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Investing in rural people

IFAD's Rural Resilience Programme: Amendments to the Instrument Establishing the Trust Fund for the IFAD Adaptation for Smallholder Agriculture Programme

Note to Executive Board representatives

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Executive Board — 130th Session
Rome, 8-11 September 2020

For: Approval

Recommendation for approval

The Executive Board is invited to approve the proposed amendments to the instrument establishing the trust fund for the IFAD Adaptation for Smallholder Agriculture Programme, as set forth in the annex hereto, for application to the receipt, administration and use of all resources to be contributed by donors to the trust fund, as of the adoption of such amendments, for the purposes of the Rural Resilience Programme.

I. Amendments

1. The purpose of this document is to amend the existing instrument establishing the Trust Fund for the IFAD Adaptation for Smallholder Agriculture Programme (ASAP) to allow for receipt and administration of contributions to the multi-donor Rural Resilience Programme (2RP) trust fund to support the implementation of the 2RP to be established by Management. A summary description of the 2RP and the process for its establishment can be found in the following sections. The amendments, which are set out in the annex to this document, will be effective as of the date of the Executive Board's decision.
2. To recall, the Executive Board approved the creation of the trust fund for the Adaptation for Smallholder Agriculture Programme¹ in 2012 to "integrate and mainstream climate change across IFAD's programmes through financing the adaptation component of selected IFAD-supported projects". In 2016, for the second phase of the ASAP, the Executive Board approved an amendment to the instrument² establishing the ASAP trust fund which provides that it may be used exclusively for "technical assistance, innovation support, capacity-building, policy dialogue and advocacy, and regional or national public goods to create enabling environments for climate-sensitive operations". The use of the ASAP trust fund is therefore currently limited to those purposes.
3. It has become clear in recent years, however, that more investment needs to be channelled into increasing the resilience of poor rural populations that are disproportionately impacted by climate change, land degradation and social marginalization. It is therefore proposed that the instrument establishing the ASAP trust fund be amended in order to revert to the original investment-focused trust fund model. This would allow IFAD to serve as a conduit for this kind of financing and ensure that it reaches those most in need. IFAD is best placed to do this because of its experience in managing the ASAP, its mandate and its field presence.
4. The approval of the proposed amendments at the September session of the Executive Board is of critical importance in order to allow for potential announcements and contributions foreseen to the trust fund (see appendix I). Without such approval, IFAD may not be in a position to capture these contributions.
5. The proposed amendments to the instrument establishing the trust fund (see annex) are needed to support the goals of the 2RP. These amendments would: (i) change the name of the ASAP trust fund to the Rural Resilience trust fund in support of its broadened goals; (ii) expand and diversify the donor base to include non-state actors, including multilateral organizations and private philanthropic individuals and foundations; (iii) specify the segregation of resources to support the pillars proposed under the 2RP; and (iv) provide for the possibility of receiving loans to the trust fund in keeping with the principles of segregation of funds, financial sustainability and financial risk mitigation.

¹ <https://webapps.ifad.org/members/eb/105/docs/EB-2012-105-R-45.pdf>.

² <https://webapps.ifad.org/members/eb/119/docs/EB-2016-119-R-20.pdf>.

II. Summary of the 2RP

6. The 2RP is a global programme that will initially be composed of three pillars, the first two of which will be financed through the 2RP trust fund. The three pillars are: (i) the enhanced Adaptation for Smallholder Agriculture Programme (ASAP+); (ii) the Initiative for Sustainability, Stability and Security in Africa, hereafter referred to as the "3S Initiative";³ and (iii) Green Climate Fund (GCF) support for the Great Green Wall Initiative⁴ (GCF-GGWI). The financing to be provided by GCF for the third pillar will be approved by the GCF Board and held in separate accounts.

