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Additional measures and means of financing for the implementation
of the Plan of Action to Combat Desertification

Report of the Secretary-General

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ANNEX

SUMMARY OF COMMENTS RECEIVED FROM GOVERNMENTS ON THE ADDITIONAL MEASURES
AND MEANS OF FINANCING FOR THE IMPLEMENTATION OF THE PLAN OF ACTION TO
COMBAT DESERTIFICATION

I. INTRODUCTION

1. At its thirty-third session, the General Assembly, by its resolution 33/89 of 15 December 1978, took note of the report of the Secretary-General on the study of additional measures and means of financing for the implementation of the Plan of Action to Combat Desertification (A/33/260) and requested the Secretary-General to solicit views of Governments concerning this study and to report on the results to the General Assembly at its thirty-fourth session.

2. Pursuant to that resolution, the Secretary-General, by a note verbale of 16 April 1979 addressed to all States, invited all the Governments to provide, by 15 June 1979, their views on the matter to the Executive Director of the United Nations Environment Programme for the purpose of reporting to the General Assembly as requested. Together with this note, the document containing the study on additional measures and means of financing for the implementation of the Plan of Action to Combat Desertification (UNEP/GC.6/9/Add.1), was forwarded to Governments for their consideration.

II. DISCUSSIONS IN THE UNITED NATIONS

3. The question of the additional measures and means of financing for the implementation of the Plan of Action to Combat Desertification was originally raised at the United Nations Conference on Desertification in September 1977. The draft plan of action presented to the Conference indicated that the reclamation of degraded lands was justified in terms of economic rates of return while preventive measures, less expensive than reclamation, had even greater economic justification. However, additional resources were needed for this implementation of the Plan of Action. The Conference was presented with possible terms and means of financing the Plan of Action.

4. At its 17th plenary meeting, on 9 September 1977, the Conference adopted by consensus the Plan of Action to Combat Desertification, containing, *inter alia*, a section on the additional measures and means of financing for its implementation (A/CONF.74/36. para. 104).

5. The General Assembly, at its thirty-second session, on the recommendations of the United Nations Conference on Desertification, decided, by paragraph 13 of its resolution 32/172, to request the Executive Director of UNEP to convene a group of high-level specialists in the international financing of projects and programmes to prepare a study on additional measures and means of financing for the implementation of the Plan of Action to Combat Desertification. This study had been prepared by the group and was presented to the Governing Council of UNEP as document UNEP/GC.6/9/Add.1.

6. At its sixth session, held in May 1978, the Governing Council considered the study and a number of delegations noted that it contained valuable information and innovative suggestions. 1/ Following its discussion of the study, the Governing Council adopted decision 6/11, by which it, *inter alia*, took note of the study;

1/ See Official Records of the General Assembly, Thirty-third Session, Supplement No. 25 (A/33/25), chap. V, sect. B.

decided to submit the study, together with an extract of the report of the Governing Council to the General Assembly at its thirty-third session; and invited the General Assembly to request the Secretary-General to solicit the views of Governments and report on the results to the General Assembly at its thirty-fourth session.

7. The General Assembly, at its thirty-third session in December 1978, took note of the report of the Secretary-General on the study of additional measures and means of financing for the implementation of the Plan of Action to Combat Desertification (A/33/260) and, by paragraph 7 of its resolution 33/89, the General Assembly requested the Secretary-General to solicit the views of Governments on the additional measures and means of financing for the implementation of the Plan of Action to Combat Desertification and to report on the results to the General Assembly at its thirty-fourth session.

8. During the discussions of the above issues in the Second Committee, a number of Member States expressed their position towards the additional measures and means of financing for the implementation of the Plan of Action to Combat Desertification. The representative of the Ukrainian Soviet Socialist Republic speaking on the financing of or automatic appropriation of funds for action against desertification as outlined in the document UNEP/GC.6/9/Add.1, stated that his delegation considered it unacceptable because it runs counter to the principle that contributions to special United Nations funds should be voluntary and to the provisions of the United Nations Charter prohibiting interference in the internal affairs of States; to accept the principle of automatic funding would be tantamount to giving international organizations supranational functions. The Plan of Action to Combat Desertification should be financed by making more rational use of available funds and reducing expenditure. In this connexion, the USSR proposal on the reduction of military budgets and the utilization of part of the resources so released for development, including the struggle against desertification, should also be borne in mind. Similarly, in the view of the representative of the Union of Soviet Socialist Republics, it was unacceptable that an international tax should be imposed or that other automatic financing measures should be introduced, as such a procedure would be contrary to the principle of non-interference in the internal affairs of States set forth in the Charter and to the tradition of voluntary financing. This view was also supported by the representative of the German Democratic Republic. The representative of Australia expressed the need for a reallocation of priorities for foreign aid resources, the possibility of bilateral assistance and perhaps some modification in the allocation of existing United Nations resources. In view of the representative of Kuwait, the implementation of the Plan of Action, with the full participation of the appropriate United Nations bodies, should be financed out of voluntary contributions. On the other hand, the representative of the Sudan stated that since the countries of the Sudano-Sahelian region affected by desertification were also in the category of least developed countries, financial and technological resources to combat desertification should be made available to them on a long-term basis. Priority should be given to ways and means of increasing the level and automaticity of resources for combating desertification. The representative of India expressed the hope that the international community would support the action initiated by the General Assembly the previous year, since the implementation of the Plan of Action to Combat Desertification was largely dependent on the provision of necessary resources. In view of the French delegation the study on additional financing measures should

