

## Global Environment Facility

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STATEMENT OF THE STAP CHAIR TO THE GEF COUNCIL

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- 1. Chair, distinguished Council Members, I want to thank you for this opportunity to brief you, on STAP's work since the last meeting of this Council.
- 2. I would like to begin with the Council's request that STAP report at this Council meeting on the implementation of a plan to ensure the independence and transparency of the roster reviews of projects. I am pleased to say that you have before you revised procedures for the STAP roster review, which place the responsibility for selecting reviewers for a project on STAP instead of the Implementing Agencies. They are the result of a consultative process with the GEF Secretariat, the Implementing Agencies, and the Evaluation Office. The Panel is pleased with the new procedures, which I believe, meet the operational requirements of the GEF, while ensuring an independent review process. The procedures will take effect immediately after this Council meeting, provided you find them acceptable.
- 3. The Panel's work on this issue will not end here I should say that the consultations regarding the review procedures opened a wider discussion on the role of the roster and STAP in the project cycle. The Panel recognizes that the STAP roster review provides a valuable technical quality stamp before a project is included in the work program, and will continue to strengthen this process in the coming months. But this leaves a gap in the early stages of project development, at a time when scientific and technical input can influence the design and focus of a project significantly. Ensuring that the best scientific knowledge and frameworks are brought to bear on a project, is particularly important for new types and complex projects, and in intervention areas where experience is limited. I believe that this gap can be filled by the Panel, and through the STAP selective review mechanism. I intend to submit a proposal from STAP to the next meeting of the Council, to re-affirm STAP's limited but distinct role in the project cycle.
- 4. Lastly on projects and the roster, I would like to inform you that, in line with existing practice, STAP recently began the process of reconstituting the STAP roster of experts, a

process which has just begun. Based on the experience and feedback on the current roster, a new expert roster responding to the expertise needs of GEF-4 will be established by early 2007. To ensure the process is open, transparent and sufficiently broad to identify qualified, new experts, a call for an expression of interest will be made.

- 5. I now turn to the strategic advice STAP has worked on and delivered over the past six months, beginning with the most recent work on land degradation. In response to the Council's request that the GEF Secretariat better articulate global benefits of the land degradation focal area, STAP is currently leading three inter-related studies on the global dimensions of land degradation. The GEF continues to face challenges due to lack of agreement on the global dimension of land degradation. To shed light on the question of global significance of these issues, STAP is assembling a body of evidence that indicates that land degradation is a global environmental concern. In addition to compiling evidence, we are also considering the Millennium Ecosystem Assessment, which is based on the ecosystem approach to conservation, as a possible analytical framework to clarify the focal area's work and provide the global dimensions of land degradation projects. However, more work is needed to ascertain how global pathways can be elaborated quantitatively or qualitatively. The studies are expected to be finalized later this month and the results will be presented at the Land Degradation Forum at the Assembly, and at your next meeting.
- 6. Following an international workshop held last September, the Panel also spent considerable time on the challenging task of providing guidance on whether and how the GEF should support biofuels for the transport sector. STAP focused on two aspects important to the GEF: the green house gas emission reduction potential of biofuels, and the impacts of large-scale energy crops on soil, water and biodiversity. We concluded that the conventional grain and seed based biofuels such as ethanol from corn, or diesel from rapeseed, can provide only modest green house gas reduction benefits by any measure, and would provide only modest level of fuels displacement in the long term in any case due to high land requirements. An exception is sugarcane ethanol, which gives the highest land-use efficiency for GHG mitigation. But questions remain regarding the

potential of countries to produce large quantities of low-cost ethanol. The potential negative impacts of growing energy crops on a large scale cannot be underestimated either. The GEF should, therefore, prioritize the development of environmental safeguards for modern biomass interventions. We also looked at new developments in biomass: the so-called second generation biofuels, which are technologies that are projected to become commercially viable in the next five to fifteen years and are expected to be more advantegos in terms of efficientcy, land-use and environmental impact. Although STAP does not recommend GEF support second-generation biofuels, because these are poised to displace first generation biofuels, GEF could accelerate their adoption through capacity building and awareness-raising in GEF-recipient countries with large potential for growing lignocellulosic feedstocks. A full report of STAP's guidance on biofuels will be submitted at your next meeting in August.

