

GEF Second Replenishment meeting New-Dehli, 10-11 September 2013

African Comments

Africa by my voice thanks first of all the GEF Secretariat and the GEF Evaluation Office for their efforts to produce the documents that were the basis of work in the second replenishment meeting of GEF resources (GEF-6). Having gone through all these documents, and taking the views expressed during the discussions, I would like to send to you, the comments reflecting the African position on a number of issues of interest to African countries.

A/ 5th Overall Performance Studies (OPS5)

On portfolio issues, we have noted the main reasons why none of the multi-focal area projects achieved a “highly satisfactory” rating for M&E and why the predominant rating was “moderately satisfactory”. But, *We believe that despite the limited PMF compared to individual projects, GEF should continue to support them as the multifocal areas have actually no bulkheads and sometimes, to solve a problem in a field, it is necessary that we have a cross-linking reading. To do this, it becomes useful for projects and multifocal areas to address issues through activities that integrate all focal areas at once, or that projects solve problems through integrated activities.*

On programming issues, we agree with the conclusion of the OP5: potential underfunding of focal areas, countries and/or modalities of the GEF needs to be discussed and taken into account when considering programming for GEF-6. If we are to achieve results and realize the impact on the ground, it is necessary to increase the level of funding for areas and projects, especially thinking about a balance in the distribution of these funds as needed. We need to correct the imbalance GEF5 as shown in the table on page 10 of the report stage of the OP5.

On National Portfolio Formulation Exercises (NPFE), we note the fact that the main issues of the NPFE and Convention Reports – with direct access by recipient countries are the difficulties to get access to NPFEs funds, the effectiveness of the NPFEs, the high level of inefficiency of the NPFE support due to long delays, overly complicated procedures, lack of concrete guidelines as well as shifts in guidance, etc. We agree with the conclusion of the

Evaluation Office on this issue: the programming of GEF support to countries and regions will remain crucial in GEF-6 and support for this should continue. But, we can't conclude that NPFE process failed to provide an effective and efficient framework for programming of GEF support. The process was at its first experience and we should see what went wrong and what succeeded and why. The NPFE process has been a very good experience for those African countries that have benefited under the GEF5. It is a real support to the process of strengthening country ownership because NPFE process helps countries to multi partners consultations at national level where different sectors are invited to work together in order to identify priorities and plan for their allocations. It is also a guarantee for sustainability because:

- Countries can understand the need for such consultations, the need to establish and operate the GEF national committees and to mobilize their own resources to support such initiatives.
- It also helps training people on the GEF mechanisms and procedures and thus can ensure the impact of the GEF activities on the fields.

We sincerely hope that lessons learnt from failure and successes and the simplification of procedures will help all GEF recipient countries including African countries, to benefit from that important process.

On Impact Issues: project has succeeded when it has solved the identified problem and achieved the goals. It is necessary to strengthen the GEF support in the field monitoring to ensure sustainability of the results. It also requires substantial resources are mobilized to meet the actual situation of problems on the ground, it being understood that we can't overcome a problem that requires \$ 10 million with a project of \$ 1 million.

On performance issues: It is true that the project cycle was reduced to 22 months during GEF4 to 18 months during GEF5. It is also true that the time taken by the GEF Secretariat to respond to PIF submissions, for which a standard of 10 business days is established, has seen a gradual increase from GEF-4 to GEF-5. But, the project cycle remains slow and cumbersome and should continue to be discussed during negotiations. We believe it is necessary to further reduce the project cycle because it is still a challenge in view of the urgency of the problems on the ground and the fact that between the time the problem is identified and when the project is approved by the CEO, the situation may get worse, and the project can't guarantee the expected performance.

On results Based Management and Monitoring of Results (RBMMR), we think that the GEF is well aware of this by improving the Results based management

system. It is still not very satisfactory. A best Results based management system needs a more dynamic system in the GEF Secretariat to support projects in terms of monitoring outcomes and impacts indicators. The role of GEF Focal Point in the project monitoring should also be reinforced. With the collaboration of GEF agencies, he should be able to get access to projects data and to report any time to the GEF secretariat.

