



**IFAD**  
**INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT**  
**Executive Board — Sixty-Fifth Session**

Rome, 2-3 December 1998

**PROGRESS REPORT ON THE ESTABLISHMENT OF THE GLOBAL MECHANISM  
OF THE UNITED NATIONS CONVENTION TO COMBAT DESERTIFICATION**

The Executive Board has been kept informed regularly of the Fund's activities in response to the requirements for housing the Global Mechanism of the Convention to Combat Desertification (CCD), with a view to making it operational as soon as possible. During its Sixty-Fourth Session in September 1998, the Executive Board approved the Memorandum of Understanding between the Conference of the Parties and IFAD on "*the Global Mechanism's modalities and administrative operations*". The Memorandum of Understanding has now been submitted to the Second Session of the Conference of the Parties, presently meeting in Dakar, Senegal.

In consultation with IFAD, the United Nations Development Programme (UNDP) undertook an extensive search to identify a well-qualified candidate as Managing Director of the Global Mechanism. As a result, Mr Per Rydén, the former Director of Institutional Development of the World Conservation Union, was nominated and subsequently appointed by IFAD's President as the first Managing Director of the Global Mechanism. Mr Rydén started work on 19 October 1998 and reports directly to the President of IFAD.

The administrative infrastructure to be provided by IFAD is detailed in the Memorandum of Understanding. The Global Mechanism has been allocated adequate space at IFAD headquarters in Rome. Its staff will enjoy a sub-network of IFAD's information system and have access to IFAD's other communication facilities. In terms of personnel policy and financial services, Global Mechanism staff will receive the same treatment as IFAD staff. As reported to the Executive Board, the Conference of the Parties has not made any budget allocations to support the Global Mechanism's administrative expenditures for 1998. Consequently, voluntary contributions have had to be mobilized to enable it to become operational in 1998. To this end, generous contributions have been received from Germany (USD 100 000), Sweden (USD 125 000) and recently from Switzerland (USD 150 000). The Conference of the Parties has, however, allocated a one million dollar core budget to the Global Mechanism for its operations in 1999. A detailed budget, approved by the President of IFAD, is now being submitted to the Conference of the Parties for its consideration and approval.



Prior to the Managing Director of the Global Mechanism taking up his duties, IFAD, as host organization, took a number of measures to launch the Global Mechanism on the best possible footing. These included:

- (i) negotiating and finalizing the Memorandum of Understanding;
- (ii) drawing up a comprehensive report on the development of the Global Mechanism database application, with the aim of pinpointing the financial needs of affected developing countries in implementing the CCD and the potential sources of financing to meet those needs. As part of this process, a preliminary analysis of the innovative financial mechanisms pertinent to implementation of the CCD was undertaken. The report also makes specific proposals for database structures, relationships, forms, report formats, user interfaces and dissemination media, thus enabling the Global Mechanism's systems staff to move quickly in making the database operational;
- (iii) initiating collaboration with the NGO community and other private sector entities in response to the Conference of the Parties' decision to request that a report be submitted to its second session on the modalities of Global Mechanism cooperation with the NGO community. This is an important issue since increasing private sector participation in CCD implementation is being emphasized. IFAD will also assist the Global Mechanism in organizing a seminar on this subject in early 1999. In this context, the Global Mechanism will be able to draw on IFAD's extensive system of contacts;
- (iv) reviewing its agreements with a number of relevant institutions to ensure that the Global Mechanism can take advantage of cooperation arrangements between IFAD and such agencies. In this context a Memorandum of Understanding has been signed between the President of IFAD and the Director-General of the Food and Agriculture Organization of the United Nations which supplements the ongoing agreement between the two organizations. This may serve as a model for new arrangements with other organizations; and
- (v) organizing the Facilitation Committee.

While IFAD has direct responsibility for housing the Global Mechanism, it is, however, convinced that this challenge should be pursued through a broad partnership with relevant organizations, including NGOs and the private sector. The foundations for such partnerships were laid in the collaborative institutional arrangement involving IFAD, UNDP and the World Bank. Within this context, the Facilitation Committee foreseen in the arrangement has already met three times during 1998. IFAD has actively participated in these meetings, and hosted the third meeting on 27 November 1998. The Facilitation Committee has also been expanded to include the Executive Secretary of the CCD, the Global Environment Facility, three regional banks (i.e., African Development Bank, Asian Development Bank and Inter-American Development Bank), and the Islamic Development Bank. Positive responses have been received from these organizations and they are willing to work and serve on the Facilitation Committee.

Based on the outcome of the second session of the Conference of the Parties, the Managing Director of the Global Mechanism will prepare a detailed report for the consideration of the Governing Council. Given the time available to do so, the report will be tabled during the Twenty-Second Session of the Governing Council.