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remain in the form of a simple outline submitted to the General Assembly. An informed decision could only be taken on the basis of more detailed studies which took account of all the parameters. The delegation of Chile agreed with the authors of the study that desertification constituted a priority problem. The delegation of Italy reaffirmed its view that activities relating to the implementation of the Plan of Action should be financed from existing resources. The delegation of the United Kingdom was opposed to the use of automaticity in raising additional finance and to the automatic allocation of a fixed portion of resources to one particular developmental objective. The delegation of the Netherlands noted with interest the study on additional measures and means of financing. A careful study of possible new ways of financing the programmes of multilateral organizations at the world level in addition to regularly assessed budgets and conventional extra-budgetary resources deserved serious consideration. However, the problems involved were of a general nature and their examination should not be confined to a specific sector such as that of combating desertification. The proper place for such a study might be within the broad topic of transfer of resources. The United Nations Educational, Scientific and Cultural Organization (UNESCO), for example, was already working on the problem of additional means of financing in the sectors of education, science and culture. Reference was also made to it in the report of the Committee for Development Planning on its fourteenth session. 2/ It would be useful for Governments to have at their disposal, when considering this issue, a complete inventory of similar ideas put forward in the United Nations system. Such material and ideas could be collected by the Administrative Committee on Co-ordination.

III. VIEWS OF GOVERNMENTS

9. As at 7 September 1979, 29 States had presented their views concerning the matter to the Executive Director of the United Nations Environment Programme: Argentina, Australia, Bahamas, Benin, Botswana, Canada, Chile, Denmark, El Salvador, Finland, France, Germany, Federal Republic of, Ghana, Guatemala, Luxembourg, Netherlands, Seychelles, Singapore, Spain, Sudan, Suriname, Swaziland, Switzerland, Thailand, United Kingdom of Great Britain and Northern Ireland, United Republic of Tanzania, United States of America, Upper Volta and Zambia.

10. Twelve Governments (Benin, Chile, El Salvador, Ghana, Guatemala, the Seychelles, the Sudan, Swaziland, Spain, Thailand, the United Republic of Tanzania and Upper Volta) expressed their general support of measures and means of financing for the implementation of the Plan of Action to Combat Desertification as proposed in the study prepared by the team of experts. It is a general belief of these countries that the implementation of the Plan of Action definitely requires substantial financial support which would include principles of additionality and automaticity. They also expressed the belief that measures and means of financing proposed in the study are adequate, although requiring further refinement, clarification, investigation for practical implementation; and most of all, they require political will of the States to make them real.

2/ See Official Records of the Economic and Social Council, 1978, Supplement No. 6 (E/1978/46 and Corr.1).

11. The Governments of the States supporting the measures and means of financing proposed by the study made a number of important general comments concerning the document under consideration. One Government stressed the point that due regard should be paid to the national interests and political implications for the countries concerned. Another Government drew attention to the equality and appropriate geographical balancing of international efforts to combat desertification. It also pointed out that the study did not fully explain how the private sector in both developed and certain developing countries can contribute to the desertification fund and that not much thought had been given to ways and means of raising domestic sources of financing.

12. Eight other States (Argentina, Canada, Denmark, France, Germany, Federal Republic of, Switzerland, the United Kingdom and Zambia) indicated negative reaction to the proposed measures and means of financing on the ground that, in their views, the international community could best respond to the problem of desertification using existing resources and the existing bilateral and multilateral channels. One Government was of the view that the additional measures and means of financing suggested in the study tended to divert attention from the need for countries suffering from desertification to make anti-desertification programmes a priority in their own development plans. Another Government believed that, as desertification was but one aspect of the broader problem of development, there was no need for new international funds or new international machinery to be established specifically to cope with desertification. In view of this Government, development funds were already available through bilateral channels and in the United Nations Development Programme, the specialized agencies and the World Bank, in addition to those available through regional development banks. One Government was of the view that no additional measures would be required once the special account to combat desertification had been established.

