

Introduction to the GEF



Acting alone
countries can't
stop plants and animals
from disappearing
promote clean energy
improve international waters
or heal the ozone layer.



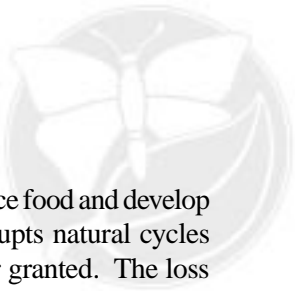
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Together, *they can.*

11 Facts About the GEF

- ✓ The Global Environment Facility is an international financial entity.
- ✓ After a three-year pilot phase, GEF was reshaped into its current form in 1994.
- ✓ The U.N. Development Program, the U.N. Environment Program, and the World Bank implement projects on behalf of the GEF. Regional development banks are also beginning to take on a more direct role as executing agencies.
- ✓ Non-governmental organizations, the private sector, and the scientific community play important roles in designing and executing GEF projects.
- ✓ Since its creation in 1991, GEF has funded more than 680 projects in 154 countries.
- ✓ GEF's investment in these projects totals close to \$3 billion.
- ✓ Co-finance for GEF projects from other sources, public as well as private, approaches \$8 billion.
- ✓ More than \$2 billion of these funds comes from developing countries themselves.
- ✓ 166 nations participate in the GEF and form the GEF Assembly.
- ✓ GEF's governing Council is made up of 16 members representing developing country constituencies, 14 representing developed country constituencies, and two representing constituencies of countries with economies in transition. It meets twice yearly and all decisions are taken by consensus.
- ✓ Most GEF activities fall into one of four focal areas (described here) and one of 12 operational programs or OPs. The latest OPs to come on line are on sustainable transport and integrated ecosystem management. Another OP on agrobiodiversity is under development.

Biodiversity



strengthens our ability to produce food and develop medicines. Destroying it disrupts natural cycles and services we make take for granted. The loss of genetic resources, species, and ecosystems in one country or region can have profound international impacts, yet many of the nations with the gravest threats to biodiversity are the least able to protect it.

GEF is the leading multilateral entity responding to the global threat to biodiversity, and it is the financial mechanism of the Convention on Biological Diversity. Since 1991, GEF has provided over \$1 billion for more than 357 projects, and generated an additional \$1.7 billion in co-financing. GEF has helped:

- **Ethiopia's** traditional farmers to preserve genetic material found in the seeds that they plant and save. This program preserves globally important crop genetic resources for use by Ethiopian farmers and those in developed countries.
- Communities in mountainous northern **Pakistan** to sustainably manage some 1,000 plants and more than 300 animals, including the endangered ibex. Hunting revenues support a village conservation fund that has already been tapped to bring clean drinking water from a glacier.
- A coalition of nearly 50 national and local NGOs, Afro-Colombian grassroots organizations, universities and scientific research groups to protect the Chocó region of **Colombia** from industrial development. Its ten million hectares, extending the entire length of Colombia's Pacific coast, are the greatest center for plant biodiversity on the planet.
- Create more than a dozen GEF-supported conservation trust funds from **Mexico** to **Bhutan**, which have launched new national parks and expanded existing areas by providing a basic resource security for their operations. Six of these funds with operating experience have raised more than \$33 million in non-GEF contributions. Projects financed by the funds have

raised additional resources, generally including substantial counterpart contributions from recipient organizations.



Climate Change

is a threat to all nations but it is almost certainly developing countries who are the most exposed. Energy efficiency and renewable energy are an important part of the answer for the 2 billion people who lack access to electricity, many of whom live far from existing power grids.

The Global Environment Facility is the leading multilateral entity promoting energy efficiency and renewable energy technologies in developing countries and industrialized nations transitioning to market economies.

As a financial mechanism of the U.N. Framework Convention on Climate Change, GEF has allocated about \$1 billion to 240 climate change projects, matched by more than \$5 billion in co-finance.

