



The French Global Environment Facility : an instrument for sustainable development and global environment

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1. Historical and conceptual framework

Sustainable development reflects the willingness of people for a better quality of life nowadays and for the future without destroying basis of their life on the planet. 6 billion inhabitants in 1999 and 9 billion in 2050.

Economical, environmental, social, and cultural issues interact. It concerns relationship between developed and developing countries.

“ If humanity would consume as much as northern countries it will be necessary to have two supplementary planets to face our needs ”

President J.Chirac, Johannesburg, September 2002.

Numerous environmental multilateral agreements or protocols: Vienna C., Ramsar C., UNFCCC, BDC, CCDD, Stockholm C. Protocols

The FGEF and the GEF are financial instruments created in 1994 after the UN Earth Summit at Rio in 1992

Industrialized countries provide new and additional resources to help developing countries and countries in transition to face the threats on global environment.

Global environmental issues

Global environment refers to following main threats to the planet:

a- loss of biodiversity :

- net losses of forests between 1990 and 2000: 94 million ha (2,4 % world forest)
- 1/3 coral reefs are threatened with disappearance up to 2010 or 2020 (UNEP).

⇒ Biodiversity C. 1992.

b- Climate changes comes from GHG emissions

- increase of sea level, changes in rainfall : consequences for health, agriculture, forests, water resources , corals, biodiversity...
- increase of surface earth t° from 1,4 to 5,8°C from 1990 to 2100 with increase of sea level from 9 to 88 centimeters; extreme climatic events (droughts , typhoons, ...) more frequently (IPCC 3trd report 2001)

⇒ UNFCCC 1992, Kyoto Protocol 1997

c- Depletion of the stratospheric ozone layer (UV-B)

Chlorofluorocarbons (CFC), halons, methyl bromide .. Which were human advantages (refrigeration, aerosols, foams, agriculture) and now are threats:

eyes diseases, skin cancers, less phytoplankton (fishing losses) but also materials (plastics...) ...(UNEP)

⇒ Vienna C.1986

Multilateral fund of Montreal set in 1987 provide resources to developing countries since 1991 (elimination and replacement of CFC by substitutes, HCFC then HFC)

d- degradation of earth and sea, local and international, waters:

- 1,4 billion inhabitants have no access to drinking water and 2,3 billion have no sewage facilities : public health problem
 - 263 rivers, transboundary lakes and hundred aquifers include more than 1/2 world population: competition problem
 - lack of irrigation or drainage and soil salinity :
led to water stress and conflicts
 - pollution of fresh surface and ground water due to industrial and agriculture activities
 - sea pollution from earth human activities **(75%world pop. will live in a strip 60 km from the sea, by 2020)** or shipping activities
 - decreasing of fish resources...
- ⇒ Water world summits, Marpol...

e- Land degradation, deforestation and desertification

they impact on climate, natural resources and economies (agriculture income) and have consequences on human migration

CCD 1992

f- persistent organic pollutants

pesticides, industrial chemicals (DDT, PCB), by-pass chemical products (dioxins...), 12 substances very dangerous, long life and moving into ground and water, sometimes on long distance.

POP are absorbed by living organisms and accumulated in food chains .

⇒ Stockholm C.2001...

