

GLOBAL ENVIRONMENT FACILITY

SEMINAR ON RESOURCE ALLOCATION FRAMEWORK Paris, September 27 – 28 2004

ADDITIONAL COMMENTS

MEXICAN DELEGATION

1. We are in agreement that the financial resources disbursed to national governments by the GEF cannot be exempted from certain conditions. In this sense the *Resource Allocation Framework (RAF)* must be transparent for all Parties and efficient in terms of achieving the goals and objectives of the projects financed.

2. If the present conditions must be modified, then in order to maintain transparency we consider that an evaluation of the current RAF is indispensable, so that the reasons for any modifications are completely clear. Such an evaluation should be a topic of discussion at next November's Seminar in Washington, and is especially important in order to appropriately discuss the possible options: the present version and the improved version.

3. The two new conditions ("components", as they are referred to in the Report presented at the Paris meeting) that the Council of the GEF now proposes seem pertinent to us, always assuming that the application mechanisms are acceptable to all Parties and that the application processes are transparent.

4. The potential to generate global environmental benefits seems to us to be an indispensable condition/component of any project on the theme of biodiversity or climate change financed by the GEF, given that the *raison d'être* of the GEF is to support achievement of the aims and objectives of these two International Conventions. While their achievement includes capacity building of the Parties (so as to assure good performance), these aims and objectives remain global.

5. The evaluation of country performance (based on macro, sectoral and GEF portfolio indicators) also seems to us to be a necessary condition/component if we wish to ensure the effective development of country/GEF projects and, in that sense, achievement of the aims and objectives of the Conventions. Nevertheless, we are of the opinion that the Parties should themselves be involved directly in the evaluation mechanism, which should be an evaluation mechanism among peers. That is, the evaluations should not be undertaken exclusively by the GEF Secretariat, but that each country under evaluation should be able to choose a certain number of other countries to participate directly in that evaluation. This would generate more trust among the Parties with regard to the qualifying process underlying financial resource allocation, given that the qualification would be given by their peers.

6. Taking into account the three options for consideration at the November Seminar: 1- the present version, 2- the improved version, and 3- the country and group allocation model; we consider that to modify the current *RAF* (present version), it would be pertinent to do so by consensus, as this will better guarantee the appropriate future involvement of the Parties in a new, modified scheme.

7. Additionally, we consider indispensable the revision and improvement of the present criteria applied for the approval of projects. Firstly, the existence of an articulated National Strategy should be taken into account, such that countries which have one should be given some preference with regard to financial resource allocation. Secondly, a list of priority issues should be drawn up, so that countries presenting projects compatible with this list should be given certain preference with regard to resource allocation. Thirdly, greater weighting should be given to projects corresponding to the national priorities of the countries presenting them, such that the GEF truly supports capacity building of the Parties, avoiding the channelling of resources into the so called “regional projects” or “global initiatives”, which have not been sufficiently discussed and consulted with the country concerned.

Mexico City, October the 13th, 2004