

# PRACTICAL GUIDE TO DESIGNING INTEGRATED FINANCING STRATEGIES for Combating Desertification

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## Designing Integrated Financing Strategies for Combating Desertification

The Global Mechanism of the UNCCD (GM) has designed a capacity building initiative to develop national competencies for resource mobilization to combat desertification and promote sustainable land management (SLM). The initiative draws on the GM's experience with regard to resource mobilization and mainstreaming of National Action Programmes (NAPs) into national planning processes and overarching development frameworks.

The initiative is under the Regional Programme for Sustainable Development of the Drylands of West Asia and North Africa (WANA Programme) that brings together Algeria, Egypt, Iran, Jordan, Lebanon, Libya, Mauritania, Morocco, Oman, The Palestinian Authority, Sudan, Syria, Tunisia and Yemen.

The programme builds on past experiences and new approaches to allow a diverse group of international participants to broaden their personal perspectives for resource mobilisation for combating desertification and sustainable land management through Designing Integrated Financing Strategies (DIFS).

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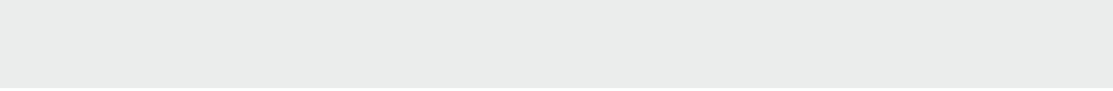
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# Acronyms

AAID	Arab Authority for Agricultural Investment and Development
AFESD	Arab Fund for Economic and Social Development
AGFUND	Arab Gulf Program for the United Nations
AOAD	Arab Organization for Agricultural Development
BSL	Budget System Law
CAS	Country Assistance Strategy
CBD	Convention on Biological Diversity
CCD	Convention to Combat Desertification
CD	Combating Desertification
CDM	Clean Development Mechanism
CER	Certified Emission Reduction
COP	Conference of the Parties
CRIC	Committee for the Review of the Implementation of the Convention
CSO	Civil society organizations
DAC	Development Assistance Committee
DIFS	Designing Integrated Financing Strategies for Combating Desertification
DNA	Designated National Authority
DOE	Designated Operational Entity
EB	Executive Board
ENP	European Neighborhood Policy
EU	European Union
FAO	Food & Agriculture Organization of the United Nations
FDI	Foreign Direct Investment
FIELD	Financial Information Engine on Land Degradation
GEF	Global Environmental Facility
GM	Global Mechanism
IDB	Islamic Development Bank
IFAD	International Fund for Agriculture Development
IFS	Integrated Financing Strategy
IUCN	World Conservation Union
LAP	Local Action Plan
MDG	Millennium Development Goals
MP	Member of Parliament
MoA	Ministry of Agriculture
MoE	Ministry of Environment
MoF	Ministry of Finance
MoP	Ministry of Planning
MoSA	Ministry of Social Affairs
MTC	MEDA Trade and Consulting
NAP	National Action Program
NBSAP	National Biodiversity Strategy and Action Plan
NCB	National Coordinating Body
NEAP	National Environmental Action Plan

NEF	National Environment Fund
NEPAD	New Partnership for Africa's Development
NGO	Non-governmental Organization
NPP	National Physical Plan
ODA	Official Development Assistance
OECD	Organization for Economic Cooperation and Development
OFID	OPEC Fund for International Development
OPEC	Organization of Petroleum Exporting Countries
PDA	Public Development Aid
PPP	Policies, Plans, and Programs
SLM	Sustainable Land Management
SWAps	Sector-wide approaches
TAIC	Arab Investment Company
USD	United States Dollar
UNCBD	United Nations Convention on Biological Diversity
UNCCD	United Nations Convention to Combat Desertification
UNCED	United Nations Conference on Environment and Development
UNDP	United Nations Development Program
UNESCO	United Nations Educational, Scientific & Cultural Organization
UNEP	United Nations Environment Program
UNFCCC	United Nations Framework Convention on Climate Change
UNIDO	United Nations Organization for Industrial Development
USAID	United States Agency for International Development
WB	World Bank
WSSD	World Summit on Sustainable Development
WWF	World Wildlife Fund



Desertification does not refer to the expansion of existing deserts. It occurs because dryland ecosystems, which cover over one third of the world's land area, are extremely vulnerable to over-exploitation and inappropriate land use. Poverty, political instability, deforestation, overgrazing and bad irrigation practices can all undermine the productivity of the land. Over 250 million people are directly affected by desertification, and about one billion people in over one hundred countries are at risk. These people include many of the world's poorest, most marginalized and politically weak citizens (UNCCD Secretariat).

In response to addressing the problems associated with desertification, the international community established the United Nations Convention to Combat Desertification in Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa (UNCCD) – in short the Convention to Combat Desertification. The Convention was adopted in Paris on 17 June 1994 and entered into force on 26 December 1996.

The UNCCD defines desertification as “land degradation in arid, semi-arid and dry sub-humid areas<sup>1</sup> resulting from various factors including climatic variations and human activities, in specific, the complex interactions among physical, biological, political, social, cultural and economic factors”. As such, the UNCCD brings together the socio-economic and the ecological aspects within a single framework; in this sense the Convention does not fall within the confines of what is considered to be purely an “environmental” convention. Currently, one hundred and ninety one (191) countries and the European Community have ratified, acceded or accepted the Convention, making the UNCCD one of the most globally subscribed to Conventions.

Given the cross-cutting nature of desertification - meaning that it has implications on various different aspects of socio-economic development and environmental management - one of the approaches being increasingly used is that of Sustainable Land Management (SLM). According to the Australian Government's Department of Environment and Water Resources, “Sustainable land management means managing land without damaging ecological processes or reducing biological diversity. It requires the maintenance of the following key components of the environment:

- biodiversity: the variety of species, populations, habitats and ecosystems;
- ecological integrity: the general health and resilience of natural life-support systems, including their ability to assimilate wastes and withstand stresses such as climate change and ozone depletion; and
- natural capital: the stock of productive soil, fresh water, forests, clean air, ocean, and other renewable resources that underpin the survival, health and prosperity of human communities.

Land is often managed for multiple benefits, such as agricultural production, biodiversity conservation, water quality, soil health and supporting human life. To ensure long-term sustainability, land managers need to consider economic, social and environmental factors.”

