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INTERIM REPORT OF THE UNEP EXECUTIVE DIRECTOR
ON THE IMPLEMENTATION OF THE UNEP/GEF STRATEGIC
PARTNERSHIP ACTIVITIES

(Prepared by the United Nations Environment Programme)



United Nations Environment Programme

برنامج الأمم المتحدة للبيئة • 联合国环境规划署
PROGRAMME DES NATIONS UNIES POUR L'ENVIRONNEMENT • PROGRAMA DE LAS NACIONES UNIDAS PARA EL MEDIO AMBIENTE
ПРОГРАММА ОРГАНИЗАЦИИ ОБЪЕДИНЕННЫХ НАЦИЙ ПО ОКРУЖАЮЩЕЙ СРЕДЕ

Interim Report of the Executive Director on the implementation of the UNEP/GEF Strategic Partnership Activities

INTRODUCTION

1. At its meeting held in May 1999, the GEF Council welcomed the Action Plan on complementarity between the activities undertaken by the United Nations Environment Programme under the Global Environment Facility and its work programme. The 13th session of the GEF Council "expressed its appreciation for the quality of the UNEP document which helps to clarify UNEP's niche within the GEF family, and it commended UNEP for the comprehensive process of consultations that it had followed in preparing the report".
2. The Action Plan on UNEP/GEF complementarity identified the strengthening of the collaboration between UNEP and the GEF Secretariat through the adoption of a strategic partnership of a long-term nature as an important tool to achieving its objectives. It is under this premise that the Council adopted in May 1999 the concept and application of 'strategic partnerships' as one approach in achieving programmatic impact (GEF/C.13/9).
3. It was agreed that based on UNEP's comparative advantage and consistent with its mandate as an Implementing Agency of the GEF, as spelt out by the Instrument, the UNEP/GEF strategic partnership will revolve around the three following areas: *Assessment, Global Environmental Knowledge Management, and Global Environmental Outreach*. Accordingly the Council approved in early December 1999, under the UNEP/GEF strategic partnership four initial activities for FY00-01, of US\$ 1.3 million
4. The UNEP GEF Strategic Partnership will cover scientific and technical analyses and assessments, as well as mobilisation of the scientific and technical communities, in close cooperation with the Scientific and Technical Advisory Panel (STAP) of the GEF, for which UNEP provides the secretariat. The first activity to be undertaken under the *Assessment*

activity of UNEP's Strategic Partnership focuses on an assessment of the potential for the commercialisation of conjunctive photovoltaic-hydro power generation. In cooperation with the German development bank, Kreditanstalt für Wiederaufbau (KfW), UNEP has commissioned a study to locate and evaluate sites for grid-connected PVs operated in conjunction with hydropower, with a view to identifying opportunities of a magnitude that would allow market transforming reductions in PV panel manufacturing cost.

5. The *Global Environmental Knowledge Management* component of the Strategic Partnership focuses on serving as a knowledge management service to disseminate policy, scientific and technical information from GEF operations to foster replication. The first activity to be undertaken under this component is the development of a Technology and know-how Transfer Clearinghouse, as a public-private partnership, to provide information and advisory services that promote private sector investments in environmentally-sound technologies in the GEF focal areas. A second activity under this component is the development of a GEF Program Tracking and Mapping System to provide the GEF and stakeholders with an advanced environmental database for spatial and thematic information on GEF projects.
6. The *Global Environmental Outreach* component of UNEP's Strategic Partnership with the GEF Secretariat focuses on assisting in the implementation of the GEF Outreach Strategy. In particular, UNEP will help mobilise the scientific and technical communities around GEF issues through electronic forums and workshops for identified programmatic issues. The first activity to be undertaken under this component of the partnership is the development of an interactive forum on global environmental issues on the Internet. The objective is to encourage debate, discussion and advice from the scientific, technical and engineering communities on issues related to GEF programs.
7. The UNEP/GEF Programme Coordination Committee, chaired by the Deputy Executive Director and comprising the heads of UNEP's divisions reviewed, at its meeting held in Nairobi on 5th October 1999, the implementation plan of the four activities under the UNEP/GEF strategic partnership. The meeting designated a UNEP task manager for each activity. In January 2000 the GEF Secretariat designated a focal point for each activity. On 11th January 2000, the UNEP Project Approval Committee adopted the UNEP internal documents for each activity. On 20th January the first meeting of the steering committee, comprising the Chairman of STAP, the Assistant

Chief Executive Officer of the GEF and the Executive Coordinator of the UNEP/GEF Coordination Office held a meeting through a teleconference and agreed on the implementation plan of the four activities.

