



**Convention to Combat
Desertification**

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**Effective implementation of the Convention at the national,
subregional and regional levels**

**Formulation, revision and implementation of
action programmes in view of the post-2015
development agenda**

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Note by the secretariat

Summary

This report has been prepared in response to the relevant provisions of decision 2/COP.11 on strengthening and enhancing the process of alignment and implementation of action programmes.

This document builds upon the recommendations made by Parties at the thirteenth session of the Committee for the Review of the Implementation of the Convention as they relate to the action programme process.

This document provides an update on the national action programme alignment process and some options to strengthen the process for consideration by Parties. These options factor in the post-2015 development agenda being deliberated by the United Nations General Assembly, as well as the deliberations of the Intergovernmental Working Group on the follow-up to Rio+20, with particular regard to setting and implementing national land degradation neutrality targets.



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I. Introduction

1. Decision 2/COP.11 requested the thirteenth session of the Committee for the Review of the Implementation of the Convention (CRIC 13) to discuss a plan for the alignment of action programmes vis-à-vis the overall sustainable land management goals.
2. In accordance with this decision, the rationale and the basic elements of a plan were considered by CRIC 13. The CRIC made several recommendations including that the secretariat use the information received to prepare a report identifying the main difficulties faced by Parties as regards the action programme alignment process, and present possible options to overcome these difficulties.
3. This document responds to the recommendations made by Parties at CRIC 13 as contained in document ICCD/CRIC(13)/9 and builds upon the outcomes of the Intergovernmental Working Group (IWG), particularly as they relate to the action programme process as outlined in document ICCD/COP(12)/4.
4. This document therefore provides an update on the national action programme alignment process and offers some options to streamline the process for consideration by Parties, taking into account the post-2015 development agenda being deliberated by the United Nations General Assembly.

II. Update on the status of the formulation, revision and implementation of national action programmes

5. According to the information received by the secretariat at the time of preparing this report:¹ (a) a total of 59 affected country Parties will have completed their national action programmes (NAP) alignment process to date; (b) another 48 countries have made significant progress and may complete alignment by end of 2015; and (c) 27 countries have not yet initiated the process.
6. The table below gives a summary breakdown of the estimated number of NAPs aligned as of 30 June 2015 per Regional Implementation Annex of the Convention; the estimated number of countries advanced in the process and expected to complete it by 31 December 2015; and the respective percentage compared to the total number of affected country Parties.

Estimated status of the national action programmes alignment process as of 30 June 2015

<i>Regional Implementation Annex</i>	<i>Affected country Parties</i>	<i>Estimated NAPs aligned</i>	<i>Estimated NAPs^a in an advanced stage of alignment</i>	<i>Estimated % of countries with an aligned NAP as of 30 June</i>	<i>Expected % of countries with an aligned NAP at the end of 2015</i>
Annex I	54	23	26	0.43	0.91
Annex II	53	11	12	0.21	0.43

¹ Information received from the United Nations Environmental Programme (UNEP) within the framework of the Global Environment Facility (GEF)-funded “umbrella projects”, and information gathered from affected country Parties including through the Regional Coordination Units (RCUs).

<i>Regional Implementation Annex</i>	<i>Affected country Parties</i>	<i>Estimated NAPs aligned</i>	<i>Estimated NAPs^a in an advanced stage of alignment</i>	<i>Estimated % of countries with an aligned NAP as of 30 June</i>	<i>Expected % of countries with an aligned NAP at the end of 2015</i>
Annex III	33	10	8	0.30	0.55
Annex IV	12	5	2	0.42	0.58
Annex V	15	10	0	0.67	0.67
Other affected country Parties	1	0	0	0.00	0.00
Total	168	59	48	0.35	0.64

^a NAP = national action programmes

7. Should the current estimates be confirmed, 107 countries (or 64 per cent of affected country Parties) will have completed the NAP revision process by the end of the year. Action programme alignment is progressing at a slower pace than expected. However, the exercise should be completed in the course of 2016 when the alignment of policies and planning instruments should be completed through a quantitative target on Land Degradation Neutrality (LDN), as defined by the Sustainable Development Goals (SDGs) and the IWG.

