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GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

Expanded Constituency Workshop
GEF Country Support Program
Opening remarks

Kyiv

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Global Environment Facility

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Honorable Ministers, Ladies and Gentlemen

Welcome. My name is Monique Barbut and I am the CEO and chairperson of the Global Environment Facility, otherwise known as the GEF. I want to welcome you to this workshop: the first of its kind in Europe.

The idea behind the Expanded Constituency Workshops of the Country Support Program, now managed by the GEF Secretariat, is to keep all the important stakeholders in our network -- national and convention focal points as well as civil society -- abreast of our strategies, policies and procedures, and to encourage coordination. As a result we expect that delegates to Convention Conferences of the Parties will be better informed and prepared to address the issue of the GEF as the financial mechanism that serves the Conventions.

We also expect that greater understanding and coordination among the various focal points of each country will generate more integrated approaches. This set up also allows for increased cooperation and exchange of experiences among the teams from the participating countries.

In addition we have included representatives of civil society thus reaffirming the GEF commitment to full transparency while allowing them to achieve greater knowledge of the system and to make their own contributions to the internal and cross country discussions. We welcome our civil society friends today and hope to see more of you in the future.

This is the first time I have attended one of these workshops under our new system; it is also the first time I have visited Kyiv so I expect to learn a lot from you here

over the next few days! I also hope you will learn something from us. So in my brief opening remarks to you now I want to update you on what the GEF is doing to address the kinds of global environmental challenges that impact people right here: things such as air, land, water pollution, increasing risks to farmland brought on by climate change, even national security concerns linked to growing reliance on expensive and often polluting energy. I also want to outline future opportunities we have together to bring about more meaningful, results-based change.

Let me start by saying a few words about our fund in general. Last year donors showed their confidence in our recent reforms with a record replenishment of the general Trust Fund: pledging \$4.3 billion dollars, a 54% increase in new donor funding over the last four year cycle. Donors also agreed to increases for the GEF's Special Climate Change Fund and the Least Developed Country Fund.

In our new funding cycle you will be pleased to learn that from the secretariat side we have further streamlined project review and approval procedures plus other reforms that you will learn more about over the next couple of days but trust me it is more efficient than what you experienced in the past.

Along with the new funding and reform comes a renewed emphasis on results and accountability so as we look for new projects we all bear a responsibility to make investments that have multiple and sustainable benefits. Given the austere budget scenarios faced by many of our donors we have to be more vigilant than ever to ensure we are making smart choices. To that end it is imperative that the different ministries and stakeholders in each country remain in constant communication

with each other to ensure national priorities are being met and that the GEF funding is used to support those priorities.

In this context, we must target high-quality projects. Specifically, we must return to the GEF's founding principles, including:

- First, GEF projects must be aligned with country development strategies, which can be existing strategies, such as the country development strategies, or outcomes from GEF-supported consultation processes.
- Second, funding incremental costs to generate global environmental benefits is the fundamental principle of the GEF. These “incremental costs” relate, of course, to a baseline project. It is therefore essential for these “baseline projects” to be clearly identified and for the GEF to build on these existing activities or those that have already been planned. We must not compromise on this principle, otherwise we will receive projects that lack a solid foundation and have no connection with the real project developers in the countries.
- Third, we must systematically seek to achieve real impact on the ground. The GEF cannot continue to finance a whole host of small pilot projects. After 20 years of operations, the GEF must instead target programs that can significantly transform sectors and activities, and be able to closely track the impact of its projects. You will hear about the new programmatic approach and results based management.
- Fourth, our instrument will have maximum effectiveness if the projects are implemented by the GEF Agencies best qualified to do so. For example, a fisheries project must be implemented by an Agency that can provide the expertise, personnel, and resources for this project. This principle is key to

the promotion of the integration of the GEF portfolio into the normal activities of the Agencies. We therefore intend to adhere to our policy on comparative advantage for the Agencies in GEF-5.

- Lastly, the review of the proposals that we receive will underscore the issue of management fees and costs of our projects. We seek to ensure transparency in order for all to ascertain how these fees are being used and for which activities.

Here is what I expect to see: I want projects on the ground which have a DIRECT impact on people: I do not want to fund workshops or enrich consultants. What you need and what I want to approve are projects that people can feel and which are built on solid baselines that match national strategies led by agencies with the right capabilities. These will be the criteria in which we prioritize projects, nothing more nothing less. And this will be done in an efficient and transparent way that leverages the resources we have for maximum impact.

Historically our investments in this region have largely focused on addressing climate change: projects have funded efforts to improve energy efficiency and promote renewable energy choices for small businesses; one example we are proud of is in Montenegro which has promoted hydropower in a way that we hope attracts interest from other partners given the multiple benefits clean energy can have both globally and locally. Along with climate change the GEF over time has also invested in protected areas to encourage and sustain biodiversity. And more recently small grants programs have become active in the region. In Ukraine alone there are 29 projects.

International waters is also a focal area of interest to the GEF and its mission. Although I will be unable to attend the ministerial meeting next month, I look forward to hearing the progress with the Tisza river basin plan for example which could be indicative of the kind of programmatic approach GEF is looking for.

Integrated water management of course is just one part of the story. Another focus for GEF resources could come from a regional land degradation program given that a number of countries in this constituency have a comparatively large allocation under GEF-5. Similarly, given the high carbon content and extent of peatlands in Ukraine, there is a potential opportunity to address climate change by rehabilitating local peatlands for agriculture and forestry.

The possibilities are many and we hope the workshop will encourage you to explore some of these further. Let me close by noting that environmental pollution issues worry not only governments but also the general public. Part of what makes GEF a special institution is our respect for civil society who we expect to take an active role in helping to face up to these challenges. Addressing climate change and promoting conservation are not luxuries for the rich. The choices we make can show the world that sustainable development can and should be a driver to power the economy whether it is the local, national or even international level.

Thank you and enjoy the workshop!