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**Speech**

of

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**Global Environment Facility**

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**Vers une nouvelle gouvernance mondiale de l'environnement**

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Good Morning.

I am delighted to join this distinguished panel to talk about one of the most important issues for the world today.

The title of this meeting « Vers une nouvelle gouvernance mondiale de l'environnement » seems to imply that we already have a system of world governance for the environment and are seeking a new one.

I would argue that, in fact, we do not have anything even resembling a world governance system for the environment. What we do have is a haphazard collection of initiatives, institutions, conventions and financing sources. All of these act independently of each other, provide conflicting guidance to countries, and seek financing from separate mechanisms that have different criteria, rules, procedures and objectives. This fragmentation is further complicated by a pronounced scarcity of financial resources.

At the national level, these initiatives concern a variety of government ministries, such as environment, finance, agriculture, land management, industry, energy, planning and housing, as well as civil society organizations devoted to a broad spectrum of environmental and developmental issues. Yet

there is little, if any, coordination among them. To all appearances, they all act as watertight compartments.

The limits to the current reality are many and obvious. I will name but a few: high administrative cost; lost opportunities; no maximization of synergies; minimal or no coordination; competition for scarce funding among national and international institutions; and difficulty to live up to legal commitments under different multilateral environment agreements. No wonder countries struggle to understand and to assemble viable cooperation packages.

Anyone looking at the current chaos would be justified to ask: where is the leading voice for the environment in the international system? Who has the lead? Where is the overall guidance? Hopefully the Rio+20 Conference will address this point effectively. This conference in Paris may be providing a good starting point.

Nevertheless, we have each been requested to suggest one leading idea that can improve the current situation. A number of them come to mind, many in the political arena, such as I have just mentioned.

Since my expertise and experience are in the financial world I would propose this: that a single institution be designated as the funding mechanism of the world environment governance system.

Let me explain: As long as we have the existing chaos I have described above, our efforts to protect and improve the environment will be less than fully effective and efficient. We do not need to do away with the existing mechanisms. But it is imperative that we bring them into a system that provides guidance and discipline to ensure multiple synergies and achievement of goals for the least cost. And for that we need a single institution with the mandate and authority to lead that system.

This institution would introduce common norms and would therefore be fulfilling the principles of the internationally-acclaimed *Paris Declaration on Aid Effectiveness* with all the funds aimed towards achieving the common good. This approach would require that the Rio+20 conference begins negotiations on a governance structure for financing the environment. This new structure would be accountable to countries, mainly through the COPs of the different conventions, and it would oversee, coordinate, and integrate the work of existing environment funds in a democratic and transparent

fashion. This will ensure that the action of the different sources of funding is made more efficient and complementary.

As the CEO of the Global Environment Facility and as someone who has dedicated her life to the environment and sustainable development, I strongly believe that the GEF is the best institution to play this role. And the reasons are:

- 1) It has 20 years of experience in financing environmental projects and programs across the globe and across the areas of biodiversity, climate change, desertification, persistent organic pollutants, international waters and ozone depleting substances.
- 2) It has a governance structure that is representative with more seats on its Council for recipient than for donor countries.
- 3) It has a governance structure that has proved to be efficient and effective.
- 4) It has a demonstrated capacity to leverage large amounts of additional financing.
- 5) It has an independent evaluation office as well as a scientific and technical panel of recognized excellence.

- 6) It has demonstrated a capacity to grow, develop and adapt to changing circumstances and mandates.
- 7) It already is incorporated into the various environmental conventions' financing mechanism.
- 8) Very importantly, it already incorporates civil society into its decision making with the presence and voice of its representatives in the GEF Council.

As I sit next to M. Mestrallet, PDG of GDF Suez, and therefore the voice of the private sector on this panel, I must stress that the private sector is part of Civil Society and it has a great responsibility and role to play in the environment. Indeed, the new technologies we need are developed and applied by the private sector. Therefore they must also be brought more clearly into the system. In fact, many Governments believe that private sector investments are essential, as demonstrated at UNFCCC in Durban. In order for the private sector to be willing to make such investments it has to be able to understand who does what where and have the possibility to contribute additional ideas.

By the way, I hope no one thinks that I want this role for myself; as many of you know, my term as CEO of the GEF ends this summer. My point is that to make scarce resources go further, we need to designate a single institution as the funding mechanism of the world environment governance system and the GEF is a good candidate because it has been successful in spite of, rather than because of, the current global environmental architecture.

I believe my 10 minutes are up so I thank you for your attention.