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# GEF-UNIDO Cooperation

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UNU Tokyo

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## Presentation Outline

- > GEF Introduction (History - Mission – Characteristics – Organizational Structure)
- > UNIDO-GEF Focal Area Portfolio incl. Comparative Advantages
- > UNIDO-GEF Multi-Partnership Project
- > Co-Financing (Rationale, Baseline Project, Sources, Partners)



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## GEF-Global Environment Facility (1/3)

History:

Established in 1991

United Nations Conference on Environment and Development –  
Rio, Earth Summit, 1992

Replenishment of the GEF Trust Fund every 4 years, **since 1991 around \$ 16.32 billion**

Mission:

The Global Environment Facility (GEF) is a mechanism for international cooperation for the purpose of providing new, and additional, grant and concessional funding to meet the agreed incremental costs of measures to achieve agreed global environmental benefits (GEBs)



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## **GEF-Global Environment Facility (2/3)**

### **LINKS LOCAL WITH GLOBAL**

GEF advances sustainable development in individual nations while improving the global environment for all

### **COMPLEMENTS EXISTING AID PROGRAMS**

GEF is not a substitute for regular development finance

### **LEVERAGES ADDITIONAL INVESTMENT**

GEF seeks co-financing, replication, and follow-up investment: the trust fund cannot solve all global environmental problems!!



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## **GEF-Global Environment Facility (3/3)**

GEF links to the Global Environmental Conventions:

- Convention on **Biological Diversity (CBD)**
- Convention on **Climate Change (UNFCCC)**
- Stockholm Convention on **Persistent Organic Pollutants (POPs)**
- Convention on **Combating Desertification (UNCCD)**

The GEF collaborates closely with other treaties and agreements to reach common goals:

- International Waters**
- Montreal Protocol**

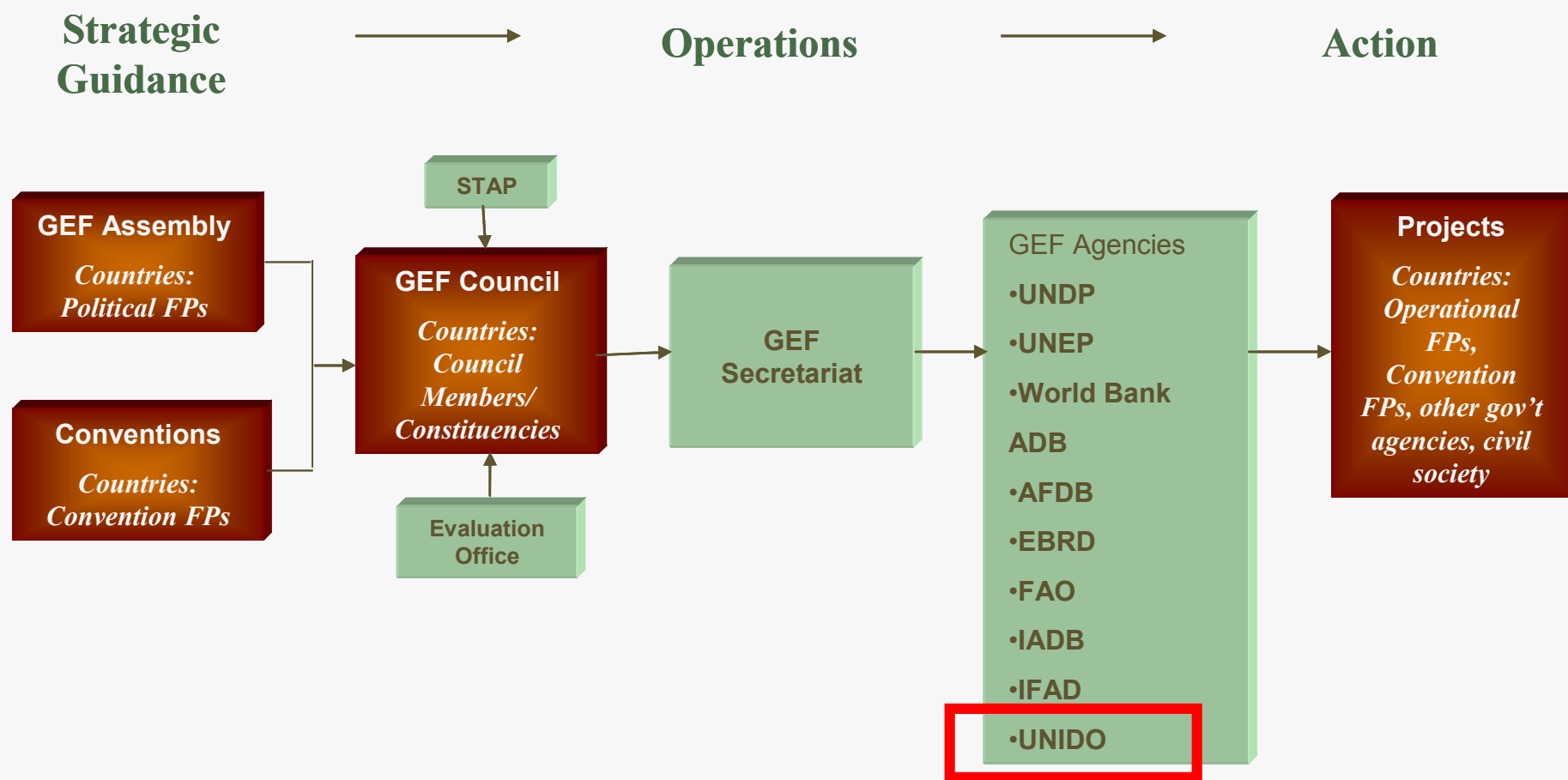


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## GEF-Organizational Structure





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## UNIDO-GEF Portfolio by Focal Area

(based on specific **Comparative Advantages of UNIDO**)

GEF Focal Area	Approved GEF Project Grants \$US (project and preparatory)	Project Co-Financing \$US
<b>International Waters*</b>	4,975,500	96,774,780
<b>Ozone Depleting Substances*</b>	5,955,000	12,550,000
Multi-focal Area*	42,644,900	105,470,129
<b>Climate Change (RE/EE)*</b>	125,998,371	585,587,270
<b>Persistent Organic Pollutants**</b>	175,762,589	369,590,678
<b>Grand Total</b>	<b>355,336,360</b>	<b>1,169,972,857</b>

