

Compilation of NGO Interventions

GEF Council Meetings

May, 2004

▪ **NGO Statement on the CBD COP 7 Results:
Call for GEF Support for Early Actions under the Protected Area Program of
Work and Broad Participation in the Capacity Building for the ‘National
Biosafety Framework’**

We consider the recently adopted Program of Work on Protected Areas an important milestone in biodiversity protection. Under this program, all CBD member governments have committed to establishing and managing ecologically representative protected area systems by 2010.

In order to effectively support these important government commitments, we encourage GEF to respond to the guidance from COP7, including to “*support country driven early actions by continuing to streamline its procedures and the provision of fast disbursing resources through expedited means.*” (Para 10c, Decision VII/20, referenced in GEF Council Document C.23.6 Attachment A, page 16). Such early actions include activities to be completed during the next 2 to 3 years, for example national financial needs assessments (by 2005), national level protected area system gap analysis (by 2006), and national capacity assessments (by 2006).

Support to protected areas is one of GEF’s strategic priorities and GEF has assembled an impressive portfolio of protected area projects. However, the typical duration of the project preparation cycle of 2 – 3 yrs, would limit GEF’s ability to support early action, except in those few countries which already have a GEF protected area project in the pipeline which may address early actions.

Hence we strongly recommend that GEF and relevant agencies prepare, for approval by the November 04 Council Meeting, a project to support, by expedited means, governments to undertake early actions in a timely fashion.

In thinking about how to do this in practical terms, we suggest to review precedents where GEF has responded to specific COP guidance, such as in the climate change focal area, where GEF approved last November a \$60 million national communications program with a decentralized approval process to strengthen government capacity implementing COP requirements.

Implementing the important Program of Work for Protected Area will clearly require a joint and sustained effort of multiple stakeholders. The CBD COP-7 decision on protected areas urges not only the GEF but also donor governments and funding organizations to mobilize adequate and timely financial resources, and recognizes the commitment made by a number of NGOs to support implementation of the program of work. Efforts by donor governments and these NGOs could complement the proposed GEF support and represent potential sources of co-financing.

With regard to the Cartagena Convention and the proposed Capacity Building under the National Biosafety Framework, we urge to involve all relevant stakeholders. In many cases, capacity building has taken place ‘top down’, at the exclusion of civil society. Civil Society should be part of the national capacity assessment process and the assessments should be made publicly available. If capacity building is not community driven, and does not involve civil society, we strongly believe that the outcomes will not be sustainable.

▪ **Performance Based Allocation Framework**

Dear Mr/Ms Chair.

1. We NGOs appreciate the good effort made by the GEF Secretariat to tackle this complex and political charged issue.
2. NGOs share the concern for an allocation of scarce GEF resources with a view to maximize its impact in terms of global environmental benefits, to increase transparency, and as an incentive for good global environmental stewardship/governance. .
3. **However, we have some fundamental concerns regarding the current proposed framework**
 - **We seriously question the insistence to operate an Ex-Ante allocation system.** We see that it may act as a perverse incentive of entitlement. The ex-ante allocation model will provide NO incentive to increase the project quality and stimulate healthy competition among the countries for the best and most effective use of GEF resources.
 - As an alternative, the improved measures for strategical allocation of GEF resources could be directed towards improving the GEF Strategical Priorities, Business Planning, and Criteria for Project Review,
 - Moreover, we do not think that poor performance should necessarily become a barrier to GEF funding. By contrast, poor performance could be seen as an indication for poor capacity and should then lead to stronger capacity building efforts supported by the GEF.
4. **We would like to share concerns regarding the scientific underpinnings with the indicators for country-level performance.** Specifically:
 - We DO NOT think that using the World Bank's country performance indicators (KKZ and CPIA) relevant, particularly considering the fact that the data and sub-index are not reliable and disclosed to public. This would fundamentally go against the principle of this exercise, which is to increase transparency of GEF resource allocation. Furthermore, if weights are to be assigned to different indicators, it requires clear justification, unless it could lead to increased complexity and lack of transparency.
 - We are concerned that proposed country performance indicators are focused on the **performance and capacity of government entities, and less weight to the capacity of the civil society sector.** Civil society organizations have demonstrated that they can be effective instruments for achieving GEF objectives, e.g. by implementing community level projects, creating public awareness, and holding governments accountable with regard to their environmental policies and performance. Hence, the

country performance should also look into capacities of NGOs and civil society organizations in the country. We also echo with some of the council members that if project performance was to be examined, GEFSEC, IAs, and EAs' performance should also be considered.

