

**52nd GEF Council Meeting
Washington, D.C.**

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Opening Remarks
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CHECK AGAINST DELIVERY

Good morning and welcome everyone to the 52nd GEF Council meeting.

We are entering into the last year of GEF6 and are beginning to look ahead to GEF7, so it is a good time to take stock developments around us, and what they mean for the GEF.

Data and science tell us that the global environment is continuing to degrade at a rapid pace.

2016 was the warmest year ever recorded, and 16 of the 17 warmest years on record have happened since 2001. 2016 also had the second lowest coverage of the Arctic sea ice on record.

Earlier this year, researchers confirmed exceptionally high levels of PCB pollution in perhaps the most remote place on Earth: in the Mariana Trench, 36,000 feet below the ocean surface. And last month researchers confirmed that the Great Barrier Reef for the second year in a row has been hit by severe bleaching, after 90% of the world's largest coral reef had been affected last year.

In the run-up to CBD COP13, a group of researchers concluded that the world is far off track in terms of achieving the 2020 Aichi targets for biodiversity conservation.

Unfortunately, the list goes on.

The negative trends are mirrored by an increasing perception among businesses that the environment is rapidly growing risk to them.

The World Economic Forum's latest annual Risk found that five of the top-ten business risks in terms of both impact and likelihood are environmental. Ten years ago, environmental risks did not appear in the top ten.

There is some good news, however. Perhaps most importantly, the green energy revolution seems now to have reach a point of no return. The most recent data shows that in 2015 for the second year in a row, the amount of newly installed renewable energy exceeded the amount of newly installed fossil fuel based energy. In Chile, solar-based power producers have won contracts at the unprecedented low cost of 2.9 cents per kilowatt electricity—cheaper than any conventional power producer. In England, coal consumption in 2016 fell to the lowest level since 1894.

What does it mean for the GEF?

The question we need to ask ourselves is how the GEF can help achieve similar kinds of momentum in other key systems, which are the ultimate drivers of our deteriorating environment, for us to maintain the integrity of planetary boundaries.

In this regard, the adoption of the SDGs and reaching a climate deal in 2015 has provided the unprecedented opportunity to for the global community to respond to those challenges and turn them into opportunities. For instance, the business community has assessed opportunities created by the implementation of the SDGs. They have estimated the business opportunities linked to the SDGs to about US\$12 trillion—around areas in cities, food and agriculture and health, in addition to energy transition.

I am excited to see that this thinking is increasingly permeating the work of the Conventions we are serving.

Since the last Council meeting we have had three COPS: the Marrakech Climate COP in November 2016, the CBD COP13 in Cancun Mexico in December, and just a

few weeks ago the Triple COP of the Stockholm, Basel and Rotterdam (BRS) conventions in Geneva.

The CANCUN COP tabled a bold agenda of mainstreaming biodiversity. The COP explicitly invited ministers of Forestry, Tourism and Agriculture—some of the sectors that are significant beneficiaries of healthy and biodiversity rich ecosystems, and at the same time among the main drivers of ecosystem degradation and biodiversity loss. The outcome of the COP emphasizes the need to address biodiversity loss thorough sectoral and landscape based interventions.

The message is clear: unless we find a way to transform theses key economic sectors so their use of natural capital becomes much more sustainable, we are ultimately not going to be able to safeguard global biodiversity.

Similarly, at the climate COP, the NDCs submitted under the Paris Agreement are in almost all cases centered on putting key economic sectors on a low-carbon trajectory.

And, just two weeks ago, the BRS COP highlighted the need to integrate the chemicals agenda through the SDGs.

How the GEF can best support countries to make these transformations reality is one of the key questions not only for the discussion in the GEF-7 replenishment negotiations, but also as we continue our policy work to ensure that the GEF remains institutionally fit for purpose.

It is an urgent agenda, and our actions the next four years could very well define long-term success for failure.

At this Council meeting we will get a chance to reflect on the GEF's overall strategic directions at our annual GEF2020 Strategy discussion. We will also get a chance engage on progress with the Integrated Approach Pilots.

I believe that we have a strong and diverse work program for approval at this Council, although the exchange rate induced shortfall of funds continues to be a challenge for all of us. We are managing the shortfall carefully to ensure that guidance from council is fully reflected.

We have several agenda items focusing on institutional aspects of the GEF. One example is a discussion of a new Conflict of Interest Policy for Council Members and other transparency-related matter. Also, a discussion of a new vision for the GEF's engagement with civil society. Continued progress on all these matters is helping the GEF to grow even stronger.

I also look forward to hearing from key partners—the Convention Secretariats, STAP, and not least the Independent Evaluation Office—who I am sure all will make significant contributions to our thinking as we strive to continuously improve the GEF.

Before I close, I would like to once more congratulate everybody who has worked so tirelessly to make sure that the Minamata convention has reached effectiveness. Last night we celebrated that Minamata Convention will come into force in less than three months. Today we will reconfirm our commitment that we will tackle the work ahead and together make mercury history.

Minamata shows what can be achieved when there is a will to solve a common problem

We stand at a defining moment for the future of the planet and its peoples. There are opportunities for the institution like the GEF to join the emerging forces to help safeguard the global environment commons.

We have this unprecedented opportunity to make difference. We cannot afford standing still.

Once again, welcome to the 52nd Council meeting.