

Thank you for the opportunity for Canada to comment on several of the information documents tabled at the 39th GEF Council meeting in November 2010. We look forward to reviewing the revised documents for a decision by Council later this month.

We would also like to re-iterate our message that in the future, issues related to GEF5 programming, strategies and the allocation of resources should be brought to the GEF Council for consideration and a decision, as stipulated in the GEF Instrument.

GEF/C.39/Inf.10 Programming Approach for Utilization of the (\$345 M) in Resources Set-aside outside the STAR:

The introduction to the document states that the GEF Council agreed at its November 2009 meeting “to an exclusion of 20% each in the focal areas of biodiversity, climate change and land degradation” to fund Sustainable Forest Management (SFM), set-asides in each of the focal areas to finance basic reporting to the respective conventions and priority global and regional programs.

In fact, Council agreed in its decision that the set aside of up to 20% should be used to fund regional and global projects, enabling activities and SFM. This distinction is key, as it reflects the specific debate that took place in Council with regard to the appropriate amount of funds that should be removed from programming activities in the three focal areas and set aside for discretionary activities. A number of countries, including Canada, expressed the opinion that 20% was too high, noting a preference for more funding to be made available for use within a country’s allocation. This approach is in keeping with the Principles of Aid Effectiveness whereby a country identifies its priorities, rather than external bodies such as the Secretariat, the GEF Agencies and the STAP, thereby enhancing country ownership. We would prefer to see no more than 15% used for the set asides.

We also note that the Technical Advisory Groups (TAG) that were formulated for each of the focal areas during the GEF5 replenishment exercise to help prioritize the best use of limited GEF5 resources spent considerable effort in identifying objectives and a results framework. However, it is not apparent that the TAGs were consulted about the allocation of the \$345 M in the set aside outside of the STAR. Given their expertise, coupled with the substantial funding at stake, the proposed programming approach for the set-aside outside of the STAR would have greater legitimacy if the TAG had been engaged.

Biodiversity focal area:

- We are generally supportive of the proposed set-aside programming strategy, which appears to be in line with current Convention guidance and priorities.
- We are also supportive of the proposed work in support for science-policy interface, especially IPBES.
- While in agreement that the work on the protection of marine biodiversity in Areas Beyond National Jurisdiction (ABNJ) is important, we note that \$20 M has

already been identified for ABNJ activities under Objective 4 of the International Waters focal area. Will the \$20-25 M identified under (b) of the biodiversity set aside be additional (for a total of \$40-45 M for ABNJ activities)? Considering that an additional \$20 M was allocated to International Waters without consultation by the Council following the conclusion of the replenishment negotiations, Canada would prefer to see GEF funding used for programming for which the GEF serves as the financial mechanism, and initiatives within the STAR.

- However, in regards to the \$32 M set aside for e) Supra-national Strategic Priorities, we wonder why the GEF Secretariat has chosen to focus on globally-threatened species. We note that the CBD has not actually been that active in developing guidance on article 8(k), which calls on Parties to develop or maintain their endangered species legislation. Alternatively, these resources could be used to support ecosystem restoration, particularly to promote recovery of threatened species, covered under article 8(f) of the Convention.

Climate Change focal area:

- On the proposed financing of a new Technology Mechanism for \$42 M, under (b) we feel, as highlighted by the GEF-SEC itself, we feel that programming resources for this is premature and prejudices decisions to be taken by the UNFCCC COP. A new technology mechanism is still being negotiated and even if it were agreed to at the UNFCCC COP156, the role of the GEF may remain unclear. The Poznan Strategy for Technology Transfer was discussed in Council prior to its approval, and we would expect that the Council will be consulted as appropriate, should a new Technology Mechanism be established under GEF5.
- Under (c) and (d), a total of \$30 M is identified for activities that are poorly defined. We would prefer to see the funding rolled back into the STAR.
- On the proposed \$20 M for GEF work on emerging carbon markets under (e), we wonder if indeed the GEF has a comparative advantage on this issue versus the comparative advantage of other organizations that already have substantial experience on this, such as the World Bank. The information document is not convincing that the GEF has the necessary experience to engage in the options identified under carbon finance activities. Perhaps the \$20 M could be re-programmed into the STAR or to the SFM Program.

Land Degradation focal area:

- Once again, we find the proposed activities under (b) and (c) amounting to \$36 M in total to be poorly defined, and in some ways, repeat the objectives identified under Objective 4 in the LD focal area strategy with \$15 M in resources. What will be the core outputs and expected outcomes resulting from the set aside of \$36 M?

GEF/C.39/Inf.5 Guidelines for Reviewing and Updating the NIP under the Stockholm Convention on POPs:

Firstly, we note that the guidelines propose providing up to US \$250,000 per country for updating their National Implementation Plans (NIPs). The initial development of NIPs usually cost between \$300,000 and \$500,000, with a few notable exceptions (for larger, industrialized countries). We wonder, then, if an estimate of \$250,000 for updates might be high.

The original proposal under consideration during GEF5 negotiations identified 45 countries that would carry out the update of their NIP during the 2010-14 period, although it does not seem likely that all countries will request engage in updating their NIPs. Although the GEF5 programming document identified \$35 M for updating NIPs, we wonder whether this entire amount will be required. Canada would prefer to see the funds used for actual implementation of projects to reduce the use of POPs. Should the full \$35 M not be utilized, we trust that Council will be consulted about any reallocation of GEF funding.

Finally, Canada is very supportive of the proposed guidelines and the position that only Parties that have submitted NIPs will receive funding to update their NIP.

GEF/C.39/Inf.9 Strategy for Mercury Programming in the 5th Replenishment Period of the Global Environment Facility:

Canada is supportive of the proposed Mercury Strategy for GEF-5, which builds on the positive experiences of the ongoing voluntary mercury partnership work. We particularly welcome the focus on implementing pilot, demonstration-type activities in key issue areas, and we look forward to seeing specific proposals from countries in the near future.

Finally, we note that it is not clear if the additional \$5 million now available for Sound Chemicals Management (SCM) and Mercury will be programmed for SCM, mercury or both, and we would appreciate receiving clarification.

GEF/C.39/Inf.11 Strategy on Sound Chemicals Management for the 5th Replenishment Period of the Global Environment Facility:

The Strategy is heavy on providing background information and context, but it is deficient on its actual strategic focus. The Strategy should have included analysis on what the GEF's role should be, where its value-added lies, and what could realistically be accomplished with \$10 million on Sound Chemicals Management over the next four years to maximize the GEF's strategic contribution. In its current form, we do not feel that the document provides a path forward for GEF-5 activities on Sound Chemicals Management. Therefore, we recommend that this document be revised accordingly.