III. Setting and implementing land degradation neutrality targets within the Convention

8. The Convention has been in place for almost 20 years, and with the adoption of the 10-year strategy, it is now heading towards the four main strategic objectives. However, Parties have not yet identified global quantitative targets, nor agreed on a specific timeframe. The expected adoption of the SDGs by the General Assembly, and their respective targets, will represent a unique opportunity for a paradigm shift in the implementation of the UNCCD.

9. By its decision 22/COP.11, the Conference of the Parties (COP) has already invited affected country Parties to establish targets, using the progress indicators adopted by the same decision², and requested that indicators and reporting be fully and formally linked to national action programme alignment efforts.³

10. Adopting a global target such as LDN and using agreed data and methodologies to assess critical land degradation processes would be undeniably advantageous in terms of assessing progress in achieving national ambitions and global goals.

² See paragraph 12, where affected country Parties are encouraged to establish targets using the progress indicators annexed to decision 22/COP.11, taking into account regional and national specificities.

³ See paragraph 11, where the Conference of Parties (COP) recognizes that national/local indicator selection and reporting should be fully and formally linked to national action programme alignment efforts and reiterates outcome 2.2 of The Strategy by which affected Parties were requested to revise their national action programmes into strategic documents supported by biophysical and socio-economic baseline information (as reference for monitoring), and to include them in integrated investment frameworks.

The advantage of setting land degradation neutrality targets

11. Setting an LDN national voluntary target and implementing the measures to achieve it will bring a number of significant benefits within reach. Developing and implementing LDN targets underlines the political commitment of affected countries in terms of addressing land degradation concretely, and ultimately facilitates the mobilization of resources. The preparation and implementation of LDN targets can also strengthen institutional and technical capacity, enhance policy integration, and inform key stakeholders.

Compiling data and identifying critical land degradation processes to inform land degradation neutrality targets

12. The development of an LDN national voluntary target should, in general, be informed by data and analysis of several elements, including:

- (a) Baseline assessment and trends of land degradation based on the dataset of progress indicators;
- (b) Identification of critical land degradation processes and their driving forces;
- (c) An action plan to combat land degradation as identified in the NAP and/or any other strategy that the country may implement to address land degradation;
- (d) Land degradation projections according to most-likely scenarios;
- (e) The expected synergistic impact on mitigating climate change and reducing biodiversity losses;
- (f) Resource requirements and resource mobilization strategies.

13. Most of the required elements are already included in properly-structured NAPs. In addition, the indicators framework test carried out as part of the LDN project is yielding its first positive results. Parties may already have sufficient data available to prepare the LDN national target and collecting new data or conducting new analyses may not be necessary. Furthermore, the chosen set of core indicators and their metrics are commonly used by the other Rio conventions.⁴

Options for preparing a land degradation neutrality target

14. LDN targets could be outlined in terms of desired outcomes and the policy measures to achieve them. The IWG has already identified the two main management options to achieve LDN at the national level: (a) prevent, avoid or minimize land degradation; and (b) rehabilitate or restore degraded land. A Party could commit to implementing specific sustainable land management and rehabilitation actions, according to its conditions, sustainable development policies, national priorities and strategies. Given the variety of domestic situations faced by each country when addressing land degradation issues, a wide diversity of LDN targets can be expected, however all targets will be set using the agreed indicators and related methodologies.

15. These options have been tested in the pilot project implemented by the secretariat in cooperation with 14 countries (see annex for further information).

⁴ Also see ICCD/COP(12)/CST/3-ICCD/CRIC(14)/7.

Transparent communication of land degradation neutrality targets

16. LDN targets should be based on the national action programme,⁵ and may be communicated through the national report regularly submitted by country Parties to the COP. Transparent information on LDN targets is essential to understanding the individual and aggregate impact of the engagement of Parties on an overall LDN global goal. Communicating the LDN targets can also enhance domestic implementation by informing stakeholders on the measures and the resources needed.

