



CBD



**CONVENTION ON
BIOLOGICAL DIVERSITY**

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18 September 1996

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CONFERENCE OF THE PARTIES TO THE
CONVENTION ON BIOLOGICAL DIVERSITY
Third meeting
Buenos Aires, Argentina
4 to 15 November 1996

**SUBMISSIONS RECEIVED BY THE EXECUTIVE SECRETARY CONCERNING THE
“DRAFT MEMORANDUM OF UNDERSTANDING BETWEEN THE CONFERENCE OF THE
PARTIES TO THE CONVENTION ON BIOLOGICAL DIVERSITY AND THE COUNCIL OF
THE GLOBAL ENVIRONMENT FACILITY REGARDING THE INSTITUTIONAL
STRUCTURE OPERATING THE FINANCIAL MECHANISM OF THE CONVENTION”**

(Submissions have been reproduced as received by the Secretariat)

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ARGENTINA

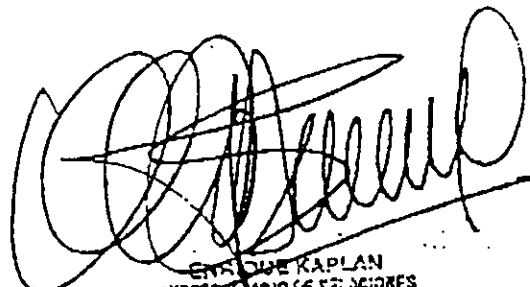
De mi consideración:

Tengo el agrado de dirigirme a usted en respuesta a su nota del 8 de enero próximo pasado referida al Borrador de Memorandum de Entendimiento sobre Estructura Institucional del Mecanismo Financiero - Convención sobre Diversidad Biológica.

Con respecto al punto 3.1. del mencionado borrador ("Comunicación"), se debería agregar a los ítems ya enumerados (a, b, c, d, e, f) otro ítem que contemple los criterios de seguimiento y evaluación de resultados (parámetros de éxito) en los programas.

Con respecto al resto de los puntos del borrador, esta Secretaría opina que los mismos están correctamente planteados.

Saludo a usted muy atentamente.



ENRIQUE KAPLAN
SECRETARIO DE RELACIONES
INSTITUCIONALES

AUSTRALIA



Dr Calestous Juma
Executive Secretary
Secretariat of the Convention on Biological Diversity
Office 630, World Trade Centre
Montreal

Telefax: 1-514-288.65.88

Dear Dr Juma

I write in reply to your letter of 5 January 1996, which sought our views on the draft memorandum of understanding (MOU) between the Conference of the Parties to the Convention on Biological Diversity and the Council of the Global Environment Facility, regarding the institutional structure operating the financial mechanism of the Convention.

We note that the text of the draft MOU attached to your letter is the same as that which Parties considered at the Jakarta Conference of the Parties.

Australia has taken a keen interest in the development of the MOU, particularly at the Conferences of the Parties in Nasau and in Jakarta, and through written comments to your Secretariat on a draft of the memorandum following the Nasau Conference. We have also contributed to the evolution of the document through the Council of the Global Environment Facility.

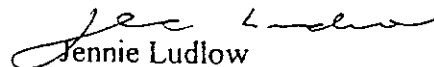
Australia was pleased with the draft version which the Secretariat prepared for the Conference of the Parties in Jakarta. We consider that the draft meets the requirements of the Convention in respect of its institutional structure to operate the financial mechanism.

We are of course mindful that the Jakarta Conference decided to continue consultations with Parties to ensure that all comments by the Parties are reflected in the final MOU. This followed interventions from representatives of the G77 to the

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effect that their comments on earlier drafts of the MOU had not been reflected in the version presented to the Conference of the Parties. We would be grateful if you would continue to consult with us on any changes to the MOU which might be made as a result of additional comments from Parties.