- In this context, we suggest Medium Size Projects (MSPs) that are accessed by civil society organizations to be independent of any country performance rating, [i.e. treat MSP in the same way as the Small Grant Programs.] The rationale is that MSP can be executed by non-governmental organizations, even when government performance is poor.
- GEF resources are too small to leverage fundamental changes in governance and hence will have only limited incentive effect.

5. GEF, based on its mandate, should be primarily focused on global environmental priorities, rather than country performance, for its resource allocation

- We welcome the use of existing indicators and data that are developed by international NGOs and other institutions for measuring country's potential contributions to global biodiversity, particularly the use of concepts such as ecoregion and the country component of an ecoregion.
- However, we find that the indicators could be further improved by reflecting wide range of expertise from conservation NGOs and other experts on biodiversity valuation and priority setting. To the extent possible, biodiversity indicators should reflect all levels of biodiversity (genetic, species, and ecosystem) and all major biomes.

Mr/Ms Chair, **in summary**, we have fundamental reservations to the suggested Ex-Ante allocation system, particularly to individual countries. We therefore recommend that:

- GEF to be primarily focused on global environmental priorities for its resource allocation. The biodiversity or climate change potential of a country should be given more weight than country performance.
- Before the September Seminar, GEF conducts detailed technical consultation and cooperates with experts, including group of NGO scientists, who are working on global environmental potential as well as capacity assessment to improve its approach, indicators, and data collection.

GEF adopts global environmental potential and country performance indicators for better planning and proposal screening purposes, rather than insisting an ex-ante allocation system.

▪ **NGO's Response to the "Action Plan to Respond to the Recommendations on the MSP Evaluation"**

In all GEF NGO Consultation Meetings in the past, NGOs have been expressing frustration about the lengthy and complex MSP project cycle and appraisal process (we have heard some of them this morning as well).

Few years ago, the OPS2 and MSP evaluations have revealed evidence on many of our concerns.

We welcome that, finally, the MSP working group was established in July 2003 with representatives from GEFSEC, IAs, EAs, and NGOs. The group had constructive discussions through several teleconferences over the year. The results of the working group's discussions were compiled into the "Action Plan to Respond to the Recommendations on the MSP Evaluation" which was prepared as an information document for this Council Meeting.

Based on this document, as next steps, we suggest the following:

- 1) We seek GEFSEC's leadership to coordinate immediate implementation of the agreed actions in cooperation with the IAs and NGOs. We wish to see changes on the ground not only on paper.
- 2) The issues that require council approval – increase in PDFFA amount and OP endorsement procedure - are discussed and approved at the November council meeting.
- 3) The working group recommends that a pilot programme to be implemented to test innovative mechanism, which would significantly expedite the MSP appraisal process, particularly for the small size MSPs. The proposal for this pilot program should be presented at the November Council Meeting as part of the Work Programme. There are several ideas on the table for this pilot programme and we seek strong leadership from the GEFSEC to coordinate the process and agree on a consensus approach before the November Council Meeting.

We NGOs believe that this is a true opportunity for GEF to reach out to wider stakeholders in the developing countries. Moreover, it could also provide opportunity for GEF to regain credibility by showing how GEF could actually be efficient and effective.

We very much look forward to working together with the GEFSEC and IAs on this important initiative.

▪ **Terms of Reference for the Overall Performance Study (OPS) 3**

Regarding this document, the NGOs indicate our concern on the weak reference of the participation of civil society organizations, including indigenous peoples. The indication of this participation needs to be clear, not only in the formal Consultations for the OPS3, but mainly in the definition of mechanisms and indicators that the Evaluation Team are developing.

On the other hand, we propose that the composition of the evaluation team reflects a proven experience and abilities to involve the various sectors of civil society, NGOs and indigenous peoples in the various phases of the OPS3.

We indicate with concern the still unresolved discussions on the possible conflicts of interest of the members of the team to be appointed for the OPS3.

