



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

Address to the delegates of the Intergovernmental Negotiating
Committee to Prepare a Globally Binding Agreement on Mercury

At its 4th Session

Punta Del Este: 27 June 2012

Monique Barbut

CEO and Chairperson

Global Environment Facility

Dear Ministers,

Dear delegates,

Dear colleagues, Dear Fernando,

First of all, I wish to thank the Uruguayan government for inviting me to address the Intergovernmental Negotiation Committee at its 4th session.

Let me share with you the excitement I feel by being in the very same room where exactly 2 years ago the GEF Assembly approved its 5th Replenishment. This 5th Replenishment was the largest in the GEF's 21-year history and shows donors confidence in our recent reforms with a replenishment of US\$ 4.3 billion dollars, a 54% increase in new donor funding over the last four-year cycle.

Of this total, US\$ 425 million has been identified for the Chemicals Focal Area. That is an increase of more than \$100 Million from the previous replenishment. The GEF Council has set aside specific resources for mercury that funds national and regional projects to elaborate on issues of interest to the INC.

The GEF has developed and elaborated a strategy in Mercury which takes into account all of the technical issues that are being discussed by the INC. These include:

- 1) The storage of mercury. Right here in Uruguay, The GEF and the United Nations Development Program are working with the Government of Uruguay to develop guidelines and legal provisions with respect to the sound collection, interim storage, decontamination and disposal of products containing mercury.

- 2) Artisanal gold mining: In Africa and Latin America, the GEF and the United Nations Industrial Development Organization are working together on improving the use of mercury in artisanal and small-scale gold mining. Such efforts will be pursued as well in other regions.
- 3) Atmospheric emissions: The GEF and UNDP are working to reduce the use of mercury in the health care sector in Central Asia and Africa. These projects combine work on persistent organic pollutants and mercury, and introduce the best available techniques and best environmental practices (BAT/BEP) in this sector to address two issues in a cost effective way.
- 4) Industrial processes: In China the GEF and UNIDO will assist with reducing emissions from the Zinc Smelting Industry, one of the largest mercury sources in China.

The GEF continues to and will continue to work with countries and agencies to ensure projects that help to elaborate the technical issues that are required to deal with a global reduction of mercury, including inventories of mercury, monitoring or mercury and others.

Ladies and Gentlemen,

As many of you may be aware, the GEF will begin preparations for its sixth replenishment. The GEF has been keenly following the discussions on mercury and the discussions on financing of the broader chemicals and waste agenda. The GEF is prepared to become a financial mechanism if it is asked to.

The negotiations of the Intergovernmental Negotiating Committee will conclude during the time when the GEF 6 replenishment negotiations are underway. This will be the best opportunity for the INC to consider sending a signal to the GEF that resources should be made available for the Mercury Convention.

I am aware that the INC is considering how to fund the global reduction of mercury. While these discussions are still ongoing I would like you to consider the following:

The GEF in the last six years has moved from separate focal areas for POPs and ozone-depleting substances (ODS) to a consolidated chemicals focal area. This allows for programming of resources and investments into projects that coherently address multiple chemicals in a cost-effective and efficient manner. In this regard we encourage Parties to submit projects that reach beyond the mandates of individual Conventions to include, where feasible, action on other chemicals of Global Concern, and issues such as mercury and e-waste.

As you can see, the GEF, as the largest public funder of projects to address environmental issues relating to Chemicals, continues to evolve to meet new demands through constantly updated strategies.

Concerning these topics specific to the Mercury Negotiations and the Global Chemicals Agenda, the GEF continues to transform itself. We have heard your complaints and concerns. I am happy to inform you of the progress we have made to date.

First, the GEF has enhanced efforts to become a more country-driven financial mechanism. We listened to your suggestions, and we are implementing changes. For example, we have introduced voluntary National Portfolio Formulation Exercises (NPFES). We expect a lot from this initiative. We believe that this planning activity will help countries program their own GEF resources and improve project quality.

Second, from the secretariat side the GEF continues to become more efficient and effective. In particular, we have streamlined project review and approval procedures.

Now let me tell you about the biggest reform at the GEF. It is the opening of the GEF to new entities. In November of last year, the GEF Council took steps to enlarge the GEF partnership, and at the Council meeting earlier this month, the Council approved 11 Agencies, including five National Agencies, two Regional Agencies and four Civil Society Organizations, to proceed to Stage II of the accreditation process. These Agencies, once accredited, will be able to access directly GEF funds. This is a major change in the GEF investment model!

So we learn from and respond to your guidance.

Ladies and Gentlemen,

The large increase in GEF financial pledges shows that the Parties are respecting their commitments in and are moving from words to action.

At the third International Conference on Chemicals Management in 2012 and at UNEP's 27th General Council in 2013, Parties will be discussing a financial architecture for Chemicals. Additionally, in 2014, it is expected that your negotiations on the new Mercury Treaty will be adopted as well as major decisions on its Financial Mechanism.

Given the important comparative advantage given to us by our institutional cost-effectiveness, the GEF is ready to serve as a financial mechanism if asked to do so.

Ladies and gentlemen,

This public event is the last one I will be taking part in as CEO of the GEF, and I would like to thank you all for your trust in me and express my gratitude for having allowed me to implement a number of structural reforms to the GEF in order for it to remain more than ever at the heart of environmental funding.

I wish you all good luck and good bye.

Thank You.