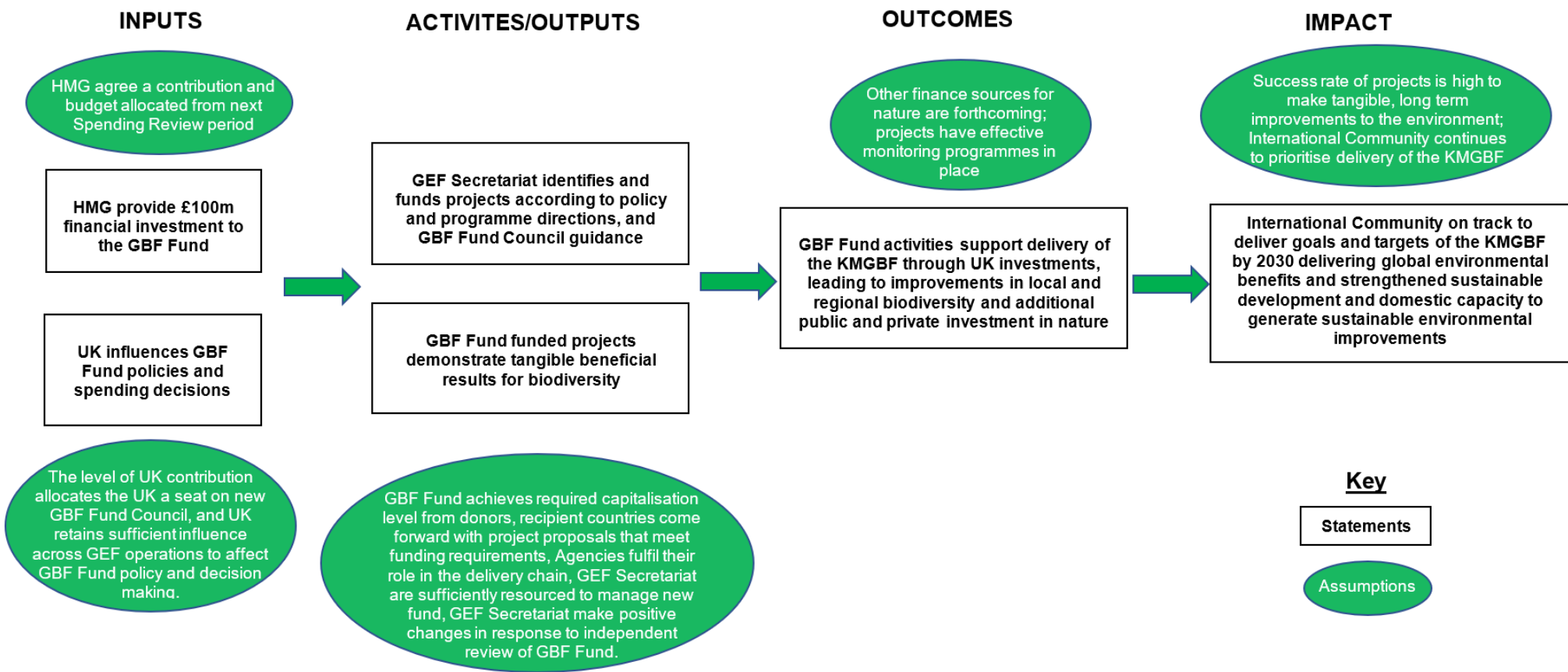
**B: THEORY OF CHANGE AND PROGRESS TOWARDS OUTCOMES**

**B1. Summarise the programme’s theory of change, including any changes to outcome and impact indicators from the original business case.**

The figure below presents the key elements of the Theory of Change framework for the UK’s GBF Fund investments. These elements have not changed since the business case was approved in 2024 and so far, the assumptions in the Theory of Change have held up. For instance, additional sources of nature funding, through public and private sector investments, are forthcoming at a project level through project co-financing. The indicators for measuring the outputs and outcomes statements below are set out in the programme logframe. It is too early in the project cycle to determine the project success rate and effectively assess the Impact of the programme.