<sup>1</sup> “arid, semi-arid and dry sub-humid areas” means areas, other than polar and sub-polar regions, in which the ratio of annual precipitation (water, hail, snow, fog etc.) to potential evapotranspiration (evaporation of water from lakes, streams, and soil surfaces and by loss of water from plants) falls within the range from 0.05 to 0.65;

In terms of financing the implementation of SLM initiatives, the UNCCD contends that first and foremost existing resources should be used more effectively and efficiently. This is based on the analysis that in the past there has been significant wastage of resources through the adoption of inappropriate technological responses, duplication of efforts, and uncoordinated national and donor responses to name just a few. This has various implications for resource mobilization for SLM since those engaged in resource mobilization have to demonstrate that actions are being taken to address the above, as well as other bottlenecks associated with the policy, legislative, institutional and incentive frameworks.

To respond to this particular challenge, the Convention established the Global Mechanism (GM) as the financing mechanism mandated to maximize the availability of funding for affected developing countries, who are members of the Convention, to implement the Convention. The mandate of the Global Mechanism is “to increase the effectiveness and efficiency of existing financial mechanisms, [and] to promote actions leading to the mobilization and channelling of substantial financial resources, including for the transfer of technology, on a grant basis, and/or on concessional or other terms, to affected developing country Parties (Article 21.4)”. The Global Mechanism was established in 1998 and is hosted by the International Fund for Agricultural Development (IFAD). Since it became operational in 2000, the Global Mechanism has been working globally, piloting various approaches for mobilizing resources.

## International Context

Over the course of time that the Global Mechanism has been operational there has been an evolution in the modalities, procedures and tools related to international development financing. These changes bring with them many opportunities but also, various challenges.

The 1992 United Nations Conference on Environment and Development (UNCED), also referred to as the Earth Summit, was held in Rio de Janeiro, Brazil and brought global attention to the link between the environment and socio-economic development. The principal outputs of that Summit were the Rio Declaration on Environment and Development, Agenda 21 – a 40-chapter programme of action, the UN Framework Convention on Climate Change (UNFCCC), the Convention on Biological Diversity (CBD), the Statement of Forest Principles, and the agreement that an intergovernmental process would be launched for developing the UNCCD by 1994.

Eight years after Rio, the global community realized that a lot more political will would be needed if the objectives of Agenda 21 were to be achieved and in response, the Millennium Development Goals (MDG's) were adopted in 2000. The eight MDGs – which range from halving extreme poverty to halting the spread of HIV/AIDS and providing universal primary education – constitutes a commitment by all the world's countries and all the world's leading development institutions to achieve the MDG targets by 2015.

In 2002, both the World Summit on Sustainable Development (WSSD) and the United Nations International Conference on Financing for Development (Monterrey Consensus) were convened. While the WSSD came out with a Plan of Implementation focusing on achieving the MDGs and other broader environmental issues, the Monterrey Consensus focused on the necessary financing means required to achieve the MDGs. The Monterrey Consensus came up with six areas of financing for development:

- (i) Mobilizing domestic financial resources for development.;
- (ii) Mobilizing international resources for development: foreign direct investment and other private flows;
- (iii) International trade as an engine for development.;
- (iv) Increasing international financial and technical cooperation for development.;
- (v) External debt.; and

- (vi) Addressing systemic issues: enhancing the coherence and consistency of the international monetary, financial and trading systems in support of development.

Following up on the commitments made at Monterrey, the international community further determined, in Rome (February 2003), to align development aid according to the strategies of partner countries, to harmonize policies and procedures and to apply sound practices in development cooperation.

In 2005, “the Paris Declaration on Aid Effectiveness was adopted. The Declaration is an international agreement to which over one hundred ministers, heads of agencies, and other senior officials adhered and committed their countries and organizations to continue to increase efforts in harmonization, alignment and managing aid for results with a set of monitorable actions and twelve indicators. The Paris Declaration promotes a model of partnership that improves transparency and accountability on the use of development resources. It recognizes that for aid to become truly effective, stronger and more balanced, accountability mechanisms are required at different levels. At the international level, the Paris Declaration constitutes a mechanism in which donors and recipients of aid are held mutually accountable to each other and compliance in meeting the commitments will be publicly monitored. At the country level, the Paris Declaration encourages donors and partners to jointly assess mutual progress in implementing agreed commitments on aid effectiveness by making best use of local mechanisms (OECD)”.

In this context of a shifting structure of international development financing, new modalities, tools and procedures have emerged. In principle, they seek to increase beneficiary countries’ ownership over the setting of development priorities and implementation of activities. These new modalities fundamentally attempt to address past challenges such as, focus on donor driven priorities and systems; cumbersome donor procedures leading to high transaction costs; and uncoordinated donor support resulting in duplication of activities and resource use inefficiencies. The proposed suggestions for improving this situation calls upon donors to undertake the following:

- Simplify procedures and systems
- Harmonize procedures
- Align procedures on partner systems
- Share information
- Untie aid
- Respect national priorities and strategies
- Strengthen local capacity
- Use a coordination structure
- Rely on budget support
- Rely on Sector Wide Approaches (SWAPs)

Likewise, beneficiary or partner countries are called upon to stimulate growth and poverty reduction by pursuing the following:

- Exercise effective leadership over their development policies, and strategies and co-ordinate development actions
- Translate national development strategies into prioritized results-oriented operational programs as expressed in medium-term expenditure frameworks and annual budgets
- Improve the enabling policy, legislative, institutional and incentive frameworks for facilitating the achievement of the MDGs
- Improve governance structures including enhanced fiduciary systems.

The evolving international development financing context outlined above thus requires a much more sophisticated response to resource mobilization than from past practices of project proposal development. Rather than submission of a set of project proposals for donor consideration, it is necessary now to adopt a programmatic approach whereby a hierarchy of priorities are identified based on sound analysis and adopted by government as national priorities. The programme must be able to demonstrate the

“chain of logic” that leads to achievement of impact – positive improvements in the day-to-day realities of the beneficiaries.

In regard to the changes in the international context, the Global Mechanism has designed a targeted capacity building initiative to enhance national competencies for resource mobilization to combat desertification. The initiative draws on the Global Mechanism's experience with resource mobilization, mainstreaming of National Action Programs (NAPs) into national planning processes and overarching development frameworks and development of comprehensive financing strategies in the subregions of North Africa, West Asia and Central Asia.

The GM's targeted capacity building initiative on *Designing Integrated Financing Strategies for Combating Desertification (DIFS)* aims to enhance the capacities of a group of key national stakeholders in affected countries to use the principles, analyses, processes, tools and techniques for formulating an Integrated Financing Strategy to address issues related to land degradation.

### Definition of the IFS

The Integrated Financing Strategy is a guiding framework for locating and developing a mix of financial resources to fund programs and projects related to combating desertification and sustainable land management (SLM).

