

Scientific and Technical Advisory Panel

The Scientific and Technical Advisory Panel, administered by UNEP, advises the Global Environment Facility



23 February, 2009

Panel's response to the Eighth consultation draft (19th February 2009) 'Strategic Positioning of the Global Environmental Facility for Its Fifth Phase'

Introduction

The Scientific and Technical Advisory Panel welcomes the opportunity to comment on this draft¹ document from a science perspective; however also notes that an inadequate length of time was made available for review. The Panel Members provided their comments to the STAP Secretariat in marked up versions and in note form, the present document integrates the majority of these comments into one response.

General

1. The Strategic Positioning document has too many unsubstantiated statements on, for example, the impact of GEF investments and the seriousness of global environmental damage. At the very least there should be citation from independent sources and greater referral to existing published global assessments.
2. The Panel assumes that the document is intended to persuade the donor community to give more funds to the GEF (rather than as an internal guidance document for the GEF in their conversations with the donors). If so then the Panel advises that there should be a one-page, cogent summary that really hits home the major points of the GEF pitch for greater resources. Even by mid-document the reader would still not be clear on what the argument was for increasing GEF resources, and a donor might not be interested in reading further.
3. Overall, the document does not give sufficient credit to the role of science and technology "proofing" of the GEF and as such the role of STAP in the GEF reform process. The notion of strengthening science credibility of GEF operations and its contribution to lessons learned is missing.

More specific points. *(original text referred to in italics)*

Section, paragraph	Comment
Section I, The GEF Track Record	
6	Is there anything more concrete than demonstration projects? Have any of them been scaled up to have some measurable impact?
7 (a-e)	The points are all different and non-comparable, e.g., some mention the amount of money spent, others subsets of this, some the co-financing, etc. Standardize in some way?
10	<i>'However, the underlying reality of replenishments points to a very different conclusion.'</i> Which is? Why make the reader draw their own conclusions from the points below that statement?
13	<i>'The stagnant levels of replenishment are at odds with GEF's widely recognized achievements and track records. Indeed there remain several unaddressed factors that would have helped the GEF better adapt to the evolving international environmental policy and financing context.'</i> These are not factors affecting the GEF's ability to adapt. These are factors that potentially explain stagnant replenishments
14	While accepting that poor visibility of the GEF contributes to stagnant replenishment, and given that the paper publicises the actual resources spent, disappointingly the paper presents little in the following analysis that seeks to correct the invisibility problem.
19	In the case of the Climate Change portfolio there appears to have been limited scope for innovative technologies and absence of Operational Program 7 type of approach, where GEF supports technologies to

¹ The Panel noted that the document is titled Eighth Draft, yet the note at the end is labeled Seventh Draft, Feb 19, 2009