There is a critical issue at the center of all this reasoning: What become projects after CEO endorsement? Many reforms are now visible at the GEF level (project cycle and project development response time improved, etc...). But one or two years after the CEO endorsement, you do not always know what's happening at the country level and GEF agencies. A mid-term or final report sent by GEF agencies can't really give guarantees that a project has been implemented effectively. Even the GEF portfolio evaluation report can't fully guarantee the impact of the project on the fields.

A more dynamic system of projects monitoring at the level of the GEF Secretariat can help to ensure more impact on the fields.

The STAP: Its role is essential for certain types of projects. But we think that it must intervene early in the process of project development. Plus it comes, the sooner it is better. Its technical comments are useful to ensure to projects more efficiency, to ensure their ability to provide the desired response to problems they seek to address. When these technical comments sometimes occur at the same time as those of project managers, it seems a duplicate.

B/ Strategic positioning

Differentiated financing: We understand that this concerns GEF recipient countries with GDP per capita higher than \$4,000. We have noted the two options proposed. We believe that in the view of "GEF 2020 strategy" and whatever the direction to be taken in the context of this strategy, it should be kept in mind the fact that GEF remains unique among multilateral funding mechanisms and distinguishes its agencies or other funds as the investment climate fund. In addition, it finances incremental costs through grant to achieve global environmental benefits. GEF project (which are generally limited size projects) has experienced loan system by the engagement of private sector as we have seen up here. But, it was not systematic.

We support the first option which should be allowed an opportunity for countries to decide on their participation in the loan system. In addition to the reasons mentioned above, we do not think it is in the interest of most African countries to move from a system of donation to a loan system, especially for the crucial reason that many of our countries are Highly Indebted

Poor Countries and currently languishing under the weight of debt. The problem is not necessarily that the loan system would take time to be putting in place (procedural delays), but we think that recipient countries must avoid entering a spiral of debt which would only serve to further undermine them on the path of emergence.

If adopted and applicable, We still have some crucial issues as the second option is concerned: would loan funds act as a supplement to the countries country allocation or a substitute? Should there be a maximum loan size? Would funding be allocated on a first-come-first-serve basis, or should it be “pre-allocated” to eligible countries? Should the repayment be re-invested in countries as loan? Etc.

In regards to the above classification of the World Bank, and according to the fact that pilot countries are those who have a GDP greater than \$ 4,000, we find that there are some African middle-income countries (such as Gabon) that would be concerned and some large Asian countries like India would not be affected. However, it is incomparable countries in terms of economic development and especially demographically. Demographics can help raise the GDP of a country (Example of Gabon) and at the same time to lower the GDP of another country (example of India). **Thus, to ensure fairness, it is important to consider the level of the population in determining the countries affected by the non-grant system. If this is the case, it is thus clear that Gabon and other African countries can in no way be affected.**

Adjustment of the resources allocation system: We always stay in the speculation of scenario. No scenario is not yet adopted. As the analyzes are ongoing, what we can say at this stage is that **Experiences and lessons learned during previous GEF phases leads us to think that to make STAR system more equitable, it is important to lower the ceilings and increase floors. We all want to make an impact on the field through projects, but how to develop projects when there is not enough money? There is also need to simplify administrative procedures in order to facilitate access to GEF funds. We strongly propose to lower the ceilings imposed on large allocation recipient countries and increase the floor allocations for each recipient country and for each focal area;**

We also welcome the idea of protecting the LDCs and SILs allocations. It is a good policy towards parts of the world which are very vulnerable. This does not mean that we should ignore what is happening in other parts of the world.

There seems to be a competition between the most developed countries (including the BRICS) and middle income countries. In our opinion, this is not likely to ensure the spirit of equity and transparency we want to promote in the GEF. (Page 17 and table page 21)

By promoting group allocations, we seem to stir up ghosts of the past. I would like to draw the attention of the replenishment participants on the fact that we should not forget that the system of group allocation could have been a disaster for our African countries during GEF4. The programmatic approach (like Congo Basin program and west africa program) was very helpful during the GEF4 period for many of our countries as it helped us to get access to GEF funding. Without that programmatic approach, none of the African countries have achieved 25% of its priorities.

By returning to the group allocations, you wonder what country will truly benefit and on which criteria the resources of the group will be allocated. It seems countries that need it the least will be the first to benefit from those allocations: the first to come are best served, the agencies will prefer to work with the most advanced countries, African countries are less advantaged.