The GEF Secretariat aggregate the expected results of approved GBF Fund projects for each core indicator, and these are published ahead of GBF Fund Council meetings in compiled Work Programmes and Progress Reports. It is these *expected* results which are used as the basis for this annual review. *Actual* results will be delivered and reported on by implementing agencies at the project mid-term and terminal evaluation stage. GEF will aggregate these results for GBF Fund Council review, which will provide meaningful comparison with current *expected* results. However, given the time to begin implementation and subsequent time to reach the mid-term and terminal evaluation, actual results from projects will take many years to be available. As such, this annual review is based exclusively on expected results.

This first Annual Review of the UK’s investment in the GBF Fund is based solely on the UK’s initial £15m contribution. This contribution was included in the first and only funding round launched by the GEF in 2024 which has funded all approved GBF Fund projects to date. The UK’s additional contribution of £40m made in December 2024 is not within scope. Although this additional contribution was made in the period covered by this Annual Review, the contribution has not yet been made available to projects under a second funding round. The next funding round is due to launch in August 2025 and therefore will be within scope of the second Annual Review to be undertaken in June 2026.



GBF Fund Investment Theory of Change

The GBF Fund is competitive, and country led, meaning that the aggregated expected outputs are reliant on the specific projects that are proposed by countries. Although desirable, it is likely that not all the predicted results from across all the output indicators will be reached, given the range of outputs covered. For instance, the seven approved projects covered in this annual review focus on conservation in terrestrial and marine protected areas. Although projects also look to improve management practices in other terrestrial landscapes, all marine-focused work covers marine *protected areas* only, meaning that none of the projects reported against output indicator 1.5 (Area of marine habitat under improved practices, excluding protected areas). This is taken into account in the programme scoring.

**Project Summary**

The results in this Annual Review include the seven approved project proposals from the first work programme in June 2024 up to and including the second work programme in June 2025. The majority of funding for approved projects is currently concentrated in Central and South America due to the presence of many UMICs in the region that have the capacity and resources to prepare projects at speed or already had projects ready. Due to country allocation ceilings, Brazil, Mexico and Peru cannot access any further funding from the initial \$210m funding pot, and many provisionally approved projects located in SIDS, South-East Asia, Africa and the Middle East are anticipated to receive programme funding as project details are finalised.

Project	Country(ies)	Total GEF Cost
Mex30x30	Mexico	\$18,500,000
Caatinga Protected areas Program	Brazil	\$9,880,000
Biodiversity Conservation in Indigenous Lands	Brazil	\$9,880,000
Addressing Barrers and Leveraging Finance to Achieve T3 in Gabon	Gabon	\$1,518,910
Community-based conservation in context of climate change in DRC	Congo DR	\$6,560,000
Delivering Target 3 in Peru	Peru	\$12,570,000
Strengthened transboundary conservation in Sangha Tri-National	Cameroon, CAR, Congo	\$7,259,526

**B2. Describe where the programme is on/off track to contribute to the expected outcomes and impact. What action is planned in the year ahead?**

The outcome level indicators are all derived from GBF Fund core indicators and closely correspond to the UK’s International Climate Finance (ICF) Key Performance Indicators (KPIs). For the KPI indicators where year one milestones have been set, progress did not meet expectations. However, the GBF Fund has only given final approval to projects representing 32% (\$66.2m) of the total funding pot available (\$210m). Whereas the indicator milestones assume a 100% funding distribution. A further 64% of funding is due to be approved in the next 12 months.