13. Finland, the Netherlands and the United States of America were of the view that the proposal for additional measures and means of financing for the implementation of the Plan of Action called for further study before taking a final stand on the matter. One of these Governments considered that it would seem useful for Governments to have at their disposal a complete inventory of relevant ideas put forward in the United Nations system. Another Government was of the opinion that it would be helpful if a financial plan and analysis could be prepared outlining the components and costs of a programme to stop further desertification. If a better approximation of the magnitude of needed additional resources were presented, Governments would be in a better position to decide if an expansion of existing financial mechanism would be adequate or which of the options would be most appropriate.

14. The Governments, which sent their views concerning the matter to the Executive Director of UNEP, made specific comments with regard to three main topics of the study on additional measures and means of financing for the implementation of the Plan of Action to Combat Desertification.

15. As far as the need for additionality and automaticity was concerned, some Governments concurred in principle that it would be very useful and in line with

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the Plan of Action if the United Nations could find additional resources of funds to allocate to countries facing the problem of desertification. They supported the idea of automaticity which assured the financial support over a long period without being affected by political disturbances. In view of one of the Governments, the official development assistance should be also considered within the context of automaticity rather than as a voluntary contribution. Another Government was of the opinion that additional resources for the implementation of the Plan of Action must be able to be predicted and must be properly planned and allocated; due account should be taken of the need for additionality of resources. On the other hand, a number of Governments considered that the additional measures and means of financing were not acceptable as there were existing appropriate funds and channels for their utilization. One of the Governments was in no position to talk on the additional financing before finalizing financial planning within the framework of its pilot project on the co-ordination of its anti-desertification activities.

16. As for the sources of financing, the Governments have large divergence of opinion regarding those suggested in the study. While some of the Governments considered the suggested sources of financing as adequate and acceptable, other Governments view them as ranging from unrealistic, such as the taxation of arms transfers, to interesting but not likely to be implemented in short, to medium term, as for example, revenues from exploitation of the international commons. In view of one of the Governments, the use of automatic funds obtained from new sources of financing based on revenues from the exploitation of the international commons was not the type of procedure usually followed in this area. Some Governments believed that numerous problems would be encountered if some traded commodities were to be taxed; both the exporting and importing countries might be reluctant to introduce such a tax; this also applied to a proposed taxation on military expenditures and taxation on arms transfers. Another Government supported an idea of trade taxes, and revenues on military expenditures, if countries suffering from desertification and the least developed countries were exempted. The following additional suggestions were made by the Governments concerning the additional sources of financing:

(a) To convince the industrialized developed countries to increase their contribution towards the official development assistance, which should be viewed within the context of automaticity, at least up to 0.7 per cent of their gross national product as was called for by the United Nations;

(b) To assure active participation by international foundations in financing anti-desertification training and research programmes;

(c) To carry out more studies on the exploitation of the international commons with a view to utilizing their resources for the common benefit;

(d) To solicit extra funding from countries affected by desertification, particularly from those endowed with oil;

(e) To study more how the private sector in both developed and certain developing countries can contribute to the desertification fund;

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(f) To study ways and means of raising domestic sources of financing within the countries affected by desertification;

(g) To use, at the first stage, the existing means of mobilizing resources in order to increase, or obtain in a relatively short period of time, from sources such as:

- (i) Official development assistance from the members of OECD Development Assistance Committee;
- (ii) Loans from Governments and world capital markets;
- (iii) Equity investments;
- (iv) Foundations and other non-profit organizations;
- (v) A specially created public international corporation;
- (vi) Anti-desertification projects that produce cash incomes or increases in land values.

17. Concerning the mobilization and management of funds, the opinions of Governments diverged widely as well. While some of the Governments maintained that it was necessary to use the existing bilateral and multilateral channels without creating new mechanisms for international assistance to the developing countries suffering from desertification, others believe that it will be necessary to create a new institution to assist in mobilization and management of funds gained on capital markets and from private investors.

IV. CONCLUSIONS

18. The immediate goal of the Plan of Action to Combat Desertification, as adopted by the United Nations Conference on Desertification and approved by the General Assembly in its resolution 32/172, is to prevent and to arrest the advance of desertification and, where possible, to reclaim desertified land for productive use. The ultimate objective is to sustain and promote, within ecological limits, the productivity of arid, semi-arid, subhumid and other areas vulnerable to desertification in order to improve the quality of life of their inhabitants. It was stressed that the campaign against desertification should take priority among efforts to achieve optimum and sustained productivity. For the countries affected, the implementation of this Plan of Action implies more than a campaign against desertification; it is an essential part of the broad process of development and the provision of basic human needs. The goal is to implement the Plan of Action by the year 2000.