We suggest group allocations by region with minimum allocations by country and the possibility of promoting regional projects in order to help countries with less capacity to get access to GEF funds. It is also important to move towards more balance between the STAR focal areas.

Engaging the private sector: Partnership with the private sector is one of the top issues since RIO +20 Summit. But the GEF is still slow to make real decisions on the program with the private sector. There is still not the best way to work with the private sector. Sensitive actions have to be taken in order to motivate the private sector to really engage with the GEF in the protection of the environment, particularly in Africa. For example, increasing the projects fundings. In energy or agriculture, it worked. I think of Energy Efficiency in green buildings in some countries of East Africa with the involvement of local banks and other private organizations, or renewable energy in Cameroon and a project on cocoa in Ghana.

Enhancing resilience in GEF-6 programming: The concern about the resilience to climate change is also an important aspect of the replenishment process because it allows the integration of adaptation into projects.

C/ Programming directions

Focal areas programs: We note that there are no major and fundamental changes concerning the program priorities. But, we do believe we should **increase the resources allocated to the various programs to achieve our goals.** We hope for a substantial increase in the level of GEF-6 replenishment. We welcome indeed the approach advocated by the GEF to address land degradation which remains an urgent need for African governments. Africa

welcomes the LD strategy which takes into account the recent developments in the Rio +20 summit, in particular the commitment to counteract land degradation and monitoring. In a context where 80% of people are poor, where land is the only wealth, can we imagine what would happen if these lands came to no longer occur, due to drought or overuse. This means that strengthening our action on land degradation, we can achieve the goals of biodiversity and climate change. Africa therefore calls for an increase of resources allocated to the area of land degradation.

We do believe also that we need to **encourage a programmatic approach** to enable countries to have more funds. The Great Green Wall in Africa and the programmatic approach (program of the Congo Basin and that of West Africa, East Africa, etc..) are illustrative examples of programs that have enabled Africa to benefit from the GEF to fund many projects. The programmatic approach was not very experienced during GEF5 and we see how our country had difficulties. There are not enough projects. We need a system of incentives for the programmatic approach. Between the signature program and the STAR program, it good to fit it.

Regarding capacity building program, we are very grateful and we recognize the GEF efforts to maintaining the program for capacity building as a priority. We would have liked, however, it is more visible and it is not diluted in the corporate program. It is important to increase the funds allocated. Finally, in addition to keeping the NCSA process, it would be necessary to encourage capacity building within projects in order to better target the problems and promote synergies.

As the **SGP** is concerned, we think that it is very important help countries continuing to finance the SGP with their STAR allocations. We think that SGP remains the best way to ensure more visibility to GEF impacts on the field.

The signature program: We know that the issue is still under discussions. We note that most of these five signature programs are designed on the basis of GEF existing strategic focal areas. It therefore understands the logic. The new program is going to be multifocal and target broad areas. This can help to create synergies through which the GEF can constitute an important partner in Africa.

But, the question is: how this program be funded? The amount provided to fund this program is it pretty consistent? Globally, the financing of the signature program will of course depend on the total funds raised - which likely to be slightly higher the amount for GEF5. But, as African, we are looking to

know how the new approach being proposed for GEF6 is going to benefit or affect the allocations to the region.

Africa welcomes especially the idea of food security in Africa as it is a great challenge for african Governments. However, it is unclear how the entire continent or at least those most affected by food insecurity are going to benefit and how should those left out be 'compensated' with other programs. Also, the cities, forests, and agriculture/palm oil programs - how will participating countries be determined? It still remains unclear the link between deforestation and sustainable forest management we already know.

We also note that the signature programs do not take into account the "waste management" component.

Beyond these observations, there are still a number of points which are still confused:

- For example, why a program on amazon and not another ecological basin? One can understand that we want to work on large ecological units, but could this program at least be replicated elsewhere?
- What are the relevant agencies and the lead agency ?
- We note that there are several partners from private sector which have some comparative advantages in some aspects as they work with producer organizations in some countries. This is really innovative. But we wonder if behind such innovations, there is no lobby because very often we see partners who are at the heart of some issues such as GMOs.
- The ocean program, we see that NGOs such as WWF will be more active. It is not so favorable for some existing programs. But our concern is whether there will be one or more agencies. This is very likely to put it all in one basket; the GEF Council should have a major role to play.