Full progress made against the five outcome indicators is summarised below:

Outcome indicator	Baseline	Year 1 milestone	Annual progress	Progress against milestone
<b>KPI 1</b> Number of people supported to cope with the effects of climate change (thousands)	0	NA*	21	N/A*
<b>KPI 6</b> Greenhouse gas emissions reduced or avoided (m tCO2e)	0	6.8	5.3	Did not meet expectations
<b>KPI 11</b> Volume of public finance mobilised (£m)	0	NA*	4.6	Evidence of limited delivery**
<b>KPI 12</b> Volume of private finance mobilised (£m)	0	NA*	0.6	Evidence of limited delivery**
<b>KPI 17</b> Hectares of land (m) that have received sustainable land management practices	0	3.8	3.2	Did not meet expectations

*\* In the absence of past portfolio-level monitoring of beneficiary data, and no GBF Fund portfolio-level targets set by the GEF, no overall target nor annual milestones target have been set for the duration of the programme.*

*\*\* Note: To give some indication of whether these represent good evidence of strong delivery, this assessment is based on the extent to which the co-financing level matches the co-financing ratio for the GEF8 portfolio of projects, which is \$7 raised for every \$1 of GEF financing.*

The GEF governance structure includes an Independent Evaluation Unit (IEO). The IEO have conducted an initial, formative evaluation of the GBF Fund, providing early insights into the GBF Fund’s design, operations and strategic direction. The evaluation highlights that the GBF Fund has demonstrated high efficiency in establishing itself in such a short time frame, but recommends better strategic alignment with wider GEF programming, a greater focus on resource mobilisation, and more work to improve the consistency of the project and portfolio monitoring. Further evaluations will be completed by the IEO as the GBF Fund programming and operations mature. IEO evaluations are comprehensive, and no additional formal evaluations will be completed by the UK programme team.

**B3. Justify whether the programme should continue, based on its own merits and in the context of the wider portfolio**

The GBF Fund provides important financial support to help developing countries deliver the GBF and tackle biodiversity loss in line with international commitments. Initial results from the first year of operation are encouraging and are likely to improve as the GBF Fund becomes more established, more projects receive approval, and recipient countries and GEF agencies become accustomed to the processes.

Around \$200m (95%) of available funding has been provisionally allocated to biodiversity projects in the first year, including \$66.2m for approved projects. The expected results of these approved projects play an important role in contributing to the UK’s ICF targets: namely ICF KPI 1 (number of people supported to cope with the effects of climate change), KPI 6 (Greenhouse gas emissions reduced or avoided) and KPI 17 (land that has received sustainable land management practices). In addition, the GBF Fund has so far mobilised an additional \$176m in anticipated co-financing – a ratio of \$2.7 for every \$1 of GEF resourcing – contributing to ICF KPI 11 (volume of public finance mobilised) and KPI 12 (volume of private finance).

**C. DETAILED OUTPUT SCORING**

Output Title	GBF Fund funded projects demonstrate tangible beneficial results for biodiversity		
Output number:	1	Output Score:	<b>B</b>
Impact weighting (%):	100	Weighting revised since last AR?	N/A

Indicator(s)	Year 1 Milestone	Progress	Progress against annual milestone
<b>1.1 Terrestrial protected areas</b> created or under improved management for conservation and sustainable use (million hectares)	1.1	0.9	Did not meet expectations
<b>1.2 Marine protected areas</b> created or under improved management for conservation and sustainable use (million hectares)	0.2	1.7	Significantly exceeded expectations
<b>1.3 Area of land and ecosystems undergoing restoration</b> (thousand hectares)	18.1	1.1	Significantly did not meet expectations
<b>1.4 Area of landscapes under improved practices</b> , excluding protected areas (million hectares)	1.5	0.8	Significantly did not meet expectations
<b>1.5 Area of marine habitat under improved practices</b> , excluding protected areas (million hectares)	1.0	0	Significantly did not meet expectations

1.6 Number of direct beneficiaries of GEF investment, disaggregated by gender as co-benefit (thousand)	N/A	22.9 (of which women: 50%)	N/A
1.7 Co-financing ratio of GBF Fund projects (e.g. £7 of private project financing provided as a direct result of £1 of GBF Fund financing is a co-financing ratio of 7:1)	7:1	2.7:1	Significantly did not meet expectations
1.8 36 percent + 3 percent of funding allocated to small island developing States (SIDS)/least developed countries (LDCs)	39%	12%	Significantly did not meet expectations
1.9 25 percent to be programmed through international financing institutions (IFIs)	25%	0%	Significantly did not meet expectations
1.10 Share of 20 percent of funding by 2030 to support actions by Indigenous Peoples and Local Communities (IPLCs)	20%	44%	Significantly exceeded expectations

