



UNITED  
NATIONS



**Convention to Combat  
Desertification**

Distr.  
GENERAL

ICCD/CRIC(6)/6/Add.1  
10 July 2007

ORIGINAL: ENGLISH

---

**COMMITTEE FOR THE REVIEW OF THE IMPLEMENTATION OF THE CONVENTION**

Sixth session

Madrid, 4–7 September 2007

Item 5 of the provisional agenda

**Report of the Ad Hoc Working Group on improving  
the procedures for communication of information**

**Report of the Ad Hoc Working Group on improving the procedures  
for communication of information**

Note by the secretariat\*

**Addendum**

**Towards harmonization and standardization: a proposed  
methodological guide to improve financial reporting under  
the United Nations Convention to Combat Desertification**

*Summary*

This report was prepared by the Global Mechanism and submitted to the Ad Hoc Working Group (AHWG), established by decision 8/COP.7 to improve the procedures for communication of information, particularly at the national level, as well as the quality and format of reports on the implementation of the Convention. The report proposes a methodological guide that could be used to improve financial reporting under the United Nations Convention to Combat Desertification. This guide, which was developed in consultation with several country Parties and partner organizations, is based on recent experiences and lessons learned from the review of sustainable land management portfolios of major international financial institutions, such as the International Fund for Agricultural Development.

---

\* The submission of this document was delayed in order to receive the required feedback from the members of the Group.

## CONTENTS

	<u>Paragraphs</u>	<u>Page</u>
I. INTRODUCTION .....	1–5	3
II. REPORTED ISSUES.....	6–9	3
III. EXPERIENCED SOLUTIONS AND BEST PRACTICES .....	10–19	4
IV. PORTFOLIO REVIEW METHODOLOGY .....	20–32	7
A. Step 1. Basic data collection.....	23	8
B. Step 2. Geographical classification.....	24	8
C. Step 3. Thematic eligibility .....	25	8
D. Step 4. Ranking and resource intensity .....	26–29	9
E. Step 5. Cross-checking.....	30	10
F. Step 6. Analysis and presentation of results.....	31–32	10
V. CHALLENGES AHEAD.....	33–35	11

Annexes

I. Rio Markers .....	13
II. Example of a tabular format for a standard financial annex .....	16
III. Relevant activity codes .....	17
IV. Selection criteria, strength rating and quality analysis .....	23

## I. Introduction

1. The Conference of the Parties (COP), by its decision 8/COP.7, decided, at the conclusion of the third reporting cycle, to establish an Ad Hoc Working Group (AHWG) to “improve the procedures for communication of information, particularly at the national level, as well as the quality and format of reports on the implementation of the Convention”.
2. The AHWG has been mandated to provide guidance to the COP on simplified, consistent reporting procedures and formats for reports, in order for them to respond to the need:
  - (a) To provide more substantive information on lessons learned regarding achievements and constraints, on best practices and the most effective options, as well as on assessment of the impact of approaches and actions taken and results achieved;
  - (b) To strengthen the collection and accessibility of reliable, standardized qualitative data and information on the status of land degradation and combating desertification, as well as on actions taken to implement the Convention;
  - (c) To include comparable, compatible and harmonized data and information on support provided for the implementation of the Convention (this applies to the reports submitted by developed country Parties, United Nations agencies and other intergovernmental organizations).
3. The AHWG comprises 25 representatives of Parties to the Convention, nominated by the regional groups. The chairs of the Committee for the Review of the Implementation of the Convention (CRIC) and the Committee on Science and Technology (CST), as well as a representative of the Global Mechanism (GM), are advisers to the AHWG.
4. The GM is called on to provide information and advice to the AHWG, given its institutional role to collect and disseminate information on resource mobilization, and to advise country Parties on available financial resources, financial needs and funding flows. In particular, the GM is expected to contribute to the improvement of the United Nations Convention to Combat Desertification (UNCCD) reporting procedures, called Help Guides, which have been adopted by the COP, by its decision 11/COP.1, inter alia to ensure that the CST and the GM have access to the information and data necessary to carry out their mandates.
5. This paper illustrates the proposals made by the GM to the AHWG to streamline and improve financial reporting under the UNCCD.

## II. Reported issues

6. Several issues have been raised by country Parties and UNCCD subsidiary bodies in relation to the varying degrees of substance, coverage and quality of reports, comparability of reports over time, discrepancies between reports of donor and recipient countries, lack of benchmarks and measurable impact indicators, insufficient time/financing for the preparation of national reports, and so on. An account of the technical issues encountered in the preparation of national reports during past reporting cycles is contained in document ICCD/CRIC(5)/9.

7. The poor quality of financial information has been identified as an issue of major concern. Linked to this issue is the lack of rigorous reporting procedures to guide the identification and classification of relevant activities. Given the absence of an accurate methodology for consistently identifying and monitoring UNCCD-related activities, few reports submitted during the three UNCCD reporting cycles included detailed information on available financial resources, financial needs and related investment flows.

8. Double-counting in the case of co-financed projects, as well as in relation to projects addressing more than a single policy objective, Rio convention or agro-climatic area, has been identified as another major problem.

9. Major discrepancies have been found between the reports of developed and developing countries in relation to activities financed with a blend of domestic resources and official development assistance (ODA). Developed country Parties, in general, report more detailed quantitative data than do developing country Parties. In some cases, however, discrepancies have been found between the reports submitted by developed countries to the UNCCD and to the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD), with regard to UNCCD-related ODA.

### **III. Experienced solutions and best practices**

10. Because national reporting is a key instrument for reviewing the implementation of the Convention for each country Party and for entire regions, CRIC at its fifth session (CRIC 5) recommended the development of a second generation of reports that would, inter alia, facilitate:

- (a) Indicator-based, time-referenced, and territorially explicit reporting;
- (b) Reliable data and information collection over time and between countries;
- (c) Comparability of financial information between the reports of donors and affected countries;
- (d) Scaling-up of best practices and win-win measures.

11. At the meetings of the AHWG held on 17 and 20 March 2007 during CRIC 5, the GM recommended giving due consideration to the most advanced examples of national reports and portfolio reviews that have been undertaken so far by various countries and organizations. In order to find a solution to the above-mentioned issues, it would seem logical and practical to learn from experience, build on existing reporting systems, capitalize on best practices, seek harmonization and simplification of methodologies, and exploit synergies with other conventions and similar reporting processes.

12. The GM circulated examples of best practices and methodological approaches on which the AHWG could build in order to streamline and harmonize the reporting procedures, while at the same time improving the availability and quality of financial information on resources invested and results achieved. The GM also suggested specific proposals for consideration by the AHWG and consulted with country Parties and other partner organizations with a view to

facilitating the sharing of knowledge and know-how on available methodologies, information systems, and technologies that could facilitate reporting.

