

CSO Panel's position on funding for LDN

Civil society organisations (CSOs) are committed to contributing to the development and implementation of the UNCCD's new strategy, driven by the SDG 15. It is clear that substantial financial and human resources to achieve the 2030 target need to be mobilized. Yet while financing large-scale projects human rights and land rights must be secured. Any financial mechanism must involve local small landowners, land-users and local civil society. There are 500 million small-scale farmers around the world. Without their involvement and active participation, the LDN target will ultimately fail.

The CSO Panel recognizes and appreciates the efforts made by the UNCCD Secretariat and the Global Mechanism to access new financing streams, including private capital. We believe that LDN projects funded by private and public finance must adhere to the highest human, social and environmental standards.

We must protect the interests of pastoralists, small-scale farmers, women, indigenous peoples and landless peasants who are directly or indirectly affected by LDN interventions, including funded (and un-funded) projects.

We would like to see clear guidelines and safeguards. Any changes in land use will impact upon existing land use rights and practices. Therefore design of interventions must anticipate these changes and engage affected land users in co-creating a future that they embrace as an improvement. In this context it is vital that participatory and transparent governance and effective checks and balances must be embedded in financial management.

CSO Panel's position on the LDN Fund

There are various challenges as to how the LDN Fund will achieve its objectives in relation to large scale land renovation and avoided land degradation. CSOs raise various concerns about the LDN Fund's institutional structure and the operational standards that it aims to achieve.

Target setting and impact

1. The global map of land degradation shows that regions, ecosystems and societies that are most exposed to the impacts of desertification are located in areas which are not obviously attractive to private investors. Hence we would like to reiterate that new funds should prioritize societies and ecosystems that are most vulnerable and exposed to land degradation. CSOs would like to see clear targets and operational guidelines as to how the LDN Fund will operate in these 'hotspots' of land degradation. The LDN Fund could be assigned a sub-target to finance projects in these areas (e.g. a certain proportion or a certain minimum amount of total financing must be targeted to vulnerable areas);
2. If public finance will be used to address under-investment to vulnerable areas, there should also be clear public funding targets as a proportion to private capital to be invested in highly vulnerable areas;
3. CSOs welcome the fact that the LDN Fund is likely to finance projects in a range of sectors, including agriculture, forestry and ecotourism. However, combating

desertification is the primary mandate of the UNCCD, and that of many CSOs. Hence CSOs would want to see a clear description of how LDN Fund's political mandate will reflect the UNCCD's unique mandate to combat desertification.

4. How the LDN Fund's policy targets are going to be set and how its economic, social and environmental impacts and efficiency will be monitored are critical. The legitimacy of the LDN Fund would be questionable if its policy targets are not set transparently;

Standards and safeguards

5. It is currently seems that the UNCCD Secretariat, other international public institutions or CSOs are not going to be represented in the Fund's Steering Committee which will ultimately decide which LDN projects are going to be funded. The lack of civil society participation is of serious concern to CSOs and it might be questionable if its social and environmental standards are implemented without participation of CSOs;
6. The LDN Fund is envisaged to comply with a range of social and environmental standards in various stages of project screening and performance monitoring. The set of guidelines and standards which had been identified largely mirror existing internationally acknowledged standards on land tenure, rights of indigenous peoples, biodiversity, health, labour and cultural heritage:
 - LDN Safeguard Standard 1: Biodiversity Conservation and Sustainable Management of Living Natural Resources⁶ (IFC PS # 6)
 - LDN Safeguard Standard 2: Cultural Heritage (IFC PS # 8)
 - LDN Safeguard Standard 3: Community Health, Safety and Security (IFC PS # 5)
 - LDN Safeguard Standard 4: Indigenous Peoples (IFC PS # 7)
 - LDN Safeguard Standard 5: Labour and Working Conditions (IFC PS # 2)
 - LDN Safeguard Standard 6: Land Acquisition and Involuntary Resettlement (IFC PS # 5)
 - LDN Safeguard Standard 7: Land Tenure (incorporates ideas and suggestions of Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security Fund)
 - LDN Safeguard Standard 8: Resource Efficiency and Pollution Prevention (IFC PS # 3)
7. CSOs welcome the scope of standards that have been identified. We appreciate the efforts to include wide range of areas where environmental and social standards are crucially important when financing large scale projects. Nevertheless, an independent and transparent mechanism should absolutely be embedded in the institutional structure of the management of the LDN Fund in order to ensure the implementation and monitoring of these standards;
8. CSOs are particularly cautious about the potential impacts of Funded projects on land rights at the local level. We welcome the indication that the LDN Fund will adopt the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forest. The Voluntary Guidelines should be explicitly adopted and implemented as the LDN Fund's official standard guideline in relation to land rights;

9. CSOs also would like to see an independent grievance mechanism and a compensation system as part of the governance structure of the LDN Fund, with both an ombudsman and a complaint facility;
10. We also would like to see explicit reference to standards in relation to sustainable use of water;

LDN Fund institutional governance

11. CSOs state that the institutional mechanisms through which the standards are going to be screened, monitored and implemented are not yet thought through. What kind of institutional capacity will the LDN Fund have in order to make sure that all the standards that are listed are maintained throughout the lifecycle of funded projects?
12. CSOs believe that a genuine commitment to these standards would require substantial technical and financial resources at the management level and also participation of CSOs on the monitoring of projects at the local level. Hence the Fund should dedicate adequate resources for its own capacity development and also make a commitment to invite CSOs as part of its institutional mechanisms for project screening and monitoring;
13. We note that 'the Advisory Group' where the UNCCD Secretariat and CSOs might be represented will have a nonbinding role in the Fund's management structure;
14. Hence we demand that a CSOs Panel Representative will have a permanent seat within the Advisory Group to represent the interest of the civil society. As the CSO Panel is elected by a wide CSO constituency, including around 300 CSOs accredited to the UNCCD from across the world, the CSO Panel member would ensure the voices of the CSO constituency would be reflected in the Advisory Group. He/she would also inform the constituency about the Fund's activities;
15. CSOs demand that the Advisory Group should not have a merely 'advisory' role within the Fund's management. We insist that the Advisory Group's role should be designated to be binding (only) in relation to the screening, monitoring and implementation of safeguards and standards;
16. CSOs suggest that a specially designated standard compliance body/facility could be developed between the Steering Committee and the Advisory Group, whose sole role could be to make sure that the Fund would adhere to the set standards. This body should have the relevant technical expertise and financial capacity to autonomously assess projects at various lifecycle stages;
17. Continuous monitoring and early warning mechanisms should be established to minimise avoidable damage;
18. We note that the LDN Fund currently consider some 'pipeline projects'. We would like to underline that some CSOs have been engaged in excellent work of restoring land degradation and combating desertification, particularly in Asia. We would welcome if, keeping their vast empirical experience in view, a few of these CSOs should be provided with opportunity to implement some model projects under the LDN fund.