



Global Environment Facility

GEF/C.24/7
October 15, 2004

GEF Council
November 17-19, 2004

Agenda Item 11

INSTITUTIONAL RELATIONS

Recommended Council Decision

The Council reviewed document GEF/C.24/7, *Institutional Relations*, and welcomes the progress that has been made in the support of international environmental conventions and GEF collaboration with the UN Commission on Sustainable Development.

The Council requests the GEF Secretariat and the Implementing and Executing Agencies to continue to seek opportunities to work with recipient countries to develop and implement projects consistent with the decisions of the conventions. The GEF Secretariat is requested to maintain its consultations with the Implementing Agencies, Executing Agencies and Convention Secretariats on how best to ensure continued responsiveness to the relevant decisions of the conventions and to keep the Council regularly informed of the progress that is being made.

Executive Summary

This document reports on developments of interest to the GEF within the context of the international environmental conventions (the Convention on Biological Diversity, the United Nations Framework Convention on Climate Change, the United Nations Convention to Combat Desertification, the Stockholm Convention on Persistent Organic Pollutants, and the Montreal Protocol on Substances that Deplete the Ozone Layer and its Multilateral Fund), the Commission on Sustainable Development and other relevant international processes.

Highlights of the developments include:

- (a) For the Convention on Biological Diversity, the document describes how the GEF is responding to the guidance of the seventh meeting of the Conference of the Parties. Much of the guidance can be addressed through the GEF existing operational programs, strategic priorities, modalities and procedures, but the report also makes proposals for additional or more specific action where needed, such as with regard to technology transfer, third national reports and capacity building for biosafety. The GEF Office of Monitoring and Evaluation is working closely with the CBD Secretariat to contribute to the Convention's third review process.
- (b) The subsidiary bodies to the UNFCCC met in June and are continuing their work in preparation for the tenth session of the Conference of the Parties in December 2004. The GEF has advanced its work on the operationalization of the Special Climate Change Fund and the elaboration of operational procedures for the implementation of National Adaptation Programs of Action under the Least Developed Countries Trust Fund.
- (c) The GEF CEO/Chairman is discussing with the Executive Secretary of the CCD, in collaboration with the Managing Director of the Global Mechanism, a memorandum of understanding describing arrangements to facilitate collaboration between the UNCCD and the GEF, and a document on the *Scope and Coherence of the Land Degradation Activities in the GEF* (GEF/C.24/6) has been prepared for Council consideration as requested by the Council meeting in May 2004.
- (d) Preparations are under way for the first meeting of the Conference of the Parties to the Stockholm Convention which will be convened in May 2005 and the next Meeting of the Parties to the Montreal Protocol in November 2004.
- (e) The GEF CEO/Chairman and the UN Under Secretary-General for Economic and Social Affairs have consulted on efforts to strengthen collaboration between the GEF and CSD. Important meetings that the GEF will participate in next year include CSD 13, its Prepcom, and the International Meeting to Review the Implementation of the Barbados Program of Action for the Sustainable Development of SIDS in Mauritius.

- (f) The GEF has been participating in the work to develop a Strategic Approach to International Chemicals Management since early 2004.

Table of Contents

I.	Convention on Biological Diversity	1
	Response to Guidance.....	1
	Biosafety related issues.....	2
	Third Review of the Effectiveness of the Financial Mechanism.....	3
	Capacity Building	3
	Technology Transfer.....	4
II.	UN Framework Convention on Climate Change.....	4
	Twentieth sessions of SBI and SBSTA	4
	National communications from Parties not included in Annex I to the Convention.....	4
	Matters Relating to the Implementation of Decision 5/CP.8.....	5
	Capacity-building.....	5
	Development and transfer of technologies	5
	Article 6 of the Convention.....	5
	Climate Change Funds.....	5
III.	UN Convention to Combat Desertification.....	6
IV.	Stockholm Convention on Persistent Organic Pollutants	7
V.	Montreal Protocol	7
VI.	Collaboration with UN Commission on Sustainable Development	7
VII.	SIDS Meeting in Mauritius.....	8
VIII.	Strategic Approach to International Chemicals Management	8
	Annex: Follow-up to the Guidance of COP7 to the Convention on Biological Diversity	9

1. This document reports on developments of interest to the GEF occurring since the GEF Council meeting in May 2004 within the context of the Convention on Biological Diversity (CBD), the UN Framework Convention on Climate Change (UNFCCC), the UN Convention to Combat Desertification in those countries experiencing serious drought and/or desertification, particularly in Africa (UNCCD), the Stockholm Convention on Persistent Organic Pollutants (the Stockholm Convention), and the Montreal Protocol on Substances that Deplete the Ozone Layer (the Montreal Protocol).

