

**DRAFT**  
**Compilation of NGO Interventions**  
**GEF Council Meetings**  
**November, 2005**

▪ **GEF Activities related to Forests**

By Mohiuddin Ahmad, Community Development Library (CDL),  
Bangladesh

While a holistic approach to sustainable resources, including forests management, has been emphasized, it has to be linked with poverty reduction. And where poor people are concentrated and poverty is acute, there is too much pressure on the natural resource base. A disproportionate allocation of resources in poverty-stricken areas would make more areas more vulnerable. In South Asia, the majority of the world's poor lives and less than 9% of GEF resources have so far been allocated for conservation.

For an integrated and holistic to sustainable forest management, as indicated in Paragraph 53, more and more resources should be allocated for creating alternative livelihoods. This goes beyond the technicalities of generating knowledge for sustainable forest management and calls for investments in creating jobs.

▪ **Local Benefits Study**

By Clemencia Vela, FEDIMA (Ecuador)

1. The GEF's NGO Network was invited to participate in the Advisory Panel since the beginning of the study. Consequently, through the NGO representative the network has been kept informed on each one of the steps and has reviewed partial drafts that have been submitted.
2. The Network acknowledges and congratulates the study team for the outstanding job in collecting and analyzing information on the local benefits obtained by selected GEF- funded projects and the many important recommendations presented. The Network would like to thank the M&E Unit for the invitation to follow up on the study, showing its determination to promote a democratic, transparent and participatory process. In fact, evidence of this determination is the willingness to include the NGO comments as an annex of the study.
3. Although the Network agrees as a whole with the majority of the findings, interpretations and recommendations of the study, there are a few important issues and recommendations that continue to be of concern and about which further analysis and considerations are recommended. These issues and/or recommendations had to do with the following aspects: linkage between global and local benefits; the debate between stand alone versus blended GEF projects; the consideration of what really should be considered "best practice; and the more suitable definition of terms such as sustainable development and stakeholders.

**Linkage between Global and Local Benefits**

4. The study illustrates projects with an interesting variety of benefits to local communities and provides an important analysis of the linkages between local and global benefits.. However, it also identified projects that missed the opportunity to

obtain more local benefits or to involve the participation of potential beneficiaries, and few cases where projects did focus on local benefits but neglected the global ones.. Thus, it is suggested that a recommendation be included in the study to the effect that in the process of project design the following criteria should be considered:

- Compliance with GEF’s mandate of pursuing global benefits should be evident in all proposed projects;
- The design should make sure that the pursuit of local benefits does not compromise the GEF’s mandate on global benefits; and
- While local benefits should be encouraged they should not be considered compulsory because there are instances where projects may not involve the direct or indirect participation of local communities.
- Considering that in some proposal it is difficult to distinguish between local and global benefits and that in many cases benefits to local communities are essential to obtain global impacts, more flexibility to include them within GEF’s grants would be advisable.

**“Stand - alone or Blended” GEF projects?**

5. It would seem that the question of whether GEF initiatives should be considered on their own merits or be part of a greater development effort has not been resolved yet. While the NGO Network recognizes the importance of integral planning at a regional or national level to reach a common goal, and that in several instances incremental positive effects from other sources of funding have augmented GEF’s initiatives, it is also true that sharing common financial or executing instruments could modify or slow down GEF’s activities. Thus, it is difficult for the Network to go along with the Study’s recommendation that the GEF portfolio should move away from stand “alone projects”. What is the evidence for such asseveration? While reportedly some joint operations, (e.i. grant-lending) have been successful, the opposite is also true. Moreover, many stand-alone GEF projects have been prepared, processed and implemented in record time and without the constraints of political interference or lack of fiscal counter funding. If GEF projects were to be conditioned to be a component of a larger lending operation, or its funding to be considered a co-financing element of a loan (thus resulting in the current favorite term “blended”) or another finance source there is the risk that urgent conservation or protection needs would be left unanswered if they happen to occur where no other initiatives are present since stand along projects would be discourage or conditioned to be part of something else. This is especially risky when, as the study has already determined, there are projects, which have focused on local benefits neglecting global benefits (which is their mandate). Thus, it is expected that higher environmental benefits would be obtained if more attention would be paid to the quality of plans that define the environmental priorities at country level and the high co-financing demands would be reduced.

