



# GEF Assembly Bulletin

A Daily Report from the Fourth Global Environment Facility (GEF) Assembly

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## FOURTH GEF ASSEMBLY HIGHLIGHTS: WEDNESDAY, 26 MAY 2010

The Fourth Global Environmental Facility (GEF) Assembly convened in the morning in a series of side-events, and in plenary in the afternoon. President José Mujica of Uruguay addressed the plenary, after which constituencies continued presenting their respective positions. Delegates discussed Kosovo as a GEF member, adopted a proposal of Amendment to the Instrument for the Establishment of the Restructured GEF and took note of a series of reports.



José Mujica, President of Uruguay

## SIDE EVENTS

**FOURTH OVERALL PERFORMANCE STUDY OF THE GEF:** Robert D. Van Den Berg, GEF, introduced the Fourth Overall Performance Study of the GEF (OPS4). He underscored that GEF-5 adjusted its goals to align them with global environmental needs, emphasizing that the national portfolio approach enables recipient countries to support and maximize project impacts. He noted the Small Grants Programme (SGP) proved to be an effective tool to achieve impact while addressing the livelihood needs of local populations.

Claudio R. Volonte, GEF, described OPS4 research carried out in 57 countries based on almost 2,400 projects. He highlighted solid GEF achievements, with “70% of completed projects showing moderate to solid progress toward impact.” He supported the creation of GEF national committees to promote national programming. Participants discussed direct access to funds, synergies between GEF and the international conventions, and involvement of GEF with the private sector, among others.

**GLOBAL ENVIRONMENTAL BENEFITS THROUGH INNOVATIVE COMMUNITY APPROACHES AT THE LOCAL LEVEL – SGP:** The GEF SGP convened a roundtable on finance for local projects. Participants heard presentations from grantees and SGP officers, and viewed a short background film showcasing SGP support for more than 12,000 projects in 122 countries.

A grantee from Peru discussed conservation of local varieties of cotton, and the digging of a well to bring clean water to her family along with new cooking technologies that produce less smoke. A grantee from Fiji discussed environmental education for climate change adaptation on a remote island. A member of the NGO network lauded the work of local NGOs as custodians of the environment.



Monique Barbut, GEF CEO, and Graciela Muslera, Minister of Environment, Uruguay, Chair of the fourth GEF Assembly

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During discussion: Katharina Kummer Peiry, Secretary General of the Basel Convention, asked why SGP has not funded more waste management projects and whether it might in the future. The Minister of Environment of Somalia and a participant from Eritrea agreed that projects to address waste are important.

#### **FINANCE AND SECTOR-LEVEL MINISTRIES PERSPECTIVES ON GEF'S IMPACT IN SECTOR DEVELOPMENT OBJECTIVES AND PRIORITIES:**

The presenters and panelists discussed difficulties in getting environment ministries to communicate with finance and sectoral ministries "in the same language." They agreed that assessing the long-term economic value of natural resources and environmental protection is essential. They stressed that obtaining the needed resources and loan approvals is not possible without the cooperation of legislatures and support of the general public. Some suggested that GEF grants be bundled with loans from other sources, to receive higher national priority. Barbados urged the Banks and GEF to consider a regional approach to finance responses to climate change. The Inter-American Development Bank (IADB) and World Bank panelists recognized their institutions may have to rethink how they lend for renewable energy and for response to climate change.

#### **SUSTAINABLE AGRICULTURE: CAN WE FEED THE WORLD AND SAFEGUARD THE ENVIRONMENT?**

This side event showcased success stories from FAO, IFAD and GEF projects, mostly with small-scale farmers. Charles Riemenschneider, Director, FAO Investment Centre, highlighted the challenges of increasing food production to feed the growing world population in 2050, in the face of land and water shortages, decline of commercial marine species, and loss of plant and animal genetic resources.