2. The document also addresses GEF's collaboration with the UN Commission on Sustainable Development (CSD), and GEF participation in the process to prepare the International Meeting to Review the Implementation of the Barbados Programme of Action for the Sustainable Development of Small Island Developing States which will be held in January 2005 in Mauritius.

3. GEF participation in the work to develop a Strategic Approach to International Chemicals Management (SAICM) is also described in this report.

I. CONVENTION ON BIOLOGICAL DIVERSITY

4. As reported to the Council meeting in May 2004, the Conference of the Parties to the CBD held its seventh meeting (COP 7) in February 2004. Two of the COP7 decisions are directly relevant to the GEF: decision VII/20, *Further guidance to the financial mechanism*, and decision VII/22, *Arrangements for the third review of the effectiveness of the financial mechanism*.

5. During the reporting period, the Secretariat worked with the Implementing Agencies to complete an internal review of decisions VII/20 and VII/22 to assess how the guidance can be best implemented. The outcome of the review has confirmed that most of the issues contained in the additional guidance can be addressed through the preparation and implementation of country driven projects consistent with the GEF existing operational programs, strategic priorities, modalities and procedures.

6. However, some other elements of the guidance, such as technology transfer, may require further consideration. New action will also be needed to provide assistance for the preparation of a third round of national reporting and capacity building for biosafety.

Response to Guidance

7. The GEF will be able to address issues included in the new guidance through its various operational tools (for example, full and medium-sized projects, enabling activities, the Small Grant Programme, the strategic approach of capacity building, including national capacity self assessments, and country relations activities). Issues included in the guidance are related to marine and coastal biological diversity, monitoring and indicators, the ecosystem approach, biological diversity and climate change, global taxonomy initiative, sustainable use, invasive alien species, protected areas, education and public awareness, and access to genetic resources and fair and equitable sharing of benefits. A matrix showing how these issues can be addressed through these tools is attached to this document.

8. The GEF and its Implementing Agencies will continue to support country driven activities to address these issues and will fine-tune and further emphasize project activities so as to encompass the guidance. Together with the Office of Monitoring and Evaluation, the Secretariat and Implementing Agencies will also strengthen dissemination of lessons learned and good practices.

Third national reporting

9. The format for the third national report to be submitted by each Party is different from that of the second report. For the first time, Parties are requested to provide factual data based on indicators and other substantive information through third reports instead of the process focused approach used by the second report. Countries are requested to provide targeted data to assess the progress towards achievement of the CBD 2010 target. Countries are also requested to elaborate on how they are implementing specific articles and related COP decisions; what are the outcomes/impacts of actions taken; and what contributions the action taken is making towards the achievement of the goals of the Strategic Plan of the Convention.

10. The guidance requests the GEF “to explore ways to expedite and simplify its procedures for allocating funds to eligible countries to prepare their national report to fulfill their reporting obligations under the Convention.” It is expected that a number of developing countries may request assistance.¹ Based on consultations with the Implementing Agencies, it is proposed that eligible country Parties may request GEF assistance for preparing their third national report through their current enabling activities in the area of biological diversity. The Secretariat will work with the Implementing Agencies to agree on the appropriate aims and magnitude of such support.

Biosafety related issues

11. In response to the COP guidance, the work program before the Council includes a proposal to increase the resources available through the National Biosafety Framework (NBF) development project to assist eligible countries to develop their NBFs. The work program also includes a proposal to increase the financing for the project, *Building Capacity for Effective Participation in the Biosafety Clearing House of the Cartagena Protocol*, to assist eligible countries to participate in the biosafety clearing house. The Secretariat has been working with UNEP to organize a consultation of regional scientists and technical experts to advise on this project.