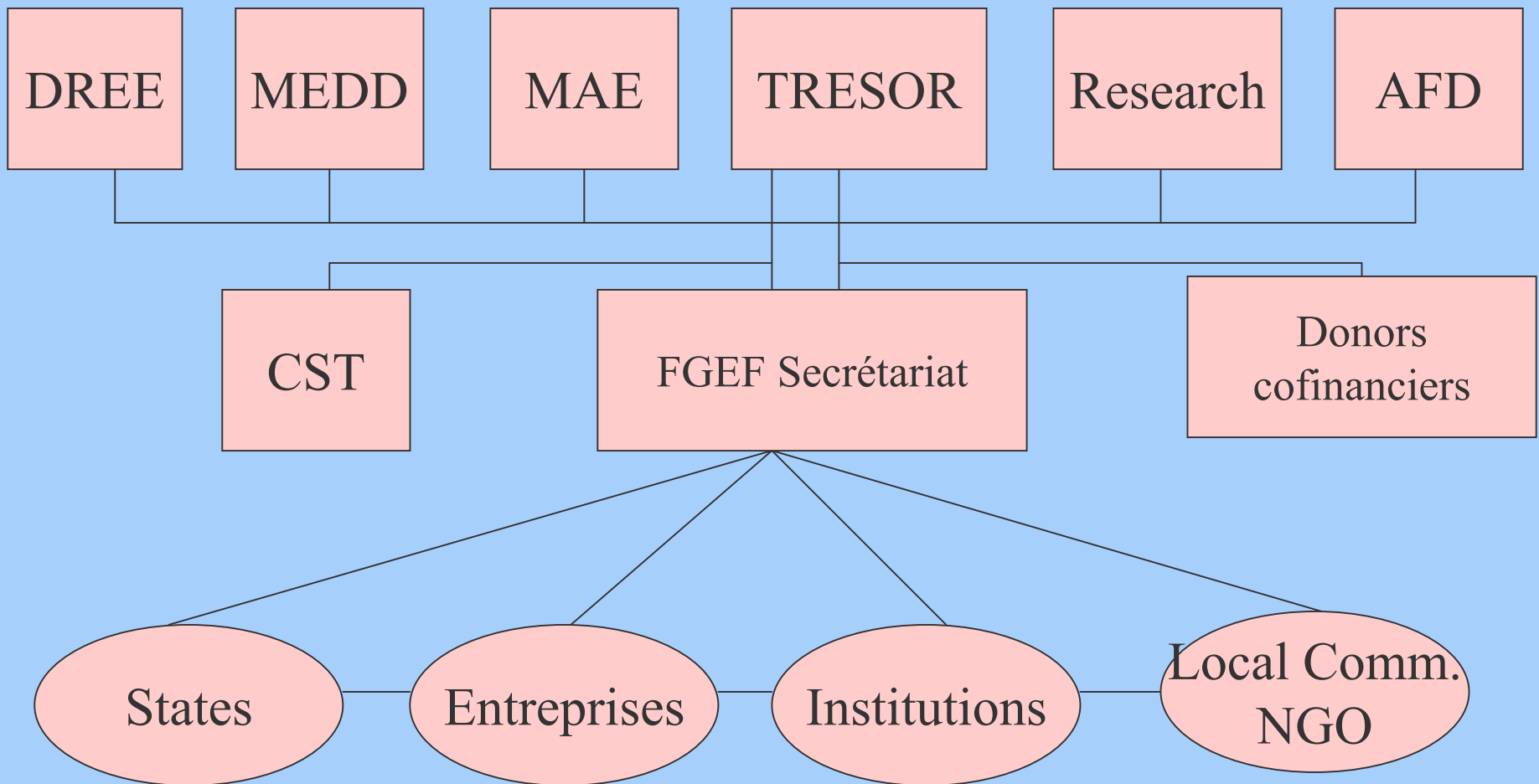
2. FGEF goals

⇒ **To address threats**

Why a bilateral fund and a multilateral fund ?

- **to finance global environment protection (additionally) in local and regional development projects; co-financing**
- **to address geographical policy priorities of French aid: Mediterranean and African countries**
- **to promote multi partnerships arrangements:** research, institutions and enterprises, local communities, NGOs...

FGEF partners



3. FGEF financial resources and actions

Governments resources :

⇒ **FGEF**: 191M€ from 1994 to 2006: **17 M€/year** and **climate change (CC) projects for 6 M€/year**

⇒ multilateral funding (GEF:41M€/y - CC:13M€/y) and bilateral (AfD- CC:70M€/y; MAE - CC: 3,5 M€; Dree - CC:55M€/y; Ademe: 1,4 M€...).