8. The present report contains a detailed presentation on the status of implementation of the four initial activities agreed upon under the UNEP/GEF strategic partnership. The final report will be submitted to the November 2000 Council meeting together with suggestions on the second round of activities for FY01-02 to be submitted for Council approval in accordance with agreed procedure.

I. Activity 1: Assessment of the potential for the commercialisation of conjunctive photovoltaic/hydro power generation (US\$ 270,000)

9. It was agreed that that UNEP will commission a study on the potential of installing photovoltaic systems to work in conjunction with existing hydropower plants, where it is believed there exists a large unexploited and low-cost opportunity for such systems. The global study will identify whether sufficient sites/utilities exist for replication of the so-called PV-Hydro Conjunctive Approach, being demonstrated in the Philippines on a pilot basis, with GEF support (i.e., the CEPALCO project). The study objective is to determine whether sites suitable for grid-connected PV-hydropower conjunctive applications exist in sufficient quantity that the GEF might facilitate large-scale orders for PV systems. If sufficiently large, such orders would bring about, through economies of scale in the manufacturing process, cost reductions that irreversibly transform the PV market.
10. The following outputs under this activity are expected :
 - A report identifying suitable sites (ranked according to technical, financial, and economic feasibility power system requirements, utility performance, and so on).
 - a conjunctive PV-hydro optimisation model.
 - recommendations for at least two sites for additional demonstration.
 - a report of the concluding experts' group meeting that summarises the results of the discussions and agreements on follow-up activities.

11. Task 1 under this activity, includes, in close consultation with the project partners and the GEF Secretariat, finalising the TOR for the study, preparing a shortlist of candidates, selection of a firm, and co-managing the study. The UNEP internal financial document was approved in early January and signed by KfW and UNEP. KfW has sent the letter of invitation to bid to companies on the shortlist and bids were received from four consortia. The Steering Committee (KfW, UNEP, GEF Secretariat, BMZ, and World Bank Group) evaluated bids against the agreed criteria and selected a firm. After final negotiations and the signing of a contract, work is expected to commence by late April.
12. Task 2 under this activity includes organising a meeting of interested GEF, multilateral and bilateral financing organisations, governments, IPP developers, PV industry representatives and others to discuss the findings of the study. The project calls for interim and final results to be presented at several meetings occurring during the first half of 2000. Originally it was agreed that the interim results could be presented in April 2000 at the GEF meeting on PV in Marrakech, Morocco, to be convened in cooperation with the Swiss Government. As this meeting has been postponed to October 2000, the interim results will be presented in June 2000 at the Expo 2000 in Hanover. The Marrakech meeting, rescheduled to October, will provide a forum for presenting the final results of the study. Initial planning for both events has started.
13. The study has generated a strong interest amongst electric utilities. The collaboration with the World Bank and IFC has greatly contributed to such positive interest.

II. Activity 2: Clearing House for technology and know-how transfer: a public-private partnership (US\$ 550,000)

14. The goal of Activity 2 is to design and deliver, integrated information and advisory services that promote investments by private sector entities in environmentally-sound technologies in the GEF focal areas. The clearinghouse will also provide assessments and information to government and private entities that are involved in the development and implementation of policies, economic and regulatory instruments, standards and codes that help to direct technology investment and management decisions to more environmentally sound and globally sustainable choices. The purpose of the clearinghouse services will be to:
 - Complement, not substitute, baseline business, advisory services. In accordance with