12. It will be recalled that Decision VII/20 of the COP provides, inter alia, that “all developing countries, in particular the least developed and small island developing states among them, and countries with economies in transition, which are Parties to the Convention and provide a clear political commitment towards becoming Parties to the Protocol, shall also be eligible for funding by the GEF for the development of national biosafety frameworks and the development of national biosafety clearing-houses and other necessary institutional capabilities to enable a non-Party to become a Party. Evidence of such political commitment shall take the

¹ To date three countries have requested GEF support to assist in preparation of their third national reports: Armenia, Jordan, and Togo.

form of a written assurance to the Executive Secretary that the country intends to become a Party to the Protocol on completion of the activities to be funded.” In response to this decision, a letter jointly signed by the Executive Secretary of the Convention and GEF CEO/Chairman was circulated to all CBD and GEF focal points clarifying the procedures to be followed. Essentially, a Party to the Convention that is not yet a party to the Cartagena Protocol and that wishes to request funding from the GEF for activities in paragraph 21(b) of the decision is requested to confirm its political commitment to become a party to the Protocol upon completion of its GEF supported activities by sending a letter from the responsible Minister(s) to the Executive Secretary. A copy of such a letter is also to be attached to the project proposal submitted to an Implementing Agency. A country that has received such funding from the GEF will, on an annual basis, inform the Executive Secretary of the Convention of actions being taken towards becoming a party to the Protocol.

13. With regard to the financing of projects for the implementation of national biosafety frameworks, support is currently available to those eligible countries that have developed their draft national biosafety frameworks. Lessons learned during the demonstration phase and the national biosafety framework development project will be incorporated into project development. The Secretariat is planning to undertake an assessment of the effectiveness and efficiency of various approaches that have previously been adopted to provide additional support to backstop the delivery of enabling activities in biosafety and other areas of GEF’s work, such as climate change and land degradation, including umbrella projects and technical support programs. Once this assessment is complete, a proposal will be made, if deemed necessary, to the Council on the most efficient and effective means to provide any necessary additional capacity building support to countries to ensure the successful implementation of national biosafety frameworks.

Third Review of the Effectiveness of the Financial Mechanism

14. The GEF Office of Monitoring and Evaluation will work closely with the Convention Secretariat to contribute to this process. Decision VII/22 calls for full collaboration between the consultant selected by the CBD Secretariat and independent team preparing the GEF’s Third Overall Performance Study (OPS3). The timing of both studies will facilitate the achievement of the requested synergies. For the CBD review, a call for tenders was announced on the Convention Secretariat websites with a closing date of September 30, 2004. According to the proposed time table the consultant will be selected before October 15, 2004. It is expected that the final report will be prepared by August 15, 2005, while OPS3 is expected to be completed by June 30, 2005. As previously agreed, the GEF Secretariat and the Office of Monitoring and Evaluation will make available any information, reports, and studies which may assist the Convention in its successful review. Key elements for this are the recently completed Biodiversity Program Study and the results of OPS3.

Capacity Building

15. Promoting capacity building in developing countries to assist them to implement development activities in ways that are consistent with the CBD as a contribution to the Millennium Development Goals is an issue that a country may address through its national capacity self assessment (NCSA). Assistance will be available to assist countries to address the

capacity building priorities identified in the assessments consistent with the strategic approach to capacity building.

Technology Transfer

16. Technology transfer cuts across various GEF focal areas and specific objectives within a focal area. Technology transfer is often a core element in GEF investment projects in the area of biodiversity. The Secretariat and the Implementing Agencies will take stock and assess what the GEF has done or is planning to do on this topic through its biodiversity portfolio of projects. Capacity building priorities for technology transfer can be addressed within a NCSA and follow-up activities.

II. UN FRAMEWORK CONVENTION ON CLIMATE CHANGE

17. During the reporting period, the GEF attended the twentieth sessions of the Subsidiary Body for Implementation (SBI) and Subsidiary Body for Scientific and Technological Advice (SBSTA) held June 16-25, 2004, in Bonn, Germany. Work was also advanced on responding to the guidance of the COP on the Least Developed Country Trust Fund (LDC Trust Fund) and the Special Climate Change Fund (SCCF). Relevant information is reported below.

Twentieth sessions of SBI and SBSTA

18. The following issues considered at SBI and SBSTA in June 2004, are relevant to GEF's work and useful for preparing GEF participation in the tenth session of the Conference of the Parties to be convened in Buenos Aires, Argentina, from December 16-17, 2004.