19. Taking into account these goals and objectives and considering the magnitude of the problem (two thirds of the countries of the world are affected by desertification directly or indirectly; more than one third of the earth's land area is vulnerable to desertification; more than 14 per cent of the world's population is affected by current desertification processes), it becomes evident that the implementation of the Plan of Action to Combat Desertification will

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require very strong and sustained efforts of the United Nations system as a whole. The fact that the most seriously affected countries are the poorest and the least developed among the developing countries of the world emphasizes still more the need and importance of international co-operation in order to solve the problem.

20. In view of the grave importance of the problem and taking into account the continued contrast of views expressed by Governments on this issue, the General Assembly may wish:

(a) To identify, based on the views expressed by Governments, proposals from among those presented in the study on additional measures which warrant further detailed consideration indicating lines of such consideration;

(b) To identify recommendations of Governments presented in this report which also warrant similar detailed consideration;

(c) To request the Governing Council of UNEP to present to the General Assembly at its thirty-fifth session a report giving its views on the above-mentioned proposals and recommendations based on a study to be prepared by a group of high-level specialists in the international financing of projects and programmes to be convened by the Executive Director of UNEP; the group should include in its study an analysis of relevant reports presented to various United Nations fora.

ANNEX

Summary of comments received from Governments on the additional measures and means of financing for the implementation of the Plan of Action to Combat Desertification

I. INTRODUCTION

The following is a summary of replies as at 7 September 1979 received in response to the note verbale of 16 April 1979 addressed to all States by the Secretary-General, requesting the views of Governments on the additional measures and means of financing for the implementation of the Plan of Action to Combat Desertification called for by paragraph 7 of General Assembly resolution 33/89 of 15 December 1978. These views concern the document UNEP/GC.6/9/Add.1 containing the "Study on additional measures and means of financing for the implementation of the Plan of Action to Combat Desertification", prepared by a group of internationally recognized experts and considered by the Governing Council of the United Nations Environment Programme at its sixth session and by the General Assembly at its thirty-third session.

II. SUMMARY OF COMMENTS

A. General

Argentina

In view of the Government of the Republic of Argentina, the solution to the problem of desertification requires collective and concerted action and must be considered as a matter of the highest priority requiring a large volume of international financial assistance. In view of the importance of the Plan of Action to Combat Desertification, an account should be taken of the need for additional resources and additional resources for its implementation must be able to be predicted and must be properly planned and allocated. However, in view of the urgent need for action to combat desertification, the first stage should involve the use of existing means of mobilizing resources, while the use of automatic funds obtained from new sources of financing based on revenues from the exploitation of the international commons is not the type of procedure usually followed in this area.

Australia

The relevant Australian departments are still considering the proposals made in the report of the group of specialists appointed to examine the question of additional means of financing. However, the Government of Australia has reiterated the following summary of its previously stated position on desertification and on the financing of the Plan of Action to Combat Desertification. Australia assists

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recipient Governments, when requested, with bilateral assistance in environmental programmes, and is willing to direct more of its development assistance resources to desertification control activities within the ambit of its current programme, in accordance with the priorities of the developing countries. At the first meeting of the Consultative Group for Desertification Control, the Australian representative gave an indication of the extent to which Australia might be able to assist in the proposed transnational projects under existing programmes.

Bahamas

The Government of Bahamas is regretfully unable to support financially the Plan of Action to Combat Desertification and is not in a position to offer comments on the study.

Benin

The Government of Benin concurs with the spirit of the proposed measures.

Botswana

The Government of Botswana has embarked on a sand dune stabilization project which could be considerably enlarged if funds were available through international assistance.

Canada

The Government of Canada restated briefly its position on the issue, which was presented at the Conference and at subsequent sessions of the UNEP Governing Council and the General Assembly. The Government is of the view that the additional measures and means of financing suggested in the document tend to divert attention from the need for countries suffering from desertification to make anti-desertification programmes a priority in their own development plans. In Canada's view the international community can best respond to the problem of desertification using existing bilateral and multilateral channels.

Chile

The Government of Chile is sponsoring the position of the Group of 77, which was expressed at the thirty-third session of the General Assembly, with respect to the establishment of the Special Account to Combat Desertification within the United Nations and with regard to the flow of technical and financial assistance from the donor to the developing countries which are fighting against desertification, particularly in connexion with concrete projects which developing countries could elaborate.