Leveraging domestic and international resources

17. Setting and communicating national targets with quantified outcomes will also help to track progress in achieving LDN and, ultimately, offer more credibility when securing domestic and external finance. Affected developing country Parties may choose to highlight needs and priorities – in terms of finance, technology, and capacity development – to assist them in achieving their LDN targets, and may also articulate the additional ambition that could be realized with the support of potential partners. According to the baseline scenario (business as usual), country Parties may also propose conditional targets.

Enhancing synergistic potential

18. In their LDN communication, affected country Parties may also indicate the benefits that achieving such voluntary targets would offer with regard to other environmental and socioeconomic threats, particularly climate change. Many of the proposed actions and measures could then tap into an increased number of funding options, such as the multi-focal-area projects of the Global Environment Facility (GEF) and the Green Climate Fund (GCF), and emerging financial opportunities from business and the private sector, as outlined in the following chapter.

Institutional support setting land degradation neutrality targets

19. Preliminary consultations were held with the GEF secretariat, covering, in line with the recommendations of CRIC 13⁶, the possible arrangements for supporting eligible country Parties through enabling activities (EA) under the Land Degradation Focal Area (LDFA) during the Sixth GEF Replenishment Phase (GEF-6). Parties may recall that, for the GEF-6, a provision was made under the LDFA for USD 15 million, as set-aside to support the implementation of UNCCD enabling activities, which can also be used by eligible countries to establish their LDN planning.

IV. Financing land degradation neutrality

A. The Global Environment Facility

20. For the sixth replenishment of the GEF Trust Fund (GEF-6), a total of USD 431 million has been pledged for the LDFA, USD 346 million of which has been allocated to

⁵ Also see the policy options at the national level as outlined in the Intergovernmental Working Group (IWG) report (document ICCD/COP(12)/4): (a) Integrate land degradation neutrality (LDN) into the current national action programmes (NAP); (b) Integrate LDN into new NAPs developed to align with the next 10-year strategy; or (c) Develop an LDN implementation plan that complements the current NAP.

⁶ See the report of the thirteenth session of the CRIC, contained in document ICCD/CRIC(13)/8, particularly the recommendations in paragraphs 34 to 36 of the document.

144 eligible countries through the System for a Transparent Allocation of Resources (STAR), with a further USD 85 million to be made available through regional and global set-asides, including UNCCD enabling activities.

21. Under the STAR, GEF-6 introduced full flexibility for 49 countries with small allocations (a maximum of USD 7 million) to shift the amount from one focal area to another; countries above this threshold will have an allowed marginal adjustment of USD 2 million. In addition, multi-focal area programming is based on synergies and trade-offs in production systems, aiming to bring about multiple benefits of sustainable land management and the restoration of degraded lands. In this regard, a Cross-Cutting Capacity Development Program has been planned, which aims to help countries achieve and sustain global environmental outcomes by shaping national planning and budgeting processes and actions in favour of global environmental benefits.

22. The set-aside funds can also be utilized, for instance, to contribute to the incentive mechanism for Sustainable Forest Management (SFM), and for regional and global initiatives to advance Sustainable Land Management (SLM) globally. With the SFM incentive, a 50 per cent top-up is provided in addition to the STAR resources that a country allocates for SFM projects. However to be eligible for the incentive, a country is required to invest a minimum of USD 2 million from their national allocations and from at least two focal areas.

23. GEF-6 has also introduced the Integrated Approach Pilots (IAPs), which seek to address environmental challenges by focusing on some of the drivers of environmental degradation, with a special focus on food security, sustainable cities and the elimination of deforestation from global commodity supply chains.

24. With regards to the project cycle, the GEF-6 introduced the higher ceiling of medium-sized projects (a USD 2 million GEF grant), which can be approved by the CEO. One important feature is the simplified processing of programmatic approaches, which consists of the Council's approval of a programme framework document (PFD), followed by the CEO's endorsement of the child projects prepared under the programme.