While helping to develop the appropriate blend of funds – namely internal, external and innovative – the strategy also uncovers potential barriers in resource identification, allocation, and disbursement. It highlights aspects in the policy, fiscal, legal, institutional, and human resource environments that may act as barriers to implementing certain actions in resource mobilization or program execution. Within the directions provided for mobilizing finances from the three main sources, the strategy additionally recommends a number of actions for overcoming identified barriers in the enabling environment.

### Rationale to Develop IFS

On the scale of national and international priorities for financing development, combating desertification and sustainable land management continue to be a low priority. The NAPs have often been developed independently of other action plans and are not effectively inscribed within the general frameworks of national development. This has led to a lack of financing and implementation because the NAP priorities are seldom brought up in national budget debates or in negotiations with lending organizations and development banks.

The UNCCD does not have a financial mechanism established to administer funds for convention-related activities. Instead, it emphasizes the need to mobilize substantial funding from existing resources and to rationalize and strengthen their management. As one of the bodies that implements the CCD, the role of the GM has evolved from that of a facilitator to that of a mechanism providing a range of financial services and counseling to the parties to the Convention.

The GM has elaborated the concept of the Integrated Financing Strategy (IFS) as an instrument to support governments in mobilizing financial resources for UNCCD implementation at the country level.

## Approach to Develop IFS

The experience of the Global Mechanism has begun to indicate with increasing clarity that financing the “process” of elaborating the National Action Program is as important as the document itself. In many NAPs there is a lack of coherence between the analysis of the underlying causes of land degradation and the proposed solutions. Rarely is there a call for the reform of political, legislative and institutional frameworks, or for measures to create incentives, despite the influence of these factors on decisions made by land users. As a result, the utility of the NAPs in providing a strategic orientation for implementation of the Convention has been diminished.

Therefore the elaboration of a financing strategy to combat desertification is contingent on a situation analysis which identifies the optimal means of resource mobilization within an integrated approach. In the course of developing the strategy, the national officials involved in the process must interact with numerous other sectors and fields and identify appropriate entry points in the national development frameworks for interventions in the area of land degradation and desertification.

The problem of financing is fundamentally of the same nature in all countries. This Practical Guide seeks to provide relevant information which can be used to develop an Integrated Financing Strategy for each country.

## About this Guide

The *Practical Guide to Designing Integrated Financing Strategies for Combating Desertification* is a reference manual of instruments and methodologies used in the formulation of Integrated Financing Strategies. It illustrates the steps to be followed in the development of the strategy, highlighting the main concepts that should be elaborated, and proposes approaches for addressing the central issues surrounding land degradation. The Guide provides practical tools that can be used in the analysis of data, synthesis of information, and development of practical action plans.

The Guide outlines clearly the procedural methodology that will assist in the formulation process. It is anticipated that during the financing strategy formulation process, the country team will be able to use this Guide as a roadmap to achieve the following:

- that the strategy is rooted in a true analysis of the country situation
- that the key elements necessary for designing the strategy are elaborated
- that the accompanying processes of consultation, partnership building, coordination and awareness raising are undertaken concurrently with the development of the strategy
- that the contributions of all relevant stakeholders are integrated to make sure the strategy is comprehensive, pragmatic and implementable.

What has been included in the Guide is only the essential information needed for specifying the scope and content of the strategy. An accompanying CD Rom is included with this toolkit. It follows the same structure as the Guide and provides additional reference material that can be drawn upon during the strategy development phase.

## For whom is this Guide written?

The Guide serves as a support document for the participants attending the GM organized training workshops as well as for the other national stakeholders that will be involved with the development of

the financing strategy in their respective countries. The DIFS initiative calls for the establishment of a country team comprised of the following key actors:

- UNCCD National Focal Point;
- Focal Points for the other Rio Conventions and the Global Environment Facility (GEF);
- Officers from technical ministries such as Agriculture, Environment, Water Resources and Forestry;
- Officers from non-technical ministries such as Finance, Planning and International Co-operation;
- Officers from policy-making bodies and scientific and technical institutions; and
- Civil society representatives.

## Structure of the Guide

This Practical Guide describes the methodology, steps and processes for preparing Integrated Financing Strategies. It is developed into seven components, in addition to this introductory component. Each component shows the steps required for carrying out the analysis while providing helpful tools in the form of tables, charts, figures, and itemized lists. Tips from previous country experiences are noted where prior encounters have yielded valuable insight.

The components are as follows:

Component 1 – Analysis of the National Context: Describes the political, legislative, and institutional frameworks that are instrumental to understanding the conditions that influence the mobilization of resources. This is perhaps the most extensive of all the sections because it describes the multi-faceted background environment against which the strategy is set.

Component 2 – Mainstreaming SLM into Country Frameworks: Develops the interventions that should be taken to provide a better enabling environment that is conducive to mobilizing financial resources for combating desertification and Sustainable Land Management.

Component 3 – Resource Mobilization, Internal Sources of Funding: Analyzes the country's capacity to raise financial resources internally and proposes means for improving the mobilization of internal resources

Component 4 – Resource Mobilization, External Sources of Funding: Analyzes the international donor community and proposes means for increasing the mobilization of funding from external sources

Component 5 – Resource Mobilization, Innovative Sources of Funding: Investigates the range of suitable innovative financing mechanisms available that could complement the traditional funding sources

Component 6 – Partnership Building: Assesses potential partners and new approaches to partnership building for resource mobilization

Component 7 – Action Plan: Ties together the activities recommended in the previous six components, specifying responsibility, detailed actions, monitoring tools, budget, and priority.





### A. DEFINITION:

The National Context is comprised of the environmental factors and anthropologic framework within a country. It entails the elaboration of the country's natural features and the structures of organization and governance. The analysis of the national context describes the baseline conditions that provide the instrumental background needed to understand the conditions that influence the mobilization of resources.

### B. OBJECTIVE:

The aim of the analysis of the national context is to identify those elements in the planning policy, legal, institutional, and coordination frameworks that could hinder or facilitate the mobilization and allocation of resources in the country. The national context exposes the strengths and weaknesses in the framework of governance and its conduciveness to resource mobilization. Once the constraints are identified the steps needed to create an enabling environment become more evident.

