



GEF Bulletin

A Daily Report of the 5th GEF Assembly

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5TH GEF ASSEMBLY HIGHLIGHTS:

THURSDAY, 29 MAY 2014

On Thursday morning three roundtables were held on: nexus of energy, water and food security; sustainable commodities; and multilateral agreements (MEAs) and the post-2015 framework. The fifth GEF Assembly closing plenary convened in the afternoon. Delegates heard statements on behalf of constituencies, representatives of the Conventions, heads of the GEF Agencies, and received the Chair's summary of the 5th GEF Assembly.



The dais at the end of the 5th GEF Assembly

ROUNDTABLES

Roundtable 5: Nexus of Energy, Water and Food Security:

Andrew Steer, President and CEO, World Resources Institute, moderated the discussion.

Leonardo Rodríguez, Ministry of Energy, Mexico, said sustainable development could not be achieved unless the food, water and energy sectors worked closely together.

Monique Barbut, Executive Secretary, UN Convention to Combat Desertification (UNCCD), said building a food-

energy-water nexus around better land use had great potential, noting improvements in 25% of sub-Saharan Africa's land would produce an additional 25 million tons of food crops. She suggested the GEF focus on rain-fed agriculture, no-till farming, groundwater management, land tenure, and small-scale agriculture.

Shenggen Fan, Director-General, International Food Policy Research Institute, urged a focus on: people and small-scale holders to promote links between water, energy and food security;



L-R: Shenggen Fan, Director-General, International Food Policy Research Institute; Sarah Scherr, President and CEO, EcoAgriculture Partners; Leonardo Beltrán Rodríguez, Ministry of Energy, Mexico; Moderator Andrew Steer, President and CEO, WRI; Dan Glickman, Vice-President of Aspen Institute; and Monique Barbut, UNCCD Executive-Secretary

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phasing out environmentally damaging water, energy and food subsidies; and building the capacity of smallholders to mitigate and adapt to climate change and other shocks.

Dan Glickman, Executive Director, Aspen Institute Congressional Program, said government agencies need to move beyond ‘silo’ thinking and collaborate on addressing this very complex policy challenges. He also called for further research into better agricultural approaches, as investment in research in the US is declining.

Sarah Scherr, President and CEO, EcoAgriculture Partners, said her organization has documented more than 85 different communities of practice adopting integrated landscape management approaches, which move beyond a trade-off mentality. She said that the GEF plays a catalytic role in many of these projects, which mainstream conservation approaches in agriculture and forest management with positive outcomes, including for food production.

Rodríguez explained that Mexico recently put energy and the relationships with water and food high on the national security agenda and taken an integrated approach within government. He added that Mexico’ consultative approach with a broad range of stakeholders had resulted in an ambitious renewable energy policy.

Barbut called for drought early warning systems and drawing on the capacity of technology to get detailed information to those that need it. She said that UNCCD has developed a global portal to relevant databases.

Glickmann said smartphone technology is being increasingly used in the developing world and provides a great opportunity to get farmers the information when they need it.

The Netherlands called upon the GEF to create an accessible database on the water-food-energy nexus. Senegal highlighted a national plan involving projects on agriculture and energy and wondered how the GEF could help countries pursue goals within such plans.

Zambia, for the Southern Africa constituency, called on the GEF to support sustainable forest management, biodiversity, land degradation, climate change and chemicals management efforts in Southern Africa.

Nigeria urged the GEF to assist countries in recovering degraded land and educating small-scale farmers to enhance food production and improve farmers’ livelihoods.

Ethiopia stated infrastructure plays a key role in building a nexus between energy, food and water issues. Saint Lucia proposed discussing trade and investment policies that promote investments in carbon-intensive infrastructure over renewable energy. The International Fund for Agricultural Development commended the GEF for trying to break down barriers between sectors and said learning from those working with complex systems could be of benefit.