Finally, we request the appropriate coordination of Regional Workshops for the OPS3, with the Network of accredited NGOs to the GEF, in order to promote an adequate representation of the main civil society actors in the regions and the active involvement of the Network in the Evaluation process.

▪ **Report on the Monitoring and Evaluation Unit**

On behalf of the NGOs, we want to express our considerations on this report. We recognize that even though, this report is just an instrument for the follow-up of the implementation of GEF projects and it is not the main analysis instrument of the results and impacts of the projects; it offers us a series of interesting findings and recommendations as part of the basic functions of the Independent Monitoring and Evaluation Unit of the GEF.

With respect to Project Performance Report 2003

- **Size of the portfolio.** The performance report emphasizes a 14% growth of the allocated funds, something which even though it represents a moderate progress, it is satisfactory.
- **Time.** In contrast, the report recognizes an important weakness about of the elapsed time from allocation of the funds until implementation of the project. This problem is evident in the 3 Implementing Agencies
 - World Bank, an average of 795 elapsed days,
 - UNDP, 370 days, and
 - UNEP, 391 days.

We consider that the appraisals developed, by being an average, can not be used as a mean to generalize all cases, since reports have been received indicating a period of up to 5 to 7 years of elapsed time, in some cases.

- **Disbursements and approved commitments.** With respect to this topic, the problem of the decreasing disbursement capacity on time is meaningful, since the provided data demonstrates that the disbursement levels of the year 2003 was approximately the same that the level of the commitments approved in the year 2000.

The NGOs agree with the report, in the sense that an analysis of cause-effect of the disbursements and elapsed time is necessary, with the participation of civil society organizations and the recipient countries, since this situation affects unfavorably the

performance, especially of NGOs that have to internalize these elapsed costs, which implies also in many cases the lost on trust of communities and local actors.

- **Sustainability.** The report indicates that, in general, sustainability, both at the financial and institutional levels, is a great problem upon finalization of a GEF project, especially for those of the Biodiversity portfolio. This is a concern, since in principle the GEF is the financial mechanism of the Biodiversity Convention.
- **Replication.** Another concerning finding of this report is the lack of an adequate system that facilitates the exchange of experiences and the use of lessons learned, that makes possible the design and implementation of other projects. We consider necessary the establishment of simple methodologies to systematize the lessons learned and also a feedback system.
- **Monitoring and Evaluation Systems.** Another of the findings of the report demonstrates that there are serious deficiencies concerning M&E in the portfolio of GEF projects.

When developing an M&E review of the evaluation of 45 projects and the supervision of 24 projects, the World Bank concluded that the design of the projects, for the most part, do not consider adequate M&E mechanisms and systems.

Also, UNDP reported several projects with nonexistence of indicators or very poor indicators as part of their M&E system.

Despite the fact that it is recognized that for new projects there are better considerations with respect to this topic, we are concerned that this continues to happen, without corrective and preventive actions being taken.

- **Complexity and ambitious objectives.** The report indicates that the Implementing Agencies reported that, in general, GEF projects have to include too many disarticulated activities, resulting in a lack of clarity with respect to the project's objectives. Furthermore the connection between this complexity problem and the incentives structure of the Implementing Agencies is highlighted.

We agree with the report on the fact that in the OPS 3, it will be necessary to review these incentives in order to remedy this situation.

- **Good practices.** In this topic, the report proposes a series of timely good practices for the preparation and review of projects. We propose that these mechanisms are incorporated to those in the GEF.

Conclusions

Overall, the findings of this report reaffirm and prove the observations voiced by NGOs and civil society organizations, and even recipient countries, in relation to the performance and results of the GEF projects.

We recognize that the work of the M&E Unit is highly satisfactory, since it is fulfilling its task of technically reporting on the matter. However, the GEF in general, especially the Council needs to advance in the definition and application of a correct and homogeneous M&E policy that includes Rules and Guidelines, and that even derive in the establishment of an Evaluation System of the Performance of the Implementing Agencies for the execution of GEF projects, in order to make a more efficient use of GEF resources, and to multiply the impact of the GEF on the current global conservation challenges.