Figure 1

Schematic of the Rural Resilience Programme's financial architecture

	2RP trust fund			GCF accounts
	ASAP+	3S	GGWI (non-GCF)	GCF-GGWI, GCF-ASAP+ and others
	ASAP trust fund sub-account 1	ASAP trust fund sub-account 2	GGWI cofinancing	
Purpose of financing	Climate finance	Migration, peace and security	Finance tagged to GGWI	GCF
Types of financing	Grants / loans in	Grants in	Grants / loans in	Grants/loans
Types of financing	Grants / loans out	Grants out	Grants / loans out	Grants/loans
Operation type*	S and NS ops	S and NS ops	S and NS ops	S and NS ops

*S and NS Ops = sovereign and non-sovereign operations.

7. The goal of the 2RP is to equip small-scale producers, landless poor and their communities with the resources needed to implement locally appropriate, proactive resilience strategies in order to address the environmental, climate change and social drivers of increasing rural poverty, which is leading to hunger and malnutrition, exclusion, irregular migration and insecurity.
8. The 2RP will aim to: (i) address the climate change and social drivers of food and nutrition insecurity; (ii) restore and sustainably manage degraded lands; and (iii) stem the rise in youth unemployment that is compelling vulnerable groups to migrate from rural areas or join extremist organizations.
9. ASAP+ is designed to increase the climate resilience of 10 million vulnerable people, particularly women and youth, and thus pave the way for an increase in food and nutrition security. To this end, a resource mobilization target of US\$500 million from climate change finance sources is envisaged. This will provide an alternative and additional means, over and above the programme of loans and grants, of delivering climate financing from donor countries to countries in debt distress.
10. The 3S Initiative countries are aiming to restore 10 million hectares of degraded land and to create 2 million rural jobs in five years. They have established a target for the mobilization of donor funds equivalent to US\$200 million per year over that five-year period.
11. The overall goal of the GGWI is to restore 100 million hectares of degraded land, sequester 250 million tons of carbon and create 10 million jobs. The GCF-GGWI is a GCF programmatic approach under development, to be financed by the GCF and other donors wishing to contribute to the achievement of these objectives. Projects

³ The 3S Initiative is an intergovernmental African initiative that addresses the underlying causes of instability and works to forestall emerging threats linked to the depletion and mismanagement of natural resources. At the First African Action Summit (Marrakesh, 16 November 2016), the Heads of State and Government launched the initiative and committed to accelerating its implementation by building on their own resources and mobilizing funds from multilateral and bilateral donors. As such, the 3S Initiative is a bottom-up African-led programme founded on country-level ownership, engagement and consultation.

⁴ The Great Green Wall Initiative (GGWI) is a pan-African movement to restore and sustainably manage land in the Sahel-Saharan region in order to address both land degradation and poverty. Endorsed in 2007 by the African Union, the GGWI is one of the first international land restoration initiatives to bring together African countries and international partners under the leadership of the African Union and the Pan-African Agency of the Great Green Wall.

will be submitted under this framework directly to the GCF Board by various accredited entities, including IFAD. As the lead agency for the GCF-GGWI, IFAD would support the GCF, GCF National Designated Authorities and other GCF accredited entities in strengthening the coordination between GCF-GGWI projects and programmes.

12. These three pillars have been placed under one umbrella programme, the 2RP, in order to increase their efficiency and synergy, avoid duplication of effort and generate greater impact through the co-programming of resources. This is a particularly appropriate approach in Africa, where participating countries' efforts and, potentially, project activities may overlap if they are not co-managed. The ASAP+ pillar will have global coverage and will focus on lower-income countries, while the 3S Initiative will focus on Africa, primarily the Sahel,⁵ as will the GCF-GGWI.
13. Since the inception of the ASAP, IFAD has been evolving its approach to climate change and the environment by integrating more systematically IFAD's social inclusion themes of youth, gender and nutrition. The 3S Initiative brings added value to the ASAP+ and the GGWI by also placing more emphasis on the underlying social drivers of rural poverty and food insecurity.
14. The ASAP+, IFAD's own dedicated climate change fund, will build on the lessons learned from the original ASAP to deliver adaptation and mitigation results based on a number of innovations in scope, agility and inclusiveness and on best practices. The ASAP+ will work primarily through grants with a focus on pockets of increasing food insecurity in lower-income countries. A more diverse donor base will be created in parallel with the option of implementing activities directly through non-sovereign entities, including in countries without performance-based allocations that are in urgent need of support. The empowerment and inclusion of the most vulnerable will be a priority in all 2RP projects through the integration of IFAD's social inclusion priorities of gender, youth and nutrition.

