



STATEMENT FROM SAINT LUCIA

GEF FIFTH ASSEMBLY
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Hon. James Fletcher

MINISTER FOR SUSTAINABLE DEVELOPMENT,
ENERGY, SCIENCE AND TECHNOLOGY

Transition

The transition from the Resource Allocation Framework (RAF) to the System for the Transparent Allocation of Resources (STAR) in GEF-5 was in many ways demonstrable of the learning that took place during GEF-4. The RAF was new and not easily understood by most countries and its less flexible rules did not meet country requirements. The STAR, though not perfect, created a marked and significant positive change in Saint Lucia, as it allowed for a major increase in the flow of investment resources, which is assisting in implementing the environmental and sustainable development policies and priorities of our country.

GEF Investment

During OP-5 and as of May 2014, the total committed resources from the GEF Trust Fund to Saint Lucia was estimated at US\$7,996,000, with Saint Lucia able to access an additional but to date undetermined amount from regional projects (which total US\$58,103,817). With these resources, Saint Lucia has been able to undertake a process to develop its national portfolio of projects through the National Portfolio Formulation Exercise and has developed or is developing projects in the GEF Focal Areas of Biodiversity Conservation, Land Degradation, Climate Change, International Waters and Chemicals. Through these investments, the GEF has proven to be the largest multi-lateral donor agency for environment and sustainable development projects in Saint Lucia. These investments have assisted, and will continue to assist the People and Government of Saint Lucia in transitioning to a Green Economy, while ensuring that communities benefit in both quantitative and qualitative ways during GEF-5.

The Global Environment Facility Small Grants Programme (GEF SGP)

Perhaps the most strategic change for Saint Lucia during GEF-5 was the transition of the GEF Small Grants Programme (SGP) from a sub-regional scope of operations to a country modality. This change was consistent with the original vision of the founding partners of the GEF, for country-operated and driven GEF SGP programmes. That single move has already, at May 2014, resulted in a total investment of US\$ 665,129¹. Put into perspective, in the last one and a half years there has been a 270% increase in the level of investment over the period 2004-2014 (US\$179, 678) when Saint Lucia operated as part of the sub-regional programme. These investments have now brought the GEF to the people in ways never considered before, as civil society is empowered to address global environmental problems at the community level.

As of December 2013, the GEF SGP Saint Lucia had trained over 600 persons at the community level through projects in areas such as project development and management, apiculture, organic farming, sustainable agriculture, and conflict resolution to name a few. In addition, the Annual Report of the GEF SGP at December 2013, which was based on seven progress reports received and confirmed, documented a total of 118 persons employed in short-term project activities, who received over US\$66,600 in income for the provision of services. The GEF SGP, in that same report, was also able to present gender-disaggregated data to demonstrate its work in helping Saint Lucia meet the third Millennium Development Goal (MDG 3 - Gender Equality).

¹ Includes US\$93,359 from an Aus Aid funded Community Based Adaptation Project which is considered co-financing for projects.

The preliminary output results from the aforementioned report, documented and demonstrated the actual and potential benefits from over twenty projects funded. These results showed that the GEF SGP had fully implemented a Results Based Management Approach and was documenting significant and measurable outputs in biodiversity conservation and land degradation. Another major achievement was the recent approval of the first strategic project, which begins the process of up-scaling projects for maximum long-term impacts. This project will help transform the small fishing village of Praslin, on the East coast, into a centre for the production, processing, manufacturing, and sale (both local and export) of sea moss products and by-products using alternative energy sources. We look eagerly to the evolution of this micro community enterprise into a national industry with export potential.

With these achievements, the GEF SGP is quickly becoming the most prominent and fastest deliverer of project funding to provide environmental, social and economic benefits to the most vulnerable communities in Saint Lucia. The People and Government of Saint Lucia have high confidence in the GEF SGP and there are even greater expectations for the future.

Major Concern and Challenge

The People and Government of Saint Lucia have two major concerns arising out of changes made for allocations and project funding in GEF-6. The first is the increase in the weight given to GDP in the calculation of a country's score for resource allocation. The increase in the GDP index from 0.04 to 0.08 for the purpose of increasing resources to Least Developed Countries has placed reliability on data that do not reflect the vulnerability of SIDS to environmental and economic risks. GDP figures always mask the reality on the ground, as they are frequently based on high and growing national debts and a dependence on variable and unpredictable Foreign Direct Investment (FDI). This move to increase the flow of funds to LDCs, though needed, should not be to the detriment of SIDS; it should not have an adverse impact on the gains already made in SIDS. We cannot afford any retrogression in current achievements in these difficult economic times, with climate change present as the ubiquitous and ominous "threat accelerator". We also note that although LDCs were given a minimum allocation floor of US\$6 million, the request for a floor of US\$10 million for SIDS was not approved. We hope that this issue will be addressed in a similar fashion or by alternative means, such as increasing resources to the SGP.

The second concern and a definite challenge is the raising of co-financing to 6:1, which means that for every US\$1 of GEF investment, SIDS, including Saint Lucia, will have to raise US\$6 of co-financing. Although this is a fundamental requirement of the GEF, it places a greater burden on Saint Lucia in a period of sluggish and even negative economic growth. This will be a major challenge for us as our country struggles to emerge from the global economic recession and the devastating impacts of recent natural disasters. We do hope, however, that the flexibility described in the new GEF Co-Financing Policy (GEF/C.46/09) will be implemented to avoid any delays in project approvals. We also call for more discussions on this new requirement and more serious consideration to be given to the economic constraints and vulnerabilities of SIDS in arriving at a final decision.

Conclusion

Saint Lucia looks forward to the finalisation of the GEF-6 negotiations and the implementation of projects that will address and create global environmental benefits, while also addressing poverty issues and capacity deficits in our country.