B. The Green Climate fund

25. Established in 2011, the GCF is mandated to support developing country Parties particularly vulnerable to the adverse effects of climate change. Developed country Parties committed to a goal of jointly mobilizing USD 100 billion per year by 2020; as it stands, approximately 50 per cent of the pledged funds have been earmarked for adaptation. To date, the GCF has received pledges of USD 10.2 billion from 34 governments, eight of which from developing countries.

26. Twenty-two countries have signed contribution agreements/arrangements, bringing the total of signed contribution agreements to USD 5.8 billion equivalent, above the 50 per cent threshold necessary to declare the Fund effective. As of May 2015, the GCF has been in a position to make financing decisions on climate change mitigation and adaptation projects, starting at its meeting in July 2015. During those meetings, the board is expected to decide on an investment framework in order to better deploy the funds. Restoring degraded land and lost forests and/or agricultural lands are among the adaptation projects the GCF will be looking to allocate resources to.

C. The Land Degradation Neutrality Fund

27. The Global Mechanism has spearheaded the development of a multi stakeholder financial instrument: the “Investment Fund for Land Degradation Neutrality” (LDN Fund) as reported by ICCD/CRIC(13)/8. The LDN Fund will be instrumental in supporting a steady transition toward a land degradation neutral economy. Specifically, it will enable the scaling up of the many viable upgraded land-based business models that generate suitable financial returns while contributing to broader food, water and energy security goals.

28. The LDN Fund concept was discussed at a number of meetings with finance professionals and financial industry experts, and at other relevant stakeholder events. These consultations revealed significant untapped potential for investments to create value from upgraded lands. Furthermore, new opportunities have emerged to mobilize blended (public and private) capital to meet LDN investment needs. The appetite of both public and private investors for conservation finance is growing, as demonstrated by the significant rise in capital raised through green bonds in the past five years. Innovative investment vehicles, such as layered impact investment funds, have succeeded in combining public finance to leverage private finance from impact and institutional investors thanks to the capital protection and targeted returns they can provide.

29. In this context, it is anticipated that the LDN Fund will harness these innovations and operate as a coordinated investment platform among private institutional investors and international finance institutions and donors to act as an accelerator, aggregator and amplifier of viable business models on rehabilitated land. Specifically, the Fund will aim to:

- (a) Generate revenue streams from sustainable production/use of upgraded lands;
- (b) Contribute to the achievement of global and local food and water security;
- (c) Mitigate climate change by sequestering up to 20 percent of CO₂ emissions;
- (d) Increase the resilience of vulnerable populations, species and ecosystems to climate change and other stresses.

V. Recommendations

30. The following are recommendations for possible consideration by Parties at CRIC 14, with a view to initiating early consultations on draft decisions to be forwarded to COP 12 for consideration:

- (a) Request the UNCCD and GEF secretariats to continue consultations on the delivery of GEF-6 funding enabling activities with a view to securing technical and financial support for the next reporting exercise, particularly in the area of progress reporting and national target-setting towards the LDN goal;
- (b) Request the secretariat to prepare guidelines by December 2015 for setting of LDN national voluntary targets to be incorporated into the NAP;
- (c) Request affected country Parties to include LDN national voluntary targets in their national reports due in the biennium 2016–2017;
- (d) Invite developed country Parties and technical and financial institutions, particularly the GEF, to provide technical and financial support to affected country Parties in setting and implementing LDN national voluntary targets;
- (e) Decide that the CRIC, assisted by the Committee on Science and Technology (CST), shall conduct the first review of LDN targets at its intersessional sessions in the biennium 2018–2019;

(f) Request the secretariat and the Global Mechanism: (i) to enhance their support to country Parties in terms of technical and financial support for the implementation of the LDN approach at country level, including the implementation of actions to reach the set targets; and (ii) to engage with international organizations and funds, as well as other multilateral and bilateral donors, in order to mobilize additional resources for the implementation of the LDN approach at country level.

Annex

Preliminary outcomes of testing the land degradation neutrality approach

I. The Land Degradation Neutrality Project

1. Some preliminary information on the Land Degradation Neutrality (LDN) Project, its goals and expected results in particular, has already been provided to CRIC 13.⁷ A brief status report is presented in the following paragraphs, while more technical information is available in document ICCD/COP(12)/CST/3-ICCD/CRIC(14)/7, entitled “Refinement of the UNCCD monitoring and evaluation framework in view of the post-2015 development agenda: strategic objectives 1, 2 and 3”.