Scherr reiterated the need to “get prices right” and eliminate subsidies. Scherr suggested the GEF promote knowledge-sharing systems among landscape initiative leaders and help coordinate integrated landscape management financing from different sources.

Rodríguez highlighted stakeholder engagement, capacity building and technology transfer and financing as key to building a food-energy-water nexus. Glickman said the GEF could produce and avail online a guide on current water, food and water best practices. Barbut said rehabilitating two billion hectares of land should be a key international priority.

Roundtable 6: Sustainable Commodities: Moderator Andrew Steer invited participants to discuss how sustainability could be injected into commodity supply chains and what the GEF’s role should be in this regard.

Rodríguez said growing demand for commodities was putting enormous pressure on forests and concerted efforts were needed to remove deforestation from commodity supply chains and increase the market uptake of sustainable commodities.

Carter Roberts, President and CEO, WWF US, said humans were demanding one and a half times, more than what the planet could sustain, but signs of hope existed in areas such as food production. Outlining WWF’s efforts to engage with major companies on fifteen commodities, he said a key challenge was to get entire sectors to move towards more sustainable practices.

Ana Paula Tavares, Rainforest Alliance, described her organization’s efforts to engage with the global marketplace to achieve sustainability, develop sustainable management standards in key sectors, and build capacities to improve on-the-ground



L-R: Augustine Mascotena, Roundtable on Responsible Soy Association; Daryl Webber, Secretary-General, RSPO; Ana Paula Tavares, Rainforest Alliance; Moderator Andrew Steer, President and CEO, WRI; Leonardo Beltrán, Ministry of Energy, Mexico; Susan Jackson, President, International Seafood Sustainability Foundation; and Carter Roberts, President and CEO, WWF US

practices, stressing further progress would require collective action.

Susan Jackson, President, International Seafood Sustainability Foundation, discussed progress made in the tuna industry thanks to engagement with actors across the supply chain. Noting the GEF was involved in a project that would use electronic systems to monitor tuna purse seine vessels in Ghana, she said the current research and development race in the electronic monitoring industry showed the multiplier effect of GEF projects in helping to transform commodity industries.

Augustine Mascotena, Roundtable on Responsible Soy Association, said commodity producers were part of the solution and should not be seen as “enemies.” He claimed a paradigm shift was needed to drive expansion of sustainable commodities and this required educating producers, sharing examples and taking a long-term approach.

Darrel Webber, Secretary-General, Roundtable on Sustainable Palm Oil (RSPO), said around 16% of global palm oil is now produced to RSPO’s certification standard, but only half the sustainable production has found markets, noting the need for government support for market uptake. He added that palm oil producers are improving sustainable production and there is potential for the industry to improve significantly in the near future, particularly in encouraging countries newly involved in the industry to go down a more sustainable path.

In response to moderator questions on where big improvements could be made, Roberts said different commodities had different environmental impacts and WWF found working with coalitions on issues such as certification standards could have significant benefits including developing certification schemes, in key countries such as Brazil and Indonesia. Tavares said action needs to be tailored to the circumstances of each unique region or community.

Questioned on the importance of new communications technology, Jackson said technology is now able to supply much of the extensive data needed to support accurate assessments of commodity sustainability, although data needs may increase as best practice expectations strengthen.

Responding to questions on where the GEF can best contribute to action on sustainable commodities, Comoros asked the GEF to assist African countries with sustainable agriculture approaches to feed rapidly growing and urbanizing populations. Grenada, with Senegal, noted the problem of illegal unsustainable fishing in their territorial waters. New Zealand encouraged support for Pacific SIDS in managing large areas of ocean.

Roundtable 7: MEAs and the Post-2015 Framework: A Forward-Looking Agenda: Moderator Homi Kharas, Brookings Institution, US, moderated the session. In his opening address, José Antonio Meade, Minister of Foreign Affairs, Mexico, cautioned that mobilizing financial resources to implement the SDGs may become a serious impediment to achieving the post-2015 development agenda.