	achieve long-term cost reduction and promotion of technological maturity.
Section II, The Emerging Context	Overall, this section is not well focused, and while it emphasizes the crises for the global environment it may be unduly negative regarding the GEF and carries the danger that donors may ask 'if GEF has spent so much, why are we in such a bad way?'
23-28 (Depletion of Natural Capital)	<p>No use is made in the text of synergies between Focal Areas and other global goods – surely the most encouraging reason now for investing in the GEF. One would have expected to see a powerful scientific argument in investing in global environmental benefits as a means of (or support to) meeting the Millennium Development Goals.</p> <p>Regarding the title 'Depletion of Natural Capital', given that the story is much more complex with trade-offs between this 'capital' and 'financial/physical/social/human capital assets'? Why use this title as a catch-all for a wide range of issues related to renewable natural resources?</p> <p>This section and the others seem to imply what GEF-5 might want to do that earlier replenishments did not do, or did on a smaller scale. However, these sections and later ones are not explicit in stating how exactly the GEF-5 will fit with these "new developments" in the environmental policy arena. In retrospect this section on natural capital seems disconnected from what comes later. It's never really referred to again in discussing what GEF-5 will try to do differently.</p>
20 (i)	Suggest add to existing (i): Capacity and institutional building to enhance technology needs assessment transfer and large scale dissemination, particularly in least developed countries.
24	<p>Suggested alternative text:</p> <p><i>'Access to food and water is threatened in many countries to such an extent that it has become a problem of global scale in 2008 and may threaten the security of nation states, and, through tendencies to restrict trade or lock up transboundary water resources, even threaten national security. Management of water is so critical that some observers now consider that the world is facing not so much a food crisis as a water crisis, with 85 % of water use in some countries devoted to agriculture, often for export crops. Today, one billion people still drink from contaminated sources, and hundreds of millions more lack water for their crops because of upstream over-use in irrigation.'</i></p>
25	<p>Suggested alternative first sentence:</p> <p><i>'These problems are triggered by natural resource management decisions, human population growth and growing per capita consumption and made worse by climate change and the progressive loss of ecosystem services.'</i></p>
26	<p>Suggested insert underlined after first sentence:</p> <p><i>'These are not theories about the future. For instance, there are already many transboundary groundwater, river, and lake basins subject to intense water use conflicts and fisheries depletion, e.g. <name an example from each major continent and from the GEF project list, e.g., Nile, Rio de Plata and Mekong>.'</i></p>
27	<p>Suggested alternative text:</p> <p><i>'The situation for the oceans is not equally serious. A recent analysis from the World Bank and FAO calculated an annual loss of about \$50 billion arising from depleted fish stocks and poor fisheries management, with a cumulative trillion dollar economic loss during the last 30 years arising from destructive economic incentives. Seventy-five percent of marine fish stocks are depleted, over-fished, or fished at capacity. The ocean's fisheries resources are being heavily exploited with the result that their productive capacity is reduced, fish species composition has been dramatically altered and fishing effort has increased further in attempts to maintain catches. Many fisheries resources, and not only the highly migratory species, are shared across national boundaries and the GEF international agreements over shared aquatic resources are first steps in the effort to create cooperative fisheries resource management. With coastal ocean temperatures documented to be warming from 3-5 times more rapidly than IPCC projections, there is no time to waste if reductions in coastal livelihoods, food security, exports and economic growth are to be reversed. The transboundary agreements and their Strategic Action Programs developed with GEF support have created the solid platforms on which to implement action for water resource management.'</i></p>
28	Suggest to include the existence of synergy in addressing global environmental concerns such as Climate Change, Land degradation and biodiversity loss; Generally most programs aimed at biodiversity conservation, land-reclamation and sustainable forest management provide large climate change benefit, apart from promoting food and energy security.
31	Suggest adding: (mentioning IPCC (2007) 'stabilization levels assessed can be achieved by deployment of a portfolio of technologies that are either currently available or expected to be commercialized in the coming decades, assuming effective incentives are in place for their development, acquisition, deployment and diffusion and addressing related barriers' without substantial investment flows and effective technology