Yours sincerely



Jennie Ludlow

Director

Biodiversity Unit

19 February 1996

AUSTRIA

PERMANENT MISSION OF AUSTRIA
TO THE UNITED NATIONS OFFICE AND OTHER
INTERNATIONAL ORGANIZATIONS AT GENEVA

No. 200.320/2-76

The Permanent Mission of the Republic of Austria presents its compliments to the United Nations Environment Programme and has the honour to inform on the Memorandum of Understanding regarding the institutional structure operating the financial mechanism of the Convention on Biological Diversity as follows:

The Council of the Global Environment Facility (GEF) decided in summer 1995 unanimously to propose to the Conference of the Parties (COP) to the Convention on Biological Diversity the establishment of the GEF as a permanent financial mechanism of the Convention. Therefore the decision of the COP to continue to recognize the GEF as a provisional financial mechanism is seen as not conducive to the idea of global environmental protection and is difficult to understand. Should a decision by the COP in favour of the GEF as the financial mechanism of the Convention be delayed any further it is likely that the GEF will be equipped with considerably less financial means in the course of its second replenishment. It seems unrealistic at the moment to assume that additional resources can be put at the disposal of the Convention by other financial mechanisms.

The Permanent Mission of Austria avails itself of this opportunity to renew to the United Nations Environment Programme the assurance of its highest consideration.

Geneva, 6 May 1996

/...

BHUTAN



འབྲུག་རྒྱལ་ཁབ་འཕེལ་རྒྱུ་ལྷན་ཁག་།

National Environment Commission
Royal Government of Bhutan
THIMPHU/BHUTAN

Tele. No. : 23384
Fax No. : 23385

NEC/RTA/CBD/3 032

19 January, 1996

To

Caestous Juma
Executive Secretary

Fax: (41 - 22) 797 - 2512

I have no comments on the "Draft Memorandum of Understanding Between the Conference of the Parties to the Convention on Biological Diversity and The Council of the Global Environment Facility Regarding the Institutional Structure Operating the Financial Mechanism of the Convention."

I wish you a good further consultations with the Secretariat of the Global Environment Facility.

Yours Sincerely,

A handwritten signature in black ink, appearing to be 'Dasho Paljor J. Dorji', written over a faint circular stamp.

(Dasho Paljor J. Dorji)
Deputy Minister for Environment

COLOMBIA



Despacho del Viceministro

Santafé de Bogotá, 5 MAR. 1993

03/03/93

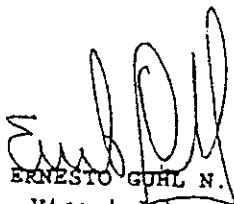
Señor
CALESTOUS JUMA
Secretario Ejecutivo
Secretaría de la Convención sobre Biodiversidad
Montréal, Quebec
CANADA
FAX (514)-288-6588

Apreciado Señor Juma:

Adjunto me permito enviar los comentarios del gobierno colombiano al documento UNEP/CBD/COP/2/9 referente a las "Guías para la evaluación de la efectividad del mecanismo financiero del Convenio de Biodiversidad" así como los comentarios al borrador del memorando de entendimiento entre la Conferencia de las Partes y el Consejo del GEF.

Espero que lo anterior contribuya al fortalecimiento de los objetivos del Convenio.

Cordialmente,


ERNESTO GUHL N.
Viceministro

II. COMENTARIOS AL BORRADOR DEL MEMORANDO DE ENTENDIMIENTO ENTRE LA CONFERENCIA DE LAS PARTES DEL CONVENIO DE BIODIVERSIDAD Y EL CONSEJO DEL FONDO PARA EL MEDIO AMBIENTE MUNDIAL CON RESPECTO A LA ESTRUCTURA INSTITUCIONAL ENCARGADA DEL FUNCIONAMIENTO DEL MECANISMO FINANCIERO DEL CONVENIO.

El gobierno colombiano considera que la primera frase del párrafo 5.2 del borrador del memorando de entendimiento debe modificarse de la siguiente manera:

"The funding decisions for specific projects should be shared between the developing country Party concerned and the ... in conformity with policy guidance, strategy, programme priorities and eligibility criteria established by the Conference of the Parties."

CZECH REPUBLIC

As a result of consultations ~~with~~ specialists we send you some comments on background documents of the Secretariat.

Re: Views of Parties on the Draft Memorandum of Understanding between the Conference of the Parties to the Convention on Biological Diversity and the Council of the Global Environment Facility ...