### C. SECTION CONTENTS:

This section of the strategy should cover the following topics:

- Environmental factors – an overview with focus on land degradation
- International Conventions with focus on the UNCCD
- NAP elaboration process
- Institutional framework
- Coordination framework
- Legal framework
- Planning framework
- National policy development process
- Financial flows into programs, plans and projects for combating desertification

### D. STEPS TO FOLLOW:

The steps to follow for completing this section of the strategy are listed below:

## i. Data collection and information management:

1. **Conduct a comprehensive literature review:** Review of the literature develops further familiarity with the status of Sustainable Land Management in the country including past, ongoing, and planned activities, stakeholders involved, and the status of international conventions, particularly the UNCCD.
2. **Use the NAP:** The National Action Program serves as a guiding document for initiating the preliminary research on the UNCCD. The NAPs generally provide an overview of the country context from a natural, anthropological, and socio-economic standpoint. The NAP may also list a number of recommendations and operational guidelines relevant to the implementation of the UNCCD. This suggestion is, however, not applicable if a NAP has not yet been prepared.
3. **Develop a thematic matrix:** Due to its cross-sectoral nature, the activities that fall within the umbrella term of “combating desertification” are numerous. A thematic matrix helps to organize the activities that will be investigated in more detail in subsequent steps.
4. **Meet with relevant stakeholders:** Due to the cross-sectoral nature of SLM there are many stakeholders involved. The review of the literature will reveal the multitude of stakeholders, most of whom will need to be consulted throughout the development of the strategy. Stakeholder consultations serve to complement and update the information obtained from the literature.

## ii. Analysis:

5. **Describe the environmental context:** Assess the magnitude of land degradation to provide the natural background against which the strategy is set. At the conclusion of this assessment, the environmental pressures within the country become evident and the priority interventions in need of funding can be easily identified.
6. **Evaluate the commitments to international conventions:** Review international conventions to identify points of synergy to pool resources and maximize benefits. Special attention should be paid to the UNCCD in order to elaborate on the status of compliance and implementation of the convention.
7. **Analyze the NAP elaboration process:** Revisit the NAP to establish the current baseline of efforts to combat desertification and assess the challenges impeding the implementation process. The analysis opens the door to a central question, “if unlimited financial resources were available, would the NAP implementation process be more successful?”
8. **Analyze the institutional framework:** Present the range of institutions involved in land management and show whether the necessary coherence exists among them for effectively addressing SLM. There needs to be open communication within the institutional architecture to properly combine efforts and mobilize resources.
9. **Analyze the coordination framework:** Analyze the structure and functionality of the current coordination mechanisms with emphasis on the NCB. Coordination is paramount because

of the cross-sectoral nature of SLM, and the coordination platform must have a strong foundation before the role of managing financial resources is also added to its mandate.

10. **Analyze the legal framework:** Review legislation related to environmental management and land degradation as well as other legislation that may affect resource mobilization. Is there a Public Accounting Law? Is there legislation related to the trade of agricultural products? Accordingly, it is vital to assess the legal framework's ability to facilitate (or hamper) the allocation of resources.
11. **Analyze the planning framework:** Assess the process by which national planning and prioritization proceeds. The planning process used at the national, sub-national and local levels will reveal the approaches that need to be adopted for the inclusion of SLM concerns into the planning framework.
12. **Analyze the policy development process:** Describe the political agenda and assess the main policy formulation organs. Setting SLM on the national agenda will require an understanding of the decision-making hierarchy and the approach that needs to be adopted to integrate it.
13. **Review programs and projects to combat desertification:** Compile a list of past, on-going, and planned activities and assess the contribution of the project outputs to the effort to combat desertification. The analysis of the outcomes shows whether the activities are truly meeting their objective
14. **Analyze financial flows into SLM:** Review past, on-going, and planned activities to quantify the flow of financial resources into SLM. By analyzing the activities by sector and source of funding, an idea of underlying priorities and main funding channels is provided. The analysis reveals the efficacy with which financial resources have been made available and shows where over-funding or under-funding may be taking place. An analysis of the project outcomes show whether the activities are truly meeting their objective

The above steps are summarized in Table 1.

Table 1: Summary of Steps and Results in the Analysis of the National Context

#	Step	Results
1	Conduct a comprehensive literature review	<ul style="list-style-type: none"> <li>■ In-depth understanding of status of sustainable land management in the country developed</li> <li>■ Understanding of the status of international conventions, namely the UNCCD developed</li> <li>■ Past, on-going, and planned activities related to SLM including associated financial flows identified</li> <li>■ Information gaps identified; information to be supplemented through stakeholder consultations</li> </ul>
2	Use the NAP	<ul style="list-style-type: none"> <li>■ Familiarity with NAP contents and NAP development process developed</li> <li>■ Preliminary research on UNCCD within country context initiated</li> <li>■ Actions and recommendations highlighted in NAP reviewed</li> </ul>

#	Step	Results
3	Develop a thematic matrix	<ul style="list-style-type: none"> <li>■ NAP interventions are categorized by thematic area</li> </ul>
4	Meet with relevant stakeholders	<ul style="list-style-type: none"> <li>■ Familiarity with main stakeholders and their roles in SLM developed; main stakeholders to be approached identified</li> <li>■ Information obtained from the literature review complemented and updated</li> </ul>
5	Describe the environmental context	<ul style="list-style-type: none"> <li>■ Information on the extent of land degradation and its most prominent causes as per the country context presented through <ul style="list-style-type: none"> <li>□ The elaboration of the environmental problems in the country, notably as related to land degradation (water management, forestry, rangelands, agriculture, etc)</li> <li>□ Identification of the root causes of land degradation as they relate to the specific country context</li> </ul> </li> <li>■ Priority environmental issues that require intervention (and funding) identified</li> </ul>
6	Evaluate the commitments to international conventions	<ul style="list-style-type: none"> <li>■ National commitments towards Multilateral Environmental Agreements reviewed</li> <li>■ Level of commitment to UNCCD elaborated</li> </ul>
7	Analyze the NAP elaboration process	<ul style="list-style-type: none"> <li>■ Scope of NAP and NAP-related activities described</li> <li>■ Challenges impeding the NAP implementation analyzed</li> </ul>
8	Analyze the institutional framework	<ul style="list-style-type: none"> <li>■ Role of main actors in SLM and resource mobilization defined</li> <li>■ Efficacy of institutional architecture assessed</li> <li>■ Institutional capacity needs identified</li> </ul>
9	Analyze the coordination framework	<ul style="list-style-type: none"> <li>■ Structure and functionality of current mechanism assessed</li> <li>■ Constraints in coordination framework identified</li> </ul>
10	Analyze the legal framework	<ul style="list-style-type: none"> <li>■ Environmental legislation reviewed</li> <li>■ Legislation that may hamper or facilitate resource mobilization identified</li> </ul>
11	Analyze the planning framework	<ul style="list-style-type: none"> <li>■ Priority setting approaches and planning processes assessed</li> </ul>
12	Analyze the policy development process	<ul style="list-style-type: none"> <li>■ Policy agenda presented</li> <li>■ Policy formulation organs assessed</li> </ul>
13	Review programs and projects to combat desertification	<ul style="list-style-type: none"> <li>■ Rio markers used to filter through projects related to UNCCD</li> <li>■ Projects and activities to combat desertification described</li> <li>■ Outcome of activities analyzed against targets set</li> </ul>
14	Analyze financial flows into SLM	<ul style="list-style-type: none"> <li>■ Projects compiled by sector, funding source, implementing institution, and starting year of implementation</li> <li>■ Magnitude and distribution of financing assessed</li> </ul>