National communications from Parties not included in Annex I to the Convention

19. A draft decision on national communications for consideration at COP10 is under discussion within the SBI. The SBI reiterated the need for closer cooperation between the Consultative Group of Experts (CGE) and the National Communications Support Programme (NCSP) financed by the GEF, the IPCC, and other relevant organizations. In this regard, the SBI invited the NCSP to regularly exchange information on capacity-building and coordinate its training activities with the CGE in order to avoid duplication of effort and requested the Convention Secretariat to facilitate this cooperation.

20. The SBI welcomed the fact that 115 non-Annex I Parties² submitted their initial national communications and that three of them also submitted their second national communications. The SBI also welcomed the information made available by the Convention Secretariat on the GEF support for the preparation of initial national communications from non-Annex I Parties. It requested the Convention Secretariat to make available at each of its sessions details of the financial support provided by the GEF for the preparation of initial and subsequent national communications. The GEF is exploring opportunities to make this information available on its website so Parties and the Convention Secretariat will have continuous access to updated information.

² As of October 2004, 118 non-Annex I countries submitted their initial national communications.

Matters Relating to the Implementation of Decision 5/CP.8³

21. In anticipation of the fourth replenishment of the GEF Trust Fund, the SBI requested the Convention Secretariat to prepare, in collaboration with the GEF, a report on the assessment of the funding necessary to assist developing countries in fulfilling their commitments under the Convention for consideration at COP10. The two Secretariats have been consulting on the preparation of this report which will be considered at SBI 21.

Capacity-building

22. Parties are expected to complete their reviews of frameworks for capacity-building in developing countries and in countries with economies in transition at COP10. SBI 21 is expected to provide draft decisions on capacity-building projects, programmes and action plans. The Convention Secretariat has been requested to prepare an analytical paper on capacity-building in countries with economies in transition to be presented at SBI 21.

23. A meeting of capacity-building practitioners will be held in Buenos Aires on December 4.

Development and transfer of technologies

24. The SBSTA invited UNDP, in cooperation with UNEP and the GEF, to collect the reports of the technology needs assessments (TNAs) and to prepare an analysis of the technology needs identified by developing countries in order to analyze options for further provision of technical support.

25. The SBSTA invited UNDP, in cooperation with UNEP, other relevant organizations and the Climate Technology Initiative, to hold additional regional workshops to assist developing country Parties to finalize their TNA reports, and develop national/regional databases on TNA results. The GEF will be invited to participate in a special meeting of the Expert Group on Technology Transfer to be organized during SBSTA 21.

Article 6 of the Convention

26. The SBI noted the COP request to the GEF to “continue its support for education, training and public awareness activities relating to climate change.” The SBI encouraged non-Annex I Parties to take this into account when submitting to the GEF their projects relating to their national communications.

Climate Change Funds

27. The ninth session of the COP adopted two decisions on the new climate change funds: decision 5/CP.9 *Further guidance to an entity entrusted with the operation of the financial*

³ Decision 5/CP.8 requested the Convention Secretariat, in consultation with the GEF Secretariat, to prepare a report on the steps to be followed on the determination of funding necessary and available for the implementation of the UNFCCC as provided for in the annex to the Memorandum of Understanding between the COP and the GEF Council.

mechanism of the Convention and decision 6/CP.9 Further guidance for the operation of the Least Developed Countries Fund, for the operation of the Special Climate Change Fund.

28. Initial guidance provided by the COP at its ninth session provided, among other things that adaptation activities to address the adverse impacts of climate change shall have top priority for funding. It also indicated that technology transfer and its associated capacity-building activities shall also be essential areas to receive funding from the Special Climate Fund. The COP requested the GEF to make the necessary arrangements to mobilize resources and to make the fund operational without delay.

29. The Council has before it for endorsement document GEF/C.24/12, *Programming to Implement the Guidance for the Special Climate Change Fund Adopted by the Conference of the Parties to the United Nations Framework Convention on Climate Change at its Ninth Session*. This document, which has been prepared in consultation with the Implementing Agencies and the Convention Secretariat, describes how the SCCF will finance activities in the program areas of adaptation and technology transfer. This document was also reviewed by potential donors at meetings held in Paris in July and September 2004.

