



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

GEF Council meeting

June 5 – 7, 2012

OPENING REMARKS

Monique Barbut, CEO and Chairperson

Global Environment Facility

Tuesday, June 5, 2012
MC Auditorium

Dear Council Members, Ladies and Gentlemen,

Let me first wish all of you a very happy **World Environment Day!!**

It is indeed very fitting that we hold our 42nd Council meeting and my last Council meeting on this very important day. I am convinced that this will give us the impetus to work through the next few days, as this day defines why we are all here, and the need for us to double our efforts to ensure that our decisions lend towards the collective international efforts in managing this global common good.

Dear Council Members,

In keeping with tradition, we have as usual a full and substantive agenda before us. An agenda that will warrant a great deal of focus and our undivided attention, and as such, I will move directly to the business at hand.

I shall first begin with the work program.

You will recall that we presented to you at the last Council Meeting an exceptional work program. One that I had been patiently waiting for, for the last 5 years. A work program that demonstrated real country ownership, covering over 99 recipient countries and demonstrating synergies across focal areas, including two multi-trust fund initiatives.

You will also recall that I had, at that time, alluded to the fact that **I was by no means prepared to wait another 5 years** to present to you an equally or more impressive work program.

After much toil and hard work, it gives me great pleasure to present to you today **the most ambitious and exceptional work program the Council has yet seen during my tenure and that of the life of the GEF.**

I am indeed very proud of my staff for such an accomplishment!

The Work program before you amounting to over **607 million dollars addresses 22 of the 33 GEF focal area objectives set out in GEF-5, and leverages 7.25 dollars for every 1 dollar of GEF grant.** Impressive as this is, of further significances is that GEF Agencies contributions to co-financing have increased significantly, ranking third after the recipient governments' aggregate contributions and that of the private sector.

Once again the GEF proves itself as a leading financial mechanism giving its donors the highest returns for their funds.

The importance of generating synergies across focal areas and Agencies continues to be a high priority for the GEF and our efforts are now evident by the 25 multi-focal area projects in this work program. In addition highlighted in this work program are two programmatic approaches in public-private partnerships, the first

of its kind to access funds from the GEF-5 Private Sector set-aside, as well as the first full-sized project to draw funds from the Sound Chemicals Management and Mercury Reduction set-aside. **One hundred and eleven recipient countries will benefit from GEF support, the largest number ever included in a single work program!**

Nevertheless, exceptional as it may be, the work program will be judged on its implementation. The GEF recognizes that despite all our efforts to pursue the successful implementation of this work program, and work programs to follow, there will be a need to more actively and systematically involve the engagement of all primary actors, especially those that are often forgotten yet in many cases hold the key to success.

As we are well aware, those often forgotten, adversely impacted, and deeply knowledgeable in ecosystem management, are the Indigenous Peoples.

Their traditional lands and territories are known to include close to 80 % of the planet's biodiversity.

They have expressed their desire to build a stronger relationship with the GEF and in response we are pleased to inform you that the GEF has prepared for this Council the information paper "Principles and Guidelines for Engagement with Indigenous Peoples". The aim of this paper is not only to restate the existing GEF

Principles related to Indigenous Peoples, and those articulated in various GEF policies but more importantly to further elaborate new Guidelines that provide the additional clarity and practical guidance needed by GEF Partner Agencies and all interested stakeholders on the application of these policies.

The time to honestly embrace and recognized the active role of the Indigenous Peoples within the framework of the GEF is now! and should no longer be delayed.

Not only is this important in the evolution of the GEF as a financial Institution, but of similar importance is the need to broaden the number of GEF Project Agencies, to create a new sense of purpose, competition and expand the existing breadth of expertise, experience, knowledge, knowhow and new ways of doing business.

Harnessing the expertise and experience of new Project Agencies will and can only enhance the impact of the Global Environment Facility and its footprint.

In this regard we are pleased to present to you today the report “Secretariat Recommendations of Project Agencies for Accreditation” that proposes to recommend at stage 2 of the accreditation 11 agencies.

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Ladies and Gentlemen,

The present persistent economic crisis continues to demand a prudent and mature response from us all. We must come to terms with the fact that there are less funds available and that there is a need to look at new ways of doing business.