**C1. Briefly describe the output’s activities and provide supporting narrative for the score.**

**Overall, evidence suggests that progress at the start of the GBF Fund has been mixed, the pipeline is strong, but the GBF Fund but has not yet reached its full potential.** Results projections from approved projects are in line with expectations for some indicators and below for others. There has been greater than expected progress across two out of the ten indicators that significantly exceeding expectations. One indicator (1.2: Marine protected areas created or under improved management for conservation and sustainable use) has already achieved the output anticipated for the total funding available. Two project level indicators (1.3: Area of land and ecosystems under restoration and 1.5: Area of marine habitat under improved practices to benefit biodiversity) achieved very little progress against the expected results. This could be due to the recipient country focus on conservation of terrestrial and marine protected areas in their selected projects. One indicator on the number of direct beneficiaries did not have a target or milestone but showed gender balance.

At a portfolio level, three indicators (1.7, 1.8, 1.9) did not achieve the expected results, and one indicator (1.10 Share of funding to support actions by IPLCs) significantly exceeded expectations. More work is required at the portfolio level to improve co-financing and balance the allocation of grant funding delivered through a wider range of delivery agencies. The funding allocated to approved projects in small island developing states (SIDS)/least developed countries (LDCs) was significantly less than the target. This is likely due to the short preparation time for countries to develop and submit proposals, and the more limited capabilities and capacity of SIDS and LDCs.

The programme milestones are derived from the expected results that should be achieved for the UK’s £15m contribution. However, only a third of this funding has been approved for projects so far. Assuming delivery trends continue, this means four of the six project level indicators are on track to exceed expectations. There is a pipeline of 40 projects across 41 countries worth \$200m that are pending final approval. This represents 96% of available funding and will deliver significant progress against the indicators. This pipeline is anticipated to deliver 36% funding for SIDS and LDCs and 32% for IPLC-led actions. 20% of the funding is anticipated to be delivered through International Financial Institutions (IFIs). Further funding approvals will be made through future work programmes, which are very likely to be in scope of the next Annual Review in June 2026.

**C2. Describe any changes to this output during the past year, and any planned changes as a result of this review.**

The draft programme logframe developed for the programme business case included greenhouse gas emission reduction as a core output indicator. In preparing this Annual Review, this output indicator was removed. The data on GHG emission reduction is already contained in the outcome indicator KPI6 and it was considered duplicative to also report at an output level. GHG emission reduction is better positioned as an outcome that stems from project-level actions and outputs.

The programme logframe has also been updated to reflect the availability of data from GBF Fund project and portfolio level indicators. Although the allocation of funding to projects is disaggregated by gender, the current set of Output indicators lacks an indicator to explicitly track poverty reduction. The GEF Secretariat are developing a finalised reporting framework for the GBF Fund, based on relevant indicators from the existing GEF reporting framework, and incorporating suitable indicators from the



GBF Monitoring Framework. The GBF Monitoring Framework was only recently agreed by the Convention on Biological Diversity at COP16.2 in February this year, several months later than anticipated. Due to this delay, the process of finalising the GBF Fund reporting framework had not yet been completed by the time of this annual review. Further work is required to ensure poverty is sufficiently reflected in the updated monitoring framework for the GBF Fund.

All seven approved GBF Fund projects incorporated gender equality and social considerations in a substantive way, complying with GEF requirements and GBF Fund Programming Directions to support gender-responsive implementation of the GBF. All the projects will contribute to delivering GBF target 22 (on IPLCs) and target 23 (on gender equality) by addressing issues of rights and access to land and natural resources and ensuring women’s full and meaningful participation and leadership at all levels of biodiversity action. The Defra Programme’s GEDSI assessment and action plan included an action to broaden understanding of gender equality and further improve gender-responsive project design. In 2025, the GEF organised a forum for GBF Fund Observers to receive practical insights from GEF Agencies and delivery partners, on their approaches to gender and social inclusion and the role of Indigenous Peoples and other observers in GBF Fund project reviews and the project cycle.