Re: Guidelines of the Review of the Effectiveness of the Financial Mechanism of the Convention on Biological Diversity

- We welcome the Memorandum of Understanding between the Conference of the Parties to CBD and the Council of GEF, which forms conditions for a better information and cooperation, thanks to proposed communication to the Conference of the Parties, reciprocal representation in the meetings and intersecretariat cooperation.

- We support the Biodiversity Protection Programmes funded through GEF and running in selected countries, including countries with economy in transition. We fully recommend their continuation in cases where they proof good results and effectiveness.

- We welcome financial assistance offered through GEF for preparation of national reports, strategies, plans and programmes.

- We recognize an important role the Executive Secretary should play in identification of additional financial resources and of institutions which activities may be supportive of the Convention.

GERMANY

1. "Memorandum of Understanding"
between the COP and the Council of the GEF
regarding the institutional structure operating the
financial mechanism of the Convention

As expressed by the German Delegation at the second meeting of the CoP Germany appreciates the Secretariat's valuable work on the MoU that also got the agreement of the GEF-council in its meeting in July 1995. In our view it is important to have an appropriate arrangement that forms a sound basis for a good relationship between the two bodies. We appreciate the way the MoU makes that clear distinction between the role of the CoP in providing policy guidance and the institutional structure's responsibility for operational activities. So Germany confirms its willingness to endorse the proposal of a MoU as it was presented at CoP 2.

In case the MoU is not acceptable for most of the parties and the whole MoU would have to be renegotiated Germany would also have to start to modify the text. We would then support most of the proposals sent by France to the secretariat on February, 14. However in order to avoid a new negotiating process Germany prefers to stick to the present version of the MoU.

GREECE


Dear Sir,

We are in favour of the negotiated Memorandum of Understanding between the Conference of the Parties to the Convention on Biological Diversity and the Council of Global Environmental Facility, on the basis of which the latter accepts the responsibility to serve as a financial mechanism for the implementation of the Convention. The assignment of this task to an already existing international body (GEF) contributes to the most efficient use of the limited international funds available since the need for the establishment of an additional international body and the associated cost is thus avoided.

The memorandum practically grants full control of all relevant activities to the Conference of the Parties to the CBD, which determines the policy, strategy, programme priorities, eligibility criteria for funding programmes and activities, and monitors and evaluates at regular intervals the work of the Global Environmental Facility.

The whole agreement is in line with the new trend for more integration of the internationally supported activities, which leads to the most cost-effective use of funds by avoiding duplication of effort by the various organizations active on similar fields. This integration is favoured in Greece, in the European Union and in other international groups which seem reluctant to fund new international organizations or activities until economies through better coordination and integration are achieved. To this end further collaboration with FAO, CGIAR, IPGRI, IUCN, MAB is welcomed and expected in the near future.

Sincerely yours,


N. Stavropoulos
Curator of the GGB
Nation. PGR Coordinator

cc: Embassy of Greece in Rome
Min. of Agric. - Dir. Agric. Policy/ Dir. Envir
-NAGREF

HUNGARY



MINISTRY for the ENVIRONMENT and REGIONAL POLICY
NATIONAL AUTHORITY for NATURE CONSERVATION

Budapest, Költő u. 21. H-1121. Phone:36-1-1562133 Fax:36-1-1757-457



Dr. Calestous Juma
Executive Secretary

Secretariat of the Convention on Biological Diversity
World Trade Center
413 St. Jacques Street, Office 630
Montreal, Québec, Canada H2Y 1N9

Telefax: 1 514 288 65 88

Dear Dr. Juma,

Re: Draft Memorandum of Understanding between
the COP to the CBD and the Council of the GEF
regarding the Institutional Structure Operating
the Financial Mechanism of the Convention

Thank you for sending on 8th January 1996 the Draft Memorandum
of Understanding.

I would like to inform you that it is unnecessary for my country
to add any comment, I approve the text of the Draft.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Nechay Gábor'.

Gábor Nechay
Senior Counsellor

/...

INDIA

तार :

Telegram : PARYAVARAN,
NEW DELHI

दूरभाष !