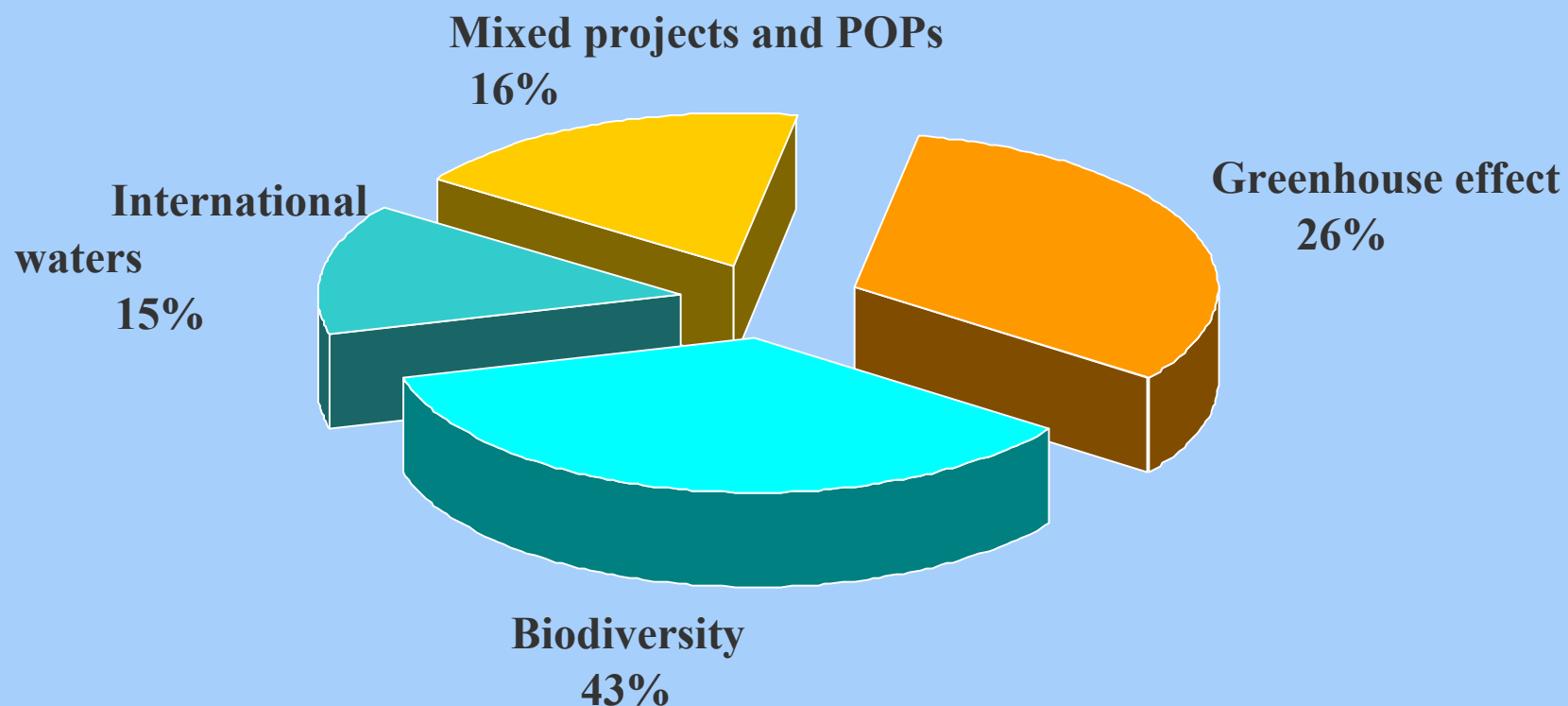
⇒ Total: **150 M€/ year** (excl. European development fund)

FGEF projects portfolio from 1994 to 2002 :

