

GEF-5 Replenishment: Comments from Finland

Pietikainen Johanna to: gefceo

Cc: secretariat

08/31/2009 06:29 AM

> Dear Ms. Barbut,

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Please find attached some Finnish comments to the ongoing exchange within the GEF on the programmatic planning of activities, as a follow-up to our discussions in June in Washington. Our comments are not exhaustive but rather complementary to what we have expressed earlier and underlining some elements that we see as priorities in our future work.

> > <<GEF Comments from Finland 28809 .doc>>
> With kind regards,
>
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on behalf of Folke Sundman

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cc: <Secretariat@Thegef.Org>

The following comments are made by themes rather than by documents, since many of the issues are interlinked. The June meeting documentation contained a lot of duplication and overlaps. This is the case especially with the programming document and the policy reform paper. We would request the Secretariat to provide the next GEF-5 meeting with a more comprehensive synthesis of the key issues contained in the documents, and believe that it would also facilitate efficient running of the meeting.

General Comments

Finland supports the GEF as the focal financial mechanism for the major MEAs and is in favour of a strong replenishment. The reform process of the GEF needs to continue in such a manner that the GEF can efficiently fulfil this role. We support, for instance, going forth with the programmatic approach.

However, we think that the structural and positional reforms of the GEF should not be made in isolation. They should take into account and not prejudge the outcomes of other on-going and related processes, such as the UNFCCC negotiations and the discussions on further development of the international environmental governance. In this context, it is especially important to ensure that the GEF can adapt to the outcome of the Copenhagen climate negotiations and to the possible role given to it in the overall climate financing architecture.

Form should follow function and the possible widening of scope and volume of the GEF's functions needs more careful examination. Finland considers that as the focal financial mechanism for the main MEAs, the GEF should fulfil its one primary function. Namely, it should assist countries in implementing these MEAs by providing capacity-building, technical assistance, institutional strengthening etc. in line with the guidance and supervision of the MEAs, while generating global environmental benefits. To fulfil this task, the GEF needs to retain its nature as a network of partnering institutions and actors. In this context, we emphasise the need to enhance further the dialogue between the GEF Secretariat and the GEF Agencies.

Finland is in principle supportive of the proposed six strategic elements contained in the draft GEF-5 Programming document. We will make more detailed comments on these and on other programming related issues when the final report of the OPS4 is presented and analysed. **The recommendations made in the OPS4 final report**, as well as the outcome of the replenishment, **should be taken into account in the future programming**.

The GEF has strategic potential and comparative advantage in addressing complementarities and synergetic opportunities across its focal areas. While the GEF needs to continue evolving as the financial mechanism of the MEAs, there is increasing awareness and consensus on the potential benefits of enhancing both functionally and substantially more synergetic approaches to global environmental problems. These synergetic possibilities should be well used. In this context, Finland is especially in favour of an expanded GEF chemicals window for the sound chemicals management, given a strong replenishment.

Finland emphasizes the importance of mainstreaming the gender perspective in to the GEF project planning and implementation. In our understanding, this has got positive responses from the replenishment participants, therefore, we expect that in the revised documents the gender perspective will be more explicitly stated. Furthermore, the concept of sustainable consumption and production (SCP), which is already supported by the GEF to a certain extent (e.g. in climate change focal area with energy efficiency), should become more clearly a cross-cutting GEF principle.

Policy, Institutional and Governance Issues

Finland supports the objective to improve GEF's accountability to the MEAS and the dialogue between the GEF Secretariat and the conventions. To this end the Secretariat has so far made some practical proposals, which would primarily mean a restructuring and broadening of the participation at parts of the Council meetings. This option alone is not sufficient to address the accountability issue, but would improve the dialogue. It also seems doable and useful as such, and could be implemented without any broader reform decisions.

Regarding the idea of a national GEF plan, Finland considers it vital that the implementation of the major MEAs, including the climate actions, is an integral part of each countries national strategic, development and other planning. Similarly, we would like to see the GEF project planning to be based on these plans. In this spirit, the idea of a GEF specific 'business plan' as mentioned in the June deliberations could be developed further. Yet, we do not find it necessary to set specific forms for national platforms or in-country coordination, such as the proposed national GEF steering committees. We underline the need to further enhance horizontal cooperation and networking at the country and regional level but would rather leave it to countries themselves to decide on appropriate forms (e.g. if they want to build on already existing national and regional frameworks).

As for the proposed three new GEF agencies, Finland can accept their inclusion, provided that their added value to the GEF network can be assessed as part of the intake process. In this respect, it would be beneficial to further clarify the complementary roles of the GEF Agencies.

