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UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE

**Subsidiary Body for Implementation**

**Thirty-third session**

**Cancun, 30 November to 4 December 2010**

Item 5 (b) of the provisional agenda

**Financial mechanism of the Convention**

**Report of the Global Environment Facility to the Conference of the Parties and guidance to the Global Environment Facility**

**Views on elements to be taken into account in developing guidance to the Global Environment Facility**

**Submissions from Parties**

1. The Subsidiary Body for Implementation, at its thirty-second session, invited Parties to submit to the secretariat, by 20 September 2010, their views on the elements to be taken into account in developing guidance to the Global Environment Facility (FCCC/SBI/2010/10, para. 55).
2. The secretariat has received three such submissions. In accordance with the procedure for miscellaneous documents, these submissions are attached and reproduced\* in the language in which they were received and without formal editing.

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\* These submissions have been electronically imported in order to make them available on electronic systems, including the World Wide Web. The secretariat has made every effort to ensure the correct reproduction of the texts as submitted.

## Contents

	<i>Page</i>
1. Belgium and the European Commission on behalf of the European Union and its member States* (Submission received 20 September 2010) .....	3
2. Bolivia (Plurinational State of) (Submission received 19 September 2010) .....	4
3. Lesotho on behalf of the least developed countries (Submission received 20 September 2010) .....	6

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\* This submission is supported by Albania, Bosnia and Herzegovina, Croatia, Iceland, Montenegro, Serbia, the former Yugoslav Republic of Macedonia and Turkey.

Paper no. 1: Belgium and the European Commission on behalf of the European Union  
and its member States

**SUBMISSION BY BELGIUM AND THE EUROPEAN COMMISSION ON BEHALF OF THE EUROPEAN  
UNION AND ITS MEMBER STATES**

**This submission is supported by Albania, Bosnia and Herzegovina, Croatia, Iceland, the Former Yugoslav Republic of Macedonia, Montenegro, Serbia and Turkey.**

**Brussels, 20 September 2010**

**Subject: Report of the Global Environment Facility to the Conference of the Parties and guidance to the  
Global Environment Facility**

Under Agenda item 5 (b) SBI-32 concluded to invite Parties to submit to the secretariat, by 20 September 2010, their views on the elements to be taken into account in developing guidance to the GEF, and requested the secretariat to compile the submissions into a miscellaneous document for consideration by the SBI at its thirty-third session.

Belgium, on behalf of the European Union, welcomes the opportunity to convey its views on the activities of the Global Environment Facility (GEF) in the Focal Area of Climate Change, as well as on the outcome of the negotiations of the 5<sup>th</sup> replenishment of GEF, in particular on the policy recommendations geared towards improving the effectiveness of the institution.

The EU reaffirms its support to the GEF as an operating entity of the Financial Mechanism of the Convention and welcomes the results of the 5<sup>th</sup> Replenishment as a firm basis for further improving the effectiveness and efficiency of the GEF.

Negotiations for the GEF-5 replenishment came to a successful conclusion on May 12, 2010 when a total of \$4.34 billion was pledged for GEF-5 (July 1, 2010 to June 30, 2014). With approximately US \$1,4 billion the Climate Change Focal Area receives the biggest increase (43 %) and becomes the largest activity area of the GEF. This record replenishment is a testimony to the international donor community's commitment to the environmental agenda, even in the current financial and economic challenging times. 54 % of these new resources come from EU Member States.

The EU recognizes that COP guidance has been translated into important reforms in the operations of the GEF during the GEF-4 period. The allocation of funds to LDCs and small island developing states (SIDS) has significantly increased, the time to process full-sized projects from concept approval to CEO endorsement has been reduced from 66 months to less than 22 months and the Results-based Management (RBM) Framework has become the framework for developing the programming strategy.

In furthering GEF reform, the EU is pleased to note that the Policy Recommendations for GEF-5 are geared towards enhancing country ownership and improving the effectiveness and efficiency of the GEF network to improve the impact and value for money of all GEF activities. This demanding reform agenda is consistent with guidance from COP.

Notwithstanding the reforms and improvements the GEF has successfully implemented following COP guidance, the EU believes there is scope for improving the formulation of recommendations to the GEF. Clearer guidance and recommendations would facilitate greater transparency and thus accountability in the operation of the financial mechanism. All parties should strive to improve the guidance in this respect so that it is operable by the GEF.

In closing the EU is convinced that the GEF will continue to play an essential role in climate financing, also in the future international financial architecture for climate change and notes that improved guidance from the COP will enable enhanced implementation of the convention.

## Paper no. 2: Bolivia (Plurinational State of)

### Submission of the Plurinational State of Bolivia

**20 September 2010**

The SBI has invited to submit to the secretariat by 20 September 2010, views on the elements to be taken account in developing guidance to the GEF (FCCC/SBI/2010/L.16).

Accepting this invitation and previously analyzing the Report of the GEF to the Conference of Parties (FCCC/CP/2009/9), the Plurinational State of Bolivia submits the present views, suggestions and requests:

1. The reports should specify if the funds provided by developed country donors has been or not been sufficient to cover the agenda of the GEF. In this regard an evaluation should be made available on the demands of support, in comparison with the pledges, the commitments and the fulfill of them in providing new and additional resources to guarantee the complete accomplishment of the obligation established in the Convention for the developed countries (particularly but not exclusively articles 4.3 and 4.4).
2. The reports should specify the support provided by developed countries in the process of transferring technology, the measures taken by them on the basis of the requirements made by GEF. On the other side, reports shall include reference and explanation of the specific policies, guidelines and other methodology and instrumental means developed by GEF for responding demands and requests of technology of developing countries and the process of providing technology and associated capacity building to them in the context of accomplishing the Convention (articles 4.5, 4.8 and others).
3. It is important to take into account the national development programs or strategies of developing countries. The inform of the GEF shall explain the procedures and methodology used in the process of approving or accepting projects or actions related to adaptation, mitigation, technology and other issues related with its role as an operating entity, as well as the way the dialogue has been made between the institutional mechanisms of GEF with the governments or the institutions of the parties.
4. The coherence of the project cycle, entirely or partly, and its process of supporting projects or plans, should be established in guidelines or other internal regulations of GEF. These, as well as the validation of its coherence and effectiveness on the light of the convention should be also be analyzed.
5. All explanations and specifications that can be useful on the basis of lessons learned to construct better practices for the future processes directed by the new institutional architecture that is in processes to be designed by the conference must be provided. All this information must be made available for the Conference of Parties of the UNFCCC, for their discussion and approval.
6. The report informs in certain detail about the different projects developed in different countries with the support of GEF, but further clarification is required on the process of dialogue/coordination between GEF and parties benefited with the support in order to know if the selection or approval of finance and support responds to the priorities of the countries and their policies and national strategies
7. The report of the GEF has to demonstrate how the projects financed by GEF are articulated to national planning of Parties. In resume it is important to analyze in which way and in which extent the GEF has generated and articulated itself to a country level programming and a party driven process. Again this evaluation should extend to the guidelines, regulations or methodologies developed by GEF vis a vis the dispositions of the convention.
8. The report should clarify the role and the action developed by GEF in getting the provision of financial resources and if GEF has scaled up resources to address climate change.
9. The Report of GEF to the Fifteen Session of the Conference informs that different entities have an intermediate role in the execution of the projects, these are called executing agencies and are the following: United Nation Development Program (UNDP), United Nation Environment Program (UNEP), World Bank, African Development Bank (AfDB), Asian Development Bank (ADB), European Bank for Reconstruction and Development (EBRD), Inter-American Development Bank

(IADB), Food and Agriculture Organization (FAO), International Fund for Agricultural Development (IFAD), United Nations Industrial Development Organization (UNIDO). An evaluation of the institutions that have intermediated or have channeled resources and actions to the parties should be provided. This includes how this process has contributed to fulfill the responsibility delegated to GEF as the operating entity in the line of article of the Convention.

10. GEF should explain the vision, and the implications of the projects developed with their support into the national policies and explain the correspondence of projects to the national decisions of the parties, and the integration of the projects to the national priorities.
11. The report of 2009 informs that 41 NAPAS has been prepared and granted. The systematization of the experiences of developing NAPAS, the analysis of the process of elaboration and the results, should be presented in the reports. In this regard it is important to know the evaluation of the guidelines applied, the vision of them and the lessons learned on this matter.
12. An analysis of the experience of the relation between technology development and transfer, capacity building, adaptation and mitigation in the implementation of the projects financed and supported, should be provided.
13. The report should also include explanations about the procedures, of transferring financial resources, analyzing the effectiveness and efficiency and the GEF's policies related on this matter, evaluating the expeditious and the timely of the access to support. This evaluation should be done vis a vis the opinions and evaluation made by the parties on this regard. It is important to organize and develop a workshop with the presence of the parties benefited with the projects supported by GEF in order to have a participatory evaluation, and value responsiveness, effectiveness, efficiency, consistency and articulation of the GEF support with national priorities and party driven leadership.

## **SUBMISSION BY LESOTHO ON BEHALF OF THE LEAST DEVELOPED COUNTRIES**

### **I. SUBJECT**

**Views on elements to be taken into account in developing guidance to the GEF (document FCCC/SBI/2010/L.16, paragraph 3)**

### **II. INTRODUCTION**

At its thirty-third session, the SBI invited Parties to submit to the secretariat, by 20<sup>th</sup> September 2010, their views on the elements to be taken into account in developing guidance to the GEF, and requested the secretariat to compile the submissions into a miscellaneous document for consideration.

The Least Developed Countries (LDCs) take this opportunity to provide views on this subject.

### **III. STEPS TO BE TAKEN**

LDCs express their appreciation to the GEF and its agencies for the steps taken to improve the processing of applications for funding of the implementation of NAPA projects under the Least Developed Countries Fund (LDCF) and for the constructive dialogue with the LDC Parties.

LDCs call upon the GEF, as an operating entity of the financial mechanism of the Convention operating the Least Developed Countries Fund:

- a) to continue to provide technical support through the LEG and its agencies for the preparation and implementation of national adaptation programmes of action and related elements of the least developed countries work programme,
- b) to raise awareness of the need for adequate and predictable resources under the Least Developed Countries Fund to allow full implementation of the least developed countries work programme, in particular national adaptation programmes of action;
- c) to assist in making national adaptation programme of action documents and related information materials available in multiple languages, upon request by least developed country Parties,
- d) to work with its agencies to improve communication with least developed country Parties and to speed up the process through, for instance, establishing a time frame within which least developed country Parties can access funding and other support for the preparation and implementation of projects identified in national adaptation programmes of action;
- e) to assist, as appropriate, and in collaboration with its agencies and the Least Developed Countries Expert Group, the remaining least developed country Parties that have not submitted their national adaptation programmes of action, in completing and submitting their national adaptation programmes of action as soon as possible;
- f) in parallel to supporting the on-going implementation of the national adaptation programmes of action, to facilitate the implementation of the remaining elements of the least developed countries work programme;
- g) To inform its agencies of relevant provisions of the Convention and decisions of the Conference of the Parties on the operation of the Least Developed Countries Fund, in order to allow the agencies to take these into account in fulfilling their Global Environment Facility obligations.

### **IV. CONCLUSION**

LDCs consider the above elements to be of critical importance, and that they should also be discussed under appropriate agenda items.