6. Other important reasons for discouraging tendencies to “Blend” GEF projects with lending initiatives is that such tendencies could reduce “country driveness”, local and NGO initiatives because the project preparation cycle of a blended operation tends to be longer and more complicated and, often times, is subject to the turmoil of the local

political situation at a given time; or even worse, could reduce ownership<sup>1</sup> which could dramatically compromise the future sustainability of an intervention.

7. Additionally, favorable impacts of GEF's or others environmental initiatives are not necessarily the result of the level of the investment, but rather on the quality of the intervention and the will of societies to protect the environment. Thus, a stand-alone GEF projects makes much more sense, especially if it is immersed within a strong institutional context.

8. Finally, it would be advisable to stress that in the attempt to obtain “**Synergy**” with other non-GEF financed projects; GEF's initiatives should not be conditioned to be a part or a component of other projects as it could end up being the opposite. Instead of promoting synergies of other funding towards the compliance with its mandate, GEF projects could end up following larger initiatives. In other words, GEF projects should be considered on their own merits.

### **Local Benefits or Impacts to Communities**

9. The Study has a deep analysis of the benefits generated by GEF projects for local communities as well as the impacts caused by restrictions to the use of natural resources. Additionally, it highlights as “good practices” some strategies applied in some projects such as decentralization and/or co-management. While the Network agrees with those principles, it is important to keep in mind that within such framework said good practices successful in some cases have been devastating in others or at a minimum have been found to be totally inadequate or impractical.

10. For example in relation to Protected Areas (PA), it is a fact that for native communities who have been living in an area before its establishment as protected, it would be quite unfair to restrict their access to the area's natural resources once it is declared protected. In such cases, pertinent compensations should be mandatory. However, there are cases where established PAs are illegally occupied or invaded. In some cases land invasions are promoted by politicians, land traders or logging companies looking for some direct or indirect benefit, in other cases, they occur once it is known that the GOB intends to carry out investments in the area proper or in its buffer zone. Similarly, decentralization has been detrimental and/or has caused conflicts when a PA lies within the area of influence of two or more municipalities all seeking dominance or administrative prerogative. In other situations attempts to establish co-management have failed for several reasons including: lack of management experience, absence of financial discipline or, more commonly the idea that grant funds are a gift to be used as the leaders see fit such as the purchase of vehicles for personal use instead of investing in protection efforts. Thus, GEF proposals should not simply adopt “best practices” but rather use

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<sup>1</sup> Ownership could be reduced, if the GEF proposal is included within a lending operation and the GEF's project document becomes an integral element of the Loan's Project Brief and where the NGO involved in its preparation is not considered as an eligible project executor according to the interpretation of the Loan's procurement stipulations. Whereas, within the GEF process the NGO that prepared a PDFA and/or a PDFB could be the actual executor during implementation.

imagination and adapt practices to reflect the local circumstances and to design interventions that are best suited for the particular situation.

11. Considering the broad range of situations, acknowledging the strong efforts already in place by the GEF to include social considerations within the proposals, the Network agrees with the Study's recommendation to keep carrying out social assessments as a routine requirement, which would include a realistic description of the favorable or negative impacts of any intervention.

12. Other recommendation that is considered important regarding inclusion of local communities in a proposed project would be the incorporation of criteria to validate the status of stakeholders and communities in terms of their real link to the proposed operation prior to its design. The criteria should stress the need to involve the poorest communities and measures to prevent inclusion of individuals or groups of individuals foreign to the area and only attracted by the rumors of proposed investments or to prevent new settlements attracted by the possibility of improving quality of life.

13. Additionally, it would be advisable that GEF project designers make all possible efforts to abstain from creating or raising unrealistic or excessive expectations among potential beneficiaries. Experience has shown that more often than not during project preparation project officials, to obtain advanced cooperation or support among potential beneficiaries, create false or inaccurate expectations in terms of possibilities a project would provide to enhance income generation or employment opportunities.

14. Furthermore, considering the great effort that GEF interventions have devoted to ensure financial sustainability of projects, it would also be advisable that the design of GEF projects should include measures to reach ecological sustainability based on the potential of the local environment to support its current and future population.