- the incremental cost principle it would be expected that the bulk of the advisory costs would be borne by the client. Only complementary assessment services focusing on win/win opportunities to generate global benefits would be financed by the GEF on a contingent basis, i.e. GEF support would be reimbursed by the client, if the suggested technology/business approach would meet agreed benchmarks for financial return.
- Increase understanding and build capacity among industry and entrepreneurs in developing countries on opportunities to generate synergies of global interest by deploying win/win technologies and business approaches that reduce GHG emissions and/or biodiversity loss.
15. Promote trade of cleaner technologies.
- Strengthen private sector know-how transfer and public/private sector interaction.
 - Strengthen the technical, management and financial capacity of businesses in developing countries, to design and implement projects that adopt environmentally sound technologies.
16. The initial output of this activity is the design of the architecture and the establishment of a fully integrated Technology Transfer Clearinghouse, with the following elements:
- Business Plan, including the definition of scope and nature of services, delivery partners, channels and clients.
 - Staffing and equipment needs.
 - Financing modalities for cost recovery to ensure the sustainability of the Clearinghouse, including options for fees or contingent financing arrangements.
 - Arrangements with UNEP's regional offices, business consulting partners and other collaborating organisations.
 - Service eligibility criteria and priorities, in accordance with the incremental cost principle.
17. Task 1 includes complementing existing mainstream business consulting services with customised assessment tools that enable the identification of win/win opportunities to generate global environmental benefits in mainstream business ventures. The identification of lessons learned under the UNEP/MSP on Redirecting commercial investment decisions to cleaner technologies is proceeding, with a view to assisting in the development and

delivery of services under the strategic partnership.

18. Task 2, is to define future targeted clearinghouse services based on a review of existing clearinghouses, know-how and business advisory services. The study will examine the impact of existing clearinghouses on technology investment decision making, identify clearinghouse activities and services that have high value, and determine how these could be adapted to meet the needs of GEF focal areas.
19. Task 3, will identify the potential for the clearinghouse to encourage trade policies that promote the transfer of environmentally sound technologies in the GEF focal areas.
20. Task 4, includes the establishment of links to existing networks of key private and public sector stakeholders (such as WBCSD, WFEO, IISD, trade associations, national focal points, research institutions, and other parties) to support the shift in private sector investment patterns towards protecting the global environment.
21. Task 5 calls for conducting outreach activities to increase awareness among private and public sector stakeholders about the opportunities for win/win investments with global environmental benefits, and to inform them about clearinghouse services available.
22. Following consultation with the GEF Secretariat and the UNEP GEF Unit, the Terms of Reference for Tasks 2 and 3 have been combined and are finalised. The consultant is expected to be identified, and retained by the time of the May Council meeting. The planning and implementation of Tasks 1, 4 and 5 will follow the completion of Tasks 2 and 3, as they are dependent upon the results of the studies.

III. Activity 3: GEF Program tracking and mapping system (US\$ 250,000)

23. The goal is to utilise state-of-the-art Internet technology to establish an advanced environmental database for both spatial and thematic information. It will serve as a decision-support and outreach tool, tailored to suit the needs of defined user-groups. The project will leverage advanced Internet technology to connect all GEF projects, and enable them to communicate, exchange information and perform activities that cut across agency boundaries.
24. The outputs of this activity will be the preparation of a geographical interface for the *Operational Report on GEF Programs* (ORGP), which is updated quarterly and published

on the GEF website by the GEF Secretariat. This interface will allow users to access the database in a user-friendly way through maps, and to access project data by geo-reference.

Versions will be made available on the website as a search engine and on standalone CD-ROMs for distribution.

25. Task 1 includes geo-referencing the GEF Operations Report on the World Wide Web and in CD ROM format with an easy to use text search and query capabilities. The implementation schedule is contained in the following table.

