

UNCCD CRIC 5 HIGHLIGHTS: WEDNESDAY, 14 MARCH 2007

The fifth session of the United Nations Convention to Combat Desertification (UNCCD) Committee for the Review of the Implementation of the Convention (CRIC 5) continued on Wednesday, 14 March 2007. Throughout the day delegates heard presentations and discussed and shared experiences on domestic and international resource mobilization and coordination, including conclusion of partnership agreements, and support by multilateral agencies and institutions.

ORGANIZATIONAL MATTERS

Delegates elected Giselle Beja Valent, Uruguay, as rapporteur of the meeting.

REVIEW OF IMPLEMENTATION OF THE CONVENTION

Chair Moore introduced the panel thematic topic on resource mobilization and coordination, both domestic and international, including conclusion of partnership agreements. The Secretariat noted that: all regions and many subregions have undertaken some financial partnership arrangements; most indicate a need to mobilize further finances; and it is not always clear if resources mobilized for sustainable land management (SLM) are specifically allocated in support of UNCCD implementation.

PANEL ON RESOURCE MOBILIZATION AND

COORDINATION: Christian Mersmann, the Global Mechanism (GM), summarized its recent work and announced it would be increasing support to country parties through the provision of knowledge, strategic instruments and financial advisory services. Their report emphasized that mobilizing resources for SLM is difficult unless countries articulate the UNCCD as a national priority.

Muhamet Durikov, Turkmenistan, introduced the Central Asian Countries Initiative for Land Management (CACILM), a ten-year multi-country multi-donor partnership to address SLM in five Central Asian republics. He cited country and donor coordination amongst keys to the success of CACILM and stressed the need for: country ownership of activities; reliable and simple processes for monitoring and evaluation; and expanded financing sources.

Kenneth Roach, Trinidad and Tobago, presented his country's national reforestation and water rehabilitation programme, which has provided resources for the reforestation of areas subject to land degradation and soil erosion, as well as a Green Fund created to assist organizations and community groups in protecting the environment.

Leopoldo Rojo Serrano, Spain, outlined his country's century-long policy on desertification, noting that the UNCCD has helped to bring desertification to the attention of the highest levels of government and allowed the consolidation of activities that were already being implemented.

Yuriy Kolmaz, Ukraine, introduced his country's efforts in mobilizing resources to address land degradation and undertake environmental rehabilitation, including: a land tax system; environmental protection funds; fees and fines levied on environmental pollution; and voluntary contributions.

Giorgio Sfara, Italy, described his country's support for developing countries in combating desertification, including: SLM focusing on water, soil and vegetation; early warning systems for food security; development of sustainable agricultural and ranching production systems; reforestation and afforestation programmes; and monitoring and evaluation activities. He said Italy supports the GM, which should become the center for mobilizing resources to combat desertification. Regarding GEF, he said that activities should be intensified to increase the resources available under OP 15 (land degradation) while utilizing other GEF focal areas including biodiversity and climate change, and establishing partnerships with other organizations.

Discussion: India, for the ASIA-PACIFIC REGION, stated that mainstreaming NAPs into development strategies may dilute the NAPs, especially at the preparatory stage. He called for: enhanced voluntary contributions from developed countries; augmentation of the dedicated portfolio for SLM under the GEF; and the creation of a specific desertification fund to meet the special needs of Asia-Pacific country parties. He welcomed the enhanced role the GM intends to play in mobilizing resources.

Belarus, for EASTERN AND CENTRAL EUROPE, lamented that despite requests for assistance, the GM has not offered assistance to his region, or implemented any projects there since the adoption of Annex 5. He pointed to the importance of fund mobilization from the GEF under OP 15 and from the European Commission and said he looked forward to an event the GM intends to host in the region in 2007-2008. In response, the GM pointed out that donors to the region have priorities other than land degradation, and that he hoped the event will leverage more resources for the region.

Roach lamented that Latin America has struggled to access GM expertise and that Trinidad and Tobago has been forced to allocate national funds and human resources to designing operation and funding plans.

THAILAND asked Durikov how CACILM obtains returns on loans, and Durikov responded that countries may choose whether to participate in project activities through loans or grants, and that loans are generally earmarked for agriculture and SLM.

NIGERIA asked the GM to quantify the funding they have mobilized, and the amount that has benefited Africa. The GM responded that mobilization efforts have yielded some success by linking UNCCD priorities to countries' development priorities, and that he will report to COP 8 on how mobilized funds could be quantified. He added that GM operative funds are between US\$5-8 million annually, of which US\$2 million comes from the budget approved by the COP.

ALGERIA asked donor countries why they are not investing resources and cautioned that the UNCCD should not become an implementing mechanism for other conventions but rather that conventions should work together. CANADA argued that parties must not look at land degradation in isolation and that resource mobilization can be facilitated when desertification is addressed alongside climate change and biodiversity.