▪ **Principles for Engaging the Private Sector**

Even though the NGO's recognize the important role that private sector sectorial programs can play to attain global environmental benefits, we find this Report narrowly sighted as long as mainly emphasizes GEF criteria for engaging the Private Sector. The Report in some sense overlooks that after the Johannesburg Summit the Private Sector willingness to devote funding and make commitments to partnerships for sustainable development and global environmental benefits, is growing at a fast pace all over the world .

On the other hand no one single time the word NGO is mentioned in the report. The NGO's can play an important role as catalyst for the private sector engagement in GEF activities, the transfer of technology and the sustainability of global environmental benefits.

INTERVENTION PENDING FROM REX HOROI Corporate Budget FY05

▪ **Review of the Fee System**

NGOs fully supported the move towards reduction of the fees paid to Implementing Agencies and Executing Agencies with Expanded Opportunities. NGOs expressed this clear position at previous sessions when this item has been discussed. It was recognized that the process of revising the fee system has been on council agenda for several meeting now and there was a need to come to conclusion on this issue. NGOs applauded the attempt to propose a fee system which was transparent, consistent, easy to operate, and did not burden the GEF with unnecessary transaction costs. There was however some concerns that in attempting to meet this criteria, that it may result in some significant unwanted effects.

We express our concern that the 9% flat percentage fee proposed could have the opposite effect to that intended. The possibility for an increase in the total fees paid as a result of a focus on the Full Size Projects was expressed.

It was felt that the indirect effect of this is the possible neglect of the MSP mechanism. The MSP mechanism together with the Small Grants Programme are the usual opportunities provided to NGOs to access support from GEF and therefore strong concern was expressed about this possible effect. This concern was indirectly alluded to in the document and quoted “might provide an incentive to increase average grant size”.

In paragraph 24 the authors also stated “the low ratio allocated to EAs and MSPs is offset on a portfolio level by relatively higher fees paid to FSPs”. This further supported NGO concerns about a refocusing on the FSPs taking attention away from the MSPs. Summary data in annex 2 of the document indicated an existing fee ratio of up to 18% for MSPs. The proposed drop to 9% was felt to result in the specified shift away from the MSPs. NGOs were very concerned with this possible situation especially in light of the current difficulties with the MSP mechanism which on many occasions have been fraught with many delays, and most accept not as fast track as intended.

The explanation provided in the document to counter the tendency to shift to the FSPs in paragraph 23(b)(ii) was not clear and the GEF Secretariat was asked to provide clarification of this explanation.

NGOs also request information on the required simplification of the GEF Project Cycle which the Agencies have identified as a clear expectation on their part to accept the reduced fees proposed.

Reference was made to the comparison which has been made in Table 3 paragraph 26 of the document of the proposed fee with those allocated to other organizations. International NGOs believed that this is an unfair comparison since the quoted fees for these major institutions include salary costs and operating costs, while the 9% proposed for IAs and EAs did not include the costs for headquarters agencies which are budgeted for in the GEF Corporate budget. He expressed curiosity as to what the total % costs would be if the assignment made in the corporate budget to GEF Departments within the IAs were included in the proposed fee.

We would also inquire as to whether any consideration was being given to utilizing Option 1 or Option 2 identified in the document and if so what was the preferred option; what were the flat % fees identified for these options, and why it was felt necessary to engage in premium negotiations within these two options recognizing that what was proposed was a flat % fee arrangement.

- **Elements for Strengthening National Focal Points and Enhancing Constituency Coordination in GEF Recipient Countries**

We the NGOs share the findings of the Independent Evaluation to the Focal Point Support Program that “*in its present form is having a positive but limited effect on the capacity of Council Members and focal points to carry out their responsibilities more effectively*” . We also agree with the recommendation that the Support Program must be extended, with some improvement

in its design and coordination at the country level, for sharpening the focus of the Program and strengthen and deepen linkages between NGO's and other stakeholders on GEF issues and its operational programs.

Thus, we strongly recommend, that consistent with the survey performed by the Independent Evaluation team and its proposals for improving the functioning and effectiveness of the operational focal points at the country level, it is required to enhance inclusive participation of NGO's and other private stakeholders, by organizing workshops and meetings with the GEF focal points and the implementing agencies, to strengthen involvement and country ownership of GEF activities.

We also find extremely important to carry on the recommendation stated in the report that there is a need for better information products and communications, to increase the visibility of the GEF at the Country level.