III. Financing

15. The 2RP will consolidate multiple sources of financing and channel these resources into building the resilience of small-scale producers and their communities. It will also enhance IFAD's ability to efficiently broaden its donor and partnership base.
16. The ASAP+ pillar will aim to increase the flow of climate finance to the largely underserved subsector of small-scale producers and their communities.
17. Very little climate finance makes its way to the people with whom IFAD works. The amount of global climate finance being made available is rising but still falls drastically short of what is needed. Adaptation finance, in particular, amounts to less than 20 per cent of the US\$180 billion per annum estimated to be required over the next 10 years. In addition, only US\$30 billion of climate finance is provided in the form of grants, most of which come from the public sector and flow to non-OECD countries. Of this amount, only US\$7 billion per year has been directed to the agricultural, forestry, land use and natural resource management sector; 71 per cent of these funds have been used for adaptation or had dual benefits, and 42 per cent – or US\$3 billion – benefitted sub-Saharan Africa.
18. IFAD will lead the mobilization of funds for the ASAP+ and the GCF-GGWI. It will coordinate with the 3S interim secretariat⁶ and country leaders and support their efforts to mobilize financing for the 3S Initiative (see appendices).

⁵ Current members include Benin, Burkina Faso, Central African Republic, Chad, The Gambia, Ghana, Mali, Morocco, Niger, Nigeria, Rwanda, Senegal, Zambia and Zimbabwe.

⁶ The secretariat has been established on an interim basis at the Secretariat of the United Nations Convention to Combat Desertification and is funded by donor partners.

19. Priority will be placed on avoiding the substitution of core replenishment contributions given the importance of increasing core contributions during the Twelfth Replenishment of IFAD's Resources. To this end, Member States' contributions could be guided by a number of core principles to avoid this type of substitution risk.
20. The 3S Initiative is expected to attract financing aimed at dealing with some of the key root causes of rural poverty, exclusion, irregular migration and growing insecurity and extremism among the rural poor. The expectation is that IFAD's contribution to the GCF-GGWI is to be financed by the GCF, but it may be possible to attract additional cofinancing.
21. As the 2RP is an IFAD-managed supplementary trust fund, its three pillars will work in concert with IFAD's enhanced country programme strategies and programme of loans and grants to leverage resources and channel them in ways that will produce greater resilience impacts.
22. Separate accounts will be created, as needed, to allow for the segregation of the various financing sources. The 2RP trust fund will primarily receive grant contributions and extend grants to eligible recipients. Any potential loan contributions will be managed in a separate trust fund account to reduce risks, including loan-related financial risks, in order to ensure financial sustainability.
23. IFAD is well placed to consolidate these funding sources and channel the funds to currently underserved populations thanks to its presence and partnerships in these regions and its growing expertise in this area.

IV. Establishment of the 2RP

24. In addition to the amendments that are being proposed here for Board approval, a draft programme description, which is available online ([link](#)), will be revised on the basis of consultations with IFAD and 3S members with a view to finalizing it in time for the Executive Board session to be held in December. This process and the resulting document will not pre-empt the outcome of any discussions or decisions taking place within the context of the corresponding negotiations, particularly in regard to the ASAP+. The current draft is based on consultations concerning ASAP+ that took place in February and March 2020. Further refinements of the ASAP+ description and the descriptions of the 3S Initiative and GGWI will be added in the next draft. An interdivisional working group has been established at IFAD to prepare these documents.
25. The following schedule is proposed for the full establishment of the 2RP:
 - (i) July-September: Online and bilateral consultations on the 2RP draft programme description.
 - (ii) September: Executive Board approval of the proposed amendments to the instrument establishing the trust fund for the IFAD Adaptation for Smallholder Agriculture Programme.
 - (iii) September-October: Informal consultations (TBC) on the 2RP draft programme description.
 - (iv) September-December: Initial resource mobilization for the 2RP pillars.

