

**Global Concessional Financing Facility**  
**Steering Committee Meeting**  
**July 26, 2023, by Video Conference**

**Key Decisions**

- *The Steering Committee approved the TORs for the Country Coordination Committees and the Technical Advisory Group as an addendum to the GCFE Operations Manual, complementing existing provisions relating to the GCFE governance architecture. The Steering Committee requested the Coordination Unit to prepare a revision to the relevant provisions of the Operations Manual to reference the functions and relationship of the new structures, including the flow and sequencing of inputs and decision making within the GCFE governance architecture. The Steering Committee further directed the Coordination Unit to present a plan of action on operationalizing the CCCs and TAG to the Steering Committee, and to provide regular progress updates on implementation.*
- *The Steering Committee endorsed the Technical Note on Proposals for the Modification of the GCFE Results Framework and Advancement of Learning, and Upstream Engagement along with the concomitant resources required for this stream of work in the Coordination Unit for an initial term of one year, to be reviewed in advance of the assignment's completion. The Steering Committee requested the Coordination Unit to prepare a revision to relevant provisions of the Operations Manual to reflect the agreed changes to the results framework and to provide regular updates on the implementation of the Technical Note in subsequent meetings.*
- *The Steering Committee approved the increase in the FY23 GCFE Trustee fees and the GCFE Trustee and Coordination Unit Budget for the 2024 Fiscal Year.*

**Summary of Meeting**

**1. Introductory Remarks**

The co-chairs of the meeting, Ms. **Luz Stella Campillo Hernandez**, Deputy Director of Multilateral and Bilateral Financing, Ministry of Finance, Representative of Colombia, and Mr. **Richard Teuten**, Foreign, Commonwealth & Development Office (FCDO), Representative of the United Kingdom, welcomed all participants to the GCFE Steering Committee (SC). Mr. Teuten turned to Ms. **Nabila Assaf**, Manager of the Fragility, Conflict and Violence Group, World Bank, for the roll call and introductory remarks.

Ms. **Assaf** welcomed participants to the meeting and thanked members of the SC for attending the in-person meeting in Amman. Ms. **Assaf** appreciated the support of the Government of Jordan and World Bank CMU in organizing the meeting. Ms. **Assaf** noted that since the Amman meeting, the IBRD Jordan Water Sector Efficiency Project has been approved by the GCFE providing US\$50 million in concessional financing with a total project financing of US\$250 million. The project is expected to benefit both host communities and refugees as Jordan addresses its water scarcity. Ms. **Assaf** reminded that the meeting in Amman led to a number of key decisions and follow-up actions, some of which will be discussed today. Ms. **Assaf** noted that during the Fiscal Year 2023,

the GCFF continued its support to Benefiting Countries, including allocations to Costa Rica, Ecuador, Jordan, and Moldova. This support has been made possible by the unwavering commitment of Supporting Countries which amounted to US\$129.35 contributed by Canada, Japan, Netherlands, and the United States. The role and partnership with the UNHCR and respective ISAs continue to grow as the GCFF benefits from their proactive engagement. In closing Ms. **Assaf** expressed her optimism for the next year, given the clear commitment and engagement by Supporting Countries, ISAs, and the Benefiting Countries.

## 2. Item for Decision

### Terms of Reference for the GCFF Country Coordination Committees (CCC) and Technical Advisory Group (TAG)

Ms. **Hernandez** introduced the decision item. Ms. **Hernandez** noted that based on the presentation made by the Coordination Unit (CU) during the SC meeting in Amman, and subsequent comments provided by SC members on the Draft TORs, the Coordination Unit has revised the TORs. These were shared with the SC prior to the meeting and will now be considered for approval of the SC.

**Presentation.** Ms. **Hernandez** turned to Mr. **Spyridon Demetriou**, Program Manager GCFF, for a brief presentation. *(Please find copy of presentation in attachment).*

**Discussion.** Following the presentation Ms. **Hernandez** opened the floor for comments and questions.

**Germany** thanked the CU for developing TORs for the coordination structures which Germany agreed to. On the Country Coordination Committee's (CCC), Germany stressed the importance of utilizing existing structures while avoiding creation of new ones. With respect to the functions of Technical Advisory Group (TAG), these should not create any precedents affecting the decision-making responsibility of the Steering Committee (SC). Moreover, the hierarchy, flow, and complementarity among the CCCs, TAG and SC should be clearly outlined, with final decision-making authority remaining vested in the SC. Germany also noted that the revision of the GCFF governance architecture should enable further rationalization and more efficient management of the SC workload, particularly in relation to funding decisions.