13. This approach is in line with the recommendation included in the report of the High-level Panel on United Nations System-wide Coherence, entitled “Delivering as one”, to pursue efficiencies and cost reductions in reporting to multilateral environmental agreements by alleviating reporting burdens, streamlining implementation, rationalizing knowledge management and developing a consistent methodological approach to enable measurement of enforcement and compliance.<sup>1</sup>

14. To specifically address the difficult task of ranking relevant projects in terms of their degree of relevance to addressing the objectives of the Convention, several country Parties have in recent years used a methodology, called Rio Markers, which has been developed by the secretariat of the DAC of the OECD in consultation with the secretariats of the three Rio conventions. A brief overview of this methodology is provided in annex I. As indicated in a joint letter of the Executive Secretaries of the three Rio conventions,<sup>2</sup> the Rio Markers “can serve as the basis for streamlining the reporting of the aid-related activities under the Rio conventions by the Parties, thus ensuring provision of consistent data and avoiding double reporting”. Furthermore, they could “allow donor countries to use the DAC statistics while fulfilling their reporting commitments, rather than having to collect the same information separately”. In responding to a questionnaire circulated by the UNCCD secretariat in preparation for the AHWG meetings, several countries stated that “the use of Rio Markers may assist in harmonization of formats for developed country Parties, also in consideration of the fact that the same Parties are requested to report to more than one Rio convention” (ICCD/CRIC(5)/9).

15. Studies recently undertaken by several organizations and subsidiary bodies of the Rio conventions recognized that the Rio Markers allow them to generate reliable and meaningful comparative analyses.<sup>3</sup> Other studies,<sup>4</sup> however, also acknowledged a number of drawbacks and issues with the Rio Markers that would need to be taken into account and, if possible, solved.

16. With regard to the need to include detailed financial information in the reports, the GM suggested adopting a **standard format for a financial annex** to be used for listing all the ongoing and completed programmes and projects relating to the implementation of the Convention. This annex would be attached to the reports of affected country Parties, developed country Parties, United Nations agencies, non-governmental organizations (NGOs) and other intergovernmental organizations (IGOs). Various formats for listing relevant projects have been used in the past by several country Parties, particularly developed countries. An example of a

---

<sup>1</sup> “Delivering as one: report of the High-level Panel on United Nations System-wide Coherence in the areas of development, humanitarian assistance and the environment” (United Nations General Assembly resolution 61/583, November 2006).

<sup>2</sup> Joint letter sent by Ms. Joke Waller-Hunter (UNFCCC), Mr. Hama Arba Diallo (UNCCD) and Mr. Hamdallah Zedan (UNCBD) to the Chair of the OECD/DAC, Mr. Manning, on 30 January 2004.

<sup>3</sup> Including: “Report on the case study on desertification-related aid” (OECD, 2003); “Financial cooperation, Rio Conventions and common concerns” (RECIEL, 2005); “Resource mobilization and the status of funding of activities related to land degradation” (GEF-GM, 2006).

<sup>4</sup> “EU compilation of national reports on the implementation of the UNCCD, with a focus on developing countries in Africa” (2005).

simplified standard format that could be considered by the AHWG is provided in annex II. If used consistently over time, standard financial annexes would avoid duplication of efforts and alleviate the reporting burden for national focal points and other organizations invited to report to the UNCCD. Furthermore, these annexes would serve as a basis for generating reliable financial analyses to be used in support of the review of the implementation of the Convention and to inform relevant policymaking processes at national and international level.

17. To this end, in line with the mandate received from the COP,<sup>5</sup> the GM is maintaining a set of interrelated inventories of available financial resources, financial needs and projects relating to the implementation of the Convention. These inventories, organized in the form of a comprehensive database called FIELD (Financial Information Engine on Land Degradation), are kept up to date mainly through the information made available by country Parties and other organizations in their reports to the UNCCD. In addition, the GM has developed a series of state-of-the-art tools and methodologies to facilitate data collection from existing information systems, such as the Creditor Reporting System (CRS) of the OECD, the Development Gateway's directory of official development aid activities (AiDA), the Project Performance Monitoring System (PPMS) of the International Fund for Agricultural Development (IFAD) and others. These data collection tools, together with the FIELD knowledge management platform and the GM's experience in financial analysis and global reporting, are available to the UNCCD community as instruments to alleviate national reporting burdens.

18. In response to the critical need to minimize discrepancies between the figures reported by developing and developed countries, the GM recommended the adoption of a **harmonized methodology** for identifying and weighting activities relating to the implementation of the Convention within a larger portfolio of developmental and environmental projects. This is by and large the most difficult task at hand, because the heterogeneity of reports observed to date is rooted in differing interpretations of the definitions adopted by the Convention. A proposal for a harmonized methodology, based on recent experiences and lessons learned from the review of the sustainable land management portfolios of major international financial institutions, is illustrated below.

19. Last but not least, the GM suggested a series of **accompanying measures** to improve the organization of the reporting process and the procedures for communication of information. Briefly, this includes the following proposals:

(a) Establishment of compatible information systems, databases or procedures to collect relevant information at country level and monitor financial flows (e.g., by providing specific training and capacity-building; using or adapting existing information systems and/or web-based networks; and developing project selection tools);

(b) Synchronization of the time interval between the reporting cycles of all regions in order to facilitate cross-country comparability and trend analysis;

(c) Harmonization of reporting systems under the Rio conventions, building on existing methodologies and approaches such as the Rio Markers;

---

<sup>5</sup> As per article 21 of the UNCCD, and decision 24/COP.1.

(d) Improved communication and consultations (e.g., through peer reviews) between focal points of developed and affected developing countries in the preparation of national reports, in order to minimize discrepancies and avoid issues of over- or under-reporting;

(e) Increased collaboration between the GM and the UNCCD secretariat in the elaboration of summaries of information on resources mobilized by developed and affected developing country Parties, as contained in the national reports.

#### **IV. Portfolio review methodology**

20. IFAD recently conducted a thorough review of about 900 loans and grants approved by the Fund between 1999 and 2005 in order to accurately determine the proportion of its portfolio that addresses the objectives of the UNCCD. For this review IFAD developed, in collaboration with the GM, an innovative methodology that combined a number of project selection criteria and classification approaches, including the Rio Markers, the GM relevant activity codes (RACs),<sup>6</sup> and the quality analysis used by the Global Environment Facility (GEF).<sup>7</sup>

21. The value of the methodology used for this portfolio review lies in the fact that it provides a framework for interpreting the intensity of UNCCD-related objectives in projects/programmes as well as country strategies. IFAD warned that, because of the complexity of the land degradation phenomenon and the multifaceted community policy responses, it is extremely challenging to identify projects and activities carried out solely with the aim of combating desertification.<sup>8</sup> It also underlined the need to progressively refine the methodology over time in order to minimize subjective interpretations of the degree of relevance and increase accuracy in the determination of the proportion of an activity targeting UNCCD objectives.

22. The approach adopted for the IFAD portfolio review – which is similar to the one used by the European Commission for the report submitted in 2004 – comprises the steps described in the following sections.

