

SBI 7
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Bonn, Germany

**INTERVENTION BY CANADA ON THE REVIEW OF
THE GLOBAL ENVIRONMENTAL FACILITY**

Thank you Mr Chairman. My delegation would like thank the Secretariat for its useful synthesis report on the review of the Global Environmental Facility. In our view this report shows a good rationale as to why the GEF should be confirmed as the operating entity of the financial mechanism. As the report bears out, while, like all institutions in starting out, it has experienced some growing pains, the GEF and its Implementing Agencies have demonstrated flexibility in responding to the evolving needs of the Parties to the FCCC. In this respect, we particularly note the efforts made to expedite the manner in which the GEF and its Implementing Agencies are approving and implementing activities related to the preparation of non-Annex 1 national communications. My delegation believes that it is critical that sustainable and predictable funding of national communications activities for non-Annex 1 Parties be established. We also believe that there is room for improvements in getting projects implemented sooner in other areas.

There are a number of conclusions and observations in the report that warrant special consideration. The observation, in paragraph 17, that commitments and disbursements for climate change vary among the Implementing Agencies, bears some further analysis. While the relative complexity of World Bank projects may play a role, we would agree with the recommendation that these differences among the Implementing Agencies warrant further analysis in the context of the GEF monitoring and evaluation program.

A second observation is to draw all Parties- attention to Paragraph 37 of the synthesis report. The information in this paragraph is an especially critical consideration in the review process - namely that while the GEF funding for climate change totalled some \$528 million (US), an impressive number in and of itself, that money was used to leverage an additional \$2.37 billion (US) for climate change related projects. My delegation would like to strongly recommend the GEF for its excellent and creative work in this area of private sector leveraging.

Finally, Mr. Chairman, I would be remiss were I not to point out that Canada believes that one of the more important functions that the GEF should pursue is the promotion of climate change considerations in the mainstream activities of relevant institutions, especially International Financial Institutions and Multilateral Development Banks. It is only through such an integrated approach that true sustainable development can be reached in these other bodies. In that respect, I would also wish to request the advice of the Chair as to how we can begin the process for the formal operationalization of Paragraph 2(a) of CP1/Decision 11. Thank you Mr. Chairman.