Denmark

The Government of Denmark, being one of the few donor countries that reached the 0.7 per cent target for development assistance in the calendar year 1978, is

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not in a position at this time to commit any additional resources to the combat against desertification. Furthermore, it is the policy of the Danish Government to channel the bulk of its assistance to multilateral organizations through the United Nations Development Programme. Because of its very large contribution to UNDP, Denmark does not in principle contribute to the specialized funds or the various trust funds within or outside the United Nations system. As for the proposed additional measures and means of financing for the implementation of the Plan of Action to Combat Desertification, the Danish Government is not convinced that the proposed fund-raising measures are appropriate.

El Salvador

In view of the Government of El Salvador, the activities of combating desertification have a special interest to this country as the studies carried out in specific areas of El Salvador have indicated an alarming deterioration of soil by erosion, intensive agricultural use without adequate techniques, and other additional causes. The diversity of means of financing for the implementation of the Plan of Action to Combat Desertification can be applied not only unilaterally, but also in a multilateral form, depending on the degree of acceptability and the economic reality of the countries in each particular region. The Government supports the additional measures and means of financing as formulated in the study.

Finland

The Finnish Government gives its full support to the Plan of Action to Combat Desertification. However, the Government considers that the proposal for the additional measures and means of financing for the implementation of the Plan of Action calls for further study before taking a final stand on the matter.

France

The French authorities are of the view that the fight against desertification is already, and for many years for them, realized and financed by bilateral and traditional multilateral mechanisms from which they do not intend to move.

Germany, Federal Republic of

The Federal Government regards desertification as a very important problem which has special priority in its development co-operation with the countries affected. For its development assistance in the field of desertification control the Federal Government has established the following guidelines:

- (a) Efforts should be concentrated on the especially affected Sahel countries;
- (b) As a starting point for measures against desertification, suitable running bilateral projects should be selected; these projects should be expanded accordingly within the scope of the Plan of Action as recommended by the United Nations Conference on Desertification;

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- (c) The Federal Government will co-ordinate its measures against desertification as much as possible with other institutions; it regards the Consultative Group for Desertification Control, of which it is a member, as an appropriate forum for that purpose.

At the moment two important projects for the implementation of the above-mentioned ideas are being prepared, which should become operational during 1980. One of them is a pilot project for the co-ordination of the Federal Republic's anti-desertification activities. It is not possible for the Federal Government to talk about additional financing until the financial planning within the framework of this project is finalized.

Ghana

The Government of Ghana considers that extra funding should be solicited in addition to the existing budgetary allocations.

Guatemala

The Government of Guatemala recognizes the importance of the problem of desertification and of the urgency to take measures to combat the advancing desert and to restore the desertified lands to productive use. The Government is worried over some parts of the country which can be seriously affected by desertification in the near future. In view of this Government, the proposals for additional financing contained in the study are convenient and should particularly benefit the developing countries that lack financial resources.

Luxembourg

Owing to the absence of appropriate expertise on desertification, the Government of Luxembourg is not in a position to contribute substantively to the study on additional measures and means of financing for the implementation of the Plan of Action to Combat Desertification.

Netherlands

The Netherlands Government is of the view that a careful study of possible new ways and means to finance programmes of multilateral organizations at the world level, additional to regular assessed budgets and conventional extrabudgetary resources, certainly deserves serious consideration. The problems involved are of a general nature and therefore their examination should not be confined to a specific sector, such as the fight against desertification. A general study of this kind could find a proper place within the broad subject of "transfer of resources". It would seem useful for Governments to have at their disposal a complete inventory of relevant ideas put forward in the United Nations system, similar to those which can be found in the interesting study contained in document UNEP/GC.6/9/Add.1. The Administrative Committee on Co-ordination (ACG), comprising all sectors of the United Nations system, could collect such material and ideas.

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This would be a logical first step to prepare a well-balanced consideration of the problem of additional measures of financing as a central issue concerning all partners in the United Nations system. The Executive Director of UNEP might take a pertinent initiative.

Seychelles

The Government of Seychelles fully supports all the steps taken to implement the Plan of Action to Combat Desertification. However, since the Seychelles is a developing island State, the Government regrets its inability to make any financial contribution to the implementation of the Plan of Action at the present time.

Singapore

The Government of Singapore has no comments to offer on the study under consideration owing to the absence of the problem of desertification within the country as well as of the relevant expertise.