**The Netherlands** endorsed the proposed TORs. Regarding the frequency of SC meetings, the Netherlands suggested quarterly meetings, with routine matters being disposed of through electronic correspondence, while strategic issues could merit more meetings (in addition to quarterly meetings). The Netherlands sought the SC and CU's views on staffing of the TAG to ensure technical value addition. The Netherlands seconded Germany on the need to clearly define the flow and sequencing of advisory input from the CCCs and TAGs respectively to the SC.

**The United Kingdom** appreciated the incorporation of SC feedback in the TORs. The advisory role of the CCCs was welcomed. The United Kingdom proposed the development of a flowchart for tracking issues and subsequent decisions through each of the proposed structures, with the important distinction between issues that must be discussed and those that are optional. This understanding would be particularly useful in the case of project proposals and the relationship

(value addition) of discussions at the country and technical level. The United Kingdom also recommended TAG meetings be scheduled on demand/need, rather than a calendar.

**The United States** thanked the CU for reflecting comments from the Amman meeting in the current TORs. The United States endorsed the TORs acknowledging the clarity of the CCC's technical advisory role. In relation to the organization of TAG meetings, the United States suggested that the meetings could be scheduled depending on the agenda of the SC meetings in case there was a need for prior technical discussions on an agenda item(s) that could subsequently aid discussions in the SC instead of pre-scheduled meetings. The CCCs and TAG should be purely technical and expert matter driven helping to inform the SC on refugee/migration policy issues. The State Department will represent the United States in the TAG, while experts on the ground looking at refugee issues in each Benefiting Country will be engaged in the CCCs.

**Norway** appreciated the diverse mix of experience and expertise in the GCFE SC leading to robust discussions and well considered decisions. Norway endorsed the TORs. Norway seconded the positions of other SC members on the CCCs on avoiding creating parallel structures and utilizing existing ones. Norway currently supports the MENA/Jordan/Lebanon windows and will be represented by Embassy officials in the respective CCCs, while the SC representative will also participate in the TAG. With regards to the number of meetings and decisions making process, Norway was flexible on both accounts.

**The GCFE Coordination Unit** thanked the SC for their comments and suggestions. With reference to the relationship, sequencing, and flow of work among the coordination structures, it is proposed to amend the Operations Manual (OM) to reflect the TAG and describe the relationship between these structures. It is expected that the the CCC and TAG will systematize existing informal interactions taking place with BCs, ISAs and SCs, particularly on project proposals and funding requests, providing predictability on incoming funding requests for the SC. With respect to the Funding Plan being discussed in both the CCC and TAG, the former would focus on the country level project pipelines and their correspondence to national priorities, while the TAG would have a global overview of the entire GCFE proposal pipeline, financing requirements, and gaps.

Ms. **Nabila Assaf** proposed having a calendar of quarterly meetings of the SC to ensure efficiency, with the provision of exceptional meetings on a need's basis.

**Conclusion.** Ms. **Hernandez** thanked the SC members for the productive discussion. The CU will incorporate the input provided by the SC on flow and complementarity of the coordination structures.

Ms. **Hernandez** read the text of the decision.

### **Decision**

*The Steering Committee approved the TORs for the Country Coordination Committees and the Technical Advisory Group as an addendum to the GCFF Operations Manual, complementing existing provisions relating to the GCFF governance architecture. The Steering Committee requested the Coordination Unit to prepare a revision to the relevant provisions of the Operations Manual to reference the functions and relationship of the new structures, including the flow and sequencing of inputs and decision making within the GCFF governance architecture. The Steering Committee further directed the Coordination Unit to present a plan of action on operationalizing the CCCs and TAG to the Steering Committee, and to provide regular progress updates on implementation.*

### **3. Item for Decision**

#### **Technical Note on Proposals on Modifications to the GCFF Results Framework and Advancement of Learning, and Upstream Engagement**

Mr. **Teuten** introduced the agenda item. Mr. **Teuten** noted that the Amman meeting agreed on the need to reinforce the focus on GCFF results, including complementary activities to capture results and lessons learned, and strengthen upstream engagement with ISAs and BCs. As requested, the Coordination Unit has developed proposals on proposed improvements to the results framework, activities to capture and disseminate results and lessons learned, and approaches for enhanced upstream engagement for the preparation and review of Funding Requests, and the resources required to support this work.