As we Know that the Program has significant available funds for reshaping its communications strategy, the NGO's request to the GEF Secretariat to allocate some of those funds to the NGO's NETWORK , for elaborating a Guideline on GEF activities and its Operational Programs, appropriate for its dissemination through the Network in different languages, among the distinct local and regional NGO's.

Funke Oyewole from the GEF Secretariat, was very supportive to NGO's proposal concerning the organization of workshops and seminars between the GEF focal Points, the Implementing Agencies, the NGO's and other stakeholders, as an appropriate means for enhancing coordination and country ownership of GEF activities within the Focal Point Support Program.

Hutton Archer, the GEF Communications Program Director, expressed his willingness to recommend the allocation of funds to the NGO's Network, for elaborating a Guideline on GEF activities and its Operational Programs suitable for the NGO's understanding.

▪ **Rules of Procedure of the Scientific and Technical Advisory Panel (STAP) of the GEF**

The mandate of STAP is considered one of the most important body in the GEF for promoting targeted research policy and projects. Going profoundly through the Rules and Procedure of the STAP we have some suggestions to express.

Article 10

As all the national and GEF projects at the last end should be implemented by community based organization and civil society. We suggest that for the two meeting a year at least six weeks in advance of GEF Council meeting to add representative of civil society too. This will help to adopt participatory approach for decision making.

Article 12

We suggest as well that in the process of brainstorming to involve seriously the local experts and elders as they are and they have been, the strong custodians for centuries for sustainability of natural resources. The mechanisms could be to put in the roster of experts through National Focal Point the name of the same local experts and elders.

As an example we can mention the decision of the committee of Sciences and Technology of the Convention of Combating Desertification in the sixth COP in Havana.

Havana, 5 September 2003 - The Sixth Session of the Conference of the Parties of the United Nations Convention to Combat Desertification (UNCCD) will end its two-week session today. Already fourteen decisions have been adopted by the Conference.

Among the decisions adopted by the Conference are eight draft decisions recommended by the Sixth Session of the Committee on Science and Technology, a subsidiary body to the Conference, on ways to improve the work of the Committee in order to better serve country Parties and local communities with scientific and technological support. In the decisions, the Committee encouraged governmental, non-governmental organizations, research institutions and local communities to submit case studies and lessons learned from the usage of traditional knowledge at the regional, subregional and national levels and to initiate the development of benchmarks and indicators. It invited governments to put into practice recommendations made by the ad hoc panel on early warning systems. The Committee also proposed a review of the Roster of Independent Experts for better representation of women and non-governmental organizations.

Article 14

We suggest to also have a inventory of Traditional Knowledge and local Sciences

Article 15

We recommend adding a mechanism for a participatory CBO assessment to being sure about community driven need of the target research. The real actors are the Community Based Organization.

Article 17

It is as well strongly recommended to add to the credible and high quality scientific and technical advice the traditional techniques and local sciences. They must be carefully taken into account if the success accomplished throughout history by means of traditional knowledge and its logic are to be understood for a contemporary application. The synergy of these two approaches could be very useful and adequate. Most of the time modern knowledge lead us to a specific solution while traditional knowledge lead to multipurpose system.

The following Table shows us a comparative approach of modern and traditional knowledge

<i>MODERN KNOWLEDGE</i>	<i>TRADITIONAL KNOWLEDGE</i>
Specific solution	Multipurpose System
Immediate Efficacy	Functionalism in the Long Run
Specialization	Holism

Dominant power	Autonomy
Separation	Integration
External Resources	Internal inputs
Conflicts	Symbiosis
Monoculture	Relationship and complexity
Uniformity	diversity
Severity	Flexibility
Expensive Maintenance	Self-regulation and Work Intensity
Internationalization	Contextualization
Waste	Saving
Technicism and Rationalism Dependence	Symbolism Independence

The synthesis between traditional knowledge and social systems leads to forms of intensification by appropriately using the resources and entailing positive status changes, thus realizing rural of urban ecosystems. This process enabled the success of important civilizations based on traditional techniques, therefore producing important socio-economic results.

We are not looking that the traditional knowledge must not be meant as a set of expedient to be replaced by traditional background, but it must contribute to the formation of a new paradigm.

