



IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
Executive Board - Seventy-Fifth Session
Rome, 22-23 April 2002

REPORT AND RECOMMENDATION OF THE PRESIDENT

TO THE EXECUTIVE BOARD ON A PROPOSED

GRANT TO THE GLOBAL MECHANISM OF THE
UNITED NATIONS CONVENTION TO COMBAT DESERTIFICATION
IN THOSE COUNTRIES EXPERIENCING SERIOUS DROUGHT AND/OR
DESERTIFICATION, PARTICULARLY IN AFRICA (CCD)

TO

SUPPORT THE DEVELOPMENT AND IMPLEMENTATION OF
ACTION PROGRAMMES AND RELATED INITIATIVES – SECOND INSTALMENT

I submit the following Report and Recommendation on a proposed grant to the Global Mechanism (GM) of the United Nations Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa (CCD) of USD 1.25 million, to support the development and implementation of action programmes and related initiatives.

I. BACKGROUND

1. At the Seventy-Fourth Session of IFAD's Executive Board, two documents relating to the GM were discussed:

- EB 2001/74/R.30: Progress Report on the Global Mechanism of the United Nations Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa; and
- EB 2001/74/R.25: Grant to the Global Mechanism of the United Nations Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa (CCD) to Support the Development and Implementation of Action Programmes and Related Initiatives. Two tables were attached, showing the details of voluntary contributions received since 1998 (Table 1) and the use of IFAD's first grant (USD 2.6 million, including interest) to GM (Table 2). For ease of reference, the updated versions are attached (Appendix).



II. PURPOSE OF THE GRANT

2. The purpose of the grant is outlined in Chapter IV of EB 2001/74/R.25, which reads as follows:

“Given IFAD’s standing commitment to support the GM, and as a follow-up to the first grant approved in 1999 (from a total pledge of USD 10 million), it is proposed that the next tranche of USD 2.5 million be split in two instalments of USD 1.25 million each, from the Fund’s TA grant resources for 2001 and 2002, respectively. This arrangement is proposed in view of IFAD’s overall lower level of TA grant resources for 2001 and availability of committable grant resources. Release of the second instalment of USD 1.25 million will be submitted for the approval of the Executive Board at its Seventy-Fifth Session in April 2002.”

3. The grant will be used to leverage additional funds to enable GM to respond to a growing number of requests from governments, non-governmental organizations (NGOs) and intergovernmental and community-based organizations. In the light of GM’s experience to date, the current needs of the countries requesting GM assistance would be better served if the proposed grant of USD 1.25 million were divided between its second (USD 0.25 million) and third (USD 1.00 million) Special Resources for CCD Finance (SRCF) accounts.

4. GM’s use of the grant will be guided by the Memorandum of Understanding between the Conference of the Parties to the CCD (COP) and IFAD, to the effect that contributions to GM resources shall be “received, held and disbursed and the said accounts shall be administered by the Fund in accordance with the rules and procedures of the Fund, including those applicable to the management of the Fund’s own supplementary funds (trust funds)”, as outlined in the President’s bulletin 99/10 of 4 October 1999.

5. GM shall not be involved in implementing or supervising field activities, or in administering the grant funds. These tasks will be entrusted to bilateral and multilateral institutions, including members of the GM Facilitation Committee (FC). GM shall, however, monitor implementation and provide IFAD with a detailed report on the allocation and use of the grant. A second evaluation of GM policies and operations will be undertaken before the Sixth Session of the COP in 2003, with special attention to the role of IFAD as host institution and to strengthening of IFAD/GM links, taking into account IFAD’s corporate strategy and regional/country assistance frameworks.

6. As part of the review process, the GM Technical Advisory Group was established to provide advice on the objectives and scope of activities to be funded under the SRCF account. This group consists of representatives from the Food and Agriculture Organization of the United Nations, GM, IFAD and the CCD Secretariat, and others invited by GM. The group’s meetings are part of a process of technical review and consultation that includes the sessions of the FC and continuous interaction between GM and the members of the FC.

7. At its Seventy-Fourth Session, the Executive Board approved the recommendation of the President to grant an amount of one million two hundred and fifty thousand United States dollars (USD 1 250 000) to GM.



III. RECOMMENDATION

8. I recommend that the Executive Board, with reference to paragraph 2 above, approve the proposed grant in terms of the following resolution:

RESOLVED: that the Fund, in order to finance, in part, both the Special Resources for CCD Finance (SRCF) and the Voluntary Contributions Administrative Expenses Account (Second Account) to Support the Development and Implementation of Action Programmes and Related Initiatives of the Global Mechanism of the Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa (CCD), shall provide a grant in an amount not exceeding one million two hundred and fifty thousand United States dollars (USD 1 250 000) to the Global Mechanism of the CCD.

Lennart Båge
President



APPENDIX

FINANCIAL TABLES

Table 1. Voluntary Contributions to the Global Mechanism^a
(USD '000)

	Country/Organization	1998	1999	2000	2001	2002*	Subtotal
Second Account	Canada				30.4		30.4
	Congressional Hunger Center (CHC)				79.6		79.6
	Denmark				100.0		100.0
	Germany	100.0					100.0
	Italy					137.7	137.7
	Norway			95.7	236.5	241.6	573.8
	Portugal		50.0				50.0
	Sweden	121.2		527.5			648.7
	Switzerland	72.8	64.3	71.5	76.2		284.8
	Arab Fund for Economic and Social Development (AFESD)				52.1		52.1
	IFAD				300.0		300.0
	Islamic Development Bank (IsDB)		12.0		20.0		32.0
	Organization of the Petroleum Exporting Countries (OPEC) Fund				40.0		40.0
	World Bank			250.0	75.0	250.0	575.0
	Subtotal	294.0	126.3	944.7	1 009.8	629.3	3 004.1
Third Account	Denmark				250.0		250.0
	IFAD		2 500.0		1 000.0		3 500.0
	World Bank			1 000.0		1 000.0	2 000.0
	Subtotal		2 500.0	1 000.0	1 250.0		5 750.0
	Total	294.0	2 626.3	1 944.7	2 259.8	1 629.3	8 754.1

*Commitment

Table 2. GM Allocation of the Proceeds of IFAD's First Grant

Type of Activity	Total USD
Support to national action programmes ^b	1 080 000
Support to subregional action programmes ^c	450 000
Support to regional action programmes ^d	150 000
Enabling activities ^e	725 000
Strategic activities ^f	200 000
Total	2 605 000

^a The first account relates to the GM administrative budget.^b Algeria, Argentina, Burkina Faso, China, Cuba, Ethiopia, Haiti, Mali, Senegal, selected Asian countries, Tunisia.^c Western and Central Africa: Fouta Djallon and Niger/Nigeria, West Africa; Latin America and the Caribbean: Hispaniola (Dominican Republic and Haiti).^d Asian Thematic Network on Range Land Management and Sand Dune Fixation; Asian Thematic Network on Agroforestry.^e Community Exchange and Training Programme, Desertification Monitoring/Physical Indicators on Land Management; Subregional and Regional Workshops on Approach to Resource Mobilization for the CCD.^f Debt relief; carbon sequestration.