##### **A. Step 1. Basic data collection**

23. As a first step, it is necessary to collect and/or locate all available information on potentially relevant projects and activities drawing from existing organizational databases,

---

<sup>6</sup> Relevant activity codes are derived from the text of the Convention and constantly updated by the GM. RACs currently include more than 60 codes categorized under the four main areas: monitoring and research, planning and risk management, mitigation and recovery, and emergency response. These categories were adapted from the report of the United States National Drought Policy Commission “Preparing for Drought in the 21<sup>st</sup> Century”, published in May 2000. An updated list of RACs is provided in annex III.

<sup>7</sup> “Selection criteria, strength rating and quality analysis” (Annex 1 to the GEF Council document “Status of Land Degradation as a cross-Cutting Issue under GEF.3”, 19 October 2004. Ref. GEF/C.24/Inf.6). A description of this methodology is provided in annex IV.

<sup>8</sup> This was also one of the conclusions of the EU “Report on activities undertaken by the European Community in support of the African region in the period January 2000 – December 2003 in the implementation of the United Nations Convention to Combat Desertification” (Final Report, Lot 4 Doc. N. EUROPEAID/116548/C/SV).

project documents and other design documentation or external sources. Only in an ideal situation is all relevant information on projects related to combating desertification available in a central database. Usually, this information is not easily accessible and is often dispersed across several information systems, official sources and data owners. IFAD, for example, has established an ad hoc database merging information available in different formats from different document repositories. Once all the sources are identified, a preliminary selection of relevant projects or activities can be made from the review of the available documentation. For the information available in electronic format, this activity can be facilitated by a word search or query on relevant database fields.<sup>9</sup> As a result of step 1, a subset of potentially relevant projects or activities is extracted from the whole country's or organization's portfolio.

### **B. Step 2. Geographical classification**

24. In step 2, the areas of intervention of the selected portfolio are categorized according to the geographical boundaries defined by the Convention (see article 1). This is undertaken to determine whether – and to what extent – the identified projects or activities produce their impacts in arid, semi-arid or dry sub-humid areas.<sup>10</sup> To facilitate this task, reference can be made to the descriptions of affected areas available in national action programmes and/or in the country profiles included in the national reports from affected countries. It should be noted, however, that given the cross-cutting nature of desertification phenomena and the nexus between land degradation, poverty and other broader sustainable development issues, the determination of these geographical boundaries cannot be used as a criterion for excluding projects, but only as a tool for classification, statistical disaggregation and qualitative analysis. In this connection, factors such as vulnerability to drought and risk of land degradation should also be taken into account.

### **C. Step 3. Thematic eligibility**

25. Step 3 is to ascertain the thematic eligibility of the selected portfolio. This is done by verifying whether the projects or activities identified as a result of steps 1 and 2 address the objectives of the Convention. The project list may therefore be narrowed down, or alternatively increased if additional relevant interventions (e.g., related to monitoring, research, capacity-building, planning, risk management, mitigation, remedy or emergency response) are identified. The GM RACs can be used as a tool to facilitate this task (see annex III). Another useful instrument that can be used for this purpose is the OECD Sectoral Classification or purpose codes.<sup>11</sup> It should be noted that for any individual project or activity, multiple RACs or purpose codes can be attributed depending on the scope and objectives of the project as well as the

---

<sup>9</sup> Examples of words searched by IFAD are: CCD; Desert; Degrad; Eros and Erod; Drought; Arid; Forest; Fertility; Salin; Silt; Action P; Convention; Logging; and so on (appropriately translated in other official languages when applicable).

<sup>10</sup> That is,, an area where the ratio of annual precipitation to potential evapotranspiration falls within the range from 0.05 to 0.65.

<sup>11</sup> Purpose codes are applied by the OECD/DAC for classification of ODA activities in the creditor reporting system (CRS). The sector of destination of a contribution is the specific area of the recipient's economic or social structure that an ODA activity intends to foster. It does not refer to the type of goods or services provided by the donor. More information on the purpose codes is available on the OECD website: <[www.oecd.org/document/21/0,2340,en\\_2825\\_495602\\_1914325\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/21/0,2340,en_2825_495602_1914325_1_1_1_1,00.html)>.



number of relevant components. For the IFAD portfolio review, this analysis was done by searching for relevant key-words and reading relevant sections of project design documents. To complement this analysis, an assessment was made of the objectives and threats addressed by each project or programme, in line with the methodology followed by the GEF (see annex IV). However, because of the scarcity of information, and its inaccessibility in the case of the grant design documents, this framework was applied only to loans. The list of relevant projects or activities that address the objectives of the UNCCD in the reporting period is finalized as a result of step 3.

#### **D. Step 4. Ranking and resource intensity**

26. Step 4 consists of two closely interrelated phases: ranking (or Rio marking) and resource intensity (determination of the proportion of the total project value or investment relating to combating desertification).

27. First, each project or activity included in the selected portfolio is attributed a Rio Marker rate according to the definitions and criteria illustrated in annex I. More specifically, if the project envisages proactive action to combat desertification (e.g., reducing environmental stress) as a significant subcomponent,<sup>12</sup> the project is rated RM1. If the project comprises principal components related to combating desertification,<sup>13</sup> the project is rated RM2. If the project is undertaken to combat desertification/land degradation as a principal objective and explicitly refers to the UNCCD process,<sup>14</sup> it is rated RM3. Conversely, if no direct benefit to the environment or combating desertification is determined at this stage, the project is rated RM0 (and, consequently, removed from the list). To complement this qualitative analysis, the determination of the so-called strength of land degradation components can also be conducted at this stage, according to the strength rating methodology followed by the GEF (see annex IV).

28. Linked to the attribution of the Rio Markers is the determination of the proportion of the total project value relating to combating desertification (or indication of “resource intensity”). Given that it is often impracticable to undertake a detailed cost analysis to disaggregate the precise proportion of resources specifically allocated to project components or activities relating to combating desertification, it is suggested that the approved value of RM1 and RM2 projects should be adjusted in order to deflate potentially resource intensive investments (e.g., investments for basic infrastructure such as roads) with no direct or explicit link to the UNCCD process. To this end, IFAD has applied the following weighting system:

- (a) RM1 = 1/3 of total approved value (rounded to 33 per cent)
- (b) RM2 = 2/3 of total approved value (rounded to 67 per cent)
- (c) RM3 = 3/3 of total approved value (equivalent to 100 per cent)

---

<sup>12</sup> Significant means important but secondary objective of the activity (i.e., not one of the principal reasons for undertaking the activity).

<sup>13</sup> Principal means that combating desertification/land degradation is an explicit objective of the activity and fundamental to its design (i.e., the activity would not have been undertaken without this objective).

<sup>14</sup> That is, the project supports a national, subregional or regional action programme (NAP, SRAP, RAP) to implement the Convention.