15. Finally, although it is advisable to carry out active stakeholders involvement, instead of just mere consultations, it is also important to recognize that the success of some projects requires strong technical or legal expertise, rather than just community participation.

### **Other Considerations**

16. Other considerations that the Network considers important to ensure that GEF's interventions have favorable impacts and obtain global benefits are that all involved understand equally well the terminology used orally or in writing.

### **Sustainable Development**

17. The Term Sustainable Development has a broad range of interpretations to different people and institutions. To some it describes strict conservation practices to allow the availability of natural resources for future generations. To others it means the application of a single criteria like sound forest management, selective harvesting of non-forestry products, watershed or soil protection. In some cases, projects that have justified their intervention in a given PA under the framework of "sustainable development" and which

have focused on a single, particular aspect, such as selective harvesting of products, has resulted in a risk of some of the area's fauna or flora disappearance. Thus, it would be imperative that GEF proposals clearly explain or describe how sustainable development would be sought or pursued.

### **Benefits at Country level**

19. Transparency is a key element for reaching real global impacts and local benefits. Thus, it should be encouraged at different levels of project selection and following execution, to ensure that proposals respond to the real needs of a country and fit within its development and protection priorities based on real scientific data rather than just partial consultations of some interested parties.

20. Two additional important issues are related transparency and public participation which are: a) the apparent lack of evidence at projects' sites or projects' reports that the GEF has funded the activities of a given project; and b) the facility available for the public to have access to information about GEF projects proposed or under execution. While GEF's web page already provides more information than any other initiative world wide, GEF projects' management should explicitly encourage the public's free access to projects' information and products at the country and local level and show evidence of GEF's financial support.

21. Again, on behalf of the NGO Network, I would like to reiterate our thanks for the invitation to participate in this event and for giving us the opportunity to share our comments and concerns to the findings and recommendations of the Local Benefits Study. Our sole desire is to contribute with our knowledge and experience to the success of the GEF's efforts for global protection and conservation.

- **Work Program: Development Marketplace project**  
By Liliana Hisas, FEU, Argentina

Thank you Mr. Chairman.

In the November 2004 Council meeting, NGOs observed with satisfaction the approval of the proposal on Smaller-Sized Medium Sized Projects (SMSPs). These projects constitute a more expedited alternative for NGOs to access in a more dynamic way to GEF resources of up to \$250,000.

The NGO community celebrates the Development Marketplace proposal as the first step to implement these smaller projects, as part of the \$10 million approved by Council last year.

We recognize the importance of constructive dialogue with the DM so that this contribution meets the established and agreed objectives. We will start this dialogue today.

Also, we will wait for proposals from the other Implementing Agencies to explore other mechanisms that meet the established goals approved by Council for these smaller MSPs.

Finally, NGOs support and express our gratitude to the interventions made by Council members, highlighting the importance to fully support the SGP.

Thank you.

- **Private Sector Involvement in the GEF**  
By Brian Keane, Land is Life, US

Thank you Mr. Chairman,

I am here representing two international indigenous peoples organizations, Land is Life, and the International Alliance of Indigenous-Tribal Peoples of the Tropical Forests. I appreciate that my colleague from the GEF-NGO Network mentioned concern for indigenous peoples in his statement, but want to make clear that we are not so enthusiastic about this initiative and I would like to express some of our concerns.

The GEF Strategy to Enhance Engagement With the Private Sector is of particular concern to indigenous peoples. In many areas around the world it is the private sector – oil, mining, logging, agriculture, etc. – that is destroying the lands, polluting the waters and devastating the lives of indigenous communities.

This initiative highlights the urgent need for the GEF to address some unresolved issues, such as land tenure and traditional resource rights; the right to free, prior and informed consent; monitoring the impacts of GEF programs, policies and projects on indigenous communities, etc.

Finally, I think it's fair to say that the private sector has played a role in contributing to many of the problems that the GEF is trying to address. So, we would like to ask if there will be some kind of criteria for private sector institutions that will be involved with the GEF? Will they have to have a track record of environmental and social responsibility, for example?