Focal Areas/Climate Change

As the UNFCCC negotiation process is still under way we cannot decide yet on the role of the GEF in the future climate financing architecture. Besides ensuring that the GEF is optimised to function in the post-2012 architecture, we should make sure that **the GEF is prepared to fulfil an important role in the 'bridging period' up till 2012.** Adequate up-front financing for adaptation and capacity building activities already before 2012 is needed. Given the present situation, an increase in the climate change resource envelope for the GEF5 period is well justified.

Finland is of the opinion that supporting capacity building and enabling activities, i.e. in the climate change context to support the preparation of national communications and technology need assessments, should have higher status as an objective and a bigger share of the focal area resource envelope. The predictability of funding for both the LDCF and the SCCF should be enhanced and the level of their funding should be considerably increased.

Chemicals

The overall thrust of the GEF-5 programming document corresponds well with the previously stated Finnish position. Expanding the scope and activities of the chemicals window to provide financing for sound chemicals management through a life—cycle approach is the logical next step for the GEF in the light of current developments in the international chemicals management domain. Though, it is clear that a prerequisite for expanding the scope and activities of the GEF on chemicals is a substantial replenishment with additional funding.

We recognize that the GEF has a special standing in relation to the Stockholm Convention as its financial mechanism and in financing activities with respect to ODS under the Montreal Protocol. At the same time, however, it is vital to recognize that countries have concluded, as evidenced by the decisions and resolutions adopted by the Conferences of the parties to the Basel, Rotterdam and Stockholm conventions and by SAICM's ICCM-2, that joint action and a life cycle approach to sound chemicals management strengthen implementation at the national, regional and international levels. GEF's financing of sound chemicals management should respond to the guidance and wishes of the governing bodies of these conventions and processes. The strategy under GEF-5 should therefore

respond to guidance given by the Conferences of the Parties to the Basel, Rotterdam and Stockholm conventions at the simultaneous extraordinary meetings that they will hold Bali in February 2010.

We support the proposal in the GEF-5 programming document that chemicals be considered in a more systematic and comprehensive manner so as to reduce fragmentation of the GEF interventions, to maximize the global environmental benefits that they produce and to strengthen the value that they add at the country level. The various stages in the life cycle of chemicals - production, trade, use and final destruction - are interlinked and present complex problems of chemicals and waste management that cannot be dealt with in isolation from one another. In order to help countries grapple with such multifaceted problems, the GEF must finance projects that are specifically tailored to the task; hence the need for a programmatic life cycle approach under GEF-5.

In line with the resolutions adopted during SAICM's ICCM-2 we are pleased to see many of the priorities and activities identified in SAICM reflected in the GEF-5 programming document. We think, however, that it would be useful to measure the GEF-5 objectives against the SAICM priorities and activities, including, for example, those in paragraph 8 of the Global Plan of Action, as that might help us further to refine what we mean by global environmental benefits.

The negotiations on a mercury convention start in 2010 and are set to be finalized in 2013. Identifying appropriate GEF measures for mercury related activities should thus be included in GEF's programming for sound chemicals management. A step-wise approach to these is a feasible way forward, paving the way for financing of implementation of the mercury convention once it enters into force.

We support Canada's views on the interconnected nature of activities on Ozone Depleting Substances and climate change as well as on opportunities for achieving synergies in disposal of POPs or other chemicals.

As to the allocations of funding within the chemicals window, we support the approach taken in table 5 of the programming document, where the allocation is done on the basis of objectives we aim to achieve instead of simply dividing the available resources among the Conventions without regard to what is to be achieved. We believe that it would be useful to have further discussions later on in the process, once we have agreed on prioritized actions in the programming document. We note that a move toward life-cycle based projects that aim to implement more than one convention will make a percentage-based allocation somewhat more challenging than it would be if only convention-specific projects were to be funded. It is therefore necessary that detailed information on the scope, objectives and output of such projects be taken into account by the Technical Advisory Group. Such information should also be considered during the forthcoming extraordinary meetings of the Conferences of the Parties to the Basel, Rotterdam and Stockholm conventions.

Land degradation

We would like to reiterate our strong endorsement of the synergetic approach applied in the land degradation focal area strategy. Also, we stress the need for the GEF to engage fully in the reform process of the UNCCD and work pro-actively together with the Global Mechanism.

Biodiversity

We feel that the presented four objectives are correct. The biodiversity, through the ecosystem services, is the foundation to the sustainability. We emphasize, once again, that the synergetic possibilities in other focal areas to preserve the biodiversity, and vice versa, should be efficiently used.