- (v) December: The final 2RP programme description made available to the Executive Board.
 - (vi) 2021 Q1-Q2: First advisory committee meeting and programme of work.
26. It is envisaged that the programming and implementation of projects financed by the ASAP+ and 3S pillars under the 2RP will be overseen by an interdivisional coordination unit within IFAD, will be co-programmed, will cofinance IFAD's regular programming and will follow IFAD's rules and procedures. Some resources will also be programmed in Member States without performance-based allocations where the climate change, environmental and migration drivers of vulnerabilities are prominent and where IFAD's presence is critical in order to mitigate any further reversal of development gains in fragile contexts.
 27. The funds required for the implementation of the 2RP, including its interdivisional coordination unit, will all be allocated from the programme's three pillars, with no additional cost to IFAD's core resources.

Proposed amendments to the instrument establishing the ASAP trust fund (added text is underlined and deleted text is shown in strikethrough):

Establishment of a trust fund for the IFAD ~~Adaptation for Smallholder Agriculture~~ Rural Resilience Programme

The Executive Board,

At its 105th, 119th and 130th sessions, held on 3-4 April 2012, 14-15 December 2016 and 8-11 September 2020, respectively;

Considering section III(c)(iii) of Governing Council resolution 166/XXXV on the Ninth Replenishment of IFAD's Resources concerning the use of complementary contributions to support the Fund's Adaptation for Smallholder Agriculture Programme (ASAP); and

Further considering section X of the same resolution, which provides that "During the replenishment period, the Executive Board and the President are encouraged to take necessary measures to strengthen the Fund's catalytic role in raising the proportion of national and international funding directed at improving the well-being and self-reliance of rural poor people, and to supplement the resources of the Fund by using the Fund's power to perform financial and technical services, including the administration of resources and acting as trustee, that are consistent with the objective and functions of the Fund. Operations involved in the performance of such financial services shall not be on the account of the Fund,"

Further considering [The establishment of the Rural Resilience Programme and its dedicated funding needs]

Decides that:

1. An IFAD ~~ASAP~~ Rural Resilience Programme (2RP) trust fund (Trust Fund) shall be established, constituted of the funds that shall from time to time be contributed in accordance with the provisions of this resolution, and any other assets and receipts of the Trust Fund.
2. The Fund shall be the Administrator of the Trust Fund and in this capacity shall hold and administer in trust such funds, assets and receipts. Decisions and other actions taken by the Fund as Administrator shall be identified as taken in that capacity.
3. The resources of the Trust Fund shall be held separately from IFAD's resources.
4. The Trust Fund's reporting currency shall be the United States dollar. Grants should be denominated in a currency in accordance with IFAD's policies and procedures. The Trust Fund may use as currency of payment any freely convertible currency.
5. The Trust Fund shall be authorized to receive, upon the approval of the President in his/her capacity as President of the Administrator, the following resources primarily in the form of grants for the general purposes of the Trust Fund or for specific projects or programmes supported by the Trust Fund:
 - (i) Funds ~~hereby transferred pursuant to section III(c)(iii) of Governing Council resolution 166/XXXV on the Ninth Replenishment of IFAD's Resources~~ from its own resources pursuant to Governing Council resolutions;

- (ii) Contributions made in a freely convertible currency directly by Member States of the Fund;
- (iii) Contributions made in a freely convertible currency by non-Member States of the Fund and other non-state actors, including multilateral organizations, private philanthropic other entities and individuals and foundations; and
- (iv) Other resources.

Except as otherwise decided in this resolution, all such resources shall be held in the Trust Fund.

