



FRAMEWORK CONVENTION ON CLIMATE CHANGE - Secretariat
CONVENTION - CADRE SUR LES CHANGEMENTS CLIMATIQUES - Secrétariat

**SECOND ASSEMBLY OF THE GLOBAL ENVIRONMENT FACILITY
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**Statement by Joke Waller-Hunter
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Next week the eighth session of the Conference of the Parties to the Climate Change Convention will take place in New Delhi. The Indian Minister for Environment and Forests, the President designate of COP 8, Mr. Baalu, qualified the COP as follows: “COP-8 will serve as a milestone in consolidating the implementation of the Convention in the wake of the Marrakesh Accords and of the outcomes of the WSSD, and on the eve of the entry into force of the Protocol”.

That simple statement reflects that we have arrived at an important moment in time: while keeping an open eye on the future, the emphasis is squarely on implementation. Of the Convention and of the Kyoto Protocol.

This, of course, has implications for the GEF as a financial mechanism that supports the Climate Convention: more demands are to be expected as countries develop and implement their climate policies, addressing mitigation and adaptation. It will be a challenge to match needs and resources. To get the priorities right and to jointly address new challenges, intense cooperation between the GEF and the Convention is required, building on the partnership that has now been in place for ten years. In this respect the second overall performance study of the GEF completed earlier this year, provides useful insights, which led to the conclusion that the GEF should adopt a more focused programme in the climate change focal area, including the creation of enabling environments for market transformation. This reminds us of the challenge ahead. Market transformation is indeed needed if the objective of the Climate Convention is to be met.

Next week the Conference of the Parties will review the GEF as financial mechanism of the Convention. A synthesis document has been prepared building on inputs by our Parties. It is interesting to note that energy efficiency and renewable energy projects attracted about 65 per cent of GEF resources. Projects on reducing long-term cost of low greenhouse gas-emitting technologies received an allocation of about 14 per cent, sustainable transport projects, and short-term measures, obtained 13 per cent of funding resources.

Enabling activities accounted for more than 52 per cent of total projects but received only 8 per cent of total funding. For the period 1999–2002, GEF funding for enabling activities was less than 3 per cent of total funding for project activities in its climate change portfolio. The need for continuity in the institutional infrastructure that is created with GEF funding is a concern felt by many.

The Marrakesh Accords, agreed at COP 7 in 2001, the outcome of a process to set the rules and conditions for the implementation the Kyoto Protocol, that started in Buenos Aires in 1998, a few months after the first GEF General Assembly, clearly mark the transition towards implementation. In recognition of the tasks ahead, the Marrakesh Accords established three



new funds: the Special Climate Change and Least Developed Countries Funds under the Convention, and the Adaptation Fund under the Kyoto Protocol. The Funds are to be managed by the GEF.

Political declarations by the European Community and its member States, together with Canada, Iceland, New Zealand, Norway and Switzerland indicated their intention to contribute 450 million euros annually by 2005. In the mean time the GEF has started to secure funds for the LDC Fund, which supports the creation of the so-called NAPAs, national Action Programmes for Adaptation.

Recently the scope of climate activities under the GEF which until then had mainly focused on mitigation was broadened to include adaptation and capacity building, as the COP requested in November 2001. This reflects the importance of addressing climate issues in the context of sustainable development. The WSSD has reinforced this message. Opportunities exist and should be fully utilized to pursue synergy in the implementation of the three Rio Conventions, climate change, biodiversity and desertification. More and more we realize, what science has been telling us for some time, that in the end, we are all using the same resources that provide us the ecosystem services that are essential for development. Enhanced cooperation among the Conventions, the GEF and the relevant implementing agencies is needed to address national priorities in an efficient and effective manner.

Another challenge ahead of us is to ensure synergy among the activities funded by the GEF and projects generated through the use of the innovative market based instruments that the Kyoto Protocol has created. Again, the key is integration by the host country, preferably in the context of sustainable development strategies.

Let me conclude by expressing the full commitment of the Climate Change Secretariat to moving full speed with the GEF in the implementation challenge.

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