- 7. In the international waters, STAP followed up on its earlier work in ground water, and finalized advice on managed aquifer recharge (MAR), which is the augmenting of natural recharge. The management and sustainability of groundwater resources a resource used by more than 2 billion people- is important across all focal areas. STAP concluded that managed aquifer recharge is a practical and tangible approach to enhance groundwater integration in the other focal areas, and suggested different approaches and priority actions to the GEF.
- 8. These were the major substantive issues STAP focused and provided guidance on in the last six months. A complete overview of STAP's work in this and the previous financial year can be found in the STAP meeting report to the Council.
- 9. STAP also contributed to the GEF's work on knowledge management, and participated in the GEF Evaluators meeting in The Hague, where a number of questions were raised regarding the scientific underpinning of the GEF's strategies, programs, and interventions. These questions led to a discussion with the Evaluation Office on the potential evaluation of the role of science at the last STAP meeting. Important questions were asked, such as "is the GEF a learning organization, is science absorbed by the GEF,

and should there be an evaluation of STAP?" What emerged from the meetings was unease, on the part of Panel members and other scientists, about the ability and effectiveness of the current GEF structure to get science "in the door", and ensure it permeates the GEF's way of doing business. We will continue the discussion with the Evaluation Office, with the view to formulate a proposal for an evaluation of this issue, which is, in our view, an important aspect of the GEF.

- 10. This brings me to the future, and STAP in the next phase of the GEF.
- 11. You have before you the proposal of the Executive Director of UNEP for the composition of STAP-4. Nine new Panel members will join STAP in July, and nine are leaving, as a consequence of the system of staggered terms. UNEP, with support of the other Implementing Agencies, is proposing a change in the organization of the Panel, to better meet GEF's requirements for expertise. Instead of appointing 15 members for four years, 10 core members would be appointed, plus five special members, who would be offered one year renewable terms. The special members would be selected to provide specific expertise required by the STAP work program, whilst the core members would ensure the continuity of the Panel, and would provide broad strategic guidance in the focal areas.
- 12. The departing Panel members, together with those who will continue for two more years in GEF-4, will not only provide you with an overview of the scientific and technical issues that emerged during this phase, but they will also share their thinking on the emerging issues which will have operational implications for GEF-4. This will be presented in STAP's mandatory report to the Assembly, which the Panel has been working on over the past few months.
- 13. Although STAP's work program for the next financial year will not be finalized until the first meeting of STAP-4, I would like to spend a few moments reflecting on the general direction of STAP's work: we will continue to emphasize the need for integrated approaches in our advice. We believe that the transaction costs of applying an integrated

approach in the GEF are currently too high, and we, therefore, plan to demonstrate the importance and value of integrated natural resource and ecosystem management, building on the findings of the Millennium Ecosystem Assessment. The first example is STAP's forthcoming workshop on the fragile and interdependent ecosystems in small islands. The development of indicators is also high on the STAP agenda. This brings me to STAP's relation with the Evaluation Office. We have increased interaction with the Evaluation Office, have worked jointly on knowledge management, and are coordinating our work on the global benefits in land degradation; but we need a more structured relationship. We will work towards this goal in GEF-4.

- 14. I would like to conclude by saying that my first 2 years in the GEF have been a tremendous learning experience. It has been challenging and rewarding to work with all the GEF partners, despite the difficult position of being a small scientific panel in a complex and large project machinery. I intend to strengthen the role of STAP in the coming phase, as set out in my proposal submitted to you last November. We will need the support and confidence of all our partners to achieve this, including that of the Council.
- 15. Finally, I wish to extend my deepest thanks to Len. You have been very supportive of STAP, and your time with us in Papallacta was very valuable in helping us think through ways on how we can strengthen our effectiveness to better serve the GEF. I wish you the very best as you rise to new challenges. With these words, I would like to conclude my statement, and thank you Chair, and distinguished Council members, for your attention.