We all recognize the sacrifices national governments have made, yet still delivering what has always been expected of them. The GEF in response has once again submitted a zero nominal growth budget that means a decrease in real terms..

In this regard we are happy to present to you the document “Fee Structure for Agencies”, as requested by the Council at its last meeting. The document presents a new administrative costs Structure which **reflects the WILL of the Council to decrease the total cost of the fees provided to agencies.**

The reduction of fees presents a new opportunity not only to ensure more funds are available for projects in recipient countries but an opportunity for Agencies to find new ways of doing business. It is not about consequences and what cannot be done with less fees, but rather about changing the way business is done and doing more with less. Indeed we consider that this decrease of half of point widely reflects savings that agencies would have made this past 2 years. Taken into account the streamlining that has been agreed in the project cycle, this document has been supplemented by a second decision which clarifies that Agencies have no right to receive resources paid from projects in addition to their fees.

Ladies and gentlemen,

The subject of chemicals financing is never far from our agenda and as such, and as promised, we have prepared an information document on the possible financial mechanism linked to the new convention on mercury. This document examines and provide options that we may consider . In addition I am happy to welcome the Chair of the Intergovernmental Negotiation Committee, Mr. Lugris who gracefully accepted my invitation to brief the Council on the INC process.

Mr. Lugris, thank you for coming. I look forward to an interesting and fruitful discussion under the agenda item “other business”.

Dear Council Members,

I now think it is time for me to say a few words concerning myself, by beginning with a **very wise Arabic proverb**:

“Every sun has to set”

Ladies and Gentlemen,

This will be my 13th Council meeting and I truly sit before you with the same enthusiasm as I had the first day I arrived at the GEF 6 years ago. **Nevertheless my time at the GEF is set, and is coming to an end.**

Being the CEO of the GEF has been a momentous time in my career. The challenge and thrill of managing such a financial institution as the GEF, cannot be easily matched, neither can the experience of working with such a diverse and interesting Council; learning to understand your likes and dislikes, your demands, your expectations, your humor, and the lack thereof, has made it even more memorable and fulfilling.

I do however leave with mixed feelings.

On the one hand, I am happy leaving with the knowledge that I have, with your support, been able to achieve what I had embarked on, to make the GEF a stronger, more influential and vibrant Financial Mechanism.

This I believe has been achieved, and **I am happy to note that you allowed me to do it my way.**

On the other hand, I am leaving not fully convinced that we collectively as custodians of this Instrument truly realize the potential, importance and impact the GEF could have, beyond what it has today and possibly in the future.

Before I do that, I would like to remind us all here today, of what we have.

The GEF has since its inception funded over 2,900 projects, over 10 billion dollars in grants and leveraged over 51 billion dollars in co-financing. As a financial mechanism the GEF remains the largest funder of environmental projects for the **United Nations System as a whole.**

An international financial mechanism that promotes a partnership network of United Nations Agencies, the Breton Woods Institutions, countries, donors, beneficiaries and NGO's, giving it a broad set of competencies **unmatched by any other financial mechanism**, while still maintaining its ability to be flexible and able to disburse extraordinary sums of money. In addition an **inclusive governance structure of recipient and non-recipient countries**, has allowed the GEF to shape policies and programming in response to its recipient and donor countries and to remain constantly current.

This is the GEF!

and It remains one of the largest and most effective and efficient financial mechanisms.

Regrettably though, new funding mechanisms continue to be born mimicking parts of the GEF, further fragmenting the already proliferated landscape of multilateral funding mechanism.

An issue which I believe needs to be tackled sooner rather than later and I urge you all, and my successor to do so, as it is now that the GEF is mature and strong enough to lend its experience and knowledge across the spectrum of environmental financial mechanisms and funds. Ladies and Gentlemen,

During this Council meeting I will further express to you, more of my thoughts on the GEF, its future and my tenure. I will also give you an update on the Green Climate Fund, but for now I would like to thank the Council for their unmeasured support, trust, and confidence in me over the last six years. In return I believe I gave you excitement, resilience and honest hard work. We have both benefitted from each other and I look upon that warmly. I have sincerely had the greatest pleasure working with you all and I am sure that this week will be just as rich as the 12 other council meetings we have had.

Thank you.