Elwyn Grainger-Jones, IFAD, recalled promising experiences with small-scale and large-scale farmers adopting sustainable agriculture based on reduced fertilizer and pesticide inputs. Carmen Pires, EMBRAPA, Brazil, showcased a GEF global project on the economic importance of pollinators for farmers. Mark Tonkin, Design Technology and Irrigation, presented a technology-based solution for irrigation in Jordan, useful for adaptation. Rufino Espedito, Brazil, presented a project that is working on youth and women's social inclusion through sustainable agriculture. Marco Vivar and José Luis Tuquinga, Ecuador, reported on alternative approaches to supporting the livelihoods of small-hold farmers.

#### **CONSERVATION OF BIODIVERSITY AND SUSTAINABLE DEVELOPMENT IN URUGUAY: INTERNATIONAL COOPERATION:** National authorities

from Uruguay's Ministry of Environment, including Graciela Muslera, Minister of Environment, and Tabaré Aguerre, Minister of Agriculture, Livestock and Fisheries, presented examples of successful implementation of GEF projects. These focused on sustainable use of land pastures, recovery of degraded lands, and biodiversity conservation. Two videos showcased agro-ecological activities and biodiversity conservation projects.

Experiences in funding projects for sustainable development were presented by Marc Antoine Martin, *Fond Français pour l'Environnement Mondial*; Susan McDade, UN Resident Coordinator in Uruguay; Amb. Jean Christophe Potton; and Jose Luis Pimentel. They all highlighted the country's engagement in and support for environment and development activities, condensed in the country's slogan "Uruguay Natural," which recognizes that welfare conditions are intrinsically connected to ecosystems. Participants welcomed the creation of, and international support for, the protected areas network in Uruguay, and called for further work on developing indicators on impacts of projects on the ground.

**NEW SCIENCE FOR A SUSTAINABLE PLANET - STAP:** N.H. Ravindranath, GEF Scientific and Technical Advisory Panel (STAP), said that an additional investment of US\$10.5 trillion, equal to an annual investment of US\$430 billion, is required to limit warming to 2°C and 450 CO<sub>2</sub>e ppm. He stressed the large mitigation potential of land-based options, particularly reducing deforestation and peat land degradation. Louisa Wood, UNEP-World Conservation Monitoring Centre, describing drivers of change and impacts on ocean ecosystems, said 30% of world fisheries have collapsed and underscored the importance of coastal management for climate change mitigation. Patricio Bernal, IUCN, spoke on developing science for the protection of ecological services in the high seas and said oceans are responsible for the equivalent of 70% of oxygen production. Georgina Langdale, Economics of Ecosystems and Biodiversity (TEEB), gave an overview of the TEEB study, highlighting increased interest in valuation of ecosystem services. She added that an important target audience of TEEB is the financial sector.

**THE CORAL TRIANGLE INITIATIVE:** Nessim Ahmad, Asia Development Bank (ADB), explained that the Coral Triangle (CT) region is located along the Equator at the confluence of the Western Pacific and Indian oceans, and underscored that its coral and marine resources are under risk.

Bruce Dunn, ADB, noted the CT initiative is an example of the ability to address landscape-level issues using integrated ecosystem-based approaches both at national and transboundary levels.



Ione Egles, Brazilian Ministry of Science and Technology; Barry Gardiner, United Kingdom; Luc Gnacadja, Executive Secretary of the United Nations Convention to Combat Desertification; Jan McAlpine, Director; UN Forum on Forests Secretariat; Inger Andersen, World Bank; Justin Nantchou Ngoko, Cameroon; Gustavo Fonseca, GEF



Kate Newman, WWF, underscored that pressures on the CT include habitat loss and unsustainable fishing and coastal development. She noted that the CT Initiative aims to designate and effectively manage priority seascapes. On the CT's importance for the Philippines, Analiza Teh said it promotes public-private partnerships for green finance, strengthens management activities and facilitates regional coordination. Sade Bimantara, Indonesia, highlighted the importance of developing the CT Plan of Action, and outlined some obstacles for implementing such plan. Nik Sekhran, UNDP, summarized UNDP collaboration in the CT, emphasizing the importance of linking natural resource management to poverty reduction.

**THE LARGER LANDSCAPE OF BIODIVERSITY CONSERVATION: MAINSTREAMING AND ECOSYSTEM-BASED APPROACHES TO CLIMATE CHANGE:** Karin Kemper and Jocelyne Albert, World Bank, outlined the Bank's biodiversity projects, including GEF climate change projects that also promote biodiversity conservation.