Responding to a question about securing funds for the post-2015 agenda, Jeffrey Sachs, Earth Institute, suggested: making polluters pay, which would require environmental accountability for multinationals; levying carbon taxes for oil and gas companies; adopting legislation to help channel savings into long-term sustainable development rather than stimulating short-term consumption; ensuring that the poorest countries get the financing they need, both through fairer distribution of revenues from oil, gas and mineral exploitation contracts and through high-income countries honoring their pledge on climate financing by 2020.

Ibrahim Thiaw, UNEP, agreed that companies need to be more accountable and stressed that consumers need to pressure the private sector to take sustainability seriously.

William Moomaw, Tufts University, US, underscored that MEAs often address the symptoms instead of the underlying causes of environmental degradation. He highlighted the Sustainable Energy for All (SE4ALL) UN program as a positive initiative with multi-purpose goals, including poverty reduction.

Rajendra Pachauri, Chairperson, Intergovernmental Panel on Climate Change (IPCC), stressed the importance of political leadership in the fight against climate change. He noted the role of the GEF in moving the climate change agenda forward and fostering the end of business-as-usual decision-making.



L-R: William Moomaw, Tufts University; Ibrahim Thiaw, UNEP Deputy Executive Director; Amina Mohammed, UN Special Adviser on Post-2015 Development Planning; Moderator Homi Kharas, Brookings Institution; José Antonio Meade, Minister of Foreign Affairs, Mexico; Jeffrey Sachs, Earth Institute; and Rajendra Pachauri, IPCC Chair



A high level panel convened for a press conference at noon. L-R: Rajendra Pachauri, IPCC Chair; Amina Mohammed, UN Special Adviser on Post-2015 Development Planning; Naoko Ishii, GEF CEO and Chairperson; Jeffrey Sachs, Earth Institute; and Andrew Steer, President and CEO, WRI.

Amina Mohammed, Special Adviser on Post-2015 Development Planning, United Nations, noted the existence of two tracks, the post-2015 agenda and the climate change negotiations, and the challenge of financing them, emphasizing that, in the “real world,” these processes are complementary.

In the subsequent panel discussion, Sachs emphasized the importance of including a clear climate goal within the SDGs. Moomaw suggested to Meade that Mexico ask its North America Free Trade Agreement partners to consider how that treaty could phase out energy subsidies and enlist trade in support of the environment. Meade underscored the importance to Mexico of green growth and the Green Climate Fund. He expressed optimism that a climate change agreement could be reached. Thiaw urged building on the experience gained in implementation of MEAs when formulating SDGs. Mohammed supported focusing on three considerations to obtain the agreement on the post-2015 development agenda, namely: the importance of measurable results; a mechanism for leveraging partnerships in implementation; and accountability.

The ensuing discussion focused on how to: promote synergies between the GEF-supported MEAs and the sustainable consumption and production framework agreed at Rio+20; address chemical issues in tandem with climate change, poverty, and health; and find ways for SIDS, particularly in the Caribbean, to attract more financing.

In closing, Moomaw observed that there are more potential opportunities and solutions than there are problems. Mohammed underscored the importance of engagement at the country level as UN talks in New York move toward an agreement on the post-2015 agenda. Sachs suggested that Caribbean SIDS create their own climate strategy to reduce dependence on fossil fuels and tap renewable energy opportunities. Pachauri recommended that SIDS do all they can on climate change within their own territories to strengthen the impact of their voices in global negotiations.

CLOSING PLENARY

Opening the session, GEF CEO and Chairperson Ishii reflected on lessons from the roundtables. She emphasized the need to transform economies in order to protect the environment and for the private sector to get involved in GEF activities. On natural capital, she observed that if “we cannot count it, we cannot use it.” Ishii underscored the need for legislators to engage on the environment agenda. She went to emphasize science-based solutions, capacity building, good governance and taking an integrated approach to sustainable development challenges.