**Presentations.** Ms. Sarah Craig and Mr. Spyridon Demetriou, GCFF Coordination Unit delivered a brief presentation. *(Please find copy of presentation in attachment).*

**Discussion.** Following the presentation Mr. **Teuten** opened the floor for comments and questions.

**Germany** supported having a strong results framework and capturing lessons learned for the GCFF. With regards to lessons learned Germany encouraged widening the scope beyond those projects with at least 80% disbursements. With respect to the review of development policy operations policies supported through the GCFF, the focus should also include the impact of policy implementation on host communities and refugees. While acknowledging that work outlined in the proposal will require resources, Germany suggested that the proposed additional staff in the GCFF CU be financed for an initial 1-year assignment, to be reviewed based on further demand for work.

**Japan** endorsed the revision of the results framework and welcomed the activities framed in the proposal. Japan suggested to have a prioritized list of activities that would have the most positive externalities and also be financially feasible.

**The Coordination Unit** thanked the SC for the useful comments and agreed on all points related to the additional staff's term of appointment and broadening the scope of the lessons learned knowledge activity. To the point of upstream engagement, this would be demand driven and based

on requests from BCs and ISAs, while the activities related to the results framework and knowledge and learning were identified by the SC in Amman and will be undertaken accordingly.

**Conclusion.** Mr. **Teuten** thanked the SC members for the productive discussion and added that a detailed workplan will be shared with the SC within 3 months of the additional staff's recruitment.

Mr. **Teuten** read the text of the decision.

## **Decision**

*The Steering Committee endorsed the Technical Note on Proposals for the Modification of the GCFE Results Framework and Advancement of Learning, and Upstream Engagement along with the concomitant resources required for this stream of work in the Coordination Unit for an initial term of one year, to be reviewed in advance of the assignment's completion. The Steering Committee requested the Coordination Unit to prepare a revision to relevant provisions of the Operations Manual to reflect the agreed changes to the results framework and to provide regular updates on the implementation of the Technical Note in subsequent meetings.*

## **4. Item for Decision**

### **Presentation of GCFE Trustee and Coordination Unit Budget.**

**Introduction of the agenda item.** Ms. **Hernandez** introduced the agenda item, noting that the FY2024 Budget is split between the Trustee and Coordination Unit. The proposed budget for FY 2024 amounts to US\$ 1,093,685 split between the Trustee (US\$ 422,500) and the Coordination Unit (US\$ 671,185). Ms. **Hernandez** noted that the CU budget has increased on account of provision for a dedicated staff member to support results monitoring and upstream engagement as per the previous agenda item and a higher anticipated workload for FY24.

**Presentations.** Ms. **Hernandez** turned to Ms. **Jane Mwebi** GCFE Trustee, and Mr. **Spyros Demetriou** Program Manager GCFE for the presentation of the budget ([see attached budget report](#)).

**Discussion.** Following the presentation Mr. **Hernandez** opened the floor for comments and questions.

**The United States** thanked the Trustee and CU for the briefing and asked for further details on the Trustee budget to better understand the higher investment management fees. The United States also inquired about discussions in the WB on Financial Intermediary Funds (FIFs) cost recovery structures. The United States inquired if there was any progress on this and expressed an interest in being consulted on any developments in this regard.

**The GCFE Trustee** informed that discussions on this subject are indeed taking place within the WB. In case of any impact on the budget or changes, the SC will be appraised as appropriate.

**The Coordination Unit** informed members that during the FY 2023 budget presentation, the WB Budget, Strategy, Plan and Performance Review Office briefed the SC on the new cost recovery policy for FIF secretariats. This new policy was applied in the FY23 budget and will also be applied in the FY24 budget with an adjustment to the cost recovery rate which is not expected to impact the CU budget (see additional information below).

**Additional Note:** For FY24, FIF Secretariats have the option of applying a 17% cost recovery rate which does not integrate several corporate WB services otherwise integrated into the 22% recovery rate (which was applied to the FY23 budget). The FY24 CU budget adopts the 17% cost recovery option, with corporate services to be charged separately and as needed under the respective budget lines. Accordingly, no substantive difference in the CU budget resulting from the adoption of the 17% cost recovery option is expected. Any savings generated through the adoption of this lower cost recovery fee will be reported in the FY25 GCFE Budget Report.

**Conclusion.** Ms. **Hernandez** thanked the SC members for the productive discussion.

Ms. **Hernandez** read the text of the decision.