## E. RESOURCES NEEDED:

Expertise		Task
■ Environmental specialist	→	Environmental context, commitments to conventions, NAP analysis
■ Institutional specialist	→	Analysis of the functionality of the institutional setup
■ Legal expert	→	Analysis of legislation
■ Policy expert	→	National planning frameworks and key policy formulation organs
■ Financial specialist	→	Analysis of financial flows

## F. METHODS AND TOOLS:

The analysis of the national context begins with the collection and organization of relevant data and information. Not all the information may be required for the development of this section of the strategy. For instance, information related to the projects and activities implemented will contain information on donors, which may be used during the analysis of external sources of financing. Therefore, it is important to keep a database of the information that is gathered. The conduction of a comprehensive literature review early in the preparation of the strategy and the organization of data and information will facilitate and accelerate steps later down the line.

In the presentation of the national frameworks it is important to describe each in a context that is meaningful to the mobilization of resources. That is, the legislation that is reviewed, for instance, is not reviewed for the sake of assessing its comprehensiveness across all environment-related sectors, but rather for identifying elements in the legal texts that may facilitate or hinder the mobilization of funds. Similarly, in the analysis of the planning framework, the emphasis is on national planning processes as related to the management of natural resources, not national defense, or education, or health.

Among the steps described below, it should be noted that the consultation with stakeholders is an ongoing process throughout the development of the strategy. Gaps in information may be discovered as the analysis proceeds, and stakeholder input may have to be sought at several intervals.

### 1. Conduct a comprehensive literature review

A number of documents are relevant to the elaboration of the strategy and should be reviewed early in the data collection process. The NAP may provide a preliminary literature list. Table 2 lists a number of relevant documents that should be reviewed as well as potential sources for locating the sought documentation (*note: depending on the country, not all documents may have available and others could be relevant*):

Table 2: Sample list of documents to be reviewed

Document	Source
National Development Strategy, and Poverty Alleviation Strategy	<ul style="list-style-type: none"> <li>■ Ministry of Planning</li> <li>■ Ministry of Social Affairs</li> <li>■ Country pages of UNDP, World Bank</li> </ul>
Agricultural Strategy	<ul style="list-style-type: none"> <li>■ Ministry of Agriculture</li> </ul>
Sectoral Plans National Environmental Action Plan (NEAP)	<ul style="list-style-type: none"> <li>■ Ministries of Agriculture, Water, Land Management, Planning, Environment</li> </ul>
State of the Environment Report	<ul style="list-style-type: none"> <li>■ Ministry of Environment</li> </ul>
Project documents (progress reports, appraisal reports)	<ul style="list-style-type: none"> <li>■ Ministries of Agriculture, Water, Land Management, Planning, Environment</li> <li>■ Websites of donor agencies</li> </ul>
Environmental legislation	<ul style="list-style-type: none"> <li>■ Official gazette</li> <li>■ Books of country-specific environmental legislation</li> </ul>
Texts of international conventions, namely UNCCD	<ul style="list-style-type: none"> <li>■ Websites of the conventions</li> </ul>
Reports of COP and CRIC meetings	<ul style="list-style-type: none"> <li>■ Websites of the conventions</li> </ul>

A table can be used to summarize by thematic area (refer to Step 3) the information obtained (Table 3). The summary table facilitates the identification of information gaps.

Table 3: Summary of literature information for identification of information gaps

Topic	Status of information		
	Complete & Up-to-date	Incomplete / needs updating	Missing
<b>Category 1: Institutional framework for NAP implementation</b>			
Institutions involved in SLM	X		
National coordination mechanism for UNCCD			X
Local focal points		X	
Etc.			

## 2. Use the NAP

The IFS although a discrete document, is developed within the framework of NAP and UNCCD implementation. Integrated financing strategies should promote and facilitate the implementation of NAP and the requirements of the convention. The preparation of the strategy should therefore begin with a review of the NAP, which provides an overview of the UNCCD framework within the country. Therefore an important assumption in the use of this guide is that a country has finalized or is finalizing its NAP. A detailed analysis of the NAP implementation process is carried out in Step 7.

The NAP may provide preliminary information on the following topics:

- Background information on UNCCD as related to the country
- Commitment to combating desertification
- NAP elaboration process
- Environmental status in the country; including desertification and land degradation
- Socio-economic situation
- Frameworks of governance (e.g. policy, legal, institutional)
- Measures taken to implement the UNCCD
- Priority issues and interventions

### 3. Develop a thematic matrix

The thematic matrix serves as a basis for the management of a multitude of information that may be encountered in the NAP. The NAP tackles a number of issues across sectors and may propose a number of interventions. Due to the cross-sectoral nature of SLM, it is useful to organize these issues according to the “theme” that they fall under. The themes are based on the problem areas and priority measures encountered in combating desertification. The development of a thematic matrix facilitates the organization of issues and interventions tackled in a typical NAP according to the sector that they fall under. Table 4 shows an example of the thematic areas.

Table 4: Categories used in the thematic matrix for Lebanon

Category A: National Framework	
I.	Institutional framework for NAP implementation
II.	Legislative framework
III.	Land use planning
IV.	Socio-economic framework
Category B: Natural Resources	
V.	Water management
VI.	Forest management
VII.	Sustainable agriculture
VIII.	Rangeland management
IX.	Soil conservation
X.	Protected areas

The thematic matrix is a tool that can be drawn upon in subsequent stages of the strategy. It helps categorize information in a systematic manner and is elaborated in subsequent steps as further information is gathered. For example:

- In Step 4, the use of thematic areas helps identify the responsibility for carrying out the specific actions and thereby helps in developing targeted questions for stakeholders during the consultation process.
- In Step 13, the same thematic areas are used to categorize past, on-going, and planned activities related to SLM as these activities are reviewed.
- In Step 14, the thematic areas constitute the categories by which financial flows will be analyzed

If the NAP stipulates recommendations for intervention, the matrix helps organize these actions according to the theme that they fall under as shown in Table 5.