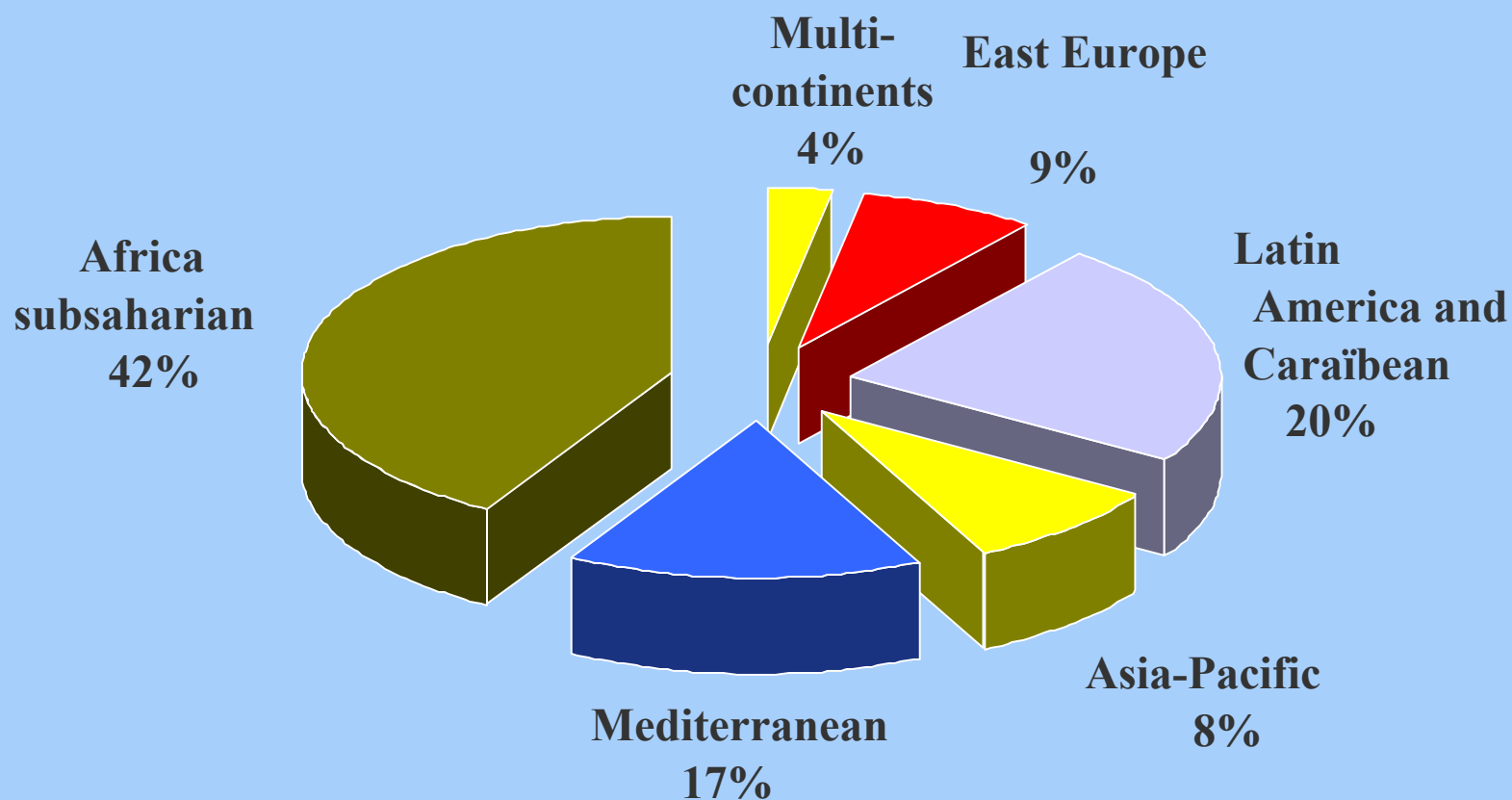
- 106 projects
- 116 M€ grants

Average project size < 5 M€ from which FGEF finances 1.1M€, i.e. medium size projects

Potfolio breakdown by focal areas



Portfolio breakdown by geographical areas



FGEF eligibility criteria

Projects must have the following criteria:

- contribute to global environment protection
- contribute to local or regional development
- economic/financial sustainability
- **innovative from a technical, institutional, economical points of view**
- ecological sustainability
- cultural and social acceptability
- **demonstrative and replicable**
- **institutional** framework and existing owner
- cofinancing no less than 50 %

FGEF eligibility criteria :

- capacity building programs are eligible if they are component of a development project
- costs of recurrent activities or running costs of institutions or entities are not financed by the FGEF

➤ **FGEF and the greenhouse effect**

Framework and objectives :