Description of Activities	Feb-Mar	Apr-May	Jun-Jul	Aug-Sep	Oct-Nov
User Requirement Phase					
Assessment of GEF needs; in depth discussions with GEF staff (travel to GEF hqs, ESRI cooperation)					
Assessment of current database format					
Data conversion					
Prototype Phase					
WWW based Map Server					
Demonstration of the mapping system (GEF council meeting)					
Interface development					
Database					
Spatial drawing					
Query and search capabilities					
Reporting					
Testing Phase					
Release on WWW					
User feedback					
Response to feedback					
Production of CD-ROM: Requires more software development for visual interface to go along with CD distribution					
Documentation and User Manual					
Final Release					
Global Environment Projects Information Sharing Workshop					
Maintenance and updating (ongoing)					

26. Task 2 calls for geo-referenced biodiversity information. The activities underway, include scoping, launching of prototype, review of operation, design and implementation, testing and feedback as well as full implementation specifications. The deliverables will include a prototype of an Internet-based mapping server for the Africa region including WCMC environmental and biodiversity data as well as a report on the design and implementation

specifications for the fully implemented web-site.

27. Task 3 calls for the development of an action plan to geo-reference donor (IAs, RDBs, and Bilaterals) environmental projects, global environmental threats, and information gaps. The activities under way include the identification of other key partners in this effort, in particular foundations; the identification of existing information sources on environmental investment activities and projects of the multilateral donors, bilaterals and aid agencies; the design procedures and systems for periodic updating of the products.
28. A demonstration of the GEF program tracking and mapping system will be organised at the margins of the May 2000 Council meeting, and a workshop (Global Environment Projects Information Sharing Workshop) is being planned for late October 2000.

IV. Activity 4: Interactive Forum on Global Environmental Issues (US\$ 290,000)

29. The objective of this activity is establish, operate, and moderate a geographically balanced, internet-based, interactive forum for the scientific, technical and engineering communities. The forum will be encouraged to share views on identified scientific and technical issues related to GEF programs. The specific objectives of the initial set of activities in the Strategic Partnership are to:
 - Identify the highest standard of experience and expertise available in the scientific community that can assist the GEF in fulfilling its mandate.
 - Catalyse the exchange of information on GEF policies, programs and operational strategies among the scientific community
 - Involve the scientific community in identifying country-driven and regional issues of direct relevance to the GEF operational programs and within the global context of the GEF.
 - Involve the scientific community in the preparation and execution of GEF projects that are scientifically and technically sound.
30. Task I. calls for the establishment of an Expert Locator System. Accordingly, the following activities have been implemented (and the work plan and time table of this activity is contained in the table) :

- A workshop on meta information systems was held in Budapest in November 1999 and was facilitated by the European Environment Agency (EEA) with participants from PHARE countries and UNEP/INFOTERRA. The EEA's work in developing the Catalogue of Data Sources (CDS) was reviewed.
- An Agreement was finalised in January 2000 on the use of the Catalogue of Data Sources (CDS) Tool from EEA.
- An evaluation of meta-data tools is currently being carried out as well as design of a global catalogue of data sources (GCDS). A draft technical specification is being prepared and will be discussed with the EEA by mid April 2000. It must be noted that the EEA has agreed to consider modifications to the CDS software and associated costs where the changes are of mutual benefit and improve overall usability and performance.
- UNEP/ INFOTERRA is currently planning its reform, which will include elements to complete this activity, namely, national consortia of institutions that can locate environmental information and expertise. This exercise will be carried out within the framework of national and sub-regional meta information systems coordinated by the respective national and sub-regional nodes.

<i>Task 1. Expert Locator System</i>	1999			2000											
	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12
Workshop on Meta-Data systems and design															
Key Partner Assessment															
Formulate Technical Specifications															
Design Expert Locator Web Interface															
Design WAN Network Interface															
Quality Control (software filter, policy and procedures)															
STAP Roster Feeder (i.e., output mechanism with STAP criteria)															

Task 1. Expert Locator System	1999			2000											
Month	1 0	1 1	1 2	1	2	3	4	5	6	7	8	9	1 0	1 1	1 2
Partner Training Workshop															
Population of CDS Tool with relevant information															

31. Task 2 calls for the establishment of Internet Interactive Forum. The work plan and time table of this activity is contained in the table :