Table 5: Organization of actions into thematic categories

Actions stipulated in the NAP intervention areas	
II. Legislative framework	
II.1	Revise existing laws related to management & protection of natural resources, identify gaps, conflicts between laws & decrees; recommend remedial measures
II.2	Propose laws that define the responsibility & authority of relevant administrations as related to natural resources management
II.3	Establish protected areas in vulnerable ecosystems
II.4	Enforce laws to ensure the protection of natural resources
III. Land Use Planning	
III.1	Support effective administrations at local, sub national and national levels
III.2	Support an enabling environment and regulatory policy for sustainable land use
III.3	Support a platform for negotiation between the different stakeholders
III.4	Bottom-up planning and the development of local land use plans at the municipality level
III.5	Consolidate fragmented agricultural land
III.6	Support an accessible and efficient knowledge base

#### 4. Meet with relevant stakeholders

The review of the literature provides information on the multitude of stakeholders involved in SLM. Many of the stakeholders will have to be consulted at various steps throughout the development of the strategy.

The tedious and lengthy process of stakeholder consultations can severely delay the preparation of the strategy. Therefore, it is important to properly plan the stakeholder consultation process and identify early on,

- the main stakeholders that should be consulted and their role in SLM, (consultations help clarify this further, to present a detailed analysis in Step 8)
- the stages of the strategy preparation process during which they will need to be consulted, and
- the approach that is to be adopted in the consultation process

Planning is important because the consultation process may require interviewing several different people before gaining the desired information.

**TIP**

Consultations are generally held at two major phases in the strategy preparation process:

- Phase 1: Collection of information → to obtain information for the analysis of the national context and the elaboration of the different sources of funding
- Phase 2: Dissemination and validation → to expose the stakeholders to the strategy once the rudimentary structure has been defined, ensure consensus, and finalize the document according to stakeholder input

Box 1: Main stakeholders typically involved in the consultation process

- Ministry of Agriculture (relevant departments)
- Ministry of Environment (relevant departments)
- Ministry of Water (relevant departments)
- Ministry of Social Affairs (relevant departments)
- Ministry of Planning (relevant departments)
- Ministry of Finance
- Ministry of Economy and Trade
- Focal points of conventions
- Donor agencies
- International Organizations managing country projects (e.g. UNDP, World Bank)
- Local communities
- SMEs

It will be difficult to identify all the stakeholder meetings that will need to be held throughout the development of the strategy; however it would be useful to start planning the consultation process by means of a simple matrix which can be elaborated as the process moves along. Table 6 shows how such a matrix may be constructed.

Start identifying and scheduling stakeholder consultations as early in the process as possible since delays are not uncommon and can severely impede the preparation of the strategy.

**TIP**

Table 6: Organizing stakeholder consultation process

Stakeholder	Role in SLM	Role in Resource Mobilization	Stage of strategy preparation in which stakeholder should be involved	Format of consultation
Ministry of Agriculture	Agricultural development and extension services, forest management, afforestation, and grazing / rangeland management.	Dissemination and leading role to implement the Integrated Financing Strategy	Phase I: National Context, Coordination Mechanism, SLM Integration	Bilateral meetings
			Phase II: Dissemination	Round table consultation, Dissemination workshop
Donor agencies	Funding of SLM-related projects	External source of financing	Phase I: External sources of Funding	Bilateral meetings
			Phase II: Dissemination	Dissemination workshop

After the review of the list of stakeholders that are to be consulted,

- The information gaps identified from the review of the literature can be linked to the stakeholders who may provide the information sought,
- Stakeholder meetings should be scheduled as soon as possible due to potential delays
- The supporting documents for the consultation process need to be prepared (refer to supporting documents below)

It is helpful to maintain a simple database linking information needs to relevant stakeholders, and keeping track of the meetings and their outcomes (refer to Table 7).

Table 7: Information matrix for stakeholder consultations

Thematic area	Information sought	Stakeholder to be consulted	Contact information	Meeting Status	Follow-up
Institutional framework for NAP implementation	National coordination mechanism for UNCCD	MoA: Chairman of National Coordination Body (NCB)	Mr. Jones Tel +555 3879	Complete	Obtain law on NCB creation
	Local focal points	MoA: UNCCD focal point	Ms. Brown Tel +555 3878	Scheduled April 1 <sup>st</sup>	N/A

## Supporting documents

The initial consultation meetings have two purposes: (1) informing the stakeholder of the concept of the strategy, and (2) obtaining the required information. Two documents should therefore be prepared prior to beginning the meetings:

It is important to remember that SLM may not be a priority in the country. Hence, some stakeholders may not be familiar with the concept.

**TIP**

1. An **official letter** from the national authority that is carrying out the IFS. The letter provides proof of legitimacy of the consultations and the information that is sought. The letter should state the following:

- a. objective of the project
- b. objective of the meeting
- c. identification of the party  
who will be conducting  
the meeting
- d. information that is sought

In case consultants are sub-contracted to carry out part of the strategy preparation, the national authority should be responsible for scheduling stakeholder meetings so as to establish credibility and legitimacy and ensure a better response rate.

**TIP**

2. A **questionnaire** that is tailored to each stakeholder and that details the information that is requested. The questionnaire systematically identifies the information sought and thereby facilitates the preparation of requested data. Box 2 shows a sample questionnaire/checklist of requested information for one ministry.

To facilitate the consultation and ensure better data collection, send the questionnaire along with the official letter. This way, time is provided to prepare the sought information well in advance of the meeting

**TIP**

## DEVELOPMENT OF AN INTEGRATED FINANCING STRATEGY FOR UNCCD/NAP IMPLEMENTATION

Ministry of Agriculture

Request: to identify past, on-going & future projects; laws; and activities related to the actions below

### 1. Legislations

- 1.1 Existing laws related to management & protection of natural resources, identify gaps, conflicts between laws & decrees, remedial measures
- 1.2 Laws that define the responsibility & authority of relevant institutions as related to natural resources management
- 1.3 Use of a normative mix of positive and negative enforcement to ensure the protection of natural resources

### 2. Socio-economic

- 2.1 Exploration of a linkage mechanism to ensure coordination & avoid duplication of efforts of the socio-economic development and poverty alleviation initiatives within the country both at the national and local level
- 2.2 Elaboration of a well defined long-term social policy taking into consideration the basic elements of social development and poverty alleviation
- 2.3 Formulation of integrated rural development programs that are based on a decentralized & community driven approaches and through sustainable use of natural resources in the affected areas
- 2.4 Capacity building of the small & medium enterprises in agriculture & processing
- 2.5 Enhance the income of the farmer through efficient extension & transfer of suitable and economically viable alternatives
- 2.6 Support of the diversification of agricultural activities and improve the marketing infrastructure

### 3. Water Management

- 3.1 Use of water irrigation systems
- 3.2 Development and implementation of water harvesting schemes
- 3.3 Issue irrigation water quality standards
- 3.4 Development of a comprehensive plan for improved irrigation efficiency including proper water distribution and pricing
- 3.5 Information dissemination and public education campaigns to alter consumer behavior
- 3.6 Strengthening existing extension services to water users in order to promote water efficiency and sustainable water demand management

## 5. Describe the environmental context

The analysis of the national context begins with a description of the environmental conditions against which the strategy is set. The root causes of land degradation are identified and in effect an idea of the main interventions that will need to be taken to mitigate the problem is developed.

