

Check upon delivery



# Global Environment Facility

## Opening Remarks

Missing the Target! Expectations of Germany and the GEF to halt  
biodiversity loss in developing countries

**Monique Barbut, CEO and Chairperson**

**Global Environment Facility**

**WWF Office  
Berlin - Germany  
January 20, 2010**

Good Afternoon,

Thank you Eberhard for that kind introduction.

Ladies and Gentlemen:

Just a few days ago the nations of the world including Germany celebrated the memory of the U.S. civil rights activist Martin Luther King, Jr. who famously said: "Our lives begin to end the day we become silent about things that matter."

We have been hearing over the last five years a simple but inconvenient truth: that is, despite an agreed global target to significantly reduce the rate of biodiversity loss, we are going in the opposite direction.

If there is a lesson to be learned now from Copenhagen it is this: the time for words is over -- now we must act. Yes, consensus remains elusive for some of the world's biggest environmental challenges, climate change among them. But make no mistake that citizens of the world, rich and poor, will keep putting pressure on their leaders to protect the planet for future generations. How we respond defines us now, and forever.

As we embark on the International Year of Biodiversity we do not want to repeat past mistakes; at the same time there is also a unique opportunity to build on past successes. The big environmental challenges of our time

whether they be climate change or biodiversity are all interrelated; it takes a synergistic approach to use limited resources for multiple impact and that is something we understand very well— I argue it is our comparative advantage.

Let me give you just one example of what I mean: our experience with Brazil, a place where we have seen dramatic benefits to the land, the waters and to the people that need these precious resources to live.

I am referring to the Amazon Region Protected Areas (called ARPA) program. ARPA is an ambitious 12-year effort to ensure comprehensive protection of the Brazilian Amazon.

WWF had a key role in the design of the project with the Government of Brazil, while the GEF and KfW are by far the largest donors. To accomplish this goal, the partners are working to create a system of well-managed preservation areas and sustainable use reserves. The first phase of ARPA began in 2003 and has ended in 2009.

I can also share with you today that we have just approved another \$18 million of GEF resources for phase 2 to complement KfW's investment of another \$30 million. Amazingly, ARPA surpassed its Phase 1 protected area creation targets – with the establishment of over 25 million hectares of new protected areas – an area about the size of Great Britain. The sheer size of this accomplishment is by itself remarkable. But it doesn't stop there. Remember

that the Amazon is the richest forest on Earth for biodiversity, and ARPA is making a huge contribution to its preservation.

When ARPA is complete it will have an area more than 50 percent greater than the U.S. National Parks have reached in 130 years, and at a small fraction of the cost. And ARPA will surpass the U.S. National Wildlife Refuge System – which has developed over 100 years – in sheer numbers of bird, mammal, fish, reptile, and amphibian species protected. But this is not all. In addition to protecting the Amazon's biodiversity, ARPA's is contributing to reduced CO<sub>2</sub> emissions from deforestation. A recent study concluded that only the reserves created between 2003 and 2007 under ARPA could prevent 237,000 km<sup>2</sup> of deforestation through 2050, equal to 3.3 Gt of carbon, which is more than 1/3 of the world's annual CO<sub>2</sub>e emissions. Under the REDD-plus regime, carbon emission reductions in the Amazon could be achieved at the very cost effective price of \$1-2 a ton. And it doesn't stop there. The Amazon is not devoid of people. Close to 1/2 of the ARPA-funded reserves are what it called "sustainable development reserves", meaning they are managed by local and indigenous communities. Therefore, the social benefits of these investments are equally as relevant.

I spend time going through this example to demonstrate the flexibility, reach and potential of GEF investments to generate global benefits across multiple

environmental goals. Deforestation accounts for 15% of global emissions - more than what is released by the engines of cars, planes, trucks and trains all over the world. Forests are also the habitat of 70% of all species, and provide for the livelihood of close to 1 billion poor people.

I can assure that in the future, our strategies for GEF-5 in natural resources—which include our biodiversity, land degradation, international waters focal areas and a program in sustainable forest management—all will reinforce what has been from the beginning a basic premise of our investment strategies in the Amazon and elsewhere.

Since 1991, the GEF has invested about \$2.8 billion in direct financing and leveraged another \$8 billion for 790 projects that address the loss of globally significant biodiversity in more than 155 countries. Behind these numbers much has been accomplished – to cite just a few statistics here:

- We have been recognized as the critical donor that catalyzed the achievement of the target of 10% of the world's terrestrial areas under protection which covered investments in 2,302 protected areas spanning 634 million hectares, 700 globally threatened species, and resulted in 30 billion tons of stored carbon.
- Over 160 million hectares of productive landscapes and seascapes became biodiversity-friendly through GEF investments in biodiversity mainstreaming.

Yet, we and others need to do more because as I mentioned at the beginning of this talk there is a lot of unfinished business.

I know the GEF has been criticized for what is seen as a long project approval process. But I am here today to tell you our track record has improved dramatically in just the past three years:

Today the average preparation and approval time of projects is less than 12 months. That represents a reduction in the time of the project cycle of 70% since my arrival. The GEF is also more open and accountable: we inaugurated a new system for handling complaints, disputes and cases of conflict in the GEF. And as you may know we developed a results based management system that will better track performance on the ground.

Of course, we understand there is room to improve.

Recognizing this we have proposed further reforms in our next replenishment, GEF-5.

For simplifying the project cycle, we want to reduce the number of review and approval steps in the Secretariat and Council, to improve Agencies project cycle and to rationalize procedures.

Also for the first time, non donor recipient countries have been included as full participants in replenishment talks: the process is transparent with WWF as well as other NGOs holding observer status. Let me note here that for the

first time we are also making a call for broader access to GEF resources to national entities, bilateral and regional agencies and of course NGOs.

I would like to wrap up with a few final thoughts on how the GEF can play an instrumental role in meeting these challenges, namely halting biodiversity loss, particularly in developing countries.

Expanding on the synergy between biodiversity conservation, poverty reduction and emissions mitigation is a priority in GEF-5. Further, we recognize that biodiversity conservation must also be mainstreamed into all development sectors; growing pressures on food security will trigger agriculture expansion that will force us to become much more proactive in reconciling biodiversity with productive landscapes.

This challenge is at the heart of GEF's mission. The Global Environment Facility was created by Germany and others to be the financial mechanism that deals with the additional cost of incorporating global environmental benefits in sustainable economic development.

We do this across our portfolio: for example when we invest in forests and oceans, we do this knowing they are natural carbon "sinks" that if managed wisely can mitigate climate change and bolster biodiversity.

On a global scale deforestation contributes to 15% of greenhouse gas emissions, more than the entire transport sector. Investing in forests helps

address multiple environment issues including biodiversity and climate change.

Along those lines GEF's experience in securing blue carbon sinks, which support one half of the world's fisheries and nourish almost one half of our planet's population, is being recognized as contributing to climate mitigation in the same way terrestrial forests do. It is estimated that at least one-third of the CO<sub>2</sub> entering the atmosphere is channeled through marine environments so it is critical to keep these ecosystems healthy.

Just as GEF has piloted protection of terrestrial forests the last decade in setting the stage for programs such as REDD--- by investing more than \$1.5 billion in forests--the GEF has also piloted coastal management approaches that harness communities to protect the blue forests represented by coastal habitat.

At the end of the day, if we truly want to foster the kind of innovation we need to get concrete results, we should look to strengthen and increase GEF's own resources. A stronger GEF will also mean a better chance of advancing our collective goal to protect the world's resources for future generations.

I hope you enjoy this session, and I look forward to a productive discussion during the upcoming roundtable.

Thank you.