- A web server providing general information about the interactive forum, the GEF and the Strategic Partnership has been launched (URL: <http://gef-forum.unep.org>). A second server has been established to serve as the platform for the electronic dialogue.
- A call for contributions to the GEF initiative on Land and Water in Africa was distributed in French and English at the third meeting of the Conference of the Parties of the Convention to Combat Desertification, held in Recife, Brazil, in November 1999. In addition, an agreement on joint collaboration was reached in December 1999 with the African Academy of Science.
- The forum on Land and Water Degradation in Africa (URL: <http://gef-forum.unep.org:8080/~land-water>) was launched in January 2000 on the occasion of the African Month of the United Nations Security Council. A press release was issued by UNEP. So far more than 126 participants are actively contributing to the discussion. The results of the forum will be presented at a meeting with the representatives of the African regional organisations to be held in Nairobi at the margins of the 5th meeting of the Conference of the Parties to the Convention on Biological Diversity. This meeting is being jointly organised by UNEP and the World Bank.
- Following the STAP workshop on agrobiodiversity, held in Barbados in February 2000, the agrobiodiversity interactive forum (URL: <http://gef-forum.unep.org:8080/~agrobio>) was launched in March 2000. As of 15 April there are 180 registered participants, and Dr. Setijati Sastrapradja, a member of STAP, is the moderator for the debate.

- With a view to preparing the STAP workshop on Power Sector Reform, to be held in Bangalore in June 2000, an interactive forum, which will facilitate "pre-brainstorming", was launched in April 2000 (URL: <http://gef-forum.unep.org/~PSR>).
- Another interactive forum on Sustainable Use of Biological Diversity will be launched by the end of April.
- An interactive forum on Persistent Toxic Substances is under preparation.

Task 2. Interactive Forum	1999			2000												
	1 0	1 1	1 2	1	2	3	4	5	6	7	8	9	1 0	1 1	1 2	
Set-up Hardware/Software Platform																
Design & Implement GEF Forum Interface																
Identify Issues & Select Discussion Topic																
Identify & Contract Discussion Moderator																
Gather & Notify Participants																
Start & Maintain For a																
Launch Forum on Land & Water																
Launch forum on Agrobiodiversity																
Launch Forum on Sustainable Use																
Launch Forum on Power Sector Reform																
Synthesise discussion																
Land & Water																
Agrobiodiversity																
Sustainable Use of Forest (TBD)																
Power Sector Reform																

Task 2. Interactive Forum	1999			2000											
Month	1 0	1 1	1 2	1	2	3	4	5	6	7	8	9	1 0	1 1	1 2
Feedback to STAP/ Launch other For a as they develop															



Recurring Task



Scheduled Task

Conclusion

32. At their annual meeting held on 9th March, the Heads of Agencies reviewed the status of implementation of the strategic partnerships between the GEF secretariat and the implementing Agencies. They "noted the good progress on the Strategic Partnerships that were entered into individually between the GEF and the three agencies last year," and asked for regular updates at future meetings. It was agreed that the Strategic Partnerships also offer an opportunity for further collaboration between the Implementing Agencies. One example is in the area of renewable energy, which is addressed, in the strategic partnerships between the GEF and UNEP and the World Bank. It was suggested that "the dialogue between Uganda and the Bank on this issue provides an opportunity for such collaboration".
33. The joint meeting of the Bureaux of the governing bodies of UNEP (Governing Council, High-level Committee of Ministers and Officials and the Committee of Permanent Representatives) held in Geneva on 3 April 2000, reviewed the status of the implementation of the UNEP/GEF Action Plan on complementarity, and the UNEP/GEF strategic partnership. The meeting expressed its satisfaction regarding the substantive results achieved in a very short period of time.
34. As reflected in the UNEP/GEF Strategic Partnership, all activities with respect to this initiative, with the exception of the Interactive Forum, will be completed by December 2000. The Interactive Forum (i.e. Activity 4 Task 2) will continue operation for an additional year without any additional cost.

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