Ishii then invited Sachs to share his reflections on challenges facing the planet, and how the GEF can address them. Sachs emphasized as three major intersecting challenges: the end of the Millennium Development Goals (MDG) era and the beginning of the SDG period, in the context of ending extreme poverty within the next fifteen years; concluding a global climate change agreement; and avoiding a man-made “sixth mass extinction”



Jeffrey Sachs, Earth Institute

through stronger action on biodiversity. He urged all governments to push for strong SDGs, as well as to ensure there are “headline goals” on climate change and biodiversity.

As part of the sixth replenishment package, he welcomed the new Integrated Approaches Pilot, aimed at addressing environmental challenges by focusing on drivers of environmental degradation through special focus on issues such as food security in Africa, sustainable city development and taking deforestation out of global commodity supply chains.

STATEMENTS ON BEHALF OF CONSTITUENCIES:

Japan welcomed the record increase in contributions to the GEF, which he said signaled the trust placed in the GEF to strive towards sustainable development.

Australia expressed support for the GEF’s institutional reforms, strategic direction of GEF 2020, and improvements in



Ewen McDonald, Australia

co-financing arrangements and allocation methodology, and called for further engagement with the private sector.

Italy stressed the need to: ensure least-developed country access to GEF funds; focus on poverty alleviation; leverage private sector involvement; and improve performance.

The US expressed support for the GEF 2020 Strategy and welcomed the largest-to-date GEF replenishment and the contributions of developing

countries, adding that the US is contributing US\$546 million to the sixth replenishment.

Egypt welcomed the GEF’s adoption of a programmatic approach but said that higher ambition on co-financing would be a challenge for African countries.

Ecuador urged the GEF to accord LDCs and SIDS the same treatment they receive under relevant international environmental agreements. He said his constituency looked forward to strengthening efforts under the Minamata Convention.

Belgium said his constituency would closely track the integrated chemicals and waste focal area; and focus on non-grant funding and efforts to enhance co-financing and streamline the project cycle.

Cambodia acknowledged the role of the GEF in promoting sustainability in South East Asia, notably through the Small



Yu Weiping, Minister of Finance, China

Grants Programme (SGP). Noting potential issues with the new GEF-6 co-financing ratios, he requested the simplification of co-financing criteria for LDCs.

Canada supported greater inclusion of the private sector in the GEF-6 phase and encouraged gender mainstreaming in GEF projects.

China claimed that a donor country financing gap still exists and noted that his country has increased contributions to the the GEF by 33% compared to GEF-5.

Norway stated that the GEF needs to further focus on the drivers of environmental degradation noting the challenges of an evolving climate change finance landscape. He recalled his country’s contribution of US\$107 million to GEF-6.

The Netherlands said that cities deserve more attention from the GEF. Mexico said he expected the update of the System for Transparent Allocation of Resources (STAR), stressing that new co-financing rules need to take into account the special needs of some countries.

France stressed the need to agree on a global legally binding agreement on climate change.

Mauritania urged donors to give priority to supporting the Green Climate Fund and the Green Wall for the Sahara and Sahel Initiative, and called for allowing in-kind contributions as part of co-financing.

Germany called on GEF to focus on: climate finance in areas where it can clearly offer added value. He supported implementing the new integrated approach under existing institutional structures. He advocated the GEF enhancing country ownership, sustainability of results, operational efficiency and stronger knowledge management and enhanced stakeholder engagement.

Liberia called for direct access to GEF resources, country ownership of projects and programmes, and maintenance and strengthening of the SGP.

Finland noted the need to assess the broader socio-economic impact of GEF’s activities.

The Maldives suggested the need to further improve project operational modalities and expedite small allocations.

Afghanistan called on the GEF and the UN family to mobilize additional funds to help countries to address deforestation, desertification and land degradation challenges.

Fiji welcomed the more favorable terms for LDCs but expressed disappointment that those terms did not apply to SIDS, which are equally vulnerable to climate change.