- **Indigenous Peoples and the Global Environmental Facility**  
– **Building New Partnerships**  
By Cesar Montez, Land is Life

Thank you Mr. Chairman. My name is Cesar Montez. I come from the traditional Navajo community of Seesto. I am here speaking on behalf of Land is Life and the International Alliance of Indigenous-Tribal Peoples of the Tropical Forests, two organizations that work to promote and protect the rights of indigenous peoples around the world. Between our two organizations, our membership includes indigenous

communities and organizations from Africa, the Americas, the Arctic, Asia and the Pacific. We would like to bring before the Council some issues of concern to us regarding the work of the GEF.

First, we would like to acknowledge the important steps taken by the Small Grants Program to reach out to indigenous communities and facilitate their participation in the SGP process. We also thank the GEF for recently approving a Medium Sized Grant for the project “Indigenous Peoples’ Network for Change”, which we believe is a very important step and will go a long way towards strengthening indigenous participation in processes surrounding the Convention on Biological Diversity and other relevant international instruments. Furthermore, we appreciate the importance of the study on ‘The Role of Local Benefits in Global Environmental Programs’ and, especially, the ‘3<sup>rd</sup> Overall Performance Study’.

There are approximately 300 million indigenous peoples in the world today, which can be divided into some 5,000 distinct nations. Where we have managed to maintain control over our ancestral homelands is where you will find intact ecosystems, clean water and the vast majority of the world’s biodiversity. For us, sustainable development and protection of the environment is a day-to-day activity. That we are allowed to continue safeguarding our homelands is necessary not only for our continued existence as distinct peoples, but also to maintain global ecological and climatic stability, which is exactly what the GEF aims to achieve. In fact, we believe that the goals of the GEF will be impossible to achieve without recognizing indigenous peoples’ rights and allowing us to assume our rightful role as partners in the search for a more equitable, just and sustainable world.

The Convention on Biological Diversity, the Framework Convention on Climate Change and the Convention to Combat Desertification all recognize the important role of indigenous peoples in conservation and sustainable development. As the GEF is the financial mechanism responsible for implementing these agreements, its work has major implications for indigenous peoples. In this light, we would argue that the GEF has an obligation to ensure the full and meaningful participation of indigenous peoples in the development, implementation and evaluation of all GEF programs, projects and policies.

Despite the efforts of the GEF to address the concerns of indigenous peoples it is evident, as acknowledged in the OPS3, that their meaningful participation in GEF projects is often absent, and there is still much work to do.

OPS3 states –

“• *The GEFSEC should draft policy and strengthen practices regarding vulnerable groups.*

To foster sustainability, it is critical that the GEF more strongly consider the needs, rights, and concerns of indigenous groups, especially in protected area projects, where problems have been most noted. Updating the GEF to be in harmony with existing international standards and best practice on indigenous peoples and conservation (CBD

decisions and work programs, IUCN guidelines, Durban Action Plan, and Durban Recommendations) is the appropriate next step.” - OPS3, p.21

For these reasons, we urge the GEF Council to take action during today’s meeting on the recommendations made in the OPS3. Specifically, we urge the Council to:

1. Approve funding to allow six regional indigenous peoples’ representatives to attend the next Council Meeting.
2. Provide funding for broad-based indigenous participation at the 3rd GEF Assembly.
3. Establish an Indigenous Peoples Task Force to strongly and effectively engage the following unresolved issues:
  - a) Development of a policy regarding indigenous peoples that secures their rights to traditional lands and livelihoods and their right to free, prior and informed consent.
  - b) Revision of the GEF’s Monitoring and Evaluation Procedures to ensure the participation of indigenous communities and the use of traditional knowledge in GEF supported projects.
  - c) Elaboration of clear definitions of activities related to the strategic priority of “implementation of innovative and indigenous sustainable land management practices”.

These actions would be a cost effective and simple way to address the major issues of concern to indigenous peoples and would significantly strengthen the work of the GEF.

Finally, Mr. Chairman, we request that the decisions and documents from this Council Meeting be forwarded to the Secretariat of the United Nations Permanent Forum on Indigenous Issues, and we invite you to attend the next session of the Permanent Forum to meet directly with indigenous peoples’ representatives and begin a process of increased dialogue and cooperation.

Thank you.