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STATEMENT BY

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CONVENTION ON BIOLOGICAL DIVERSITY

TO

THE NINETEENTH SESSION OF THE COUNCIL OF THE GLOBAL ENVIRONMENT FACILITY

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Mr. Chairman,

Mr. Chief Executive Officer, Distinguished members of the Council, Colleagues,

I am honoured to have the opportunity to address the GEF Council today on behalf of the Secretariat of the Convention on Biological Diversity. Last month two major events took place under the Convention: the Conference of the Parties to the Convention held its sixth meeting in The Hague, and the Intergovernmental Committee for the Cartagena Protocol on Biosafety held its third meeting immediately thereafter. The focus of this statement is on the outcome of these meetings, in particular on those decisions and recommendations that have relevance to the financial mechanism. The reports of the two meetings are currently being finalized and will be made available shortly.

The sixth meeting of the Conference of the Parties set a new record in terms of participation: it was attended by some 130 ministers and vice ministers and a total of 2,100 participants from over 180 countries as well as some 400 inter-governmental and non-governmental organizations. The Conference made a breakthrough on several fronts: for example, the adoption of a Strategic Plan for the Convention, the first-ever guidelines on access to genetic resources and benefit-sharing; an international work programme on forests; and guiding principles for the implementation of the provisions of the Convention concerning alien invasive species, among its thirty-two decisions.

At a Ministerial Meeting, held in conjunction with the Conference of the Parties, Ministers adopted The Hague Ministerial Declaration in which they resolved "to strengthen our efforts to put in place measures to halt biodiversity loss, which is taking place at an alarming rate, at the global, regional, sub-regional and national levels by the year 2010." The Ministerial Declaration is reinforced by the first ever Strategic Plan for the Convention, which commits Parties to a more effective and coherent implementation of the three objectives of the Convention so as to achieve by 2010 a significant reduction of the current rate of biodiversity loss. One of the four strategic goals of the Plan is the improvement of the financial, human, scientific, technical, and technological capacity of Parties to implement the Convention.

Mr. Chairman,

The sixth meeting of the Conference of the Parties marked a major turning point for the Convention. It has underlined a double shift within the Convention process: from policy development to a focus on implementation, with the establishment of specific priorities and clear targets; and to a more balanced implementation of the Convention's three objectives, including access and benefit-sharing. This new development has undoubtedly impacted on the mandate and entailed further guidance for the financial mechanism.

First of all, the Conference of the Parties welcomed the strong support for a substantial third replenishment of the Global Environment Facility expressed by both

developing and developed countries at the meeting, as well as for GEF assistance in the implementation of the Convention. This is predicated on the recognition of the significant contribution the GEF has made to the implementation of the Convention as well as the need for a substantial increase of international financial support to the implementation of the Convention and its Strategic Plan. In this regard, the Conference affirmed, in its contribution to the WSSD, that: "the Global Environment Facility as the institutional structure operating the financial mechanism of the Convention has made significant contributions to the progress in the implementation of the Convention by Parties in the last decade, particularly through multi-stakeholder processes."

Secondly, the Conference of the Parties provided fifteen elements of additional guidance to the GEF in the provision of financial resources to developing countries Parties for country-driven activities and programmes, consistent with national priorities and objectives. The additional guidance covers the following subject areas: national biodiversity strategies and action plans; biosafety; forest biological diversity; plant conservation; coral reefs; taxonomy; pollinators; first report on the state of world's animal genetic resources; inland water ecosystems; incentive measures; invasive alien species; national reports; access and benefit-sharing; traditional knowledge; education and public awareness.

The main elements of the additional guidance to the GEF arising from the meeting include:

- A better-structured response to the financial needs of Parties for the elaboration, development, and revision of national biodiversity strategies and action plans;
- Specific financial support regarding participation in the Biosafety Clearing-House under the Cartagena Protocol on Biosafety and the implementation of the Action Plan for Building Capacities for the Effective Implementation of the Protocol endorsed by the ICCP at its second meeting, and for assisting developing countries to prepare for the entry into force of the Protocol;
- Support for country-driven projects focusing on the identified national priorities, as well as regional and international actions that assist the implementation of the expanded work programme on forests;
- Support for capacity building for the implementation of the Global Strategy for Plant Conservation by developing countries;
- National and regional taxonomic capacity building, as a basis for implementing the programme of work for the Global Taxonomy Initiative, with particular attention to funding country-driven pilot projects identified under the Initiative, taking into consideration the special needs of least developed countries and small island developing States;
- Support for the enhancement of national capacities for the establishment and maintenance of mechanisms to protect traditional knowledge at

national and sub-national levels, and for building the capacity of indigenous and local communities to develop strategies and systems for the protection of traditional knowledge;

- Support to capacity development and country-driven projects prioritized in the Global Initiative on Communication, Education and Public Awareness;
- Continued support by the GEF, in a timely manner, to eligible countries for the preparation of national reports.

Alien species that threaten ecosystems, habitats or species were one of the priority issues on the COP-6 agenda and also turned out to be one of the most contentious issues at the meeting. After protracted negotiations, the COP adopted Guiding Principles for the prevention, introduction and mitigation of the impacts of invasive alien species. Financial support for projects which assist with the development and implementation, at national and regional levels, of invasive alien species strategies and action plans consistent with the Guiding Principles is considered a priority that needs to be addressed by the GEF.