The year one programme milestones are proportional to the forecasts in the programme business case, levelised against the UK financial contribution within the total amount of available funding. By the time of the next Annual Review in June 2026, the UK will have contributed an additional planned financial investment, and the total available funding to projects will have increased through the launch of a second programming tranche. This will alter the relative attribution of UK funding within the total funding pot. The milestones are therefore non-linear. The next Annual Review will need to update the milestones from 2026 onwards to reflect the funding changes and therefore expected attribution of outputs to the UK financial contribution.

C3. Recommendations for the year ahead

- UK team to support the development of the GBF Fund Results Framework to reflect both the recently agreed GBF Monitoring Framework and the need to monitor action to address poverty.
- UK team to update the milestones in the logframe to reflect the anticipated changes in programme funding.
- UK Team to review the level of progress in approving funding requests and in achieving portfolio level targets, in particular on leveraging co-finance, and consider actions to support the GEF Secretariat.
- UK team to consider whether the current set of GBF Fund indicators measured in the logframe remain fit for purpose, and if needed, revise the logframe and indicators used for the next annual review, based on any updates to the core indicators in the GBF Fund Reporting Framework.

D: RISK

Overview of risk management

The overall risk rating for the programme is **medium**. This reflects the range of different projects and geographies being supported by the GBF Fund, and the shift to a new set of modalities for a multilateral fund administered by the GEF. It recognises the vast experience and expertise held within the GEF Secretariat and the agencies who support and deliver its work. It also reflects the maturity of the GBF Fund overall and the low numbers of projects having reached implementation stage – over two-thirds of project funding is pending approval in the coming months, meaning that although output indicators are low at present, they are very likely to increase significantly, enabling the programme to meet its objectives.

The Defra programme team hold quarterly risk meetings to discuss risks, risk mitigation and update a programme risk register. These meetings look at risks including resource pressures, programme and financial management, as well as gaps in monitoring and reporting. The programme risk appetite for the six risk categories remains the same:

- Strategic and project risk appetite remains open, given the flexible approach of the GBF Fund to support delivery of the GBF globally.
- Operational, fiduciary, safeguarding and reputational risk appetite remains cautious, which recognises there is inherent risk in project investment, but that the GEF has strong policies, safeguards and other mitigation measures in place to limit exposure.

Trends in residual risk ratings for individual risks are either level or downwards, and no risks are considered high following the implementation of planned mitigation strategies.

The GEF Council approved the GEF Risk Appetite document at the 66th GEF Council Meeting in February 2024. This document sets out the level of risk that the GEF is prepared to take on in all its programming, including the GBF Fund, and its approach to identifying, monitoring and reporting risks. This includes annual reporting on risk, with each work programme submission to the Council including a summary analysis of the programme’s risk profile. The Risk Appetite Statement will be reviewed and revised for each new replenishment phase, beginning with GEF9 (which launches in 2026).

The GBF Fund work programme in June 2025 contained the first GBF Fund risk assessment of projects. The residual Contextual risk level was assessed as ‘substantial’, and the Innovation and Execution risk levels both assessed as ‘moderate’. This reflects the difficult environments within which the projects are delivering and is in line with the UK’s risk appetite. At the UK’s request, the GEF will publish a portfolio level risk assessment for all projects pending approval under the GBF Fund, and not just the larger-scale projects.

**Fraud Risk** for the programme is considered low, due to the low number of projects and extent of distributed project funding to date. The potential risk of fraud throughout the programme’s delivery chain is reduced by the GEF Secretariat through active and appropriate management of risk controls and policies, including Minimum Fiduciary Standards. The Defra/FCDO Programme Team have also been engaged in GEF Council discussions on fiduciary risk policy. Specific evidence of project level due diligence and mitigation measures includes the use of third-party financial administrators and checks to ensure that new Conservation Trust Funds meet international standards and donor requirements before any funds are transferred. Only two GBF Fund projects have received any funding to date and have only recently begun implementation, and there have been no notifications of fraudulent activity within GBF Fund projects. As the number of approved projects and the level of distributed funding increases, the programme team will work with the GEF Secretariat to consider what more can be done to identify and stop fraud with GBF Fund projects.