	<i>transfer it may be difficult to achieve emission reduction at a significant level. Mobilizing financing of incremental cost of low carbon technologies is important. These should be the guiding principles for GEF to support technologies to reach maturity.'</i>
34-36	It appears to STAP to be a risky strategy to turn the GEF into a development agency, which appears to be an implied goal. Not because the donors do not care about economic development in low and middle income nations, but because there are many other multilateral vehicles for doing so. If the GEF is primarily designed to secure GEBs, shouldn't part of the sales pitch focus on why donors benefit from investments in the GEF? In other words, there are benefits from their contributions that are valuable and can be realized through no other vehicle than the GEF because only the GEF is focused on the acquisition of GEBs
46	The document should probably address head-on a criticism that will likely arise: aggregating most of the funding in the GEF could reduce the amount of creativity and experimentation that arises when multiple funds compete against each other. Why is the GEF (and its Secretariat) the best group of individuals for picking the "winners?"
47 (g)	<i>"(g) It possesses an independent Scientific and Technical Advisory Panel (STAP) to guide the strategic directions of the institution and the <u>experience of eighteen years of trials and errors</u>"</i> The last part of this statement is not helpful when arguing the case for improved strategic direction of the GEF. In addition a stronger rationale for having a STAP would be helpful
51-56	There is relatively little mention of the GEF's role in delivering Global Environmental Benefits. GEBs only receive a very cursory mention in #48 and in #53. It is the one aspect of GEF that is unique. The list of potential roles in these paragraphs otherwise duplicates that for several other multilateral and bilateral agencies
54	Regarding: <i>'It could be time to expand the concept of externalities to also include support for activities that need to be undertaken by countries to prevent/avoid the negative impacts created by global environmental problems.'</i> STAP considers that is not an externality, so rather than "expand the concept of externalities," it would be more correct to say that the intention is to expand the role of the GEF. The GEF is already imprecise about its role in addressing global externalities and often conflates local and global environmental benefits to the detriment of a consistent message and mission.
57-58	<i>Remain on the Frontier of Innovation.</i> A reader is left with the impression in these two short paragraphs that the GEF is not particularly innovative. GEF should lay claim to innovations in approaches, methodologies, synergies and integrated investments. These two paragraphs tend to pander to the bias that the GEF is about promoting technical fixes. An example of an integrated approach that would not be undertaken by any other agency would make the case
61	STAP notes that the GEF-5 strategy will need to clearly spell out how the private sector is best engaged and support its argument with logic and data. It's not at all evident how such engagement would work effectively.
63	Adaptation to Climate Change should be part of Natural Resources Management. There is a good body of literature on aspects such as coping strategies, agricultural techniques, land management practices and so on that lead communities to being better able to cope with (and, indeed, exploit) climate change. STAP cannot see the difference between NRM as a 'broad theme' and adaptation to CC as a 'transversal issue' Although Natural Resources Management is used to describe the cluster of focal areas, it is not the correct term to describe the intention: Conserving ecosystem goods and services?
64	Suggested text insert, first point: <i>'In developing the programming strategies across the focal areas, there will be a focus on the following cross-cutting issues: (i) the preservation of large ecosystems, particularly forests, <u>coastal zones, rivers and lakes</u> that provide multiple services, in particular carbon sequestration,'</i> Regarding point (ii), what does the GEF know, or thinks it knows, about the environmental impacts of trading between capped and uncapped systems (which is going to be the largest potential source of funds for low and middle income nations)? The likely relationship should be clarified before venturing into this arena. STAP considers the economic science on this question to be still inchoate.
67	Regarding <i>Accountability to the Conventions.</i> One would have expected some mention of liaison or joint working of GEF's and the Convention's science bodies, accordingly regarding Point (a) add <i>"including between secretariats of scientific and technical bodies"</i> . Point (e) add <i>"including bringing together scientific and technical expertise through the STAP to strengthen the scientific advice to the conventions and the GEF Council"</i> .
70	If the GEF is going to put more emphasis on programs, it is going to be giving up more authority to agencies to design initiatives under the program. If so there should be greater emphasis (including incentives or

	penalties) for monitoring, evaluation and reporting, so the GEF can ensure that its funds are being used effectively.
73	The tailored project cycles of various trust funds could leave a gap in scientific quality assurance. There is mention throughout of minimum fiduciary standards for agencies but minimum scientific and technical standards need also to be considered.
82	Suggest mentioning the need for increased reliance on scientific and technological advice from STAP, since the science, engineering and economics are dynamic and becoming more complex. Further, the Bali Action Plan as well as IPCC (2007) highlights the need for focused R&D, particularly at the later phases of technology innovation chain to enable developing countries adapt the technologies to local conditions and needs and achieve cost effectiveness.
Annex 1	
13	Loose use of 'resilience', which is now coming to have very specific and important scientific meaning in a GEF context.
21	This is the only paragraph for Land Degradation. The three sentences in the paragraph appear not to have any relation to each other.