30. On the basis of this document, the GEF will convene a pledging meeting of potential donors prior to the Council meeting in November. The CEO will inform the Council of the resources mobilized. Both the programming document and information on available resources will be distributed to the COP at its tenth session in December 2004.

31. Under the LDC Trust Fund, the GEF is currently assisting least developed countries to prepare national adaptation programs of action (NAPAs). (See document GEF/C.24/Inf.8, *Status Report on the Least Developed Countries Trust Fund for Climate Change*.) The GEF will be preparing operational guidelines for funding of the implementation of NAPAs taking into account the elements identified in decision 6/CP.9. Proposals concerning the operational guidelines are presented in document GEF/C.24/Inf.7. This document will also be made available at COP10.

III. UN CONVENTION TO COMBAT DESERTIFICATION

32. The next Conference of the Parties of the UNCCD will take place in October 2005. The fourth session of the Committee for the Review of the Implementation of the Convention (CRIC-4) will take place on April 28 - May 12, 2005 in Rome, Italy. The focus of this meeting will be on the progress made with regards to the implementation of the UNCCD in Africa.

33. During the reporting period, the CEO/Chairman of the GEF consulted with the Executive Secretary of the Convention, in collaboration with the Managing Director of the Global Mechanism, on a memorandum of understanding describing arrangements to facilitate collaboration between the GEF and the UNCCD. One point of discussion is whether the MOU is to be concluded between the Secretariats of the UNCCD and the GEF or between the Conference of the Parties to the UNCCD and the Council. It is expected that a draft memorandum of understanding will be presented to Council at its meeting in June 2005, prior to the Conference of the Parties to the UNCCD in October 2005.

34. To respond to the decision of the Council at its meeting in May 2004, a document entitled *Scope and Coherence of the Land Degradation Activities in the GEF* (GEF/C.24/6) has been prepared for the consideration by the Council.

IV. STOCKHOLM CONVENTION ON PERSISTENT ORGANIC POLLUTANTS

35. The Stockholm Convention entered into force on May 17, 2004. There are 78 parties to the Convention, October 1, 2004. The first meeting of the Conference of the Parties is scheduled to take place in the first week of May 2005, in Punta del Este, Uruguay. The Expert Group on Best Available Techniques and Best Environmental Practices is meeting on October 11-16, 2004, in Tokyo, Japan, to review the “Draft Guidelines on Best Available Techniques and Guidance on Best Environmental Practices”. This is expected to be the last meeting of that group before it forwards its work to the COP.

36. The Secretariat of the Stockholm Convention is in the process of revising the proposed draft Memorandum of Understanding between the Conference of the Parties to the Stockholm Convention and the GEF Council, based on comments received from Parties. The GEF Secretariat did not receive any comments from its Council Members. The revised document will be submitted to the first Conference of the Parties on May 2005. It is expected that the proposed MOU as agreed by the COP will then be submitted to the GEF Council for its review and approval.

V. MONTREAL PROTOCOL

37. The Open-Ended Working Group of the Parties to the Montreal Protocol met for its twenty-fourth meeting in Geneva, July 13-16, 2004. A draft decision was submitted to the Meeting on “Proposals for optimizing the activities of the Multilateral Fund and the Global Environment Facility relating to the protection of the ozone layer in the current 2006-2008 replenishment”. The proposal to integrate the two institutions was debated with a number of interventions pointing to “the need to maintain the distinct functions of the multilateral fund and the GEF” (see meeting report UNEP/OzL.Pro.WG.1/24/9). No draft decisions forwarded to the Meeting of the Parties were of specific relevance to the GEF.

38. The Implementation Committee under the Non-Compliance Procedure for the Montreal Protocol met on July 17-18, 2004, Geneva, Switzerland. The Ozone Secretariat noted that they had raised with the GEF Council the issue of continued funding of institutional strengthening projects in countries with economies in transition in response to concerns that some countries would face increasing difficulties with data reporting. No draft decisions forwarded to the meeting of the Parties were of specific relevance to the GEF.

39. The next Meeting of the Parties to the Montreal Protocol will take place on November 22-26, 2004 in Prague, Czech Republic.