Telephone :

टेलिग्राम (द्विभाषीय) :

Telex : (bi-lingual) : W-66185 DOE IN

FAX : 4360678

भारत सरकार

पर्यावरण एवं वन मंत्रालय

GOVERNMENT OF INDIA

MINISTRY OF ENVIRONMENT & FORESTS

पर्यावरण भवन जी. जी. ओ. कॉम्प्लेक्स

PARYAVARAN BHAWAN, C.G.O. COMPLEX

लोदी रोड, नई दिल्ली-110003

LODHI ROAD, NEW DELHI-110003

MS A.K.Ahuja
Joint Secretary

D.O.No. J 22018/13/96 - CSC (BC)

Dear Dr Juma,

February 29, 1996

SUB: Views of Parties on the Draft Memorandum of Understanding Between the Conference of the Parties to the Convention on Biological diversity and the Council of the Global Environmental Facility regarding the Institutional structure operating the Financial Mechanism of the Convention.

Please refer to the communication from the Secretariat dated 8 January, 1996 on the subject mentioned above. We have carefully gone through the draft MOU and our views / suggestions are enclosed.

With regards,

Sincerely,

(A.K.Ahuja)

COMMENTS

Preamble

paragraph 4 (page 1): The last sentence of this paragraph which was under brackets be deleted and at the end "on an interim basis", may be added as decided in the second meeting of the Conference of Parties.

Reporting

paragraph 4.1 (page 2): We suggest the following formulation under this paragraph:

"The Council will prepare and submit annual reports to the Secretariat of the Convention. The Council will also prepare and submit a report for each ordinary meeting of the Conference of the Parties. The Conference of the Parties will review each such report at the earliest opportunity".

Monitoring and evaluation

paragraph 5.3 (page 3): The word "actions" in the third line of this paragraph may be replaced with "decisions".

Joint determination of the aggregate GEF funding requirements

paragraph 6 (page 3): We suggest the following formulation under this paragraph:

"The Secretariat of the Convention and the Council will jointly determine the aggregate GEF funding requirements for the purpose of the Convention, fully taking into account the directions given by the Conference of Parties from time to time to ensure predictability, adequacy and timely flow of funding".



INDONESIA

MINISTRY OF STATE FOR ENVIRONMENT
REPUBLIC OF INDONESIA
Merdeka Barat 15, Jakarta 10110

Dr. Calestous Juma
Executive Secretary of the
Convention on Biological Diversity
World Trade Centre
413 St. Jacques Street, Office 630
Montreal, Quebec, Canada H2Y 1N9
Fax#: +1-514-288 65 88

Dear Dr. Juma,

Re: View of Parties on the Draft MOU between the COP-CBD
and the Council of the GEF regarding the Institutional
Structure Operating the Financial Mechanism of the
Convention

I would like to thank you for your letter of 8 January 1996 to our Permanent Mission in Geneva concerning the above subject. Referring to the letter, I would like to share our view and comments to the draft MOU as follows:

1. Referring to the Report of the Second Meeting of the Conference of the Parties to the Convention on Biological Diversity, the Financial Resource Mechanism has been adopted in Decision II/6. Among others, the Decision II/6 decide that the restructured GEF shall continue to serve as institutional structure to operate the financial mechanism under the Convention interim basis.
2. To the draft MOU, we feel that it has already accommodated our interest and acceptable to be carried out as soon as possible. The delay of the signing would postpone the implementation of urgent activities of the CBD.

We do hope that the MOU would be ready soon, and the financial mechanism of the convention could be operated immediately to foster the implementation of the Convention.

I thank you for your attention and cooperation.

Sincerely,

A handwritten signature in black ink, appearing to read 'Aca Sugandhy', written over a horizontal line.

Aca Sugandhy,
Assistant Minister for Policy Development,
Ministry of Environment

Cc.: H.E. Minister of State for Environment (as a report).

