

**UNDP Comments on the GEFSEC “Strategic Positioning of the Global Environmental Facility for its Fifth Phase” draft of February 19, 2009**

This document is an important statement of the GEF Secretariat’s vision for the “GEF of the Future”. UNDP concurs with the vision of the role of the GEF as an instrument to tackle global environmental problems with a particular focus on the synergies between the global environmental conventions (MEAs).

UNDP also concurs that the best way for the GEF to achieve this vision is through “an energized partnership network” (para. 46). Being a “partnership” is one of the unique characteristics of the GEF and we believe it is one that has made the GEF so successful. In fact, the achievements of the GEF laid out in paragraphs 7 and 8 significantly understate its achievements. We believe that the GEF can take credit for much of the mainstreaming of global environment concerns into both UNDP and the World Bank.

UNDP shares the concern about the decline in the real value of GEF replenishments and supports a strong replenishment of the GEF for GEF-5. UNDP also recognizes that beyond GEF-5 the nature and size of the GEF might need to be significantly altered in response to the post Kyoto architecture. It is important to ensure that any new financing mechanisms developed to “Strengthen the Funding Base” of the GEF complement, rather than duplicate, the existing work and financial modalities of the Implementing and Executing Agencies, including in raising cofinancing for GEF projects.

UNDP agrees with the need to expand GEF engagement with the private sector, however we see the role of public sector financing being to help to establish the correct enabling environments, which then attract and drive direct private investment towards sustainable solutions, rather than attempting to substitute for such private sector investment. Particularly since the magnitude of the private investments involved already dwarf all public sector funding - in 2008, for example, the private sector invested close to \$150 billion in green energy technologies.

We note the intention of GEFSEC to be more involved in programming GEF resources at the country level but would like to stress the importance of ensuring that GEF resources and global environmental concerns are not treated separately in programmatic approaches outside the mainstream of national development and country ownership. GEF resources should be programmed as part of an integrated delivery of development assistance services by all development agencies, in line with their areas of comparative advantage.

The UNDAF-CCA, for the UN agencies, and the CAS (Country Assistance Strategies) for the World Bank, are two key instruments through which this integrated programming is achieved. The UNDAF and CAS processes are not isolated programming events but iterative policy dialogues led by the resident missions of UNDP and the World Bank, and involving the full range of national and development actors at the country level.

We are fully supportive of further simplification of the project cycle. Agencies have been brought into the GEF partnership specifically because they have the demonstrated ability and experience to help countries prepare and deliver effective programmes on the ground, as well as the ability to meet the GEF Fiduciary Standards. Better leveraging the existing appraisal and approval mechanisms of the GEF Implementing and Executing Agencies would be an important step towards reducing the length of the GEF project cycle.

The paper could be further strengthened by substantiating some of its assertions. Paragraph 84, for example, states that “Evaluations have shown that these programs [the corporate National Dialogue Initiative and Country Support Programme], under implementation through GEF agencies, have often not conveyed the GEF identity and the relationship with impacts of GEF-financed projects”. Since the evaluation of these programmes only started on 23 February 2009, the GEF Secretariat might wish to provide further information on the evaluations referred to in paragraph 84.

UNDP first received a draft of this document on February 19. Given the time constraint and that it is a GEF Secretariat document rather than a GEF document, as clarified during the GEF teleconference of 24 February, these comments are preliminary in nature and we look forward to further contributing to the next iteration of this paper and the development of the strategic priorities for GEF-5.