**Sexual Exploitation, Abuse and Harassment (SEAH) risk** for the programme is considered low, in line with the SEAH risk assessment conducted by the Defra programme team in 2024. There have been no reported cases of SEAH within GEF or GBF Fund funded projects, noting that only two GBF Fund projects have received funding to date and recently begun implementation. The Defra programme team have worked closely with FCDO to ensure the due diligence of SEAH policies. The GBF Fund Risk assessment produced for the June 2025 work programme included quantification of social risks at the portfolio level and highlighted specific risks at a project level. For example, in the proposed Sangha Tri-National project in Cameroon, CAR and Congo, moderate social risk arises from armed groups and volatile security situations potentially leading to internal population displacements. This type and level of risk is expected due to the fragile contexts that GEF operates within. Further work will be conducted by the programme team to ensure that relevant risks are adequately flagged.

**E: PROGRAMME MANAGEMENT: DELIVERY, COMMERCIAL & FINANCIAL PERFORMANCE**

**Summarise the performance of partners and Defra, notably on commercial and financial issues.**

The GBF Fund Council, the Fund’s governing body, comprises 32 members, including the UK. The Council reviews and approves project proposals for funding, making decisions by consensus. All Council documents for review and comment are shared on time and the Defra GBF Fund programme team, with support from the FCDO GEF programme team, share work individual project proposals with colleagues and with overseas Posts for comment, where necessary. The GBF Fund adopts GEF operational policies, which are developed and agreed by the GEF Council. The Defra and FCDO programme teams have very well-established relationships with GEF Secretariat staff and regularly meet ad-hoc in between Council meetings where necessary. This includes donor meetings on specific issues or preparations for Council.

**Fund Establishment and Operationalisation**

The GEF Secretariat established the GBF Fund at pace following the decision at UN CBD COP15 in December 2022 that requested a new dedicated, biodiversity fund. The GBF Fund’s processes and modalities were discussed and agreed at the first GBF Fund Council meeting in June 2023, and the fund was officially established at the 7<sup>th</sup> GEF Assembly in August 2023 (the quadrennial meeting of all



GEF members). The GBF Fund launched its first funding round in February 2024, with the first work programme for approval prepared in June 2024.

There has been significant demand for GBF Fund finance from recipient countries since launch. The first programming tranche contained \$210m of available funding, and the GEF coordinated three selection rounds for project proposals in February, March and August 2024. A total of \$440m project proposals were submitted, of which \$200m were provisionally approved (representing 96% of available funding).

However, only seven projects, worth \$66.2m, have been fully approved, representing around a third of available funding. The remaining projects are still pending approval and are in the process of being finalised. Projects have nine months from initial proposals to final submissions for approval, therefore it is likely that many projects are still within this submission window and will be forthcoming ahead of the next work programme. Overall, the quality and efficiency of submissions may also increase once there is greater familiarisation of the approval process across the whole delivery chain, including agencies and country focal points. The GEF should further consider and address any reasons behind the low proportion of approved funding, should projects not reach final approval.

The GBF Fund has implemented a streamlined project proposal and approval cycle, which aims to reduce the time between project proposal and funding disbursement, when compared to the main GEF Trust Fund. The GBF Fund has represented a suitable test bed, with the changes having been considered successful and suitable for wider adoption across the GEF family of funds. Preparations for the GEF-9 replenishment cycle indicate that additional project flexibility and a streamlined project development are being adopted across the GEF portfolio.

The GBF Fund was established with the unique remit to receive and channel contributions from both sovereign sources and non-state actors. To date, contributions to the GBF Fund have mostly come from sovereign states, with one contribution from a sub-regional government. No contributions have been provided by private or philanthropic organisations. The GEF Secretariat have reported that they have been engaging with the private sector to encourage contributions and are confident that a private contribution is forthcoming. The GEF has experience engaging business and catalysing private sector investment through its trust fund, however further consideration will be needed on how to draw in private sector contributions to the GBF Fund. The potential impact and reach of the GBF Fund would increase with a wider source of contributions, therefore further work is needed to boost private sector engagement and incentivise non-sovereign contributions.