This description elaborates the natural problem base and helps develop an understanding of the root causes of desertification and priority interventions. In the greater scheme of the strategy implementation, this information will be useful for the development of bankable programs that address the most pressing environmental issues. Box 3 presents a sample outline for the presentation of the environmental context.

Box 3: Sample outline of Environmental Context

1. Natural factors
  - a. Climate
  - b. Geology and topography
  - c. Water resources
  - d. Soils
  - e. Flora
2. Anthropologic factors
  - a. Population and density distribution
  - b. Land use / land cover
  - c. Agricultural practices
  - d. Livestock production
  - e. Pollution
  - f. Socio-economic conditions
3. Land degradation and desertification
  - a. Root causes & driving forces
  - b. Desertification-prone areas

Tables that help summarize the environmental context:

Table 8: Land area in different climatologic zones

Zone	Area (ha)	Area (%)
Arid	10,000	10
Semi-arid	20,000	20
Dry sub-humid	30,000	30
Sub-humid and humid	40,000	40

The use of GIS color-coded maps is highly efficient in depicting the desertification-prone areas, identifying areas in which activities are being implemented and areas that require priority intervention. Photographs may be used to supplement the information

**TIP**

Table 9: Driving forces of desertification

At the local level	At the sub-national level	At the national level
<ul style="list-style-type: none"> <li>■ Poverty and lack of basic security</li> <li>■ Unsustainable land use practices</li> </ul>	<ul style="list-style-type: none"> <li>■ Poor involvement of municipalities in land degradation issues</li> </ul>	<ul style="list-style-type: none"> <li>■ Absence of a comprehensive strategy for the sustainable use of natural resources</li> <li>■ Land fragmentation due to inheritance</li> </ul>
Etc.		

Table 10: Percent distribution of areas prone to desertification by district

Region	Very low	Low	Medium	High	Very High	Urban / Unproductive
<b>Administrative District 1</b>						
Sub-district 1	0	17.4	31.9	22.7	4.8	23.2
Sub-district 2	0	18.8	46.5	7.9	1.7	25.1
Sub-district 3	0	8.8	52.8	23.8	1.6	13
<b>Administrative District 2</b>						
Sub-district 1	0	12.6	48.8	21.9	3.4	13.3
Sub-district 2	0	3.2	45.5	36.4	2.3	87.4
<b>Total Country</b>	<b>0</b>	<b>5.7</b>	<b>26.4</b>	<b>48.1</b>	<b>11.2</b>	<b>8.6</b>

Table 11: Summary of problems and needed interventions

Major environmental problem	Root causes	Needed Intervention
Soil salinization in agricultural fields	<ul style="list-style-type: none"> <li>■ Improper irrigation practices</li> <li>■ Lack of know-how of farmers</li> </ul>	<ul style="list-style-type: none"> <li>■ Introduce modern irrigation methods → adopt drip irrigation instead of flooding of fields</li> <li>■ Educate farmers on proper practices</li> </ul>
Etc.		

## 6. Evaluate the commitments to international conventions

Several multinational environmental agreements have similar objectives. Therefore, there is potential to pool resources to meet related targets. More than that, some conventions, particularly the Rio Conventions, stipulate instruments and mechanisms for resource mobilization that may be suitable to the UNCCD context. Thus, it is important to review the context of these conventions and elaborate on their status within the country.

Some resources that may assist in the evaluation of commitments to the conventions:

- Texts of the conventions reveal obligations/commitments for parties to abide by
- Country reports indicate status of conventions in the country
- Reports of the meetings of the parties of the conventions provide further information.
- Studies/ reports on the Rio Conventions inform on linkages and synergies
- Local legislation enacted to abide by commitments is an indicator of political will
- Strategy documents and action plans reveal activities implemented within the framework of the conventions

Evaluation of the commitments to the conventions constitutes:

- Status of convention in the country; (Rio Conventions), with focus on the UNCCD
- Implementation activities: “refers to all relevant laws, regulations, policies, and other measures and initiatives that a contracting party adopts and/or takes to meet their obligations under a multilateral

environmental agreement and its amendments if any”

- Legislation enacted
- Frameworks established under each convention (institutional, legal, coordination)
- Actions implemented
- Compliance: goes beyond implementation to refer to whether or not contracting parties are actually adhering to the provisions of the treaty. In other words, if the actions that are implemented are actually meeting their goals
  - Obligations that are being met
  - Challenges to meeting the obligations

Tables that help summarize the evaluation:

Table 12: International conventions signed by the country

Name of Convention	Convention Date	Accession/ Ratification Date	Legal Text	Focal Point
<i>On Protection of Natural Resources</i>				
United Nations Convention to Combat Desertification	1994	1/1/2000	Law No. 555 /10	Ministry of Agriculture
United Nations Convention on Biological Diversity	1992	1/1/2000	Law No. 555 /11	Ministry of Environment
<i>On Climate Change</i>				
UN Framework Convention on Climate Change	1992	1/1/2000	Law No. 555 /12	Ministry of Environment

Table 13: Status of the Rio Conventions

Major Commitments of Contracting Party	UNFCCC	UNCBD	UNCCD
Signature / Ratification	■ Signed in 1992; Ratified in 1994	■ Signed in 1992; Ratified in 1994	■ Signed in 1994; Ratified in 1996
Frameworks established	■ Focal point assigned ■ Committee to review signature of Kyoto protocol established	■ Committee to review institutional capacity building needs established	■ NCB established in 1998
Actions Implemented	■ National Communication prepared ■ National GHG inventory prepared	■ NBSAP prepared ■ Public education and awareness campaign developed	■ NAP prepared ■ Developed capacities of farmers in desertification prone areas ■ Established monitoring system in desertification prone areas

Table 14: Legislation enacted to abide by the commitments under the convention

Legal text	Enacted to abide by following commitment	Status
Law No. 555 /10	Adopt economically sound instruments to promote the sustainable use of natural resources and land	Economic instruments identified and mechanisms for adoption established. Ministry of Finance overseeing implementation
Etc.		

Table 15: Selected activities and contribution to implementation of convention

Activity	Thematic area	Contribution to UNCCD
Implementation of a National Reforestation Plan	Forest Management	Increasing forest cover, which decreases soil erosion and increases retention of water resources, overall limiting land degradation.
Etc.		