L-R: Jozef Buys and Amb. Hans-Christian Kint, Belgium

Iran welcomed GEF's work and called for additional efforts to: make GEF more equitable, accessible, transparent and accountable; increase country project ownership; and improve communication between GEF Partner Agencies and countries.

Paraguay called for improved transparency in future replenishments to enhance donor involvement and expressed concern that requiring higher co-financing from medium-income countries that are not SIDS could affect the ability of some Latin American countries to implement GEF projects.

The Russian Federation supported the GEF's collaborative action on the environment, which he said contributes to sustainable development. He also noted that his country had increased its contribution to GEF-6 by 50% compared to GEF-5.

Zambia noted funding from GEF has increased but still falls short of what is needed, pointing out that the southern African region faces an increase in severe weather events, which impact negatively on land management, biodiversity and water resources.

Spain, with Switzerland, highlighted that funding GEF-6 had increased despite Europe's financial crisis, and called for continued broadening of funding sources.

Georgia underscored worsening floods and landslides in eastern Europe and welcomed the improvements to STAR for GEF-6 as well as the SGP.

The Central African Republic congratulated donor countries on GEF-6 replenishment levels but noted, along with Saint Lucia, that expectations going forward of very high levels of co-financing should be moderated to reflect the capacities of recipient countries.

STATEMENTS BY REPRESENTATIVES OF THE CONVENTIONS: Braulio de Souza Dias, Executive Secretary, CBD, said adequate financial resources are needed if the 2020 Aichi biodiversity targets are to be reached and welcomed the new Integrated Approaches Pilot.

Kerstin Stendahl, Executive Secretary *ad interim* for the Stockholm, Basel and Rotterdam Conventions, cautioned against a silo approach to chemicals and waste and advocated a cross-cutting and multifaceted approach to chemicals management. Fatoumata Keita-Ouane, UNEP Chemicals, on behalf of the Interim



Fatoumata Keita-Ouane, UNEP Chemicals

Secretariat for the Minamata Convention, welcomed the inclusion of the Convention under the GEF and urged countries to sign the Convention in order to be eligible for GEF resources.

STATEMENT BY HEADS OF THE GEF AGENCIES: Li Yong, Director-General, UNIDO, highlighted the role of the Inclusive and Sustainable Industrial Development, promoting inclusive industrial development, innovation and entrepreneurship.

Via video address, Jim Yong Kim, President, World Bank, congratulated the GEF for the conclusion of the sixth replenishment negotiations and underscored the need for greater private sector involvement within the GEF's activities.



Kerstin Stendahl, Executive Secretary, ad interim of the Basel, Rotterdam and Stockholm Conventions

Eduardo Ganem, Multilateral Fund of the Montreal Protocol, said the GEF has played a critical role in helping countries to

phase out ozone-depleting substances and the Fund looked forward to its continued collaboration with the GEF to achieve both ozone and climate benefits.

CLOSING: The fifth GEF Assembly considered and approved the report on credentials. Chair Guerra introduced the Chair's summary of the 5th GEF Assembly.



Eduardo Ganem, Multilateral Fund of the Montreal Protocol

Fernando Aportela, Under-Secretary of Finance, Mexico, thanked delegates for their participation, stating the

outcomes of the GEF Council and Assembly meetings in Cancún were a success and would set the stage to realize the GEF 2020.

Delegates then heard a written message from President Peña, Mexico in which he summarized as the key message of the Fifth GEF Assembly that intelligent investments would

lead to improvements in natural capital and social benefits that would help to transform economies and create livelihoods.

Ishii expressed her sincere gratitude to the government of Mexico saying the Assembly has achieved its key objectives. Stating that the meeting had confirmed that the GEF "has huge potential and can make a real difference," she closed the 5th GEF Assembly at 6.56 p.m.

SUMMARY REPORT: The IISD RS combined summary report of the GEF Council meeting and the 5th GEF Assembly will be available on Monday, 2 June 2014.



Naoko Ishii, GEF CEO and Chairperson