Spain

In view of the Spanish Government, the study prepared by the Group of Experts is important and deserves serious consideration, particularly in respect of new proposals for international financing to combat desertification. It also signifies very serious intention of the Executive Director of UNEP to implement the Plan of Action. If it would be possible to mobilize the international resources on a world-wide scale on the basis of these proposals, the responsible organizations of the United Nations will give a great service to mankind. The recommendations of the Group of Experts to mobilize financial resources from the exploitation of international commons, taxation of military expenditures, etc. should be especially considered. However, although it is very satisfactory that the study contains a large set of various proposals, there are serious doubts in their realization in practice, which requires real will for international co-operation. If the ideas contained in the study were to be realized, Spain would find a good opportunity to contribute to the international efforts to combat desertification.

Suriname

Suriname does not face the problem of desertification because the average rainfall per year is about 2,000 mm. However, a legislation has been enacted in order to protect those areas where chances of desertification would be possible. In view of the above, the Government of Suriname did not comment on the study on the additional measures and means of financing.

Swaziland

The Government of Swaziland expressed its full support to additional measures and means of financing for the implementation of the Plan of Action to Combat Desertification as proposed in the study.

Switzerland

The Government of Switzerland would prefer to finance appropriate anti-desertification projects in selected countries in a bilateral form and could not support the measures proposed as such.

Thailand

In view of the fact that various countries, including Thailand, are faced with the problems of drought and desertification, Thailand believes that the implementation of the Plan of Action to Combat Desertification definitely requires substantial financial support. Therefore, in principle, Thailand concurs that it would be very useful and in line with the Plan of Action if the United Nations could find additional sources of funds to allocate to countries facing these problems, with due regard paid to the national interest and political implications for the countries affected.

United Kingdom of Great Britain and Northern Ireland

The Government of the United Kingdom believes that desertification is but one aspect of the broader problem of development. For this reason, the Government does not believe that there is any need for new international funds or new international machinery to be established specifically to cope with desertification. In its view, development funds are already available through bilateral channels and in UNDP, the specialized agencies and the World Bank in addition to those available through regional development banks. The Government remains sceptical of the need for new international machinery to carry out follow-up measures required under the Plan and continues to doubt whether the expansion of United Nations Sahelian Office will prove cost effective. In its view, UNDP and existing United Nations machinery, including UNEP, should be able to carry out the necessary follow-up. The United Kingdom is, in general, opposed to sectoral funds. In its view, recent experience suggests that special funds have not, by and large, succeeded in attracting contributions of any size and a large proportion of their resources are often wasted on administrative overheads. Moreover, the existence of special sectoral funds tends to encourage developing countries to draw up their national development plans and priorities on a graded or phased basis and not to consider the over-all picture. This can lead to inefficient use of funds and the distortion of national priorities.

United Republic of Tanzania

The Government of Tanzania totally agrees with most of the proposals contained in document UNEP/GC.6/9/Add.1 on additional measures and means of financing for the implementation of the Plan of Action to Combat Desertification and appreciates the efforts made by the study group in preparing this document. It considers essential to mobilize sufficient resources of finance capital investment, research, training and other programmes required in the implementation of the Plan of Action. The Government is of the view that present programmes on desertification put more emphasis on regional rather than global network for monitoring desertification:

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for example, within the African continent, more international efforts are concentrated towards the Sudano-Sahelian region neglecting the countries south of the Equator; this situation has to be rectified. The Government considers that while it is true that successful execution of the Plan of Action will require the support of individual Governments one should not, however, underestimate the role of international bilateral/multilateral assistance. Document UNEP/GC.6/9/Add.1 does not fully explain how the private sector in both developed and certain developing countries can contribute to the desertification fund. Not much thought has been given to ways and means of raising domestic sources of financing.

United States of America

The United States Government considers the study useful in that it identifies a range of possible options for marshalling the resources needed to combat desertification. In recent years many of these have been proposed within other international (and United States) fora, and the Government has had the opportunity to examine them as it continues to explore the best means to support international development programmes. The fact that most have not been adopted indicates that, for various reasons, the Government has concluded that they will either not achieve the desired objectives, or that it finds it impractical to support them for domestic reasons.

In view of the Government, the study quite correctly points out the problems involved in achieving international agreement to many of the options. It also notes the likelihood, in many instances, that there would be no assurance that the revenues generated would be allocated to desertification problems. It would be helpful, in this regard, if a financial plan and analysis could be prepared outlining the components and costs of a programme to stop further desertification (the \$400 million package referred to in the study). The Government considers that some of the activities within such a programme are undoubtedly already under way (e.g., Club du Sahel projects). The plan should identify what is already being financed and what additional resources may be needed to meet the minimum objective of stopping the spread of further desertification. If a better approximation of the magnitude of needed additional resources were presented Governments would be in a better position to decide if an expansion of existing financial mechanisms would be adequate, or which of the range of possible new approaches would be most appropriate.