Dear Dr. Juma,

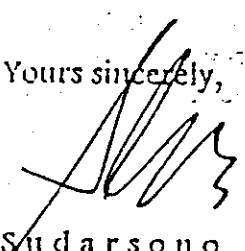
With reference to your letter dated 8 January 1996 on the above mentioned subject, I am delighted to inform you that my Government in general supports the Draft Memorandum of Understanding Between (MOU) the Conference of the Parties to the Convention on Biological Diversity (COP CBD) and the Council of the Global Environment Facility (GEF) Regarding the Institutional Structure of the Financial Mechanism of the Convention.

However, we kindly request your attention to the Article 6 of the Draft MOU as follow:

"As regard to this article, we suggest that the rights and duties of parties be clarified in accordance with parties representing developed countries, developing countries, and regional groups."

Thank you for your attention and cooperation.

Yours sincerely,


Sudarsono
Secretary
State Ministry of Environment

Cc.

1. H.E. Sarwono Kusumaatmadja
State Minister of Environment
Republic of Indonesia
2. Mr. Aca Sugandhy
Assitant Minister
State Ministry of Environment
3. Mr. Soemadi Brotodiningrat
Director General of Foreign Economic Cooperation
Department of Foreign Affairs
4. Mr. Agus Tarmidzi
Indonesian Ambassador / Permanent Representative to UN in Geneva

NIGER

LL/AZ
REPUBLIQUE DU NIGER

Niamey, le 15 FEV. 1996

CONSEIL DE SALUT NATIONAL

MINISTERE DES RELATIONS EXTERIEURES

DIRECTION DES AFFAIRES JURIDIQUES
ET CONSULAIRES

N° 01039 /MRE/DAJG

Le Ministère des Relations Extérieures de la République du Niger présente ses compliments au Secrétariat Exécutif de la Convention sur la Diversité Biologique et en référence à sa lettre datée du 08 janvier 1996, a l'honneur de l'informer que le projet de mémorandum d'Accord entre la Conférence des Parties à la Convention sur la Diversité Biologique et le Conseil du Fonds pour l'Environnement Mondial, n'appelle aucune observation de la part des autorités compétentes nigériennes.

Le Ministère des Relations Extérieures de la République du Niger saisit cette occasion pour renouveler au Secrétariat de la Convention sur la Diversité Biologique les assurances de sa haute considération. *bx*

SECRETARIAT EXECUTIF DE
LA CONVENTION SUR LA DIVERSITE
BIOLOGIQUE

G E N E V E



/...

NORWAY



MINISTRY OF ENVIRONMENT

OFFICE: MYNTGATA 2 - TELEPHONE NO. 47.22 24 90 90 - TELEFAX NO. 47.22 24 95 60 - TELEX NO. 21480 env n
POSTAL ADDRESS: P.O.BOX 8013 DEP., N-0030 OSLO, NORWAY

Dr. Calestous Juma
Executive Secretary
Secretariat of the Convention on Biological Diversity
World Trade Centre
413 St. Jaques Street, Office 630
Montreal, Quebec, Canada H2Y 1N9

Your ref.

Our ref.
94/4137- iab

**Re: Norwegian views on the Draft Memorandum of
Understanding Between the Conference of the Parties to the
Convention on Biological Diversity and the Council of the
Global Environment Facility Regarding the Institutional
Structure Operating the Financial Mechanism of the
Convention**

Dear Dr. Juma

Reference is made to your letter of 8. January 1996 requesting views on the above mentioned MOU.

Norway has on earlier occasions provided our views on the MOU, both in the CBD and GEF. Bearing in mind the need to strike a balance between all relevant considerations, we accepted the present wording of the MOU when it was put before the GEF council in October last year.

Consequently, we regard the present text as an acceptable compromise. However, since there will now be a new round of consultations between the two Secretariats on the draft MOU, I would like to refer to our principle views, as presented in a letter of 30 January 1995 from the Ministry of Foreign Affairs to the CBD Secretariat (for easy reference, please find attached a copy of the letter). These views are still valid as the preferred options.

/...

With regard to paragraph 5.2.in the present text, an alternative to deleting the paragraph altogether will be to delete only the last sentence of the paragraph.