6. The resources of the Trust Fund shall be used exclusively by the Administrator for the purpose of financing, primarily in the form of grants and, while ensuring the financial sustainability of the trust fund, shall aim to: (i) address the climate change and social drivers of food and nutrition insecurity; (ii) restore and sustainably manage degraded lands; and (iii) stem the rise in youth unemployment that is compelling vulnerable groups to migrate from rural areas or join extremist organizations. ~~technical assistance, innovation support, capacity building, policy dialogue and advocacy, and regional or national public goods to create enabling environments for climate-sensitive operations. These activities shall be focused on the following thematic areas: (i) policy engagement—to engage agriculture institutions in IFAD Member States in the realization of international climate change commitments and national adaptation priorities; (ii) climate risk assessment—to facilitate a more systematic use of climate risk information for resilient investment planning; (iii) women’s empowerment—to increase women’s participation in, and benefits from, climate change adaptation activities; (iv) private sector engagement—to strengthen participation of private sector entities and farmers’ groups in concrete climate change adaptation and mitigation activities; (v) climate services—to enhance the use of climate information for resilient investment planning; (vi) natural resource management and governance—to improve smallholder farmers’ participation in and ownership of decision-making processes and technologies that relate to the governance and management of climate-sensitive natural resources; (vii) improved capacity to produce and use knowledge and evidence around climate and nutrition-sensitive agriculture and food systems; and (viii) knowledge management—to enhance the documentation and dissemination of knowledge on approaches to climate-resilient agriculture.~~
7. Subject to the provisions of this resolution, in administering the Trust Fund, the Fund shall apply the same rules applicable to the operation of the resources of the Fund, in accordance with the Agreement Establishing IFAD.
8. The Fund in its capacity as Administrator, acting through its President, is authorized:
 - (i) To make all arrangements, including establishment of segregated accounts in the name of the Fund as Administrator to administer funds for activities under the ASAP+ and the 3S Initiative, with such depositories of the Fund as the Administrator deems necessary; and
 - (ii) To take all other administrative and financial risk mitigating measures that the Administrator deems necessary to implement the provisions of this resolution.
9. In light of the Agreement Establishing IFAD and the Policies and Criteria for IFAD Financing, the allocation of resources for the trust fund second phase of ASAP (ASAP2) will take into account: (i) project contributions towards the achievement of countries' commitments under the International Climate

Change Agenda; and (ii) needs and opportunities identified through the application of the as-assessed and documented under the Social, Environmental and Climate Assessment Procedures. These 2RP ASAP2 resources will contribute to achievement of the outcomes of the climate change and environment and the social inclusion mainstreaming results measurement framework, in line with IFAD's ~~commitment to 100 per cent climate change~~ mainstreaming commitments.

10. The privileges and immunities accorded to the Fund shall apply to the property, assets, archives, income, operations and transactions of the Trust Fund. In this context, the Fund, through the President, may enter into such agreements and arrangements as may be required to ensure the said privileges and immunities and achievement of the purposes of the Trust Fund.
11. The Fund shall maintain separate records and accounts to identify the resources of the Trust Fund, the commitments and the reimbursement of expenditures to be financed out of the Trust Fund, and the receipts and disbursements of funds in the Trust Fund.
12. The President shall, as soon as practicable after the end of each financial year of the Fund, furnish to the Executive Board: (i) a report on projects and programmes financed from the Trust Fund; and (ii) as part of its annual financial statement, a financial statement for the Trust Fund.
13. The incremental administrative expenditures directly incurred by the Fund in administering the Trust Fund and the expenditures directly incurred by the Fund in preparing and appraising projects and programmes for presentation to the Executive Board and, subsequently, in administering them shall be paid to the Fund from the resources of the Trust Fund. Resources for this purpose shall be held in the administration sub-account. They shall be used exclusively to cover the costs to IFAD of implementing the Trust Fund ASAP2.
14. Upon liquidation of the Trust Fund, all amounts remaining shall be transferred to the Fund.
15. The Fund shall not be liable for acts or obligations of the Trust Fund, solely by reason of its capacity as Administrator.