Pedro Alvarez, Mexico Mesoamerican Biological Corridor, underlined that this project helped preserve ecosystem connectivity among 24 protected areas and promoted awareness-raising activities and participation in 130 communities.

Onno Huyser, WWF South Africa, outlined the Cape project to build biodiversity corridors in the Cape Floral Kingdom. Mario Nanclares, Argentina, presented a GEF project in his country, which aims at biodiversity conservation in productive forests in three ecoregions, through adequate planning and management.

Elizabeth Taylor, Coralina, Colombia, reported on a marine protected area that aims to conserve biodiversity and ensure sustainable use of the coastal and marine resources through the ecosystem approach and multiple-use zoning. Mohamed Zmerli, Tunisia, described the main activities for coastal and marine biodiversity in the Gulf of Gabes.

**ARCHITECTURE OF FOREST FINANCING:** Panelists, including UNFF Director Jan McAlpine and UNCCD Executive Secretary Luc Gnacadja: welcomed GEF-5 inclusion of a window for sustainable forest management (SFM) funding; estimated SFM funding needs of US\$19 billion per year; and underscored that forests should be further integrated into poverty reduction strategies with a multisectoral and comprehensive approach.

Several panelists commented on ongoing forest management initiatives such as UN-REDD and the World Bank Forest Carbon Partnership Facility, highlighting that they have to be based on local partnerships among civil society, indigenous peoples, government and the private sector. They also called for the promotion of synergies among biodiversity, climate change and forests, both at international and national levels.

National examples were presented to discuss key problems in forest management, including: poor coordination among national institutions; insufficient or inconsistent funding due to lack of flexibility in the provision of funds; scarce exchange of lessons learned; poor decision-making process; access to funding by local communities; and the need for the creation of protected areas and approaches to tackle deforestation and poverty.

**INVESTING IN SUSTAINABLE TRANSPORT: INVESTING IN KNOWLEDGE:** The Panel was chaired by the World Bank and included a presentation by the GEF Secretariat on investments and strategies to promote sustainable transport. The Institute for Transportation and

Development Policy detailed the challenges of estimating greenhouse gas (GHG) emissions from road transport and a proposed GHG methodology for the GEF. World Bank described how it and GEF can build an effective GHG and transport knowledge base.

The GEF Coordinator of the ADB discussed its transport portfolio, and the IADB addressed freight transport, opportunities for GEF-5, and the Smartway programme. The African Development Bank delineated challenges and prospects for reforming the transport sector in Africa.

Most speakers addressed a common topic, saying that a historical focus on technological solutions is giving way to a holistic focus at some development banks that includes reducing distances traveled, integrated regional planning solutions, system efficiency, and shifting to non-motorized modes.

## PLENARY

José Mujica, President of Uruguay, saluted participants and called for policymakers and scientists to commit themselves to addressing the challenges of sustainability and, while taking stock of achievements, never to be satisfied with the results as there is still so much more to be done.

Russian Federation, for the constituency also including Armenia and Belarus, congratulated the GEF for the replenishment, and said GEF can catalyze joint action to address environmental problems at international and national levels.

South Africa, for nine southern Africa countries, acknowledged efforts made by GEF to streamline procedures and support countries to initiate programmatic approaches, but lamented that GEF-5 is not adequate to meet the basic environmental challenges of developing countries.

Spain, for four European countries, welcomed the successful replenishment and the Council's endorsement of related policy recommendations. She highlighted the need for GEF to: prepare to respond to new challenges; enlarge its partnership, especially with the private sector; and continue to explore new financial formulas.



Donald Cooper, Executive Secretary, Stockholm Convention

Sweden, for three northern European countries, expressed satisfaction for the ambitious GEF reform package, the progress toward increased transparency, and the strengthened gender focus. She called for more feedback from evaluation of GEF's work.

Switzerland, for a constituency including six central Asian countries, highlighted desertification and chemicals as priority, underscored the central role of GEF in the international financial system, and stressed the importance of regulatory mechanisms in addition to financial ones.

