

Global Environment Facility

GEF/C.29/6 August 3, 2006

Special Council Meeting Cape Town, South Africa August 28, 2006

Agenda Item 8

PROPOSAL TO ENHANCE CAPACITY OF SIDS IN THE PACIFIC REGION TO BETTER ADDRESS MANAGEMENT OF THE GLOBAL ENVIRONMENT

Recommended Council Decision

The Council having reviewed document GEF/C.29/6, *Proposal to enhance capacity of SIDS in the Pacific Region to better address management of the global environment*, expresses its appreciation to the governments of Australia and New Zealand for the support they have offered to assist the Pacific Small Island Developing States (SIDS) to enhance their capacity to effectively develop and implement GEF projects and programs.

The Council recognizes the special circumstances of Small Island Developing States in the Pacific and the need to assist the Pacific SIDS to build government capacity and mainstream global environmental issues.

The Council approves, on an exceptional basis, the establishment of a GEF Secretariat position to be co-located with the South Pacific Regional Environment Program for a period of two years, with a possible one year extension. The Council understands that this position is to be financed fully by bilateral funds.

INTRODUCTION

- 1. The Small Island Developing States (SIDS) constitute only a small portion of the world's land area, yet represent unique coastal and marine ecosystems with high species diversity and a significant degree of endemism. Their rich fisheries, forests, and other natural resources have long supported the livelihoods of human settlements and formed the basis of SIDS' economies.
- 2. The Pacific SIDS particularly are host to many endangered plants and animals, mainly because the small sizes of most of the islands also means the total world populations of many of these species are naturally very small making them vulnerable to any disturbance. The regional biological uniqueness is well illustrated by their bird population the Pacific has 15% (408 of 2700) of the world's restricted range bird species in only 0.4% of its total land area.
- 3. By contrast, the vast marine estates of Pacific SIDS comprise the most extensive and diverse reefs in the world, the deepest oceanic trenches and relatively intact populations of many globally threatened species including whales, sea turtles, dugongs and saltwater crocodiles. The mountainous islands of Melanesia support large tracts of intact rainforests that are hosts to unique communities of plants and animals, many species of which are found nowhere else in the world, many more waiting to be discovered and described scientifically. For the small islands in the region, this diversity is the result of thousands of years of physical isolation from continental landmasses. This enabled many island faunal species to evolve independently of relatives in other land masses resulting in a high level of endemism, which according to some reports exceed 80% in many islands.
- 4. This treasure trove of nature however is critically threatened in the Pacific, with up to 50 percent of the region's total biodiversity at risk. The threats come from over-exploitation of resources and the fragmentation of ecosystems and habitat destruction as a result of human activities and the impact of alien invasive species. Destructive natural events also play a role, while new and potential threats such as those posed by living modified organisms and climate change are on the horizon.
- 5. Many Pacific islands are extremely vulnerable to climate change and sea level rise which will force them to adapt or abandon or relocate populations from their environment. Some of the islands are low lying atolls. Others have coastal features and characteristics that make them particularly vulnerable to climate change, variability and sea level change. In addition to significant coastal impacts, climate change will affect the unique biodiversity, soils and water supplies of small islands. Most small island states will find it extremely difficult to adapt to these changing conditions.
- 6. Failure to adapt to climate change now can lead to high social and economic costs in the near future. Public pressure is mounting for action on adaptation. There is growing community and government concern about the need to reduce the islands' vulnerability and manage the risks posed by extreme events and long-term change.
- 7. The root causes of these problems reflect a complex combination of socio-economic factors that includes smallness, geographic isolation and narrow resource bases to start with, compounded by high population growth, lack of technical capacity to deal with issues, and

ineffective coordination amongst agencies with mandates to deal with resources and conservation. In the context of global environment there is also a noticeable weak presence of implementing agency experts in the Pacific, and the region is far removed from the headquarters of the GEF agencies and the GEF Secretariat.

- Historically the Pacific SIDS have found it difficult to gain access to the GEF compared to other small island developing States and this was distinctly recognized by the Third Overall Performance Study (OPS3). The OPS3 report states that 88% of GEF projects in the Pacific SIDS are enabling activities that have focused on fulfilling international reporting requirements that have not benefited countries or the environment in tangible ways. It also notes that country focal points do not have the resources to perform their roles, given the difficulties and expenses of travel and communication. It recommends that additional assistance be provided to implement activities developed or designed through enabling activities, build government capacity, and mainstream environmental issues in these countries.
- 9. The RAF allocations in GEF-4 offer increased opportunities for the 14 countries to prepare quality projects in the GEF focal areas. A meaningful portfolio built through coordinated regional action and integration with national priorities holds the potential to significant improvements in terms of conservation of biological diversity, prevention of land degradation, protection of international waters and adaptation to climate change.

PROPOSAL FOR GEF STAFF POSITION IN THE REGION

- The Governments in the region having recognized the problems facing the Pacific SIDS, 10. and after several discussions, including at the GEF constituency meeting of focal points in Jakarta, Indonesia, in December 2005, have requested the GEF Secretariat to provide a staff member in the region to strengthen their national capacities on GEF procedures and programs. The Council Member for the Pacific SIDS has written to the GEF Secretariat supporting the proposal.
- 11. Australia and New Zealand, as donors recognizing the weak presence of GEF Agencies in the region, the significance of the unique ecosystems in the Pacific and the potential lost opportunities for GEF assistance, have agreed to finance a GEF Secretariat staff member (at Grade F) and the associated costs for two years with the possibility of a one year extension under normal GEF/World Bank terms and conditions for such placement. There will be no cost to the GEF corporate budget, as the position will be fully funded bilaterally by the Governments of Australia and New Zealand. The staff member will be co-located with SPREP¹ but be administratively responsible to the GEF Secretariat.

2

¹ The Secretariat of the Pacific Regional Environment Program (SPREP) is an intergovernmental organization set up by Pacific Countries and Territories to help address their environmental priorities and assist with their Implementation of the MEA's (UNCCC, UNCCD, POPS, CBD, Montreal Protocol etc). SPREP has been working with Pacific SIDS for over 12 years and has executed on behalf of the Implementing Ageciess, most of the Pacific Regional GEF Projects and assisted with national enabling activities also.

- 12. It is expected that locating a GEF staff member in the region will raise the Pacific SIDS' capacity to engage with the GEF and its agencies. Such enhanced communication and training would help catalyze national governments to improve their own development policies and planning, and to better coordinate and integrate the presently fragmented efforts of national agencies dealing with resource management.
- 13. The GEF staff person will help improve national understanding and capacity to address GEF procedures and focal area programs, will raise the quality of country and regional project proposals, will promote greater coherence across the region in terms of regional priorities and will help streamline the role of regional and GEF agencies.
- 14. Considering the strong commitment of Pacific SIDS Governments to contribute to the achievement of global environmental objectives and the support of regional donors, the location of a GEF Secretariat staff person would contribute to addressing the constraints the Pacific SIDS are facing and would place the GEF in a better position to achieve its mandate in the Pacific region.
- 15. The Council is hereby requested to approve, on an exceptional basis, this staff position.