- A GEF project in **India** directly financed 41 MW of wind turbine installations. It also strengthened the capabilities of the India Renewable Energy Development Agency (IREDA) to promote and finance private sector investments, and more than 270 MW were financed through IREDA.
- A GEF project in **Mexico** aimed to prove the commercial viability of energy efficient lighting in Guadalajara and Monterrey, installing almost 400,000 more efficient lights than projected. In **Poland**, consumers bought 1.2 million compact fluorescent lights (CFLs) through a GEF market development project. Five manufacturers, including the one domestic Polish manufacturer, participated in an innovative subsidy program with joint manufacturer and GEF contributions. Retail prices of CFLs decreased by about 30 percent after the project. It led to a

large change in consumer awareness about CFLs and the portion of households with CFLs almost doubled, from 11.5 percent to 19.6 percent.

- A GEF project in partnership with Rockefeller Foundation and private companies, including General Electric and Shell, supported the research and development of a biomass gas turbine technology that converts eucalyptus chips to electricity. A follow-on project is now demonstrating the commercial viability of a 30 MW biomass gasification plant in **Brazil's** state of Bahia.
- From **Argentina** to **Zimbabwe**, GEF is supporting solar energy systems to power homes, schools, clinics, and microenterprises. GEF is also supporting construction of a grid-connected power plant on the **Philippines** island of Mindanao which combines solar and hydroelectric power.
- Under a wind and solar photovoltaic project in **China**, four new domestic wind power companies will construct 190 MW of wind farms and enter into commercial power-purchase agreements with utilities. These investments will almost double the installed wind capacity in China and include the largest single wind farm to date, 100 MW in Inner Mongolia.



International Waters

are plagued by pollution, over-fishing, fresh water scarcity, the introduction of invasive species, and the destruction of coastal and marine habitats.

The Global Environment Facility is the leading multilateral entity working to reverse the degradation of aquifers, basins, lakes, oceans, rivers, and wetlands of transboundary significance.

Since its creation in 1991, GEF has allocated \$354 million to over 100 international waters initiatives that help address shared problems in a coordinated, cost-effective manner. More than \$476 million has been generated in co-finance. Over the next five years, the GEF will double its financial support to water and related land resources activities to one-half billion dollars.

- A GEF project fostered cooperation among **Black Sea and Danube Basin** countries to identify 500 pollution hotspots, adopt a strategic action plan that included commitments for policy, legal, and institutional reforms needed for clean up, and agree on specific commitments to install clean technology and reduce organic and toxic discharges by 30 percent in a decade. The countries also committed themselves to reduce nitrogen pollution by about 14 percent and phosphorous by 27 percent through implementation of the plan.
- A GEF project in Africa's **Lake Chad Basin** ecosystem is laying the groundwork for basin governance and complements ongoing activities in West Africa, including projects in the Niger, Senegal, and Volta river basins. GEF's **Gulf of Guinea** project addressed industrial pollution to reduce land-based sources of industrial and urban pollution in marine waters and is now being expanded to the 15 countries sharing the large marine ecosystem.
- A GEF project responded to a request by the governments of **Argentina** and **Bolivia** for technical assistance in formulating a strategic action plan for the Bermejo River Basin. More than 50 institutions, government agencies, and non-governmental organizations participated in proposing the project and many also took part in its execution.
- A growing portfolio of GEF projects is addressing the global problem of persistent organic pollutants (POPs). In the **Arctic**, GEF is working to assess the effects of POP contamination on humans and their food supply, identify local sources of contamination and hot spots that require urgent remedial actions, and address the

broader issue of land-based contamination along the Russian Arctic coast. GEF is also addressing the threat to human health and marine ecosystems caused by use of pesticides in large-scale production of export crops in the Caribbean basin. GEF is working with **Colombia, Costa Rica, Panama, and Nicaragua** to develop and implement management practices and national regulatory systems to control the use of pesticides and promote the use of alternative pest control systems.



Ozone Depletion

is directly correlated with higher rates of skin cancers and cataracts. An ozone hole twice the size of the United States builds up over Antarctica each year and a new hole opened up over the Arctic in 1998.

The Global Environment Facility is the multilateral entity helping the Russian Federation and nations in Eastern Europe and Central Asia to phase out ozone layer damaging substances. Use of these chemicals in this region has equaled that of the entire developing world.