Sincerely yours



Ivar A. Baste
Act. Deputy Director General

cc:

GEF Secretariat, The World Bank, Head quarters, Washington DC
20433, USA

Ministry of Foreign Affairs

PAKISTAN

Gram: ENVIRONMENT
Telex: 54434 EUA PK
Fax: 812211
Post Code: 44000

No. 2(12)/95-E-V
GOVERNMENT OF PAKISTAN
Ministry of Environment, Urban Affairs,
Forestry and Wildlife



Islamabad: February 29, 1996.

FAX MESSAGE

Section Officer
PA: 827954

SUBJECT:- VIEWS OF PARTIES ON THE DRAFT MEMORANDUM OF UNDERSTANDING BETWEEN THE CONFERENCE OF THE PARTIES TO THE CONVENTION ON BIOLOGICAL DIVERSITY AND THE COUNCIL OF THE GLOBAL ENVIRONMENT FACILITY REGARDING THE INSTITUTIONAL STRUCTURE OPERATING THE FINANCIAL MECHANISM OF THE CONVENTION.

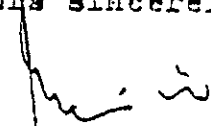
The undersigned is directed to refer to CBD Secretariat's letter of 8th January, 1996 on the captioned subject. The following comments derive from a feeling that the ultimate control of the process should be in the hands of the Conference of the Parties and not that of the GEF.

2. Our main recommendation is that the monitoring and evaluation provision should be strengthened and given greater specificity. To this end, a provision for a periodic independent review of GEF, with the involvement of major groups should be included explicitly as an independent sub paragraph in paragraph 3.1.

3. Furthermore, paragraph 5.2 on monitoring and evaluation does not provide a recourse to the Conference of the Parties if the GEF does not carry out its instructions properly. It only empowers the Conference to ask for a clarification of decisions on specific projects, followed if appropriate by a request for reconsideration. We suggest that this provision be strengthened to enable the Conference to over rule the GEF on such matters.

With best regards,

Yours sincerely,



(AMJAD HUSSAIN)

Dr. Galestous Juma
Executive Secretary
Secretariat of the Convention on
Biological Diversity
World Trade Centre
413 St. Jacques Street,
Office 630
Montreal, Quebec Canada H4T 1A9
Fax: 1-514-288-65-88

RÉPUBLIQUE FRANÇAISE

**Objet : Commentaires de la France relatifs au projets de Mémoire d'accord
entre la Conférence des Parties à la CDB et le Conseil du FEM
(document diffusé par le Secrétariat de la CDB le 8 janvier 1996)**

La France souhaite que les propositions d'amendement ci-dessous puissent être reflétées dans une nouvelle version du Mémoire d'accord :

☛ **Paragraphe 2, "Objet"**

→ Remplacer la première partie de la phrase ("Le présent mémoire [...] et le Conseil [...] par "Le présent mémoire d'accord a pour objet de fixer les dispositions ayant trait aux relations entre la Conférence des Parties et le Conseil [...]").

☛ **Paragraphe 3, "Communications"**

→ Remplacer la dernière phrase du paragraphe 3.1 et les sous-paragraphes a) à f) par

"A cette fin, la Conférence des Parties communiquera au Conseil ses décisions et, le cas échéant, ses décisions révisées relatives au paragraphe 1 de l'article 21 de la Convention".

→ Remplacer le paragraphe 3.2. par

"Le conseil fournira à la Conférence des Parties toutes les informations pertinentes, y compris sur les projets intéressant la diversité biologique qui sont financés par le Fonds hors du cadre du mécanisme financier de la Convention et sur les cofinancements obtenus auprès d'autres bailleurs bi et multilatéraux".

☞ **Paragraphe 4 "Communication des rapports"**

→ Remplacer le paragraphe 4.2 par

"Le rapport doit contenir des informations précises sur la façon dont le Fonds a pris en compte, dans ses activités relevant de la Convention, la politique générale, la stratégie, les priorités du programme et les critères d'éligibilité définis par la Conférence des Parties".

☞ **Paragraphe 5 "Suivi et évaluation"**

→ Supprimer les deux dernières phrases du paragraphe 5.2, soit "Si une partie estime..." jusqu'à "sa position".