VI. COLLABORATION WITH UN COMMISSION ON SUSTAINABLE DEVELOPMENT

40. In response to the decision of the Council made at its meeting in November 2003, requesting the GEF Secretariat to consult with the Secretariat of the CSD on strengthening the

collaboration between the GEF and CSD, the GEF Secretariat continues to maintain regular contacts with the CSD Secretariat. A video conference between Mr. Len Good, GEF CEO/Chairman and Mr. José Antonio Ocampo, Under Secretary-General of the United Nations for Economic and Social Affairs took place to consult on efforts to strengthen collaboration between the GEF and CSD. Another meeting between the two Secretariats is expected in October/November.

41. CSD 13 will take place on April 11-22, 2005 and the CSD Prepcom on February 28-March 4, 2005. The CSD meeting in 2005, the second phase of the first two year cycle of the CSD multiyear program of work started after the WSSD, will focus on policy recommendations to overcome the obstacles identified by CSD12 in the area of water, sanitation and human settlements. The GEF will participate in the CSD meetings and will focus on sharing with the participants its on-the-ground experience and lessons learned in addressing water management, in particular in the context of international waters and sustainable land management.

VII. SIDS MEETING IN MAURITIUS

42. The GEF will participate in the International Meeting to Review the Implementation of the Barbados Programme of Action for the Sustainable Development of Small Island Developing States (Barbados+10) which will be held on January 10 -14, 2005 in Mauritius. The GEF participation in the Mauritius meeting will focus on GEF collaboration with SIDS in addressing global environmental concerns through its projects and programs. The GEF has been actively participating in the preparation process for the Mauritius meeting, which includes the Inter-Regional Preparatory Meeting for the ten year review of the implementation of the Barbados Programme of Action in January 2004 in the Bahamas; SIDS preparatory meeting for Barbados+10, in April 2004, in New York; and the informal consultation for Barbados +10, October 2004, in New York.

VIII. STRATEGIC APPROACH TO INTERNATIONAL CHEMICALS MANAGEMENT

43. Work to develop a Strategic Approach to International Chemicals Management (SAICM) was initiated by UNEP (Governing Council Special Session/Global Ministerial Environment Forum decision SS.VII/3, February 15, 2002) and endorsed by the WSSD. At the invitation of UNEP, the GEF Secretariat joined the Steering Committee of the SAICM in early 2004. SAICM is following an open-ended consultative process with stakeholder groups meeting in a Preparatory Committee (PrepCom) leading to an International Conference in early 2006. The first sessions of the PrepCom took place on November 9-13, 2003, in Bangkok, Thailand and on October 4-8, 2004, in Nairobi, Kenya. The GEF Secretariat participated in these sessions.

44. Following a request from the participants, an information document from the GEF was submitted to the Second PrepCom. The document entitled *GEF's Role in Support of the Implementation of the Stockholm Convention: Opportunities for Advancing Global Sound Management of Chemicals* (GEF/C.24/Inf.4) outlines how the GEF can support countries in the SAICM process through activities in various focal areas, and particularly through capacity building activities in the persistent organic pollutants focal area.

ANNEX: FOLLOW-UP TO THE GUIDANCE OF COP7 TO THE CONVENTION ON BIOLOGICAL DIVERSITY

In addition to the project activities that are funded under the GEF biodiversity focal areas, most of which address some aspect of the guidance, the following additional activities will be considered in response to the guidance approved at COP7.