29. The determination of resource intensity is meant to reduce over-reporting and double counting, particularly in relation to projects addressing more than a single policy objective, Rio convention or agroclimatic area.<sup>15</sup>

### **E. Step 5. Cross-checking**

30. To finalize the information gathering process, the selected and weighted portfolio needs to be double-checked and validated as a result of a process involving those responsible in each relevant department or service in the organization. To this end, IFAD prepared questionnaires to compile detailed project summary sheets, inter alia by requesting additional information from regional divisions and individual country portfolio managers. Also as part of this validation process, it is recommended that consultations and peer reviews are undertaken both internally (e.g., with DAC statistical correspondents and focal points institutions of other Rio conventions), and with external partners (e.g., between focal points of donor and recipient country Parties), in order to minimize discrepancies and avoid issues of over- or under-reporting. Consultations may also be envisaged with the UNCCD secretariat and/or the GM in order to obtain clarifications or assistance with the application of the reporting guidelines.

### **F. Step 6. Analysis and presentation of results**

31. Finally, all the selected and validated information is analysed in order to generate meaningful statistics, time series, trend analyses, and breakdowns by sector, region, country, and so on, in response to the UNCCD reporting requirements and/or the specific requirements addressed by the report. One of the outputs of step 6 is the standard financial annex to be attached to the report (see annex II). Other tables, charts and diagrams may also be produced to facilitate the presentation of the results, as well as the reuse of the main findings of the portfolio review for comparative analysis, information sharing, updating FIELD and other databases, as well as for presentations and other communication purposes. It is at this stage that most of the qualitative analysis takes place, including the description of the methodology, constraints and assumptions used for reporting. Key to the value of the report for its target audiences will be its relevance and reliability.<sup>16</sup>

32. It should be noted that steps 1, 2 and (partially) 3 and 4, can largely be facilitated by the use of data processing instruments such as databases, content management systems, data mining systems, integrated mapping/geographic information systems (GIS), query languages, extended mark-up languages and other technologies. Steps 4, 5 and 6 contain most of the qualitative work that can be automated only to a limited extent, and which would require substantive training and capacity-building of national focal points.

---

<sup>15</sup> To deflate the value of projects with principally related activities but in which not the entire area of influence is an “affected area” as defined in the Convention, IFAD rated these projects RM1.

<sup>16</sup> Features that influence relevance are comparability (including consistency), timeliness, feedback value, and predictive value. Features that influence reliability are comparability (including consistency), verifiability, neutrality, and representational faithfulness (IFAD Portfolio Review, May 2006).

## V. Challenges ahead

33. Some of the challenges inherent to the reporting process originate from the following factors:

(a) The **complexity and cross-cutting nature of desertification phenomena**. The broad definitions adopted by the UNCCD make it difficult to rigorously define the boundaries of relevant versus non-relevant activities, particularly when indirect, long-term and off-site impacts of preventive or control measures are taken into account.<sup>17</sup>

(b) The **geographical boundaries** established by the UNCCD to define affected areas may lead to a narrow interpretation of the interventions that qualify as eligible. This interpretation could be considered incompatible with the spirit of a global Convention and its recognized value as a sustainable development Convention.<sup>18</sup>

(c) The attempt to streamline and **harmonize reporting between the Rio conventions** to the extent possible. Rio Markers identify activities that target the objectives of the three Rio conventions. However, only the UNCCD has a dedicated marker for activities that specifically refer to the UNCCD process and/or support a national or (sub)regional action programme. This asymmetry in Rio marking may create problems of data aggregation and double counting, especially in the case of projects addressing the objectives of more than one Rio convention at the same time.

(d) The **subjective interpretation of the project ranking, degree of relevance and weighting of resource intensity**. Given that a project comprises a set of complementary activities and that disaggregating values approved and allocated to individual project components or activities may not always be possible, the determination of the amount of resources (or “resource intensity”) invested by a given project to combat desertification is left to a certain degree of subjective interpretation. The attribution of percentages of resource intensity is in itself an arbitrary way to assign approximate values, and could lead to imprecise figures. To determine more precisely the amounts invested in relevant activities, these figures should be reviewed at project mid-term or completion stages, and/or in combination with project evaluations, when information on actual disbursements will become available.

34. Impacts and outcomes of projects addressing desertification often accrue over **long timeframes**. This makes it difficult, at the macro level of analysis, to determine whether the

---

<sup>17</sup> In the context of land degradation, researchers find it useful to distinguish between proximate causes and indirect drivers. Proximate causes are immediate actions at the local level that directly affect land degradation; they include cropland expansion and agricultural intensification, especially where environmental fragility is linked to periodic drought, poor soils, or steep slopes. Indirect (or underlying) drivers of land degradation include population density and growth, migration, and policies that encourage unsustainable practices. The latter concern fundamental social and biophysical processes that underpin the proximate causes and may operate at the local, national or global level. Studies demonstrate that desertification is best explained by a combination of multiple and coupled social and biophysical factors rather than by single variables (IFAD Portfolio Review, May 2006).

<sup>18</sup> Plan of Implementation of the World Summit on Sustainable Development (2002).

aggregated investment flows (inputs) are commensurate with the aggregate financial needs, and, more importantly, whether they generate the expected results (outputs).

35. It is expected that these and other critical challenges or controversial issues of definition or interpretation will be discussed within the AHWG or other intergovernmental processes, where adequate solutions can be found.

## Annex I

[ENGLISH ONLY]

### **Rio Markers**

1. In 2000, the secretariat of the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD) was requested by the DAC member countries to develop a standard reporting methodology for identifying aid activities of relevance to the three Rio conventions.
2. In response to this request, the DAC Working Party on Statistics (WP-STAT) suggested applying the DAC policy marker system already in use for other cross-cutting issues such as “environmental sustainability” and “gender equality”. The system allows for the identification of official development assistance (ODA) activities targeted to a policy objective. It gives information on the degree to which DAC member countries implement the agreed policies in their aid programmes. Policy markers are applied to all bilateral aid, covering both sector-allocable and non sector-allocable aid. Similarly, they cover all forms of aid (e.g., investment projects and technical cooperation).
3. In consultation with the secretariats of the three Rio conventions and with the Global Mechanism, the DAC developed the “Rio Markers” to identify aid activities targeting the objectives of the three Rio conventions. The definitions and criteria of eligibility used for the Rio Markers are illustrated in the table below.
4. Like any other DAC policy markers, the Rio Markers are descriptive rather than quantitative. With regard to the UNCCD, the screening of an aid activity against the objectives of the Convention will result in the following scores:
  - (a) **0 (not targeted)** means that the aid activity was found not to be targeted to the UNCCD
  - (b) **1 (significant)** means that combating desertification/land degradation was an important but secondary objective of the activity (i.e., not one of the principal reasons for undertaking the activity)
  - (c) **2 (principal)** means that combating desertification/land degradation was an explicit objective of the activity and fundamental to its design (i.e., the activity would not have been undertaken without this objective)
  - (d) **3 (action programme-related)** means that the activity was undertaken to combat desertification/land degradation as a principal objective and in support of an action programme to implement the Convention (i.e., a national, subregional or regional action programme).
5. The action programme-related score was developed for desertification-related aid only at the explicit request of the UNCCD secretariat. It is important to note that in order to qualify for a score of “principal”, “significant”, or “action programme-related”, the objective has to be

explicitly promoted in project documentation.<sup>1</sup> It is however the opinion of some DAC member countries that this differentiated set of markers for the three Rio conventions is an obstacle to harmonized reporting and therefore should be reconsidered by the WP-STAT.