In March 2025, the GBF Fund Trustee (the World Bank) outlined the administrative cost of delivering the GBF Fund, reporting that 3.5% of available funding was spent on administration and 8.1% was spent on project fees. The IEO evaluation report notes that the administration of the GBF Fund is more financially efficient than most other multilateral climate and environment funds providing concessional finance. This year, the GEF Secretariat has brought in five dedicated staff members to work on GBF Fund administration, with the larger team carrying out project reviews, outreach, information sharing and visibility enhancement, resource mobilization planning, and governance support. The IEO report also highlights the creation of an auxiliary body and advisory group to enhance representation from developing countries and non-sovereign actors respectively. This reflects a shift toward more inclusive governance, though the bodies are advisory and do not represent any decision-making authority. It is currently too early to tell if these two additional governance structures have been effective

**Narrative and Financial Reporting**

As the GBF Fund is a pooled multilateral fund there is no bilateral narrative or financial reporting, and the GEF manage alignment with Paris Agreement on the UK's behalf. The GEF Secretariat publishes progress reports and evaluations via the GBF Fund Council. The first progress report was published and discussed at the fourth GBF Fund Council meeting in June 2025.

The World Bank Trustee helps mobilise resources for the GBF Fund, disburse funds to Agencies and prepare financial reports on investments and use of resources. The Trustee also monitors use of funds and, where necessary, requests the return of funds if progress is not being made. The Trustee supports the GEF secretariat in preparing workplans and pipelines for Council and works directly with donors. The Trustee creates financial reports, including income, investment and expenditure reports, which are published on the GEF Trustee website. The UK works closely with the Trustee when preparing to deposit UK Promissory Notes and agreeing encashment schedules in line with the GBF Fund's pipeline of activities.

**E2. Assess the Value for Money (VfM) of this output compared to the proposition in the Business Case, based on performance over the past year**

**VfM performance compared to the original VfM proposition in the business case**

The below table presents the expected outputs estimated in the 2024 Business Case, with columns 2 and 3 presenting the expected results of the BC and currently approved GBFF projects. We evaluate VfM by comparing the results of approved GBFF projects per £m spent with the expected results per £m spent as estimated in the BC. This data is presented in columns 3 and 4 of the below table.

	Business Case	Approved GBFF projects	BC (results per £m)	GBFF (results per £m)
Cost	£100m	£50.2m		
Terrestrial protected areas created or under improved management, Mha	7.4	8.9	0.074	0.178
Marine protected areas created or under improved management, Mha	1.5	17.9	0.015	0.358
Land and ecosystems under restoration, Mha	0.12	0.01	0.0012	0.0002
Landscapes under improved practices (excluding protected areas), Mha	9.8	8.6	0.098	0.172
Marine habitat under improved practices to benefit biodiversity, Mha	6.5	0	0.065	0
Greenhouse gas emission mitigated, Mt CO2e	45	56	0.45	1.12
Finance mobilized for biodiversity projects	£700m	£133m	£7m	£2.7m
- of which private	£150m	£12m	£1.5m	£0.3m

On this basis, four of seven indicators are achieving better results per £m spent than projected in the Business Case. These results suggest that the GBF Fund may represent better value for money than predicted in the programme Business Case and may deliver higher than expected results once the remaining finance is mobilised to projects.

Only three indicators (land under restoration, marine habitat under improved practices, and finance mobilisation) are achieving lower VfM than Business Case predictions.

- The poor performance of land restoration and marine habitat is because few projects focused and reported on these indicators. This disproportionate focus of approved projects on certain indicators is judged to be, at least in part, a result of the small sample. As a result, we expect the performance of these indicators to improve as the sample size of projects increases.
- The fund has mobilised \$176m in planned public and private co-financing at a leveraging ratio of 2.7:1, against a notional target level of 7:1. The mobilisation of co-finance should therefore be prioritised as a means of improving the VfM of the programme.