Another priority issue at COP-6 was access to genetic resources and benefit-sharing. In this regard, the COP adopted the Bonn Guidelines on Access to Genetic Resources and the Fair and Equitable Sharing of the Benefits Arising out of Their Utilization and an Action Plan for Capacity-Building on Access and Benefit-sharing. The GEF has been requested to provide financial resources for projects that assist with the implementation of the Action Plan in order to facilitate the effective implementation of the Bonn Guidelines.

Mr. Chairman,

Let me now turn to the second review of the effectiveness of the financial mechanism. As you may recall, the second review was prepared by an independent evaluator and was based, *inter alia*, on information from the GEF monitoring and evaluation program. COP-6 considered the recommendations from the evaluator and requested the GEF, in its Plan of Action to respond to the Second Overall Performance Study, to take into consideration the recommendations of this second review, and to report to the Conference of the Parties on how it has done so. In addition, COP-6 stressed the following issues:

- -- Continued expansion of the GEF Small Grants Programme to other developing countries, in particular the least developed countries and the small island developing States;
- -- Continuation of GEF's efforts to provide financial resources to Parties with economies in transition for biodiversity-related projects;
- -- Call for improving and further streamlining its processes for increased flexibility and improving access to GEF resources, taking into consideration the findings included in the second overall performance study of the GEF and the second review of the effectiveness of the financial mechanism;

- -- Consideration of the benefits to Parties, particularly small island developing States (SIDS), of an appropriate balance between national and regional projects in the implementation of decisions of the Conference of the Parties;
- -- Inclusion of expertise relating to communication, education and public awareness when evaluating projects for funding approval and to strengthen its involvement in and support of the national implementation of the Global Initiative; and
- -- Consideration of how regional support for biodiversity planning and capacity-building can be enhanced through core financial support by the Implementing Agencies.

The COP also decided to transmit to the GEF Council its view that a strategic approach to capacity-building for the global environment at the national level is urgently needed and that promoting cross-convention synergies, national policy integration, national institutional development and cooperation among stakeholders in capacity-building activities is a priority in order to promote efficiency and quality. In this regard, the COP noted the contribution of the preliminary results of the Capacity Development Initiative.

COP-6 further requested the GEF to:

- -- provide information on activities and processes, including information on the criteria for eligibility and access to project funding, and make such information easily accessible to Parties, Governments and indigenous and local communities (for example, through electronic, print/broadcast, popular publications, and other means);
- -- explore opportunities to further develop, enhance and strengthen its catalytic role in identifying and promoting co-financing resources, and, also, to take definitive actions to explore and examine innovative and creative financing modalities to leverage increased funds from the private sector and non-traditional sources of funding.

Finally, the COP invited the GEF to:

- -- give special consideration in funding to projects that clearly contain elements of participation of indigenous and local communities, where appropriate, and to continue to apply the Global Environment Facility's policy on public involvement to support the full and effective participation of indigenous and local communities;
- -- participate in the planned Workshop on Capacity-building for Access and Benefit-sharing planning.

Mr. Chairman,

I am pleased to inform you that the COP noted with satisfaction the strong and growing collaboration between the secretariats of the Convention and the GEF. This collaboration was once again practically demonstrated during COP-6 by the staff of both Secretariats. However, the decisions of COP-6 require even greater commitment to such collaborative efforts. Indeed, COP-6 has requested the GEF in collaboration with the Secretariat of the Convention to:

- -- explore funding modalities for facilitating the preparation of future national reports and thematic reports from Parties, taking into account the comments made by Parties on their experience in accessing relevant funds during the sixth meeting of the Conference of the Parties as well as the recommendations included in the Second Overall Performance Study of the GEF and the second review of the effectiveness of the financial mechanism;
- -- initiate a dialogue to more effectively implement the guidance to the financial mechanism, drawing from the experiences and lessons learned from GEF-funded projects and programs, and explore opportunities for streamlining the guidance.

As regards the future review of the effectiveness of the financial mechanism, COP-6 requested the Executive Secretary and the Global Environment Facility to explore possible synergies between the review processes of the Convention and the Global Environment Facility, and make suggestions on the arrangements for the third review of the effectiveness of the financial mechanism.

Other areas requiring close collaboration between the two secretariats include:

- -- promoting coordination, coherence, and synergies in financing for biological diversity among donor Parties and Governments, bilateral, regional and multilateral funding institutions and development agencies in order to avoid duplication of work, identify gaps in activities, and identify necessary activities and funding;
- -- making available, through the clearing-house mechanism, relevant funding information, including success stories and best practices of utilizing available financial resources;
- -- exploring possible cooperation with relevant institutions to address the need for centralizing information on biodiversity-related activities of funding institutions and other donors;
- -- exploring with interested partners opportunities of developing a global initiative on banking, business and biodiversity, taking into account the existing mechanisms and institutions, and other global and regional initiatives or processes, with a view to increasing funding for biodiversity and mainstreaming biodiversity into the financial sector;
- -- identifying a mechanism(s) for providing Parties with access to financial support for rapidly responding to new incursions by alien species.

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The seventh meeting of the Conference of the Parties will be held in Kuala Lumpur in the first quarter of 2004. The time to implement COP decisions is short but the tasks before us are daunting. We will need to redouble our efforts and work in close collaboration in order to respond effectively to these demands.

I thank you for your attention and wish you a successful meeting.