6. After a pilot study carried out in collaboration with a number of DAC Member States, in June 2004 the WP-STAT decided to incorporate the Rio Markers into the OECD Creditor Reporting System (CRS) for a trial period of three years, beginning with 2004 commitment data. The coverage and quality of the data received during the Trial Period will be reviewed at the WP/STAT meeting in June 2007.

7. In February 2006, the DAC secretariat provided an overview of the status of application of the Rio Markers by DAC member countries in the trial period. The overview indicated that Rio Marker data for 2001 – 2003 were submitted by all DAC members except five: Ireland, Italy, Luxembourg, New Zealand, and the European Community. Data for 2004 were submitted by 11 members, nine of which had already incorporated the Rio Markers into their standard CRS reporting systems.

8. In April 2007, the DAC secretariat informed the Global Mechanism that three additional DAC members had communicated Rio Markers data as part of their regular CRS reporting for the 2005 commitment year. Another five members were expected to send their reports in time for the annual meeting of WP-STAT to be held in June 2007. This would bring the total number of countries currently using the Rio Markers to 18 out of 23.

---

<sup>1</sup> More detailed information on the definitions to be used and instructions on where to place the Rio Markers in the Unified Standard Input Form (USIF) used by DAC statistical correspondents to update the CRS are available in document DCD/DAC(2002)21/ADD issued by the DAC on 22 October 2004.

Aid targeting: the objectives of the United Nations Convention to Combat Desertification	
<p><b>DEFINITION</b></p> <p><b>An activity should be classified as desertification-related (score principal or significant) if:</b></p>	<p>It aims to combat desertification or mitigate the effects of drought in arid, semi-arid and dry sub-humid areas through prevention and/or reduction of land degradation, rehabilitation of partly degraded land, or reclamation of desertified land.</p>
<p><b>CRITERIA FOR ELIGIBILITY</b></p>	<p>The activity contributes to:</p> <ul style="list-style-type: none"> <li>(a) Protecting or enhancing dryland ecosystems or remedying existing environmental damage; <i>or</i></li> <li>(b) Integration of desertification concerns with recipient countries' development objectives through institution-building, capacity-development, strengthening the regulatory and policy framework, or research; <i>or</i></li> <li>(c) Developing countries' efforts to meet their obligations under the Convention.</li> </ul> <p>The activity will score "principal objective" if it directly and explicitly relates to one or more of the above criteria, including in the context of the realization of national, subregional or regional action programmes.</p>
<p><b>EXAMPLES OF TYPICAL ACTIVITIES</b></p> <p><b>1. Typical activities take place in the sectors of:</b></p> <p><i>Water and sanitation</i></p> <p><i>Agriculture</i></p> <p><i>Forestry</i></p>	<ul style="list-style-type: none"> <li>(a) Integration of action to combat desertification and land degradation into sectoral policy, planning and programmes (e.g., agricultural and rural development policy, plans and programmes);</li> <li>(b) Rehabilitation of land, vegetation cover, forests and water resources, conservation and sustainable management of land and water resources;</li> <li>(c) Sustainable irrigation for both crops and livestock to reduce pressure on threatened land; alternative livelihood projects;</li> <li>(d) Development and transfer of environmentally sound traditional and local technologies, knowledge, know-how and practices to combat desertification, e.g., methods of conserving water, wood (for fuel or construction) and soil in dry areas.</li> </ul>
<p><b>2. Typical non-sector specific activities are:</b></p> <p><i>Environmental policy and administrative management</i></p> <p><i>Environmental education/training</i></p> <p><i>Environmental research</i></p>	<ul style="list-style-type: none"> <li>(a) Preparation of strategies and action programmes to combat desertification and mitigate the effects of drought; establishment of drought early-warning systems; strengthening of drought preparedness and management; observation and assessment of UNCCD implementation, including monitoring and evaluation of impact indicators;</li> <li>(b) Measures to promote the participation of affected populations in planning and implementing sustainable resource management or improving security of land tenure;</li> <li>(c) Support for population/migration policies to reduce population pressure on land;</li> <li>(d) Capacity-building in desertification monitoring and assessment; education, training and public awareness programmes related to desertification and land degradation;</li> <li>(e) Research on desertification and land degradation.</li> </ul>

Annex II

[ENGLISH ONLY]

**Example of a tabular format for a standard financial annex**

Title	Description	Code or ID	Start Date	End Date	Duration	Recipient Organization(s)	Executing Agency/Org(s)	Funding Organization(s)	Total Project Cost	RACs / Components	Expected Outputs	Geographical Classification	Rio Marker (RM)
Title of the project or activity	Description of the project or activity	Project code or identification number	Date on which the project or activity is due to start	Date on which the project or activity is due to end (e.g., project completion date)	Project duration in years	Name of the borrowing or recipient organization(s)	Name of executing agency(ies)	Names of the project's (co-)funding organizations, including national institution(s), NGOs and private sector entities, if any, and specifying the respective contributions (and currencies)	Total project cost (or value), including contributions of all financiers, specifying the currency	Relevant activity codes to specify which project components address the objectives of the UNCCD	Expected outputs and/or outcomes as indicated in the project documents	Country(ies) covered by the project and qualification of the agroclimatic area expected to benefit from the relevant components	RM1, RM2 or RM3 to be attributed to the whole project or activity as specified by the OECD/DAC

Note: This format could equally be used in the reports submitted to the Conference of Parties by:

- **Affected country Parties** for listing all the ongoing and completed programmes and projects relating to the implementation of the Convention undertaken in the country Party with or without the financial support of external sources (bilateral and multilateral donors, international non-governmental organizations (NGOs), private sector entities, etc.)
- **Developed country Parties** for listing all the aid activities and other forms of support provided to affected country Parties in relation to the implementation of the Convention, including information on all sources of co-financing
- The **Global Environment Facility (GEF)** for listing all the projects and programmes relating to the implementation of the Convention and financed through relevant Operational Programmes (such as OP15)
- The **Global Mechanism** for listing all the projects and initiatives for which it has provided support or mobilized resources
- **United Nations organizations, intergovernmental organizations and NGOs** for listing all the loans and grants extended to affected country Parties for projects and programmes related to the implementation of the Convention.