### **Decision:**

*The Steering Committee approved the increase in the FY23 GCFE Trustee fees and the GCFE Trustee and Coordination Unit Budget for the 2024 Fiscal Year.*

## **5. Item for Discussion/Presentation**

### **Country and Regional Updates**

**Introduction of the agenda item.** Mr. **Teuten** introduced the agenda item. Mr. **Teuten** noted that the agenda item will provide an update on discussions regarding Türkiye and possible support from the GCFE to be followed by a brief on the refugee situation resulting from the crisis in Sudan.

**Presentations.** Mr. **Teuten** reminded the SC of the informal discussions that have taken place on potential support to Türkiye since the earthquake in February. Although Netherlands has committed to providing US\$10 million, with the potential of more funding from another member of the GCFE SC, the target amount of US\$50 million required to make GCFE support meaningful to the Turkish government has not materialized. In light of these developments and before the SC comes to a conclusion on the subject, the views of members are solicited on any potential funding that can contribute to closing the gap.

### **Discussion.**

**The Netherlands** informed the SC, that despite budgetary constraints, it is still committed to providing US\$10 million to Türkiye. The Netherlands understands that many members of the SC are facing fiscal limitations but appealed to the SC to try and muster financing, given that supporting host communities and refugees affected by the devastating earthquake in Türkiye goes to the heart of the GCFE mandate.

With no more comments, Mr. **Teuten** concluded that if by August 5, 2023, the target amount of US\$50 million cannot be generated, then a point would have been reached where there is not sufficient funding for Türkiye.

Mr. **Teuten** then turned to UNHCR Egypt Representative Ms. **Hanan Malek Hamdan** for a brief presentation on the refugee situation in Sudan. *(Please find copy of presentation in attachment).*

**Discussion.** Following the presentation Mr. **Teuten** opened the floor for comments and questions.

**United Kingdom** inquired if there has been any stabilization in number of refugees and whether there is any intention of returns.

**The United States** welcomed the UNHCR's initial update on the policy environment and measures taken by the Egyptian authorities so far and being consistent with the GCFF standards. The United States requested information from the SC/UNHCR/CU on any potential interaction/interest from Egypt on becoming a member of the GCFF.

**The Coordination Unit** informed the meeting that there have been preliminary inquiries from Egypt on the GCFF, its mechanisms, eligibility etc., but no formal communication of interest in joining the GCFF. Any further updates will be shared with the SC.

**The UNHCR** conveyed that while numbers are decreasing at the borders, the needs of the refugees are increasing in the country. On returns, the majority of Sudanese refugees do not have any intention of returning at the moment. The UNHCR further stated that Egypt needs support as it hosts the influx of refugees. Egypt traditionally has inclusive policies towards refugees as has been experienced with Syrian refugees.

**Conclusion.** Mr. **Teuten** concluded that given the complexities of the situation in Sudan and the evolving refugee situation, there is need for further examination and reflection among SC members, and to obtain clarity on the position and interest of the Government of Egypt in soliciting GCFF support. This agenda item will be discussed in the next SC meeting to be organized in the Fall. Mr. **Teuten** thanked Ms. Hanan Malek Hamdan Representative of UNHCR for their updates and thanked members for the productive discussion.

## 6. Item for Presentation

### GCFF Funding Plan and Pipeline Update

**Introduction of the agenda item.** Ms. **Hernandez** introduced the agenda item. Ms. **Hernandez** noted that based on the presentations made by the Benefiting Countries and ISAs during the Amman meeting, the SC recommended that the Coordination Unit undertake further consultations with ISAs and BCs to prioritize and streamline the project pipelines in the GCFF Funding Plan to facilitate consideration by Supporting Countries of future contributions to the GCFF.

**Presentations.** Ms. **Hernandez** turned to Mr. **Spyros Demetriou**, GCFF Program Manager, for a presentation of the revised Funding Plan. *(Please find copy of presentation in attachment).*

**Discussion.** Following the presentation Mr. **Hernandez** opened the floor for comments and questions.

**Canada** noted that following the GCFF donors' objections to the Lebanon GATE project and the current refugee policy context in the country, it has concerns on the Lebanon pipeline which includes five new lending operations from the WB and would request a discussion on the status of Lebanon's future in the GCFF, before any further funding decisions are taken on Lebanon.

**Mr. Spyros Demetriou** informed the SC that in the wake of the GATE decision there was a request to organize a discussion on Lebanon in the GCFF, which the CU can help facilitate. With respect to the issue of IBRD lending to Lebanon, this is an issue that must be addressed with IBRD management, and not the GCFF Coordination Unit.