What is possible to learn from traditional and local knowledge is not a series of miracle-solutions that could be able to act in the same logic of modernity. It is the method on which it is based that can be put forward again by means of modern technologies.

For enhancing the impact of modern technique science with his specific solution and high quality advice, and traditional techniques and sciences with his multipurpose system, it seems clever to instate a synthesis between two of them. The integration of these two approach must contribute to the formulation of a new paradigm, taking in account both approaches as a holistic and functional solution to the sustainability use of natural resources and sustainable livelihood for human , flora and fauna and in one work hall nature

With many thanks, our concern is to be aware a soon as possible about the participatory approach in every stage of the implementation of the project, national, local and global GEF project.

- **NGO Concerns on GEF support on capacity building (including GEF support for Capacity Building in Biosafety)**

The subject of Biosafety could be considered one of the most important issues regarding the sustainability of human kind in the earth.

In the article 16th of the paper “GEF Support for Capacity Building in Biosafety” (c) and (d)! I am wondering that who are the stakeholders and which kind of assessment this paper is talking about.

We are questioning that, which country can say honestly that activities identified in the “National Biosafety Framework” and also action plan for capacity building has been done in a participatory and bottom-up approach. Is it spread all over different level and stakeholders especially in the developing countries? What are the criteria for monitoring and evaluation for the NBF?

We should first of all emphasize on the synergy and deep linkage between country driven priorities and community driven priorities. We should talk about that who decide for the need of capacity building, should have themselves adequate capacity on that issue. Also it is important to assess Capacity of Government Officers as well the Capacity of Civil Society and develop strategies and support mechanisms to built “Civil Society Capacity”.

Capacity building at “National Biosafety Framework” should be seen at all different levels of the country, starting from the “High Level Segment” to “Decision Makers”, “Experts”, “Civil Society” and “Private Sector”. In most of the case and countries one of the problems is that Decision Makers consider that they are aware of everything and they should be in charge of giving capacity building from top-down of the society. Civil Society should be part of the national capacity assessment process and assessment should be made publicly available. If the issue of capacity building decided by decision makers is not community driven, national priorities and joint community driven priorities and planification, nothing sustainable can come up of that. For the reason that in most of the countries in particular developing countries “Country Driven” priorities are not set up in a participatory approach, and participation of all stakeholders is not obvious. Also when participation occurs, it must early in the process and input must be considered.

Planification and implementation of projects in the subject of Biosafety is a very fragile topic to decide how to do.

- We should include traditional and customary community institution for natural resource right,
- Capacity building for mutual awareness and education of decision makers and the public in relation of policies regarding Biosafety issue.
- Be attentive to document as well the local knowledge and sciences that are a good number of the time more adequate to management of natural resources. If a governments want impose or import external technique they should do joint research and investigation with the community on these subject,
- Ensure multistakeholders consultation in decision making for the topic of capacity building.

In relation with Biosafety we just want to keep in mind that our deep concern and dissatisfaction at the serious failure of the international community and the national governments of most of the developing countries and even developed one is to meet their commitments and plans to eradicate hunger. The challenge of food security that affects the lives of over 800 million people

has not merited sufficient concern of the national governments and the international community. We are alarmed that even according to the official statistics, only 1% of the world's starving is unchained from the strong hold of hunger each year. At this rate of progress, it will take about a century to eradicate hunger. We consider that genetic engineering will not solve the problems of food security. For example most of the Asia and Middle East region are the center of origin and diffusion of biodiversity for a large number of fundamental and staple food crops to the rest of the world. Given the risks of contamination of this enormously valuable biodiversity, total blocking of Living Modified Organisms penetration and a total moratorium on their development, importation or use in this region is one of the greatest priorities. Furthermore our developing countries have no yet adequate capacity (research facilities, know-how, human resources or funds and strong rules and regulations) for monitoring and assessing the risks. It is therefore not advisable to develop this technology in the developing countries. We therefore advocate our governments to put in place "Legislation" that would prevent the introduction and use of Living Modified Organisms, and which would clearly identify and fix responsibility for violations of biosafety rules, decree damages and take action to reverse them

We suggest that our governments to engage effectively in the protection of indigenous agro-biodiversity with the participation and accountability to local communities. And we ask our governments for a major orientation of the system of production which should not be held hostage by multinational and agricultural input corporations. The involvement of the latter can alienate local communities and farmers from controlling the technological, biological and genetic resources of their own livelihoods

We suggest as well for a guarantee of protection for the production of staple foods grown on the basis of community-based agriculture, nomadic Pastoralism and family farming; for urban and peri-urban agriculture; and for access of local communities to natural resources based on their traditional sustainable use systems.