☞ **Paragraphe 6 "Détermination conjointe de l'ensemble des besoins de financement du Fonds"**

→ La France émet une réserve générale sur ce paragraphe et rappelle qu'elle a accompagné sa signature et sa ratification de la Convention par une déclaration interprétative spécifiant qu' "aucune disposition de la convention n'autorise la Conférence des Parties à prendre des décisions relatives au montant, à la nature ou à la fréquence des contributions des Parties à la convention".

→ Elle demande donc la suppression du paragraphe 6.

Le Chef du Service des Affaires
Internationales par intérim



Mauricette STEINFELDER

SPAIN



cjuma.gef

Ministerio de Economía y Hacienda
Secretaría de Estado de Economía
Dirección General de Economía Internacional y Transacciones Exteriores

Subdirección General de
Economía Internacional

Madrid, february 21, 1996

*Mr. Calestous Juma
Executive Secretary
Convention on Biological Diversity
Geneva*

Dear Mr. Juma:

Regarding the Draft Memorandum of Understanding Between the Conference of the Parties to the Convention on Biological Diversity and the Council of the Global Environment Facility, I am pleased to inform you that this Department has no objection to the understanding reached by the Conference of the Parties and the Council of the GEF.

We agree on the terms established in the Memorandum of Understanding about Communication (guidance given to the GEF on the policy, strategy, programme priorities and eligibility criteria for access to and utilization of financial resources available through the financial mechanism), Reporting by the GEF to the Conference of the Parties, and Mechanisms of monitoring and evaluation.

Also, we support the joint determination of the aggregate GEF funding requirements for the purpose of the Convention.

In conclusion, we believe this Memorandum of Understanding constitutes an important step towards GEF operating the financial mechanism of the Convention.

Sincerely,

Alicia Montalvo

*Alicia Montalvo
Subdirectora General*

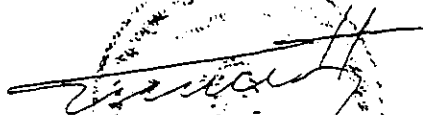
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TCHAD

En réponse à votre lettre du 8 Janvier 1996 relative aux "vue des Parties sur le mémorandum d'accord entre la Conférence des Parties à la Convention sur la diversité biologique et le Conseil du Fonds pour l'environnement mondial au sujet de la structure institutionnelle qui régit le mécanisme financier de la Convention", j'ai l'honneur de porter à votre connaissance que le Tchad n'a pas de commentaires et d'observations particuliers à faire sur le document sus-mentionné soumis à son appréciation.

Nous souhaitons par conséquent que les négociations et les consultations avec le Secrétariat du Fonds pour l'environnement puissent déboucher sur des solutions satisfaisantes pour nous, pays en développement.

Veillez croire Monsieur le Secrétaire Exécutif, à l'assurance de ma considération distinguée.


ALI NGARAM

UGANDA

**RE: VIEWS OF PARTIES ON THE DRAFT MEMORANDUM OF UNDERSTANDING
BETWEEN THE CONFERENCE OF THE PARTIES TO THE CONVENTION ON
BIOLOGICAL DIVERSITY AND THE COUNCIL OF THE GLOBAL ENVIRONMENT
FACILITY REGARDING THE INSTITUTIONAL STRUCTURE OPERATING THE
FINANCIAL MECHANISM OF THE CONVENTION**

I wish to refer to your letter of 8th January, 1996 in which you requested for comments on the above subject.

Whereas in general, the Draft Memorandum of Understanding seems acceptable, I wish to point out that Parties to the Convention on Biological Diversity, at their second meeting, decided (ref. Decision II/6) "that the restructured Global Environment Facility shall continue to serve as the institutional structure to operate the financial mechanism under the Convention on the interim basis, in accordance with Article 39 of the Convention, until a decision will be taken on which institutional structure is to be designated in accordance with Article 21 of the Convention. Further, Decision II/6 states that "the Conference of the Parties shall endeavour to make such a decision at its third meeting."

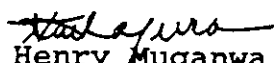
The Draft Memorandum of Understanding, as it is drafted now, has not taken into account the above decision.