The United States Government expresses its understanding and concern for the magnitude, seriousness and urgency of the desertification problem, and gives assurance that it will continue to utilize existing mechanisms for financial support while keeping options for marshalling additional resources under continuing review.

Upper Volta

The Government of Upper Volta did not consider necessary to formulate fundamental comments on the study prepared by the team of experts.

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Zambia

The Government of Zambia considers that with the establishment of the Special Account to Combat Desertification, which it supports, there is no apparent need for additional measures and means of financing the Plan of Action.

- B. Specific comments on the measures and means proposed in document UNEP/GC.6/9/Add.1
1. The need for additionality and automaticity

Argentina

In view of the Government of Argentina, the study prepared by the group of specialists stresses the need for a reliable flow of funds and identifies various sources of external funds to be tapped, not only for global projects, but also for national and regional projects. The Government is of the opinion that account should be taken of the need for additionality of resources. Additional resources must be able to be predicted and must be properly planned and allocated.

Canada

In Canada's view the additional measures and means of financing are not acceptable as they all tend to divert attention from the need for countries suffering from desertification to make anti-desertification programmes a priority in their own development plans.

Germany, Federal Republic of

It is not possible for the Federal Government to talk about additional financing until the financial planning within the framework of its project on the co-ordination of Federal Republic's anti-desertification activities is finalized.

Thailand

Thailand concurs in principle that it would be very useful and in line with the Plan of Action to Combat Desertification if the United Nations could find additional sources of funds to allocate to countries facing the problem of desertification.

United Kingdom of Great Britain and Northern Ireland

The Government of the United Kingdom does not believe that there is any need for new international funds or new international machinery to be established specifically to cope with desertification which, in its view, is but one aspect of the broader problem of development.

United Republic of Tanzania

The Government of Tanzania considers that the idea of automaticity is a rational one if countries accept this concept. Automaticity should not only be equated to the taxation of oil and arms sales but should include, inter alia, taxing revenue accrued from sale of industrial capital and consumer goods. The official development assistance should be also viewed within the context of automaticity rather than as voluntary contribution.

United States of America

In view of the United States Government, it would be helpful if a financial plan and analysis could be prepared outlining the components and costs of a programme to stop further desertification. The plan should identify what is already being financed and what additional resources may be needed to meet the minimum objective of stopping the spread of further desertification. If a better approximation of the magnitude of needed additional resources were presented, Governments would be in a better position to decide if an expansion of existing financial mechanisms would be adequate, or which of the range of possible new approaches would be most appropriate.

Upper Volta

The Government of Upper Volta insists that successful implementation of the Plan of Action will require financial support to be assured over a long period, which should not be affected by political disturbances and should have a character of automaticity.

2. Sources of financing

Argentina

In view of the urgent need for action to combat desertification, the first stage should involve the use of existing means of mobilizing resources in order to increase or obtain in a relatively short period of time, funds from sources such as:

- (a) Official development assistance from the members of the OECD Development Assistance Committee;
- (b) Loans from Governments and world capital markets;
- (c) Equity investments;
- (d) Foundations and other non-profit organizations;
- (e) A specially created public international corporation;
- (f) Anti-desertification projects that produce cash incomes or increases in land values.

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The Government of Argentina is of the opinion that the use of automatic funds obtained from new sources of financing based on revenues from the exploitation of the international commons is not the type of procedure usually followed in this area.

Canada

It is Canada's view that the additional measures and means of financing suggested in the document range from unrealistic, such as the taxation of arms transfers, to interesting, but not likely to be implemented in short to medium term, for example, revenues from exploitation of the international commons.

Ghana

The Government of Ghana considers that in addition to existing UNEP desertification budgetary allocations, extra funding should be solicited from countries affected by desertification, particularly from those endowed with oil.

Guatemala

The Government of Guatemala finds convenient most of the proposed sources of financing acceptable and considers them as important contribution to developing countries suffering from desertification which now have no capacity to benefit from such sources as non-biological resources of international waters and taxation of environment polluters.

Spain

In the view of the Spanish Government the proposals for new sources of financing for the implementation of the Plan of Action, such as revenues from exploitation of international commons and taxation of military expenditures, are interesting and deserve serious consideration. It is also very good to have a set of different proposals for consideration. However, the Government has serious doubts about their practical realization.

Sudan

The Government of the Sudan supports:

- (a) Revenues of exploitation of international commons (A, B and C);
- (b) Special drawing rights;
- (c) Trade tax and military expenditure, if countries suffering from desertification and least developed countries are exemplified.