But we should raise the issue of that external factors cannot be made an excuse by any national government to justify its failure to tackle corruption, bad governance and mismanagement of the nation's resources. We hold that non-transparency plus lack of clear accountability, ultimately damages development goals and the abilities of communities to achieve food security. It seems that there is no yet lack of agricultural production in the world but inequitable distribution of them. Still no acceptable justification for Living Modified Organisms.

There is already more than enough knowledge and technology for farmers to practice agriculture in ways that will feed the world's population, look after planet, and support the well being of rural communities. Who cares if these practices aren't profitable for big agribusiness? Living Modified Organisms are obstacles that prevent us from moving in the right direction and we need to treat them as such. For "Grain", the only possible position in support of pro-farmer ecological agriculture and in solidarity with the world's peoples is a complete rejection of Living Modified Organisms.

GRAIN report:

The poor will suffer the most. There is simply no way that poor countries of the South will be able to implement the kind of co-existence measures being put forward in Europe. You only

have to look at the situation with pesticides to understand the disparity in regulations and implementation between North and the South. Whenever GMO's are introduced in to Southern countries, contamination is inevitable, even if the GMOs come in as grain for food aid. But it's not just the ease with which contamination can occur that is so problematic for the South; it's also the implications.

The stakes are much higher in the South, since the poor are highly vulnerable to any disruptions in local agriculture, local food supplies, and local customs. Southern countries are also in a weak position vis-à-vis their exports. While they rely on agricultural exports for much their foreign exchange, the export markets are controlled by Northern companies, who are free to block exports from Southern countries if they fail to meet the thresholds for contamination set by importing countries or even the companies themselves. The push for GM comes from the North, but it is the North that will end up dominating the non GM market, if GMOs make their way into the South.

The only practical option for Southern countries is to close their borders to all imports of GMOs. But doing this takes a level of political courage that is unfortunately absent from many governments in the South. The unrelenting pressure from the biotech industry, the US government and their allies is often too much. In this content, support for “co-existence” in the North is an attack on solidarity with the people of the South. It will only encourage the spread and domination of GMOs over the South's agriculture.

We hope to be take in consideration by the governments and Implementing Agencies and etc. Capacity Building should be decided by consensus with all stakeholders with a deep knowledge of the subject.

- **Workplan**

Proposed Project (International Waters) on Integrating Watersheds and Coastal Areas Management. (Regional project - Caribbean region)

Joth Singh, Caribbean Regional Focal Point, informed the council that this project had the full support of Caribbean NGOs and the support of the GEF-NGO Network. The project brief was developed in consultation with Caribbean NGOs and other stakeholders and has included significant roles for NGOs in the implementation phase.

The project approach was presented at the United States State Department organized conference entitled ‘White Water to Blue Water Initiative’, and received widespread support. The project stated intent of integrating watershed and coastal areas management is in fact synonymous with the concept of White Water to Blue Water being promoted by the U.S. State Department.

He urged Council to approve the project and to encourage the GEF Secretariat and Implementing Agencies to move speedily to its implementation phase.

▪ **CASE STUDY PRESENTATION: Biodiversity Conservation in the Sierra Gorda Biosphere Reserve**

In 2000, the Grupo Ecológico Sierra Gorda obtained the approval of the Global Environment Facility (GEF) for a full-size project titled Biodiversity Conservation in the Sierra Gorda Biosphere Reserve. GEF is providing a leverage fund of **\$6.7 million U.S.** for this seven-year project, while the Grupo Ecológico is generating an additional **\$25 million in co-financing and associated financing** in cooperation with a wide range of project partners.

The project's objective is the conservation and regeneration of the extraordinary eco-diversity found in this Reserve. The project establishes a model for co-management of a protected natural area by the civil society and federal government, with support from national and international organizations.