The following specific issues should be addressed:-

- i. Paragraph four of the Preamble should recognize the fact that the GEF financial mechanism is only an interim arrangement until the third Conference of the Parties decides otherwise,
- ii. Under section 5.2 on Monitoring and Evaluation, it is not clear as to what will happen to an ongoing project, which is receiving funding from GEF in the event that the Conference of the Parties considers that such a project does not comply with the Policies, programme, priorities and eligibility criteria established by the Conference of the Parties. Will the disbursement of funds to the Project be stopped; and what would be the likely consequences?; and
- iii. Under section seven on reciprocal representation, it is not clear who the representatives of the Convention in GEF meetings are. The Bureau of the Conference of the Parties should also be invited to attend the meetings of GEF, since it represents Party members from all geographical and political regions.

I hope you will find these comments useful.

Yours faithfully,


Henry Muganwa Kajura
M I N I S T E R

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2 February 1996

Dear Calestous

DRAFT MOU BETWEEN BIODIVERSITY CONVENTION AND GEF

Thank you for your letter of 8 January seeking comments on the draft Memorandum of Understanding between the Conference of Parties to the Biodiversity Convention and the GEF Council regarding the institutional structure operating the financial mechanism of the Convention.

As the text appears to be identical to the document approved by the GEF Council and supported by the UK at the second COP in Jakarta, we are broadly content with it as it stands. However, we would want to see the draft again should other Parties propose amendments.

*Yours sincerely
Pete Unwin*

P UNWIN
Head of Environment Protection International

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UNITED STATES OF AMERICA



United States Department of State

*Bureau of Oceans and International
Environmental and Scientific Affairs*

Washington, D.C. 20520

Dr. Calestous Juma
Executive Secretary
Secretariat of the Convention on
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Dear Dr. Juma:

I am writing in response to your request of January 5, 1996 for comments from the Participants in the Second Conference of Parties on the development of guidelines for the review of the effectiveness of the Convention's Financial Mechanism (Decision 2/6, paragraph 3).

The United States considers that the effectiveness of the Convention will ultimately be determined by the domestic policy choices of individual States in response to their obligations as Parties to the Convention. The financial and technical assistance provided under the Convention may be useful, but cannot substitute for the necessary political will required for each Party to fulfill its obligations.

The Parties have the responsibility to ensure that the Convention's Financial Mechanism functions as efficiently and effectively as possible. The Global Environment Facility (GEF), as the institutional structure charged with the operation of the Financial Mechanism, is under the close supervision of the Conference of Parties, as well as of its own Council. A full review of the effectiveness of the Financial Mechanism should thus concentrate not only on the reports provided by the GEF and the Executive Secretariat's evaluation

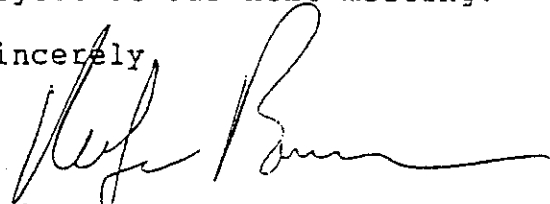
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as requested by the Conference of the Parties, but also on issues over which the Conference of Parties has direct control. Those include the Parties' experience with the development of policy guidance; also valuable would be an assessment of the ultimate usefulness of the Parties' policy guidance for operations.

Conclusions of the Parties, such as the decision not to endorse the GEF on a permanent basis, should be reviewed for their impact on short-term operations and the long-term viability of the Financial Mechanism. The implications of the existing division of responsibilities between the political-level Conference of Parties and the projects-level Institutional Structure should also be examined. With regard to the draft Memorandum of Understanding between the Conference of the Parties and the GEF Council, the United States continues to find the draft as presented to the second Conference of the Parties acceptable in light of its prior review by the Council.

The review of the effectiveness of the Financial Mechanism offers an opportunity for a sober assessment of how best to achieve the objectives of the Convention. I look forward to a productive discussion of this subject at our next meeting.

Sincerely,



Rafe Pomerance
Deputy Assistant Secretary for
Environment and Development

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