Annex III

[ENGLISH ONLY]

**Relevant activity codes**

<b>Relevant activity code</b>	<b>Description</b>
<b>1 Monitoring and research</b>	Activities/components relating to the collection and analysis of data for predicting and/or monitoring desertification/drought phenomena in affected areas. Activities/components relating to scientific or applied research on land degradation-related issues. Includes other relevant monitoring and research activities not specified below
<b>1.1</b> Monitoring	Activities/components relating to the gathering and analysis of data for desertification monitoring/assessment, as well as for the prediction of droughts and other land degradation phenomena
<b>1.1.1</b> <i>Indicators</i>	Benchmarks, indicators, scorecards, and so on, regarding desertification or drought phenomena
<b>1.1.2</b> <i>Soil observations</i>	Study of soil condition, remote sensing data networks, mapping systems, geographic information systems, environmental information systems, early warning systems – particularly for food security, use of aerial photographs and satellite imagery, land degradation data systems, geology surveys, groundwater information, hydrologic data, soil moisture evapotranspiration rates, desertification control, and so on
<b>1.1.3</b> <i>Weather forecasting</i>	Including drought forecasting, hydrology/meteorology, climate observation, study of weather patterns, streamflow management, telemetry and collection and analysis of data on temperature, wind, humidity, mountain snow amount, and so on
<b>1.2</b> Knowledge and technology	Activities/components relating to desertification/drought research and technology that cannot be further specified below
<b>1.2.1</b> <i>Knowledge</i>	Activities relating to the promotion/use of knowledge of relevance to the fight against desertification/land degradation, including local, indigenous or traditional knowledge. Comprises activities aiming at collecting and disseminating relevant data, information and knowledge through databases, inventories, knowledge management systems, information systems, networks, discussion groups, seminars, forums and other forms and means for communicating and sharing experience, know-how and good/bad practices in land degradation control
<b>1.2.2</b> <i>Research and science</i>	Research capacity, basic research/development, joint research and development, analysis of the effects of desertification or droughts, physics of desertification, affected ecosystems, ecological studies in drylands, research on drought resistant seasonal and tree crops and other research activities dealing with desertification/drought-related issues, or performed in affected areas. Also includes sciences such as climatology, hydrology, hydro-geology, plants and soils, genetic research
<b>1.2.3</b> <i>Technology</i>	Dryland general technology, local technology utilization, technology transfer and cooperation, biotechnology utilization, genetic technology, zootechnology in drylands, renewable energy in affected areas, soil laboratory techniques, and so on
<b>2 Planning and risk management</b>	Activities/components relating to adequate planning and management of the risks associated with land degradation issues in affected areas, and their impacts on vulnerable production sectors and resources. Includes other relevant risk management activities/components not specified below
<b>2.1</b> Awareness raising	Activities/components relating to raising awareness of desertification/drought phenomena and land degradation issues in affected areas

Relevant activity code	Description
2.1.1 <i>Public awareness</i>	Information campaigns regarding desertification and/or drought, the role of women in combating desertification, press releases, events, and so on (other than those that can be classified under UNCCD activities, below)
2.1.2 <i>Studies and publications</i>	Studies and publications on links between poverty and land degradation, water supply/demand, water quality, environmental conservation, environmental impact assessment (EIA), assessment of desertification, diagnosis of soil degradation, wetlands evaluation, dam safety/failure, flood damage, flood plain management, coastal zone management/protection, and so on
2.1.3 <i>Workshops and seminars</i>	Workshops, seminars and conferences regarding desertification/drought phenomena (other than those under "UNCCD Consultative Process/Meetings" below)
2.2 Enabling activities	Activities/components to prepare for or recover from damage to crops, pastures, woodlands, livestock, wildlife, water supplies, economic activities, communities, and so on, caused by desertification/drought phenomena in affected areas
2.2.1 <i>Capacity-building</i>	Including policy and institutional support/strengthening, regional institutional development/strengthening, support to civil society organizations, technical assistance, consulting services, training, training centres, exchange visits, and so on, on issues/activities relating to desertification/land degradation control
2.2.2 <i>Community development</i>	Including village development, local infrastructure development, integrated local development, local capacity-building, protection of community rights, local government, participatory mechanisms, decentralization activities, local empowerment, promotion of community self-determination, protection and involvement of minorities, and so on
2.2.3 <i>Drought preparedness</i>	Drought contingency planning, drought resettlement, and so on
2.2.4 <i>Economic development</i>	Including integrated development, economic policy coherence, income support schemes, income diversification, debt subsidies, tax policies, saving incentives, opening markets, production support systems, and so on
2.2.5 <i>Environmental education</i>	Including preparation of curricula, materials, adult/non-formal education, and so on, regarding desertification/drought phenomena and their effects, and other environmental education activities performed in affected areas.
2.2.6 <i>Governance and legislation</i>	Institutional measures, legislative frameworks, land tenure reforms, land and water access, alternative dispute resolutions, and so on.
2.2.7 <i>Mainstreaming</i>	Activities aiming at raising the political priority afforded the issue of desertification and land degradation by affected developing countries and developed countries, as well as national and international organizations. In particular, these activities are directed at "mainstreaming" UNCCD-related objectives within the local, national, regional action plans/programmes, development cooperation strategies and policy and planning frameworks. Includes the use of publications, campaigns, and other forms of communication to influence policymaking
2.2.8 <i>Partnership building</i>	Activities aiming at enhancing the collaboration and cooperation between governments and development partners on issues relating to combating desertification and drought, and at improving the effectiveness of international financial assistance. In particular, these activities include the promotion and creation of strategic alliances, inter-agency structures and other partnership frameworks, including multi-source financial facilities
2.2.9 <i>Project development</i>	Feasibility studies, anti-desertification project formulation, project design, project preparation, project monitoring and evaluation, project documents, project staff training, and so on, regarding desertification/drought activities in affected areas

Relevant activity code	Description
2.2.10 <i>Resource management planning</i>	Refers to management planning activities aimed at preventing or recovering from damage to natural/production resources in affected areas
2.2.11 <i>Services and infrastructure</i>	Construction of transport and communications infrastructures, and so on
2.2.12 <i>Social development</i>	Including demographic policies and programmes, health and nutrition, water supply and quality as well as women in development and gender-equality activities in affected areas
2.3 Production systems	Activities/components relating to the management of risk associated with production sectors vulnerable to desertification/drought phenomena
2.3.1 <i>Agriculture</i>	Comprises activities aiming at enhancing agricultural production, including agricultural development in drylands, agricultural inputs, agricultural practices/systems, agricultural enterprises, agroforestry, agro-product processing, cash crops, crop insurance, crop farming, crop production in drylands, development of sustainable agricultural and ranching production systems, drylands agriculture and machinery use, eco-farming villages, extension services, farmers' associations, fertilizers, food security, food storage/preservation, food processing, forage production, horticulture, household crops, integrated pest management, mills, non-irrigated crop, organic agriculture, pest/weed/disease control, post-harvest practices and storage, rain-fed agriculture, seed/grain banks, sustainable agriculture, treated sewage for agriculture, and so on
2.3.2 <i>Forestry</i>	Including forest products, forest-fire protection, afforestation, agroforestry, area closure, silviculture, tree planting, tree seedling nurseries, seed reserves, and other forestry-related production activities
2.3.3 <i>Livestock systems</i>	Comprises activities aiming at enhancing livestock production and developing or supporting pastoral systems, nomadic systems, transhumant systems, mixed production systems, and so on. Such activities include veterinary services, provision of vet drugs, vaccination campaigns, restocking/provision of animals, apiculture, meat processing and marketing, and so on
2.3.4 <i>Other production systems</i>	Including alternative energy sources, alternative livelihoods, development of new and/or renewable energy sources, ecotourism, energy, fishery development, rural industry, and so on
2.3.5 <i>Production support</i>	Comprises activities such as advisory or consulting services, marketing, and banking/financial services including rural finance, microfinance, rural infrastructure, technical assistance, and so on
2.4 Resource conservation	Activities/components relating to the conservation of resources vulnerable to desertification/drought phenomena. Includes resource stewardship
2.4.1 <i>Air and climate protection</i>	Comprises measures and activities aimed at the reduction of emissions into the ambient air or ambient concentration of air pollutants as well as measures and activities aimed at the control of emissions of greenhouse gases and gases that adversely affect the stratospheric ozone layer and/or result in global warming or climate change. Includes prevention of pollution through in-process modifications aimed at eliminating or reducing the generation of air pollutants (e.g., through cleaner technologies or use of cleaner products), treatment of exhaust gases and ventilation air, measurement and control, and other similar activities
2.4.2 <i>Biodiversity conservation</i>	Including protection of species and habitats, protection of natural and semi-natural landscapes, wildlife conservation, plant conservation, habitat management, fish and wildlife protection, and so on