MOBILIZATION OF FINANCIAL RESOURCES BY MULTILATERAL AGENCIES

In the afternoon, the Secretariat introduced Agenda Item 5 on the review of available information regarding the mobilization and use of financial resources and other support by multilateral agencies (ICCD/CRIC(5)/7). He noted that since becoming a financial mechanism under the UNCCD, the GEF has been a major resource facilitator. He also said the GM is seeking new approaches to mobilize co-financing.

James Warren Evans, Chair of the GM Facilitation Committee and Director of the World Bank's Environment Department, announced that the Facilitation Committee has met twice since COP 7 and noted that the World Bank continues to finance UNCCD implementation through various channels. He highlighted three challenges that could become opportunities, namely: ensuring synergies with measures to adapt to climate change; gender mainstreaming in SLM; and demonstrating the outcomes of investing in SLM.

Walter Lusigi, GEF, outlined the four short-term priorities that the GEF adopted to channel resources quickly to developing country parties following the delayed adoption of its focal area on land degradation. He said that the GEF supported preparation of national reporting and NAPs, and hopes to expand links with relevant institutions and initiate more country partnership programmes in its next phase. He added that with GEF support, more than US\$1.3 billion worldwide have been invested in SLM over the past four years, of which over US\$1 billion came from co-financing.

Discussion: Argentina, for GRULAC, reiterated the need to mobilize additional funding, and called for more efforts by the GM in this regard, noting also that the GM should carry out activities as instructed by the COP and not go beyond that mandate. CHINA asked the GM to pay attention to geographic distribution in fund allocation, and requested the Secretariat to address resource mobilization for implementation of NAPs.

On a question from India, the GM emphasized that it is a facilitator and technical advisor and plays no role in prioritizing between single-country and multi-country projects. Responding to Uruguay, he confirmed that the GM has clear budget lines to address capacity building. IRAN called for strengthening the GM's capacity-building role, while JORDAN urged the GM to continue playing a facilitating role in strengthening country capacities for UNCCD implementation, committing to work closely with the GM on a new programme for West Asia.

GUATEMALA commented on the excessive time that GEF project approval is taking for some Central American projects, highlighting his country's vulnerability to natural disasters,

exemplified by the loss of 9 million metric tons of fertile soil during the last big hurricane. Responding to a question from Uruguay, the GEF explained that simplifying and accelerating the project approval process are at the centre of current reforms to improve resource mobilization.

CHINA lamented the scarcity of GEF funding allocated for land degradation, which is only one tenth of total GEF funds currently available, and suggested establishing a mechanism at COP and the CRIC to mobilize GEF resources.

The EUROPEAN COMMUNITY said their experience confirms that most financial resources allocated to desertification-related activities have been channeled to land management, sharing the view expressed by others of the need to broaden the focus of SLM and adopt integrated and multi-focal approaches. He suggested looking for appropriate linkages with sectors such as rural development, food security, disaster reduction and climate change to find opportunities for countries to work on their priorities.

The US outlined US\$6 billion of new and additional development funding over five years through the Millennium Challenge Corporation. Noting that US development funding allocation is driven by recipient countries' own development priorities, she encouraged recipients to mainstream UNCCD and sustainable land management activities into their national priorities.

In response to Benin's question on allocating resources for addressing desertification, Kolmaz emphasized redistributing land taxes and environment protection fees to local communities.

SWITZERLAND argued that national investment to address SLM and to implement NAPs is insufficient because national budgets often commit very few resources to rural development. She pointed to the need for a rational decision-making framework to ensure that a greater share of national budgets are devoted to rural areas.

Ethiopia, for AFRICA, noted that resource mobilization from internal sources is limited in Africa, and that desertification is still one of the lowest priorities on Africa's political agenda. He stated that most international funding is aimed at poverty reduction, rather than specifically at desertification prevention and control. He also emphasized that funding mechanisms including the GEF and the Kyoto Protocol's Clean Development Mechanism should be made easily accessible to Africa and that while synergies with other conventions are important, funding specifically allocated to combating desertification should not be overlooked.

Several participants highlighted the role of the private sector and public-private partnerships in resource mobilization to combat desertification. HAITI noted the support given by GTZ in preparing guidelines for developing NAPs and expressed the hope that such assistance will continue.

IN THE CORRIDORS

As rain hammered down on the roof of La Rural, discussions of finance likewise rippled the otherwise-tranquil surface of CRIC 5. Coming out of a fully-attended side event where the draft ten-year strategy for the UNCCD was presented, participants were generally positive, but many emphasized the need to match strategic objectives with adequate financial resources. An African delegate declared that the strategy is out in the open and now donors must take the next step. Meanwhile a developed country representative agreed that a clear list of priority actions will assist in determining the progress that can be made depending upon the money available. Most expect the strategy to cause further debate as delegates continue to weigh up the draft in preparation for Friday's closed IIWG meeting.