ROYAUME DU MAROC



Le Chef du Gouvernement

REPUBLIQUE DU SENEGAL



Le Ministre d'Etat, Secrétaire général de la Présidence

Le 17 JAN 2020

Excellence, Monsieur le Président,

Nous avons le plaisir de vous écrire au sujet des progrès significatifs que nos pays ont réalisés - en étroite coopération avec 12 autres pays africains - dans le cadre de la mise en œuvre de l'Initiative sur la Soutenabilité, la Stabilité et la Sécurité (3S) en Afrique, qui vise à améliorer la stabilité et la sécurité en Afrique en promouvant une gestion durable des terres et en créant des emplois verts dans les zones rurales, réduisant ainsi les incitations à la migration.

Lors de nos derniers échanges, nous évoquions dans notre lettre du 1^{er} février 2019 le fait que l'Initiative 3S s'emploiera à aider les populations rurales en Afrique, afin de faire face à la dégradation des terres. Elle offrira des opportunités économiques dans les secteurs de l'agriculture et de l'agroforesterie et s'illustrera en tant que frein aux migrations irrégulières et à l'instabilité du continent. Elle contribuera à stabiliser les groupes vulnérables et à améliorer la sécurité dans nos pays.

Ces objectifs sont également en phase avec les objectifs stratégiques du Fonds International de Développement Agricole (FIDA) (Renforcer les capacités productives des populations rurales pauvres - Accroître les avantages que les populations rurales pauvres tirent de leur intégration au marché - Renforcer la viabilité environnementale et accroître la résilience au changement climatique des activités économiques des populations rurales pauvres) qui visent à s'engager pour une transformation durable de l'Afrique.

En sa qualité de Secrétariat de l'Initiative, la Convention des Nations Unies sur la Lutte Contre la Désertification (CNULCD) a fait progresser le dialogue entre les pays membres afin d'élaborer une stratégie spécifique à la mise en œuvre de l'Initiative. Cette stratégie recommande notamment de créer un fonds fiduciaire (Trust fund) multi-bailleurs qui pourra être logé au sein d'une banque multilatérale de développement.

Compte tenu du mandat du FIDA, nous vous serions reconnaissants de bien vouloir désigner un vice-président parmi vos équipes qui sera en mesure de travailler avec nos services et ceux de la CNULCD, afin d'aligner avec précision notre Initiative avec les priorités de l'Afrique et du FIDA. Par la suite, nous souhaiterions explorer les possibilités d'hébergement du fonds fiduciaire 3S au sein de votre institution.

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Son Excellence Monsieur Gilbert Fossoum Hougbo
Président, Fonds International de Développement Agricole
Rome, Italie



D'ores et déjà, certains donateurs et partenaires ont manifesté un vif intérêt à contribuer au financement de l'Initiative 3S. Il s'agit en particulier de la France, l'Italie, l'Allemagne, l'Union européenne et le Royaume Uni.

Pour toutes ces raisons, nous sollicitons une rencontre entre vous et une délégation de haut niveau de l'Initiative 3S pour venir vous rencontrer en janvier-février 2020, afin d'explorer les opportunités de collaboration entre l'Initiative 3S et le FIDA.

Nous vous prions de bien vouloir agréer, Monsieur le Président, l'expression de notre haute considération.



Son Excellence Monsieur
Mahammed Boun Abdallah DIONNE
Ministre d'Etat, Secrétaire Général de la
Présidence de la République du Sénégal



Son Excellence Monsieur
Dr. Saad Dine EL OTHMANI
Chef du Gouvernement du
Royaume du Maroc



United Nations
Convention to Combat
Desertification

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Date: 18 March 2020
Reference: ERPA/BB/sl-033
cc: it, lb

Dear Mr. Hougbo, *cher Gilbert*

Subject: Initiative on Sustainability, Stability and Security in Africa (3S Initiative)

I have the pleasure to write to you regarding the Initiative on Sustainability, Stability and Security in Africa (3S Initiative).