Relevant activity code	Description
2.4.3 <i>Forest/scrub management</i>	Including forest management and conservation, homestead and boundary planting, live fencing, launching of reforestation/afforestation programmes, development of afforestation techniques and suitable species, joint forest management, community forestry, social forestry, fuel wood depletion control, deforestation control, and so on
2.4.4 <i>Other resource conservation</i>	Including dry high-altitude ecosystems, transboundary resource management, protection of oasis and other ecosystems, and other unspecified or not listed resource conservation activities
2.4.5 <i>Pasture and range management</i>	Comprises activities relating to the ecology, productivity, sustainable use and management of rangelands, including controlling grazing, managing grasslands, medicinal plants, supporting pastoralism, and so on
2.4.6 <i>Sustainable land management</i>	Including flood protection, hillside terracing, land-use planning, land improvement, land reclamation, local-level land and integrated resource management, protection of lands from sand dune encroachment, protection of soil from erosion and physical degradation, prevention of soil salinity, sand-dune fixation or consolidation, set-aside schemes, soil conservation, stone bunding, sustainable land use management, vegetated gully structures, and so on
2.4.7 <i>Water conservation</i>	Comprises activities relating to irrigation, water supply and sanitation, including water storage, water curtailment practices, rainwater harvesting, aquifer management, integrated watershed management, bore holes, wells, and water pipes management, groundwater development, prevention of pollutant infiltration, irrigation techniques, drainage basin management, water marketing, low water consumption crops, water-tiered pricing strategies, flood control, soil erosion and water conservation, watershed management, installation of watering ponds and other facilities, lining of irrigation channels, small-scale water management, cleaning of soil and water bodies, dyke and dam management, and so on
2.5 UNCCD-related activities	Activities/components relating to the UNCCD process. Includes other UNCCD-related activities not specified below.
2.5.1 <i>UNCCD action programmes</i>	Development, formulation and implementation of national, subregional or regional action programmes, as well as NEAPs, LADPs, and so on.
2.5.2 <i>UNCCD consultative process</i>	Including the organization of/participation in official UNCCD meetings and events, the involvement of local populations, civil society and the private sector in the UNCCD process, the development of channels and programmes for sharing experience, knowledge and practices, and so on
2.5.3 <i>UNCCD focal points Activities</i>	Focal point support, training, travel, and so on
2.5.4 <i>UNCCD reports</i>	Reports on the status of implementation of the UNCCD submitted to the Conference of the Parties
2.5.5 <i>UNCCD subsidiary bodies</i>	Activities of all UNCCD subsidiary bodies, including activities relating to synergy between the Rio conventions, links with other multilateral environmental agreements, and so on
<b>3 Mitigation and recovery</b>	Activities/components relating to ensure preparedness and provide timely remedy against the effects of desertification/drought in affected areas. Includes other relevant mitigation and recovery activities not specified below
3.1 Mitigation/recovery	Activities/components providing remedy against damage to crops, pastures, woodlands, livestock, wildlife, water supplies, economic activities, communities, and so on, associated with land degradation phenomena in affected areas caused by human or natural disturbances. These activities/components are generally taken prior to and during desert/drought events to reduce potential impacts. Includes other recovery activities not specified below
3.1.1 <i>Adaptation to climate change</i>	Refers to activities/components relating to adaptation to climate change

Relevant activity code	Description
3.1.2 <i>Drought mitigation</i>	Refers to activities/components relating to providing remedy against the adverse effects of droughts, including fodder storage, drought resistant crops, stall-feeding, water storage development, and so on
3.1.3 <i>Environment restoration</i>	Refers to activities/components relating to restoring the environment damaged by desertification/drought phenomena, including re-vegetation, tree planting, and so on
3.1.4 <i>Waste management</i>	Refers to activities and measures aimed at preventing the generation of waste and the reduction of its harmful effect on the environment. Waste materials are products for which the generator has no further use for its own purposes of production, transformation or consumption. Includes waste pollution prevention measures (e.g., activities aimed at eliminating or reducing the generation of solid waste through cleaner technologies or the use of cleaner products), collection and transport, treatment and disposal of hazardous waste, treatment and disposal of non-hazardous waste, transport and treatment of highly radioactive waste and related monitoring and control. Composting and recycling activities for the purpose of environmental protection are included. Hazardous waste is waste that due to its toxic, infectious, radioactive, flammable or other characteristics poses a substantial actual or potential hazard to human health or living organisms.
3.1.5 <i>Wastewater management</i>	Comprises activities and measures aimed at preventing the pollution of surface water through reductions in the release of wastewater into inland surface water and seawater. Wastewater is defined as water that is of no further immediate value for the purpose for which it was used or in the pursuit of which it was produced. Includes prevention of pollution through wastewater process modifications aimed at reducing the generation of surface water pollutants and wastewater (e.g., through cleaner technologies and use of cleaner products), sewerage networks, wastewater treatment (e.g., mechanical, biological, and advanced treatment), treatment of cooling water and related measurements and control
3.1.6 <i>Water delivery</i>	Refers to activities/components relating to providing and/or rationalizing water supplies prior to/during droughts
3.1.7 <i>Water reclamation and reuse</i>	Refers to activities/components relating to water reclamation and/or reuse
<b>4 Emergency response</b>	Activities/components that help overcome the impacts of extreme occurrences of desertification/drought or the impacts of multifaceted disasters. Includes disaster assistance and activities/measures following a declaration of natural disaster. Includes other relevant emergency measures not specified below
4.1 Financial/economic relief	Including “funding for drought or floods” measures, economic assistance, emergency loans, and so on
4.2 Land reclamation and/or rehabilitation	Refers to activities/components relating to reclamation and/or rehabilitation of degraded lands, e.g., reclamation of saline irrigated soils
4.3 Livestock health/relocation/rescue	Refers to activities/components relating to livestock health, relocation and/or rescue due to extreme desertification/drought occurrences or natural disasters
4.4 Other production systems rescue	Refers to rescue operations of other production systems affected by extreme desertification/drought occurrences or natural disasters
4.5 Pest eradication/crop rescue	Refers to pest eradication activities/components or crop rescue operations to fight extreme desertification/drought occurrences or natural disasters
4.6 Population health/relocation/rescue	Refers to activities/components relating to population health, relocation and/or rescue to fight extreme desertification/drought occurrences or natural disasters

