

58th GEF Council Meeting
Opening of the Meeting
Remarks by Naoko Ishii, GEF CEO and Chairperson
June 2, 2020

Transcript (edited)

Good morning, good afternoon and good evening to everyone. Welcome to the 58th GEF Council meeting.

My special thanks to all of you, who made an extra effort to join this meeting; some are in early morning and others are in late night. We are spanning over 17 different time zones. This is the first time the GEF Council is conducted through the internet. Together, we are making history!

This is my 16th and final Council meeting. I wish we could have gotten together face to face to reflect on our journey of 8 years. COVID-19 did not allow us to do so in person. But it provides important insights for us to reflect, and to me they all indicate that the GEF is more important than ever.

I have four insights from COVID-19.

First and foremost, COVID-19 is, at its core, a product of the environmental crisis. Economic development has driven humans too close to wildlife, disturbed the integrity of ecosystems, and created zoonotic hotbeds. In a nutshell, COVID-19 emerges through the collision between human and natural systems. If we want to avoid a new crisis, quick fixes just won't do it. The fundamental solution to the crisis is to transform human economic systems through well planned urbanization, controlling deforestation by transforming food systems, and with those efforts, restore a balance

between natural and human systems. That is exactly what we have been working on over the past several years but COVID-19 simply tells us to accelerate systems transformation!

Second, science must inform policy making. I was stunned to learn that scientists long alerted us that this kind of crisis would come, and to them the question was not “if” but “when”. We at the GEF have established a group of experts to look into the direct causes of the crisis and explore how we can prevent similar crises in the future.

Third, we learned that our economic and social systems are much more vulnerable than we thought. We at the GEF are engaging with Agencies on portfolio analysis to assess operational risks, to mitigate them but also learn how the GEF can proactively enhance the resilience in the systems.

Fourth, global problems require global solutions. COVID-19 illustrates how badly fragmented the world is. The GEF must remain a strong leader in driving global collective action in this endeavor.

Now let us take a moment to reflect how we have worked together for the past 8 years.

When I arrived at the GEF in 2012, scientists were telling us that we were getting close to the limits of the Earth system to continue serving for humanity, and economists told us that we needed to transform the key economic system to stay within planetary boundaries.

So, when I looked at GEF’s portfolio at that time we had allocated \$9.2 billion, supplemented by \$40 billion in co-financing to 2,700 projects in 165 countries. Interestingly, more than 80% of those projects were rated satisfactory.

There was a paradox in this picture. We were proud of the GEF as the largest environmental fund serving several conventions, and still it seemed not successful in arresting a downward spiral of environmental degradation.

Either we were not doing the right thing, or we were doing the right thing but remained too small to be impactful, or maybe both? Whichever the answer was, we needed to find a better way to accomplish the mission of this noble institution. This is how we started our journey.

Our deliberation of two years led to the GEF2020 strategy, adopted by the Council in 2014, and which guided GEF-6 and GEF-7 strategies.

Since then, we have focused on drivers, or root causes, of environmental degradation, and not only their consequences. We have adopted an “integrated” approach, as we want to break out of man-made silos, silos of environmental conventions, ministerial silos, or separation between public and private sector. We have aimed at transforming economic systems, as otherwise we cannot restore the right balance between nature and human systems. We have promoted multi-stakeholder partnership, as no single entity on its own can promote large-scale systems change by itself.

For the last eight years the Council approved 917 projects and programs with \$7.4 billion, supplemented by \$57 billion in co-financing. Many of them are designed along those principles under GEF2020. I hope they are transformative. The Food Resilience Program in Africa, Green Commodity Supply Chain, Food, Land Use and Restoration Program (FOLUR) together aim at transforming the food system. The Sustainable Cities Program aims at working with cities to help them fight climate change. The Amazon and Congo sustainable management programs, Blue Nature Alliance, GEF Gold for small scale gold mining, and the Wildlife trafficking program. All aiming high! NGI, or blended finance window, expanded and mobilized 10 times more resources to a new frontier of investments on forests, ocean, food systems, and circular economy. My list can go on and on.

To make these innovations realized, the Council agreed to expand flexibility among focal areas, creating a financial incentive for countries to join in key programs, and use a new results framework to track impact and manage

results. Without those policy changes, these innovations from the program side would have never taken shape.

While we were exploring with Council innovation on the programming side, we upgraded our business standards. Together, we have updated fiduciary standards and safeguard policies, gender policy, stakeholder engagement policy, and how to measure and monitor results. The Council also strengthened measures to improve speed and efficiency in implementation. These efforts go together with ambition for programming.

Throughout this journey I believe we have strengthened our dialogue with countries, by actively using the Country Support Programme.

Most importantly, I am so thankful to you, the Council, GEF families and partners, and the staff of our GEF Secretariat, for shifting our focus towards the root causes of environmental degradation, and to the central importance of system-wide changes. We, together, have frontally addressed the paradox of numerous successful projects that still failed to move the needle. Many institutions have successful projects. But few institutions manage to move from a project logic to a system logic, let alone have the courage of catalyzing systems-wide change. That is what we have been trying to do together at the GEF – identifying the key ingredients of system-wide change and investing in those at scale.

I believe we have made good progress – but we have not arrived at the final station yet. In my closing remarks tomorrow, I'll make a few suggestions for the future challenges.

For this Council, we only have three hours for two days, a total of six hours.

The Work Program provides an opportunity to demonstrate what projects and programs we can offer to the countries and communities, with consideration on how to mitigate risks and address drivers of the COVID-19 crisis.

Crafting a corporate budget at this time of uncertainty is not an easy task. We did our best to be sensible and professional by simulating possible scenarios and came up with a proposed plan which, I hope, enables the GEF to maintain business continuity and initiate important tasks such as kick-off the GEF-8 replenishment discussion and addressing COVID-19.

We also need to discuss some key direction papers including IEO's approach paper for OPS-7, which will inform the GEF-8 replenishment discussion.

The time we can spend for each of the agenda items is very limited. So far everybody has been very collaborative, and we have already finished one round of Q&A through e-mails. I certainly hope that will save a lot of time. I apologize at the outset if I need to exercise a judgment call to cut off some of the important discussions to keep us on time and complete the agenda. I seek everybody's understanding and collaboration on this.

I feel quite sad that we cannot have the CSO session at this time, or a session with Convention secretariats. We will also miss the refreshing presentation from STAP and its chair Rosina, who always gives a valuable support to the GEF. GEF is extremely lucky to have an independent advisory committee of scientists.

One good news is that at the end of tomorrow, we will have an opportunity to welcome the newly elected CEO and Chairperson. To me it is a privilege to handover to a new chair at this GEF Council.

Thank you so much.

Now let us get on with the business.