United Republic of Tanzania

The Government is of the view that, for one reason or the other, the developed countries have not responded to the call by the United Nations to raise the amount of development assistance from the present level of 0.33 per cent to 0.7 per cent of their gross national product (GNP). Ways and means have to be found to convince the developed countries to make substantial increase in their contribution towards the official development assistance, which should be viewed within the context of automaticity.

The Government fully supports the active participation by international foundations in financing training and research programmes. It considers that not enough studies have been carried out on the exploitation of the international commons. The United Nations Conference on the Law of the Sea could help in this respect by determining the nature and powers of an international régime to control the exploitation of these resources. It also considers that numerous problems will be encountered if some traded commodities are to be taxed. Both the exporting and importing countries may be reluctant to introduce such a tax. This also applies to a proposed taxation on military expenditures and taxation on arms transfers.

United States of America

The United States Government considers that in recent years many of possible options for marshalling the resources needed to combat desertification, which were identified in the study, have been proposed within other international (and United States) fora, and it has had the opportunity to examine them as it continues to explore the best means to support international development programmes. The fact that most have not been adopted indicates that, for various reasons, the Government has concluded that they will either not achieve the desired objectives, or that it finds it impractical to support them for domestic reasons. The study quite correctly points out the problems involved in achieving international agreement to many of the options proposed. It also notes the likelihood, in many instances, that there would be no assurance that the revenues generated would be allocated to desertification problems.

Upper Volta

The Government of Upper Volta regards the sources of financing proposed by the team of experts (i.e., returns from exploitation of international commons, taxation of military expenses and arms transfers linked with special drawing rights and possibly with international trade) as adequate but requiring a political will. These resources remain still not exploited and it is necessary to push forward for their use.

3. The mobilization and management of funds, including a Special Account

Canada

The Government of Canada considers that it is necessary to use the existing bilateral and multilateral channels, without creating new mechanisms for international assistance to the developing countries suffering from desertification. One of the best examples in Canada's view of an appropriate multilateral channel is the Club des Amis du Sahel.

Chile

The Chilean Government supports in principle the establishment of the Special Account to Combat Desertification with a view to financing, through it, national subregional and regional anti-desertification projects.

Finland

The Government of Finland is not in a position to agree with the suggestion to establish a special account within the United Nations for the financing of national and regional projects. The Government is of the view that the implementation of the Plan of Action to Combat Desertification is best met through the existing United Nations funding and financial institutions taking into special consideration the recommendations of the Plan of Action.

France

The French authorities have expressed their position to the establishment of a special account on many occasions and do not intend to change it. They think that the fight against desertification is already, and for many years for them, realized and financed by bilateral and traditional multilateral mechanisms from which they do not intend to move. Being an active member of the Consultative Group for Desertification Control, France intends to participate in its work in conformity with its mandate approved by the first meeting of the Group and in the spirit which existed at its creation, i.e., it will remain a non-structured and non-financing consultative body.

Germany, Federal Republic of

The Government of the Federal Republic of Germany considers the Consultative Group for Desertification Control as an appropriate forum for co-ordinating international efforts to combat desertification.

United Kingdom of Great Britain and Northern Ireland

The Government of the United Kingdom is not convinced that the advantages of a special account would outweigh the disadvantages, which it sees as follows:

- (a) Establishment of costly administrative machinery;
- (b) Proliferation of organizations which would increase the problems of co-ordination within the United Nations system and possibly add to duplication and overlap;
- (c) Diversion of money and skilled manpower into additional administrative channels at the expense of field activities.

The United Kingdom does not intend to contribute to the established Special Account. It will, however, continue to channel its multilateral aid contributions through existing aid institutions and machinery, where they can be utilized in accordance with the priorities of recipient countries. Financing of the Plan of Action to Combat Desertification should continue to be assured through existing bilateral and multilateral aid channels.

United Republic of Tanzania

The Government of Tanzania endorses in principle the creation of a special account within the United Nations for implementing the Plan of Action. The idea of establishing a public international corporation to carry out anti-desertification efforts under the general policy guidance of the Governing Council of UNEP should be given much thought. However, the Government believes that on the mobilization and management of funds there are a number of issues still to be clarified in relation to paragraphs 61 to 68 of document UNEP/GC.6/9/Add.1.

Upper Volta

The Government of Upper Volta is of the opinion that it will be necessary to create a new institution to assist UNEP in the mobilization and management of funds gained on capital market and from private investors.

Zambia

The Government of Zambia supports the idea of creating a special account at the global level within the United Nations as suggested by the United Nations Conference on Desertification.