- GEF has allocated more than \$153 million and generated another \$180 million in co-finance for initiatives in the solvent, foam, aerosol, halon, and refrigeration sectors in **Azerbaijan, Belarus, Bulgaria, Czech Republic, Hungary, Latvia, Lithuania, Poland, Russian Federation, Slovakia, Slovenia, Turkmenistan, Ukraine, and Uzbekistan**. Three more countries (**Estonia, Kazakhstan, and Tajikistan**) are preparing their country programs and are expected to start implementation in the near future.
- As one of the major consumers of ozone depleting substances worldwide, **Russia's** GEF project accounts for close to half of all resources committed by the GEF and more than 60 percent of the total GEF impact. GEF's ozone portfolio in 14 countries is helping to phase out more than 18,000 metric tons of ozone depleting pollutant.

Land Degradation

- A 1999 review of GEF ozone layer projects found that, in addition to financial assistance, GEF played “a crucial role in the phase-out process” by “making available technical expertise, supporting learning and dissemination of project lessons within each country and in a regional context, and assisting in establishing suitable legal frameworks.”

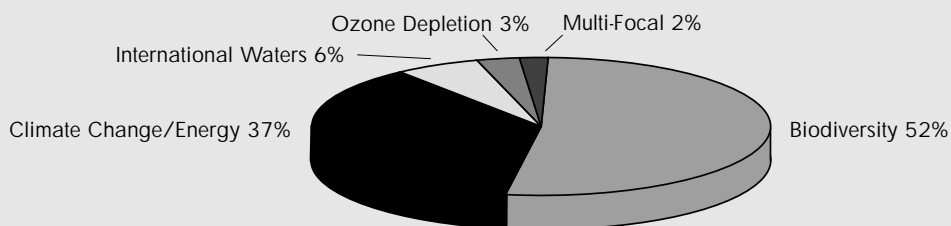
More than 60 projects cutting across GEF’s four focal areas — and collectively valued at more than \$350 million — address land degradation, primarily deforestation and desertification, taking into account the objectives of the Convention to Combat Desertification. For example, in **Senegal** and **Mauritania**, a GEF project is addressing the root causes of biodiversity loss from land degradation in five critical upland and floodplain ecosystems of the trans-border Senegal River Valley.

GEF Funding

In 1994, 34 countries pledged \$2 billion for a four-year capitalization of GEF’s trust fund. In 1998, 36 nations committed an additional \$2.75 billion to enable GEF to continue funding programs into the next century. Current donor countries are Argentina, Australia, Austria, Belgium, Brazil, Canada, China, Côte d’Ivoire, Czech Republic, Denmark, Egypt, Finland, France, Germany, Greece, Ireland, India, Italy, Japan, Republic of Korea, Luxembourg, Mexico, The Netherlands, New Zealand, Nigeria, Norway, Pakistan, Portugal, Russian Federation, Republic of Slovenia, Spain, Sweden, Switzerland, Turkey, the United Kingdom, and the United States.

The World Bank is trustee of the GEF trust fund. The GEF Council determines how all monies are spent.

By Number of Projects, 1991-1999



For more information:

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Together, in the Global Environment Facility (GEF), they are.

Developing countries and nations transitioning to market economies
look to the Global Environment Facility
as their principal partner in global environmental problem solving.

GEF funds defray the added costs
of making planned projects friendly
to the global environment and finance regional approaches to environmental problems.
GEF partnerships unite governments, non-governmental organizations,
scientists, and the private sector behind cost-effective solutions
that pave the way for sustainable economic development.

GEF projects in four program areas:

Conserve biodiversity, improving forest, farmland, coastal, mountain, marine, and wildlife management to secure better livelihoods for people who use these resources...

Save energy and open doors for renewable energy technologies, extending power to rural communities and reducing reliance on less efficient technologies that cause air pollution and contribute to climate change...

Address the degradation of transboundary waters such as oceans, coastlines, lakes, wetlands, aquifers, and rivers that is caused by habitat loss, pollution, and over-exploitation of living resources...

Assist nations in Eastern Europe, Central Asia, and the Russian Federation in phasing out the use of chemicals that deplete the ozone layer...

Projects to address land degradation, as it relates to GEF's four program areas, are also eligible for funding.