The US said that its increased contribution under the fifth replenishment demonstrated the Obama Administration's commitment to the GEF. He expressed support for new work in sustainable forest management, mainstreaming gender issues, programmatic approaches such as the Coral Triangle Initiative, involving the private sector, the SGP, and enhancing country ownership.

The Netherlands advised GEF to: continue allocating generously; promote country ownership while recognizing many environmental problems are transboundary or regional in nature; encourage South-South cooperation while remembering it does not replace North-South cooperation; promote the inclusion of all sectors since their follow-up is crucial to giving GEF projects lasting impact; and not to underestimate the role women play in improving environmental protection and combating poverty.

Homero Bibiloni, Environment Minister, Argentina, lamented that funding for GEF did not match expressions of commitment to the planet, and represented a loss of 17% in purchasing power since GEF began. He called for GEF to help build local capacity through national scientific and technical communities instead of engaging international consultants for GEF projects. He also urged greater emphasis on South-South cooperation.

The GEF NGO Network noted the Civil Society Forum and its key conclusion, namely that CSOs have been key GEF partners and have pioneered innovative approaches to engage civil society in safeguarding the global environment, but that recent declines in GEF resources for CSOs jeopardize these results. The Forum called for redoubled efforts to enhance the effective participation of civil society in all stages of GEF project design, execution and evaluation.

#### **REPORT ON GEF MEMBERSHIP**

Chair Graciela Muslera presented the Report on GEF Membership (GEF/A.4/5/Rev.2).

Serbia objected to the inclusion of Kosovo as a GEF member and presented a Declaration saying that the act of notification of participation in the GEF by the representatives of the "so-called 'Republic of Kosovo' is in violation of international law". The representative of Serbia further added that Kosovo is part of the Republic of Serbia currently under

United Nations administration pursuant to Security Council Resolution 1244 (1999). Serbia said that since Kosovo is not a State it should not be a member of GEF.

Many countries including Cuba, Chile, Algeria, Romania, China, Argentina, Egypt, Brazil, Uruguay, Ecuador, Venezuela and Indonesia expressed support to Serbia.

Monique Barbut, GEF CEO, clarified that Kosovo was accepted as a member country by the World Bank, which automatically makes it a member of GEF. She added that since the World Bank constitutes a UN specialized agency, then Kosovo meets the requirements to be a GEF Member. She also considered that according to paragraph 14 c) Operational Procedures for the Expedited Financing of National Communications from Non-Annex I Parties the Assembly is not entitled to decide the acceptance or rejection of new members. Further to the break for informal discussions, the Chair's Summary was presented stating that, on this point "there was no consensus on the inclusion of Kosovo as a Participant of the GEF in document GEF/A.4/5/Rev.2, Report on GEF Membership."

#### **OTHER REPORTS**

Chair Muslera presented, and the Assembly took note, of the reports on the Credentials (GEF/A.4/Misc.1), the report on the GEF Trust Fund (GEF/A.4/6), and the Fifth Replenishment of the GEF Trust Fund (GEF/A.4/7).

#### **AMENDMENT OF THE INSTRUMENT**

Chair Muslera presented, and the Assembly approved, the proposed Amendment of the Instrument for the Establishment of the Restructured Global Environment Facility (GEF/A.4/9) which includes: eliminating the role of implementing agencies in appointing the GEF CEO; making GEF available to serve as a financial mechanism of the UNCCD; and GEF CEO appointment and term limits.

#### **SUMMARY OF THE HIGH-LEVEL ROUNDTABLE DISCUSSIONS AND CLOSING OF THE ASSEMBLY**

Yemen presented the summary of the high-level roundtables (GEF/A.4/CRP.1) discussions and said it covered themes such as governance, capacity building, project cycle, financing issues, and GEF agencies.

Chair Muslera presented the Chair's Summary, which was approved by the Assembly with minor corrections. GEF CEO Monique Barbut thanked Uruguay for hosting the meeting, all participants for their hard work, the volunteers and the GEF staff. She closed the meeting at 8:16pm.



Mohamed Zmerli, Ministry of Environment and Sustainable Development, Tunisia; Elizabeth Taylor, Coralina, Colombia; and Onno Huyser, WWF, South Africa