Several actors participate in the implementation of this project, including the Grupo Ecológico, National Commission of Protected Natural Areas (CONANP) of the Ministry of the Environment and Natural Resources (SEMARNAT), the Reserve's management office, the Integrated Ecosystem Management of Three Priority Ecoregions project, Bosque Sustentable, A.C. and the local representation of the United Nations Development Program (UNDP). In addition, a complex network of governmental agencies, national and international foundations and financial bodies, social networks, universities and research institutions, non-governmental organizations and local communities play an active and participatory role.

Periodically, the project's Directive Committee, comprised of representatives of the Grupo Ecológico, the Reserve's management office, CONANP, UNDP, and the Three Priority Ecoregions project, meets to make decisions regarding the management of the project's resources and actions to be taken, as well as to conduct regular evaluations.

Project action lines

The project includes the undertaking of more than **130 activities** organized into six major outcomes. The project has two immediate objectives:

- I. To strengthen management capacities in order to sustain efforts for the conservation and sustainable use of the Reserve's globally significant biodiversity over the long term.**
- II. To increase the value of biodiversity conservation and sustainable use so as to ensure long-term sustainability of project benefits.**

The six outcomes of the GEF project are:

- 1. Reserve management infrastructure is strengthened.**

Activity examples

- Construction of a Sustainability Training Center in Jalpan de Serra
- Establishment of a biodiversity monitoring center
- Creation of environmental awareness facilities

2. Policy, ecological and socio-economic baseline assessments are undertaken.

Activity examples

- Inventories of flora and fauna
- Research on key habitats and threatened and endangered species
- Monitoring of activities in core protected areas

3. Implementation of adaptive and participatory Reserve management.

Activity examples

- Reforestation of 200 hectares annually
- Protection of biological corridors
- Establishment of a carbon sequestration pilot project
- Renting or purchasing of lands for conservation
- Control of forest diseases
- Prevention and control of forest fires
- Establishment of volunteer civil surveillance in 50 communities to prevent illegal logging, poaching, etc.

4. Financial sustainability of Reserve management is assured.

Activity examples

- Creation of environmentally sustainable business activities to generate income for the sustainable management of the Reserve
- Coordination of support from Mexican federal, state and local governments and agencies
- Formation of partnerships with national and international organizations, foundations, private business and individuals

5. Biodiversity-friendly and sustainable alternative livelihood options are developed and demonstrated.

Activity examples

- Development of 200 acres of small forest plantations annually on lands previously deforested for agriculture and livestock grazing
- Provision of forestry technical assistance and training to small landowners
- Establishment of sustainable ecotourism projects in eight communities
- Production of a bird-watching guide and establishment of two bird-watching routes

- Sustainable commercialization of non-timber products such as wild damiana, oregano, pine-nut and laurel in semi-desert pilot areas
- Establishment of alternative productive activities involving fruit preserves, fruit dehydration, dried flowers, ceramics, paper recycling, and others
- Promotion of 100 community recycling centers
- Operation of Community Improvement Program

6. An environmental education and public awareness campaign is undertaken.

Activity examples

- Environmental education program for youth, reaching a monthly audience of 12,000 students in 110 communities
- Environmental education program for adults, obtaining a monthly audience of 22,500 persons
- Implementation of an environmental awareness campaign using the media

Lessons learned:

1. There is no need for external consultants whose arrogance and expense accounts asphyxiate the local non-profit. Their diagnosis is more likely to discredit the unfamiliar practice of multiplying a small amount of funds into a myriad of activities.
2. The weakest aspects can only be recognized and improved with participatory evaluation, accompanied monitoring and permanent technical assistance.
3. Communication between GEF and UNDP, UNDP-GEF and the national UNDP, is vital for the health of the very projects themselves. Administrative processes and relative ignorance of the procedures stretch the local partners to unbearable lengths.
4. The design of the project is not flawless; rather it is an ambitious shot in the dark. Local knowledge is critical here.
5. Greater trust must exist in the local partners who are capable of raising the matching funds and guaranteeing sustainability once the GEF project ends.
6. Evaluation is needed at every level, of both the Implementing Agencies as well as local partners. Follow-up mechanisms in GEF implementation should be geared towards strengthening the local organizations, as we are the insurance for long-term impact.

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