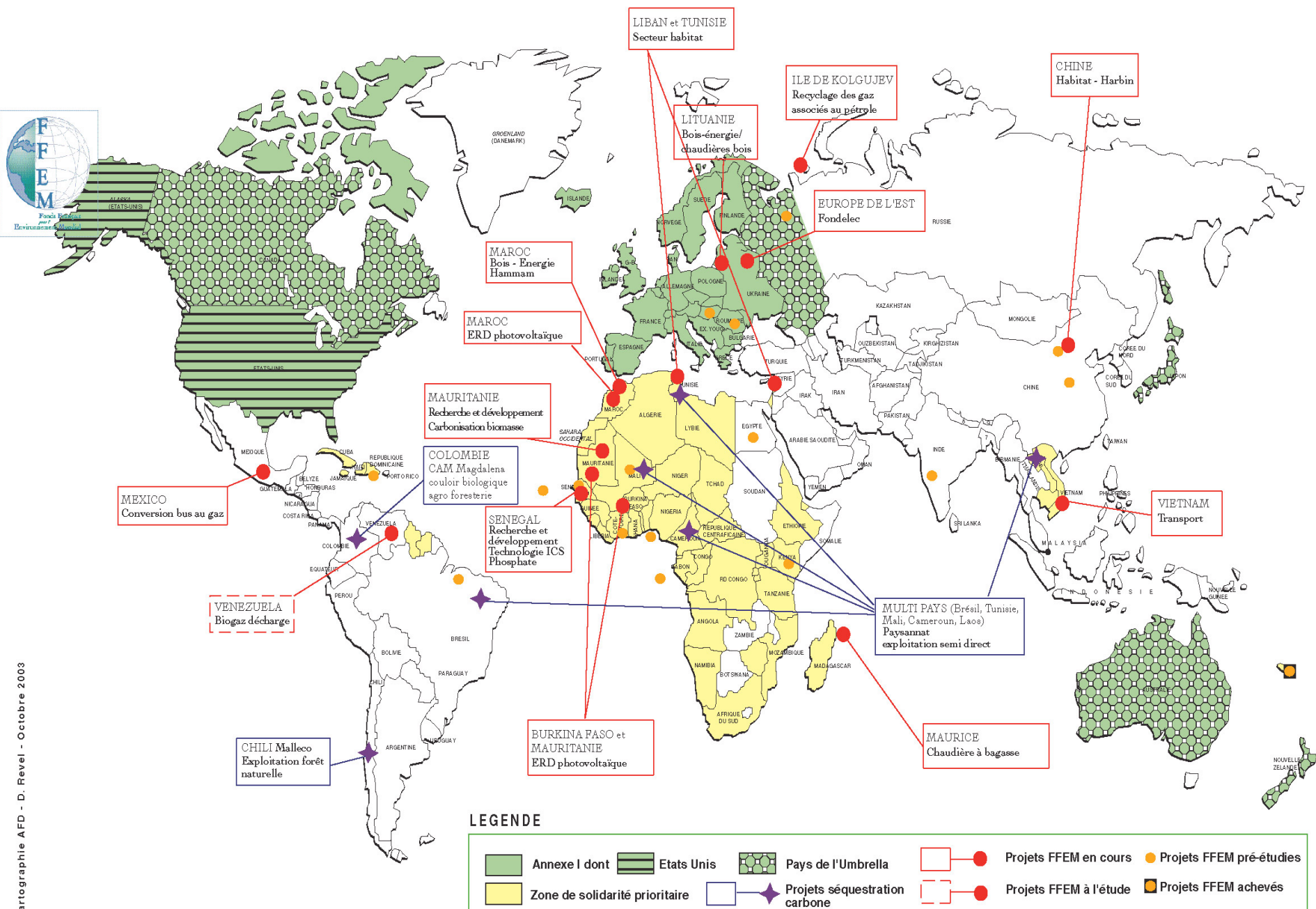
- to address French policies and its international commitments UNFCCC/Kyoto Protocol,
- to support emissions reductions,
- to facilitate carbon sequestration,
- to facilitate implementation of the Kyoto Protocol with our southern partners (capacity building, consultancy, CDM - JI).

➤ **FGEF and greenhouse effect**

Seven sectors (mitigation strategies or « without regret ») :

- energy (renewable, efficiency, low consumption...),
- industries (processes...),
- residential
- biomass (waste, scraps, wood-energy...),
- transports (collective, fuel...),
- financial systems (investment funds, carbon credits...),
- carbon sequestration (forests sinks, agro-ecology / no-tillage, soil).

Implantation des projets FFEM (lutte contre l'Effet de Serre)





The French Global Environmental Facility - FGEF -

ENERGY EFFICIENCY PROGRAMME IN THE CONSTRUCTION SECTOR IN CHINA

Country	CHINA
French Institutions	- Ministry of Economy, Finances and Industry (DREE) - Ministry of ecology and sustainable development
Focal area	Address the green house effect in construction and habitat sectors
Duration	4 years + 3 years
Total costs	388 M Euros
FGEF financing	5,9 M Euros

The project objective aims at defining with all main partners and actors of the construction industry, adapted/targeted methods, and means for sustainable improvement of the energy efficiency in housing and services buildings

4. FGEF Challenges

- strengthening links between environment (local and global level) and sustainable development (Rio, Jo'burg, MDG) :
 - governance, macro economic and sector policies, trade policies (WTO), multi partnerships,
 - « think globally, act locally and globally »
- economical and environmental researches:
 - strength and constraints of marketed economy (social and environmental responsibility and certifications...), externalities (links with « adaptation », risk assessment ...), global public goods, environmental accounting...
- Impacts and outputs indicators quantification
 - (indicators, cf.OECD / Development Assistance Committee, baselines)...
- communication and networking