With the generous assistance of your management team, my staff along with partners from Morocco and Senegal held excellent technical discussions about the 3S Initiative on 25 February at the IFAD headquarters. From these consultations, a promising pathway seems to be emerging towards implementation of the 3S initiative. The 3S Initiative is a model of country ownership and stakeholder engagement. Conceived from within Africa the Initiative is driven by 14 countries. Together they are committed to increase climate resilience, secure rural jobs and address migration pressures, thereby fostering peace and security at home and abroad.

IFAD's expertise in smallholder development, in addressing land degradation, drought and desertification, and its innovative work on remittances, financial inclusion and diaspora investment make it a strong natural partner for the 3S Initiative. In particular, UNCCD agrees with the 3S countries that IFAD could become an institutional home for the 3S Initiative and the planned multi-donor trust fund supporting its implementation.

I would therefore like to suggest that we establish a core team from both our organizations so as to prepare for a possible integration of the 3S Initiative into IFAD. The objective would be to draft a joint program document which would inform our forthcoming resource mobilization efforts for the 3S Initiative. My staff are available for any queries that your office may have. In this regard, I have nominated my colleague Ms. Barbara Bendandi (bbendandi@unccd.int), 3S Secretariat Coordinator, to lead efforts to advance our collaboration on the 3S initiative.

Amitiés,

Sincerely yours,


Ibrahim Thiaw
Executive Secretary



Mr. Gilbert F. Hougbo
President
International Fund for Agricultural Development (IFAD)
Rome, Italy

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**THE GLOBAL
MECHANISM**
United Nations Convention
to Combat Desertification

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Date: 17 July 2020
Reference: ERPA/BB/lg-061
cc: it, lb, rb

Dear Ms. Astralaga,

I am writing to thank you for incorporating the Initiative on Sustainability, Stability and Security in Africa (3S Initiative) into IFAD's proposed Rural Resilience Program (2RP). I understand that approval of the amendment of the Trust Fund instrument, which would include a separate account for the 3S Initiative, is scheduled for consideration by the Executive Board of IFAD in September 2020. I also understand that you held Board consultations on these proposed amendments recently where a number of queries were raised, some of them also related to the 3S Initiative. We are very glad to support IFAD in responding to those questions.

The 3S Initiative is an inter-governmental African initiative that works to address the underlying causes of instability and prevent the emerging threats linked to the depletion and mismanagement of natural resources. At the First African Action Summit (Marrakesh, 16 November 2016), the Heads of State and Government launched the initiative and committed to accelerate its implementation by building on their own resources and mobilizing funds from multilateral and bilateral donors. As such, the 3S Initiative is a bottom-up African-led programme built through country level ownership, engagement and consultation.

To date, UNCCD as interim secretariat has assisted in the resource mobilization effort by facilitating discussions with a number of leading bilateral donors, primarily those from Europe. We have at our disposal donor funding to support such outreach over the foreseeable future. The target volume of ODA resources to be raised will depend on the level of ambition to be pursued. For now, 3S countries are aiming to mobilize donor funds equivalent to USD 200 million per year, over five years. When complemented by private investment resources to be leveraged off the public funds, this would allow restoring ten million hectares of degraded land and securing two million rural jobs.

To launch the initiative, UNCCD is currently working with AUDA-NEPAD to seek an endorsement of the 3S Initiative at the forthcoming African Union-European Union Summit in late 2020. This would open a promising pathway towards securing broad financial support from European donors and the European Union itself. Therefore, it would be instrumental if the Executive Board of IFAD were to approve the amendments to the Trust Fund by September, as currently proposed, as we may expect financial pledges during the Summit and contributions thereafter. Otherwise there may be a risk of losing political momentum with a need to re-start political engagement efforts.

.../...

Ms. Margarita Astralaga
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The 3S Initiative offers an African-owned pathway to address the most pressing ecological, economic and security issues on the continent. In particular in view of the added burden resulting from the COVID-19 pandemic, UNCCD looks forward to working with you in bringing this initiative to fruition soon.

Sincerely yours,

Louise Baker
Managing Director of the Global Mechanism

A handwritten signature in blue ink, appearing to read "L Baker", with a long horizontal flourish extending to the right.