\* Approved since 2006

\*\* Approved since 2000

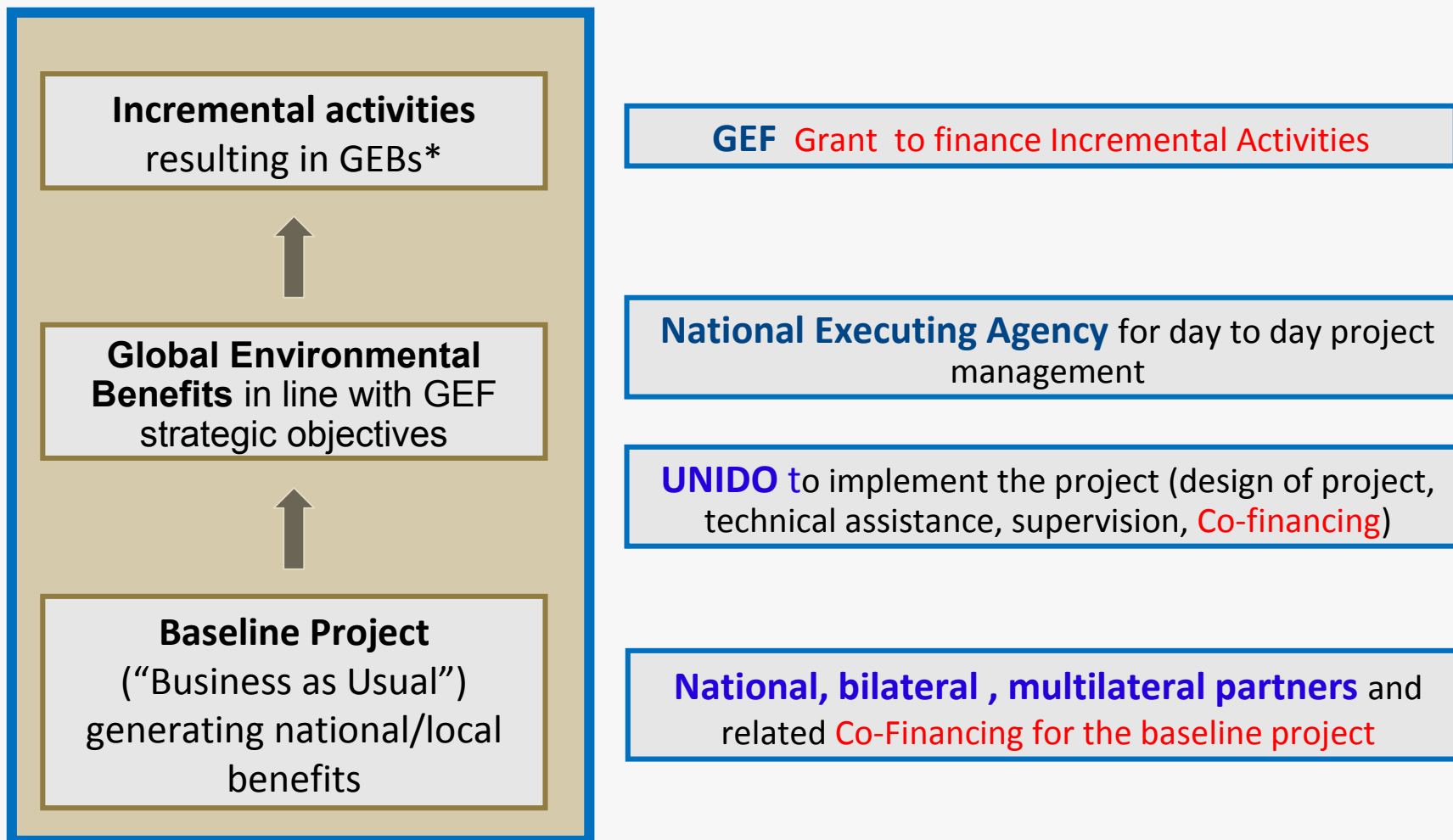


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## UNIDO-GEF Multi-Partner Project



\*Global Environmental Benefits





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## **UNIDO-GEF Multi-Partner Project – Baseline Project**

**Baseline project activities should be fully-funded and undertaken by the government and/or other partners and financing sources.**

Examples of **baseline activities** include:

- Government-endorsed **strategies and policies**;
- Government announced **investments in programs and infrastructure** (e.g., power plants)
- Legislative frameworks;
- Energy **development projects**, agricultural/area development projects, etc
- Transboundary accords, treaties and agreements; and
- International **funding lines from bilateral and multilateral agencies**.



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## UNIDO-GEF Multi-Partner Project – Sources/Kinds of Co-Financing

### Sources of Co-Financing

Co-financing can be provided from different sources:

(i) the **GEF Agency**; (ii) **governments**; (iii) **other multilateral agencies, bilateral development cooperation agencies**; (iv) the **private sector**; (v) **private foundations, civil society organizations**, and (v) **beneficiaries**.

### Kinds of Co-Financing

Co-financing could be employed through a variety of instruments: (i) **grants**; (ii) **credits**; (iii) **loans at concessional or market rates**; (iv) **equity investments**; and (v) others.



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## UNIDO-GEF Multi-Partner Project – Co-Financing Rationale

### Co-Financing – Providing Resources for the Baseline

- Is essential to ensure the **sound performance of the baseline project** and that the GEF incremental project is effective;
- Is an important indicator of the strength of the **commitment of the counterparts, beneficiaries, and GEF Agencies** to the projects;
- Helps **ensure the success and local acceptance of those projects by linking them to sustainable development**, and thereby maximizing their impacts and sustainability.



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## **UNIDO-GEF Multi-Partner Project – Potential Scenario with Japan**

### **JBIC/JICA/UNIDO (GEF Agency) jointly:**

Identify **priority regions (S.E. Asia / Africa)**

Assess planned **Japanese and Government investments / planned projects**

Verify **Baseline Project / Co-Financing** , e.g. in Cement and steel industry

### **UNIDO jointly with Japanese partners like NEDO/JICA:**

Verify potential **Global Environmental Benefits (e.g. GHG emission avoided)**

Prepare **feasibility studies and define incremental activities** (e.g. promoting investment into waste heat recovery technology, potential technology suppliers / private sector Kawasaki), policy related activities with JICA

**UNIDO prepares project document incl. budget for submission to GEF and upon approval implements** the project with the **Japanese and National Partners**

**(Ongoing discussions with JICA / NEDO in Senegal, India)**



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# THANK YOU

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