**The United Kingdom** requested the CU to brief SC members on proposals for considering countries with concerns over the refugee policy/protection space and how the situation in Lebanon can be considered in the appropriate sequence in the autumn.

**Mr. Spyros Demetriou** briefed members on initial discussion on these proposals with the Co-Chairs. The two-pronged approach entails first, a deliberation on how the GCFF can define principles of engagement in the context of existing/emerging challenges in the refugee policy and protection space in BCs, and then second, apply those principles when such situations arise. The CU noted that the GCFF has at its disposal the UNHCR Refugee Policy and Protection Reviews (RPPR). It was agreed that this framework will be used to assess the eligibility of prospective Benefiting Countries and to periodically review refugee policy challenges and opportunities in existing BCs. The CU proposed that the RPPR framework be utilized to inform the development and agreement of a framework / protocol for discussing situations of concern, which can then be applied in a first instance to structure a discussion on the specific situation in Lebanon. This approach would provide a principled and constructive approach for engaging BCs and SCs in dialogue on sensitive refugee issues and how the GCFF can continue to provide effective support.

**The United States** noted that this issue is important and requires further thinking. One approach could be to consult the WB and other ISAs working in Lebanon, these conversations can take place in Beirut or with respective Board representatives at the WB. The United States further noted that while the GATE project was not approved by the GCFF SC, the same project was approved by the WB Board with support from most countries represented at the GCFF. It is important that GCFF SCs harmonize their actions and in parallel look at the approach suggested by the CU.

**The Netherlands** expressed interest in contributing to the development of a framework for engagement with BCs facing policy and protection issues and encouraged the tabling of this issue as an agenda item for the next meeting of the GCFF SC.

**Norway** underscored the importance of having a principled and constructive approach to dealing with such specific situations rather than making decisions in haste as was the case with the GATE project proposal in Lebanon and looked forward to GCFF CU proposal in this regard.



**Germany** agreed with the positions of the other members and supported having a broader strategic discussion to be followed by discussions on Lebanon.

**Canada** thanked the SC for the thoughtful discussion and looked forward to moving forward on the two-track approach proposed by the CU and supported by the SC members.

**United Kingdom** asked the CU if there was a need for further comments from the SC on the Funding Plan 2023/24 and preference for the options presented in the Paper?

**Mr. Spyros Demetriou** informed the SC that the intention of the Funding Plan and concomitant options is not to seek a decision, but to serve as a lodestar for future GCFF deliberations. The CU however did stress the acute and urgent need for financing the LAC window and in particular Colombia, which has 2-3 projects that are going to the IaDB and WB Boards respectively for approval very soon.

**Conclusion.** Ms. **Hernandez** thanked the SC members for the productive discussion and noted that further deliberations will take place in the next SC meeting.

## **7. Future Agenda Items/Any other Business**

Mr. **Teuten** inquired if there were any other items that the SC members may wish to discuss. With no further comments from the members, Mr. **Teuten** asked the CU to suggest agenda items for the next SC meeting.

**The Coordination Unit** proposed the following items:

- Update on operationalization of the two coordination structures (CCCs and TAG) and amendments to the OM.
- Update on the implementation (workplan) of the Knowledge Learning workstream.
- Proposal on “principles of engagement” with BCs facing refugee policy and protection issues and proposed timeline for the discussion on Lebanon.
- Update on Sudanese refugee crisis and situation in Egypt.
- EBRD proposal on Advice for Small Businesses Program in Jordan and Lebanon.
- AOB

The CU also informed the SC of the Government of Moldova and IBRD proposal for exceptional grant financing which will be circulated via email to the SC for feedback before formal submission by the Government of Moldova.

Mr. **Teuten** thanked the Steering Committee members for a productive meeting.

Ms. **Hernandez** thanked Committee members and the UNHCR for their informative presentation.

Ms. **Assaf** thanked the SC for a productive meeting and appreciated the useful presentation by the UNHCR.

**Annex 1: Roll Call – July 26, 2023**

<b>Member (for roll call)</b>	
<b>Costa Rica</b>	
<b>Colombia</b>	
<b>Ecuador</b>	
<b>Jordan</b>	
<b>Lebanon</b>	
<b>Moldova</b>	
<b>Canada</b>	
<b>Denmark</b>	
<b>European Commission</b>	
<b>Germany</b>	
<b>Japan</b>	
<b>the Netherlands</b>	
<b>Norway</b>	
<b>United Kingdom</b>	
<b>United States</b>	