<b>Relevant activity code</b>	<b>Description</b>
<b>4.7</b> Reconstruction of water management systems and infrastructure	Refers to activities/components reconstruction of water management systems and infrastructure damaged by extreme desertification/drought occurrences or natural disasters. Includes emergency drilling of wells, water transportation/distribution, water haulage, and so on
<b>4.8</b> Reforestation/afforestation	Refers to activities/components relating to reforestation/afforestation following extreme desertification/drought effects or natural disasters

## Annex IV

[ENGLISH ONLY]

### **Selection criteria, strength rating and quality analysis**

1. The following is an excerpt from the GEF Council Document “Status of Land Degradation as a Cross-Cutting Issue under GEF.3” ([http://www.gefweb.org/Documents/Council\\_Documents/GEF\\_C24/C.24.Inf.6\\_Status\\_of\\_Land\\_Degradation\\_FINAL.doc](http://www.gefweb.org/Documents/Council_Documents/GEF_C24/C.24.Inf.6_Status_of_Land_Degradation_FINAL.doc)).
2. The principal means used to identify a project as a project addressing land degradation as a cross-cutting issue was to find an explicit indication in that project’s brief/document, or any other available project materials, that any of the threats or activities cited below (as defined by Berry and Olson 2001 and UNDP 2001) were addressed.

#### **Threats**

- Soil erosion due to wind or water factors; sand dune mobilization and movement; sedimentation and siltation of riparian areas and coastal zones; soil compaction through surface crusting or deeper structural damage; declining soil fertility; and loss of soil organic matter or carbon.
- Salinization due to improperly managed irrigation practices; chemical and organic pollution of soils related to agriculture, industry and urban activities as well as and GHG emissions (such as landfills, methane generation); lowering or loss of aquifer potential resulting from overuse or lack of recharge.
- Deforestation due to excessive logging, fuelwood extraction, or habitat conversion; loss of other vegetation, such as grasslands and savannas, due to overgrazing, over-harvesting and habitat conversion; uncontrolled and excessive fires that can damage ecosystems.
- Over-harvesting of vegetation products in general, such as for medicinal use and gathering of food, which leads to ecosystem instability; over-cultivation leading to reduced fallows and regenerative ability of the ecosystem.
- Invasive species when they lead to ecosystem damage and instability.
- Overgrazing around settlements or in extensive rangelands.
- Habitat conversion in general, such as for cropland and improved pastures.
- Agricultural expansion into pastureland, thus forcing over-grazing in remaining pastures.
- Land use conflicts and curtailment of access rights, leading to destructive land uses and war.
- Land degradation when it is aggravated by droughts and desiccation.

#### **Activities**

##### **A. Sustainable Land Use Practices**

- Improvement of cropping and herding practices to prevent or mitigate land degradation.
- Soil and water conservation.

- Watershed catchment management.
- Habitat restoration.
- Integrated land use planning including land zonation protected areas and buffer zones.

#### **B. Forestry/Trees Related Activities**

- Sustainable use of biomass for energy, sustainable forest harvesting and fuel wood use conservation practices, and fire control measures.
- Regeneration of forestry and grasslands, including tree planting by communities for biodiversity conservation, watershed management for carbon sequestration.

#### **C. Project Approaches**

- Generation of alternative livelihood income and community participation activities.
- Land degradation capacity-building efforts and mobilization of resources to address land degradation.
- Information collection, such as land cover or land degradation variables.
- Target research and indigenous knowledge for mitigating land degradation as a cross-cutting theme.
- Activities that address the underlying causes of degradation and policies that reduce land tenure insecurities.

#### **D. Environmental Quality Issues**

- Reducing dust in the atmosphere.
- Promoting carbon sequestration in soils.

#### ***Determination of Land Degradation Component Strength***

3. To identify the strength of the land degradation components in projects, the following operational classification (as defined by Berry and Olson) was used, resulting in the following categorization:

- *Strong LD component.* Projects with proactive land rehabilitation components (e.g., range land rehabilitation, such as seeding and tree planting) or proactive components to ameliorate current land management (e.g., improved cropping or grazing practices, fire use, land use planning).
- *Potential LD effects.* Projects whose interventions will potentially prevent land degradation. These are projects with few proactive interventions but whose activities will restrict future degradation through activities such as reducing land use intensity or improving land management inside or outside protected areas.
- *Indirect effects on LD.* These projects lack a land management component but will have few activities that have indirect effects on the land, for example, through reducing fuel wood collection from natural areas.



**Quality Analysis**

4. The quality analysis is based on four sets of criteria: (a) objectives, (b) threats, (c) components, and (d) activities. Each of the rated criteria was then assigned a rank value between one and three, where one represents indirect effect on land degradation and three represents strong land degradation component.

5. To assign the ranking, the three interrelated types of interventions were examined and assessed, including (1) on-the ground activities to prevent and /or remedy land degradation including sustainable agriculture, sustainable rangeland management, and sustainable forest management activities; (2) capacity-building including strengthening of public policy and the enabling environment for addressing land degradation; and (3) target research aimed at providing knowledge and tools for sustainable land management. The matrix below was then used to rate the significance of each project in addressing land degradation.

**Rating mMatrix**

Rate	Objective	Threats	Components	Activities	Rank
Indirect LD effect (X)	X	X	X	X	Rank (1)
Potential LD effect (XX )	XX	XX	XX	XX	Rank (2)
Strong LD component (XXX)	XXX	XXX	XXX	XXX	Rank (3)

**Quantitative Analysis**

6. A quantitative analysis was conducted on 18 projects to determine the portion of GEF funds allocated for land degradation activities. These projects were chosen randomly from the list of the approved projects in each operational programme in each rated category (strong, potential, and indirect). The budget section in the project approval document was examined to calculate the portion of GEF money used for land degradation activities. The percentage of GEF amount used for land degradation with respect to the total GEF amount was calculated for each project. An average percentage for each rated class was then calculated to arrive at the percentage of GEF funds used for land degradation in each category, as follows: Strong project, 32 percent; potential effect project, 28 percent; and indirect effect project, 12 percent. These percentages were then used to calculate the amount of money used per project and the total allocated for GEF 3 for land degradation as a cross-cutting issue.

-----