This high-level assessment does not constitute or consider likely UK attribution of outputs, but rather that the potential project-level outputs indicate that projects are anticipated to perform well, and that more projects need to be funded. As only a third of funding has been approved, the programme has yet to deliver on its potential, especially with regards to the portfolio level indicators. Mobilising and approving funding more quickly in future funding rounds is therefore critical to the GBF Fund delivering good VfM.

**Assessment of whether the programme continues to represent value for money**

The following VfM assessment has been undertaken consistent with Foreign, Commonwealth & Development Office (FCDO) guidance. This recommends that all programmes are assessed against the following four VfM categories:

- Economy - Are we (or our agents) buying inputs of the appropriate quality at the right price?
- Efficiency – How well are we (or our agents) converting inputs into outputs?
- Effectiveness – How well are the outputs produced by an intervention having the intended effect?
- Equity – To what extent are Gender Equality and Social Inclusion (GESI) considerations incorporated into the intervention?

Despite not currently delivering to expectations on all Outcome and Output indicators, the GBF Fund continues to represent good value for money. As highlighted above, the \$66.2m of funding that has been approved is expected to deliver better value for money than projected in the 2024 business case. It can therefore be reasonably expected that if the \$200m of funding provisionally allocated to

biodiversity projects is finalised, the programme is likely to demonstrate evidence of strong delivery and meet or exceed expectations.

The fact that some anticipated outputs and outcomes to date are below expectations is not likely to negatively impact future VfM. We do not expect delays to future results overall because results are derived as a portfolio of individual projects, rather than a sequential process. Additionally, the fact that some indicators have performed poorly against anticipated milestones, with one indicator not achieving any results thus far, is considered to be a result of the small sample of projects that happened to focus on some indicators more than others. As the sample size of approved projects increases, we expect the performance across the suite of indicators to even out.

**Economy**

The rigorous project selection process has ensured that the approved projects are good value for money. Even though only around one third of available funding has been allocated to projects, the current portfolio of seven approved projects has delivered on one of the output indicators and is close to delivering on two more.

**Efficiency**

The competitive element of the GBF Fund ensures the funding is provided to the best projects that deliver the greatest, or most strategically relevant, outputs for biodiversity, in line with the project selection criteria.

An important role of GEF funding is to leverage additional funding streams. While bilateral UK-funded interventions may be more impactful for meeting UK interests in terms of thematic and geographic targeting, they could be less effective in prioritising projects that deliver global environmental benefits in support of the GBF. As of June 2025, the GBF Fund has mobilised \$176m in planned public and private co-financing at a leveraging ratio of 2.7:1, against a notional target level of 7:1. Therefore, further work is required at a project level to increase the efficacy of the concessional finance provided by the GBF Fund in leveraging other sources of funding for future projects.

**Effectiveness**

To date, the GBF Fund is effectively delivering on its broad geographic remit to assist ODA-eligible countries in tackling major environmental problems and focus finance to countries with high levels of biodiversity and those with the greatest need or least capacity. Seven projects have been approved benefiting 8 countries across Central and South America and West Africa, ensuring that the funds continue to have a significant global impact.

**Equity.** The GEF has been working in partnership with Indigenous People and Local Communities (IPLC) since its inception. They are one of the first IFI to adopt an independent policy to support engagement with IPLCs, which provides the basis for participation of Indigenous People in all aspects of the GEF’s work, actively involving them in hundreds of projects including the Small Grants Programmes. The GBF Fund has set an aspirational target of providing at least 20% of funding to projects that support actions by IPLCs. To date, the GBF Fund is on track to meet this target, with 44% of allocated funding to support IPLC-led activities. To support those countries most in need, the GBF Fund has also set a target to allocate 39% of funding to LDCs and SIDS. In the first seven projects, only 12% of funds will reach LDCs or SIDS. However, this is likely to increase to 36% through the strong pipeline of projects coming forward for final approval from the first funding round.

Date of last narrative financial report	March 2025	Date of last audited annual statement	N/A
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