SUBSTANTIVE ASPECT	RELEVANT OPERATIONAL PROGRAM AND STRATEGIC PRIORITIES	PROPOSED RESPONSE
Coastal Marine Biodiversity Decision VII/20, paragraph 3	OP2 (Coastal, Marine); OPs in the focal area of international waters; strategic priorities in the area of biodiversity	Key aspects of coral bleaching may be addressed under the strategic approach on adaptation.
Monitoring and indicators Decision VII/20, paragraph 4	NCSAs; strategic approach of capacity building	A study to assess indicators used in the current projects, their application and results to date.
Ecosystem Approach Decision VII/20, paragraph 5	OPs in the focal areas of biodiversity, international waters, and land degradation	A study on how projects in portfolio support the implementation of the ecosystem approach. A study to explore relationships between landscape and seascape approaches.
Biological diversity and climate change Decision VII/20, paragraph 6	OPs in the areas of biodiversity and climate change	Coral reef bleaching may be addressed under GEF strategic approach on adaptation. Other areas of potential GEF support include CC/EA and a few pilot projects which could be funded based on the results of NCSAs for countries that make synergies across conventions a national priority.
Global Taxonomy Initiative Decision VII/20, paragraph 7	OPs in the focal areas of biodiversity, international waters and land degradation	Countries and IAs may develop capacity building projects based on country-driven national priorities.
Sustainable use Decision VII/20, paragraph 8	OPs and strategic priorities in the focal area of biodiversity	Proposed component on technology transfer requires further consideration. Please refer to technology transfer section below. The implementation of Addis Ababa Principles would require a portfolio review of how existing projects address these principles.
Invasive, alien species Decision VII/20, paragraph 9	OPs in the focal areas of biodiversity, international waters and land degradation	A review of cost implications of improved prevention, rapid response, and management measures through consultation with experienced countries and the GISP Secretariat A few pilot projects to further define cost implications and other key issues.
Protected areas Decision VII/20, paragraph 10	OPs and strategic priorities in the focal area of biodiversity	Support for protected areas is the largest funding priority in the portfolio to date. Regarding paragraph 10(c), the GEF project cycle is under review for further streamlining. On fast disbursing mechanisms, the GEF is a partner and financial contributor to the Critical Ecosystem Partnership Fund (CEPF), a fast disbursing mechanism managed by Conservation International. Other

SUBSTANTIVE ASPECT	RELEVANT OPERATIONAL PROGRAM AND STRATEGIC PRIORITIES	PROPOSED RESPONSE
		alternatives are currently under consideration, including a proposal for early action.
Strategic Plan Decision VII/20, paragraph 11	Strategic priorities in the focal area of biodiversity	Review of NBSAPs and mainstreaming efforts. Modification of existing EA criteria may be needed. Assess results of EAs supported by the GEF (last review is nearly five years old), including results, usefulness and impacts, prior to considering any new round of EAs.
Technology transfer and cooperation Decision VII/20, paragraph 12	OPs in the focal area of biodiversity	Capacity building priorities for technology transfer can be assisted within the NCSAs and addressed in follow-up activities. The GEF will continue to support technology transfer as an element in GEF investment projects in the area of biodiversity. A review of experiences within the climate change area could be helpful to identify ways and means to address the issues in the biodiversity area.
Millennium Development Goals Decision VII/20, paragraph 13	OPs in the focal area of biodiversity	Promoting capacity building in developing countries to assist them to implement development activities in ways that are consistent with the CBD as a contribution to the Millennium Development Goals is an issue that a country may address through its National Capacity Self Assessments (NCSAs) and their follow-up.
National reporting Decision VII/20, paragraphs 14-17		On project procedure, the Secretariat is working to further streamline project cycle. Countries may request assistance for preparing third national report. GEF Secretariat is working with IAs to identify modalities for providing financial assistance to countries that request it, primarily through add-ons to open EAs.
Environmental education and awareness Decision VII/20, paragraph 18	OPs and strategic priorities in the focal area of biodiversity	
Access to genetic resources and fair and equitable sharing of benefits Decision VII/20, paragraph 19	OPs in the focal area of biodiversity	GEF may fund pilot MSPs for countries interested in implementing the Bonn Guidelines or their strategy on the topic to develop cost norms. A stock-taking exercise to identify GEF support to date, support from others, gaps, and lessons learned and good practice.
Biosafety Decision VII/20, paragraph 20-26	Continued implementation of GEF initial strategy on biosafety	NBF support to remaining eligible countries through additional project resources requested in November 2004 Work Program An expansion to the project Building Capacity for Participation in the Biosafety Clearing House of the Protocol to provide assistance to remaining eligible countries, requested in November 2004 Work Program.

SUBSTANTIVE ASPECT	RELEVANT OPERATIONAL PROGRAM AND STRATEGIC PRIORITIES	PROPOSED RESPONSE
		Support is available for eligible countries that have completed NBFs. Lessons learned from the demonstration projects will be included.
Third review of the effectiveness of the financial mechanism Decision VII/22		<p>The GEF Secretariat and the Office of Monitoring and Evaluation will work closely with the Convention Secretariat to contribute to the process.</p> <p>As agreed, the GEF Secretariat and the Office of Monitoring and Evaluation will make available any information, reports, and studies which may assist the Convention in its successful review.</p>