2. The LDN Project is founded on two main assumptions:

(a) That Sustainable Development Goal (SDG) 15 and its target 15.3,⁸ as they currently read, are adopted by the United Nations General Assembly;

(b) That the definition of land degradation neutrality (LDN),⁹ as proposed by the Intergovernmental Working Group (IWG), is adopted by the twelfth session of the Conference of the Parties (COP 12), and affected country Parties are requested to set LDN national voluntary targets.

3. At present, the Project is conducting a test on:

(a) The indicators framework adopted by the COP, in particular the use of a core set of progress indicators for monitoring land degradation neutrality;

(b) The formulation of possible LDN national targets based on the aforementioned indicators, and their integration into the national action programmes and any other relevant national strategy to combat land degradation.

4. At the Project inception meeting in Bonn, Germany, from 14–16 January 2015, the participating countries reviewed the availability of data from global databases for the progress indicators decided upon by COP 12, before selecting three of them for further compilation and analysis.

5. Thanks to the ongoing partnership with the Joint Research Center of the European Commission, the following three main outputs have been delivered:

(a) Data on the three core indicators compiled and shared for validation by the 14 participating countries;

⁷ See ICCD/CRIC(13)/8.

⁸ “By 2030, combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land-degradation-neutral world”.

⁹ “Land Degradation Neutrality [in affected areas][in arid, semi-arid and dry sub-humid areas] is a state whereby the amount and quality of land resources, necessary to support ecosystem functions and services and enhance food security, remains stable or increases within specified temporal and spatial scales and ecosystems”.

(b) A methodological guide to assist countries in using the indicators framework to assess key land degradation processes at national and subnational levels, and to identify strategies to address them;

(c) A planning tool to facilitate data analysis and the setting of preliminary LDN targets.

6. Participating countries are currently engaged in a five-step approach,¹⁰ including a review of the national action programme (NAP), with a view to identifying LDN targets in accordance with the methodology proposed by the Project.

7. As was planned from the outset, the outcomes and lessons learned since the implementation of this project were shared with the IWG, established by decision 8/COP.11, to address, inter alia, the issue of a science-based definition of land degradation neutrality, and to develop options that Parties might consider should they strive to achieve LDN.

8. Some of the Project's preliminary results also fed the proposal on indicators for measuring progress towards SDG 15 and its Target 15.3, submitted by the secretariat to the United Nations Committee for the Coordination of Statistical Activities.¹¹

II. Future perspectives

9. With the present LDN pilot project coming to close, the results achieved and the lessons learned to date have attracted significant attention from many stakeholders committed to achieving LDN. As a result of this interest, possibilities are emerging for the expansion and up-scaling of the project. Several countries have expressed an interest in participating in future LDN projects, and the secretariat and Global Mechanism (GM) are currently consulting with various potential partner organizations to explore support possibilities for this work, including potential joint funding proposals to the GEF and/or potential donor/contribution agreements.

10. The Government of Trinidad and Tobago, for example, agreed to provide a financial contribution to support the LDN target-setting process in the Caribbean, focussing on six small island developing states.

11. Upscaling the LDN pilot project will enable country Parties to further strengthen NAP implementation through the identification of "hot spot" sites/areas threatened by desertification, land degradation and drought (DLDD), and priority areas for landscape restoration and related investments. This could include the definition of baselines and targets as well as priority action towards achieving the set targets. Synergies can thus be established or strengthened at country level with associated global or regional processes supporting the restoration of degraded land, including the Aichi Biodiversity Targets, the Bonn Challenge, the New York Declaration on Forests and the Initiative 20x20. This will further increase finance for landscape restoration and NAP implementation at all levels and from all sources, including the Green Climate Fund and the private sector.

¹⁰ See ICCD/COP(12)/CST/3-ICCD/CRIC(14)/7 for more information.

¹¹ Ibid.