Table 16: Actions implemented towards meeting commitments at national, sub-national, and local levels

Commitment	Country level context		
	National	Sub-national	Local
Strengthen the institutional structure	<ul style="list-style-type: none"> <li>■ National Focal points assigned</li> <li>■ NCB activated</li> </ul>	<ul style="list-style-type: none"> <li>■ Formed coordination committees between NGOs and farmers cooperatives in desertification prone areas</li> </ul>	<ul style="list-style-type: none"> <li>■ Local focal points assigned</li> </ul>
Etc.			

Table 17: Main commitments under UNCCD and current level of compliance

Commitment	Compliance achieved	Partial Compliance	No compliance	Comments
Give due priority to combating desertification and mitigating the effects of drought		✓		Combating desertification is not a priority. NAP has yet to be endorsed
Prepare, make public, implement, and update national action programs	✓			NAP prepared
Promote institution building, training and development of relevant local and national capacities		✓		Capacity building workshops held
Level of compliance with obligations	1	2	0	

## 7. Analyze the NAP elaboration process

The NAP is a central document to the implementation of the UNCCD. It is meant to identify the scope, strategic orientation, and responses to address land degradation. In this step, a closer look is taken at the status of the NAP, the progress achieved since its development, and the challenges impeding its implementation. It helps answer the question, “if unlimited financial resources were available, would NAP implementation be improved?” While the focus in this part is on the NAP, the analysis opens the door to further investigation of the structural frameworks involved in sustainable land management (i.e. institutional, coordination, legal, policy).

Box 4 lists some questions that provide helpful leads in the analysis of the NAP and the NAP implementation process.

### Box 4: Leading Questions

- When was the NAP developed?
- Who were the stakeholders involved in the development of the NAP?
- Which approach was used (consultative, cross-sectoral, in-house)?
- Is the NAP officially endorsed?
- Has the NAP been disseminated across institutions?
- What are the priorities stipulated by the NAP?
- Is the NAP operationalized?
- Were specific targets set? If yes, have these targets been met?
- Which are the main targets that have yet to be met? What is their status?
- Who is taking the lead in meeting these targets?
- If targets are not being met, what are the constraints?
- What are the policy constraints, if any. For example:
  - Is the NAP a country priority?
  - Was the NAP developed within the framework of a country policy?
- What are the technical constraints, if any. For example:
  - Are technical capacities available in the country to implement NAP activities?
- What are on the legal constraints, if any. For example:
  - Does legislation exist to support operationalizing the NAP?
- What are on the financial constraints, if any. For example:
  - Have implementation of NAP activities been allocated a budget?
- What type of capacities are required to strengthen the NAP implementation process (financial, human, technical, etc)?

Tables that help summarize the NAP and NAP implementation process:

Table 18: Main NAP-related activities, actors, and outputs

NAP-related activity	Main actors	Status of activity
Designation of local focal points	Ministry of Agriculture	Four local focal points designated the priority desertification-prone areas
Preparation of local action plans (LAP)	Local focal points	Action plans prepared for three LAP areas
Implementation of NAP action plan	Ministry of Agriculture	Action plan not operationalized
Identify existing laws related to management & protection of natural resources	Ministry of Environment	Reviewed and compiled environmental legislation into comprehensive resource document
Development of bankable programs	Ministry of Agriculture with other ministries and stakeholders	Pending
Etc.		

Table 19: Challenges impeding the NAP implementation process

NAP-related activity	Thematic area	Challenges
Designation of local focal points	Intuitional Framework	Lack in human resources, particularly in the desertification prone areas
Capacity building of the small & medium enterprises in agriculture & processing	Socio-economics	Limited outreach capacities
Etc.		

Table 20: Summary of constraints hindering implementation of the NAP

Category	List of Constraints
Cultural	<ul style="list-style-type: none"> <li>■ Inability to convey message appropriately and convince landowners to change traditional practices that have proven detrimental to the land</li> </ul>
Socio-economic	<ul style="list-style-type: none"> <li>■ Limited outreach capacities to build capacities of small and medium enterprises in agriculture and processing</li> </ul>
Policy	<ul style="list-style-type: none"> <li>■ Lack of political support for endorsement of the NAP</li> </ul>
Legal	<ul style="list-style-type: none"> <li>■ Legal text for endorsing the NAP had not been completed</li> </ul>
Technical	<ul style="list-style-type: none"> <li>■ Technical know-how and human resources lacking particularly at the local level</li> </ul>
Financial	<ul style="list-style-type: none"> <li>■ Inadequate mobilization of financial resources</li> </ul>

## 8. Analyze the institutional framework

A multitude of institutions is involved in Sustainable Land Management. It is necessary to assess their roles in combating desertification and resource mobilization and determine how their dynamic interaction contributes to the strategy implementation. In theory, if the institutional architecture for combating desertification is faced with constraints then the mobilization of resources will also face difficulties.

The role of each actor should be clearly identified to lessen the likelihood of confusion later. The goal is to maximize cohesion amongst the stakeholders to ensure that their individual efforts foster synergistic results. To strengthen this dynamics it is important to address the deficiencies within each institution. Institutional capacities may be lacking necessary resources that should be identified in order for roles to be carried out effectively.

### 8.1 Useful sources:

- The literature review provides a basic understanding of stakeholder roles.
- An analysis of the mandates of the public administrations clarifies prerogatives and lines of action.
- Meetings with the main actors are necessary to clarify their contribution to SLM and discuss their roles in the mobilization of resources.

### 8.2 Steps in the analysis:

- Describe institutional roles and responsibilities according to their mandates. Draw on supporting legislation where necessary
- Describe the actual roles played by each stakeholder, i.e. the actions taken and tasks carried out within framework of sustainable land management
- Determine the role of each institution in resource mobilization, drawing on
  - the institutional mandates
  - knowledge of the tasks that will be implemented within the strategy
- Determine institutional needs to accomplish roles (e.g. supporting legislation, financial needs, human resource needs, etc)
- Based on this analysis, assess whether institutional structure is capable of implementing the strategy.

### 8.3 Useful tools:

The institutions/stakeholders that are involved in SLM are similar across countries, although names may vary. Box 5 shows a list of generic stakeholder names typically involved in land management / land degradation.

### Box 5: Typical institutions / stakeholders in SLM

- Ministries:
  - Agriculture
  - Environment
  - Water
  - Finance
  - Planning (rural planning)
  - Municipalities
- Scientific research bodies
  - Universities / Academia
  - Research institutes
- Municipalities
- NGOs / CBOs
- Private entrepreneurs
- International organizations

The roles of the different institutions as well as the relation among them may be represented graphically as shown in Figure 1. Table 21 summarizes the institutional mandates and roles in both SLM and resource mobilization.

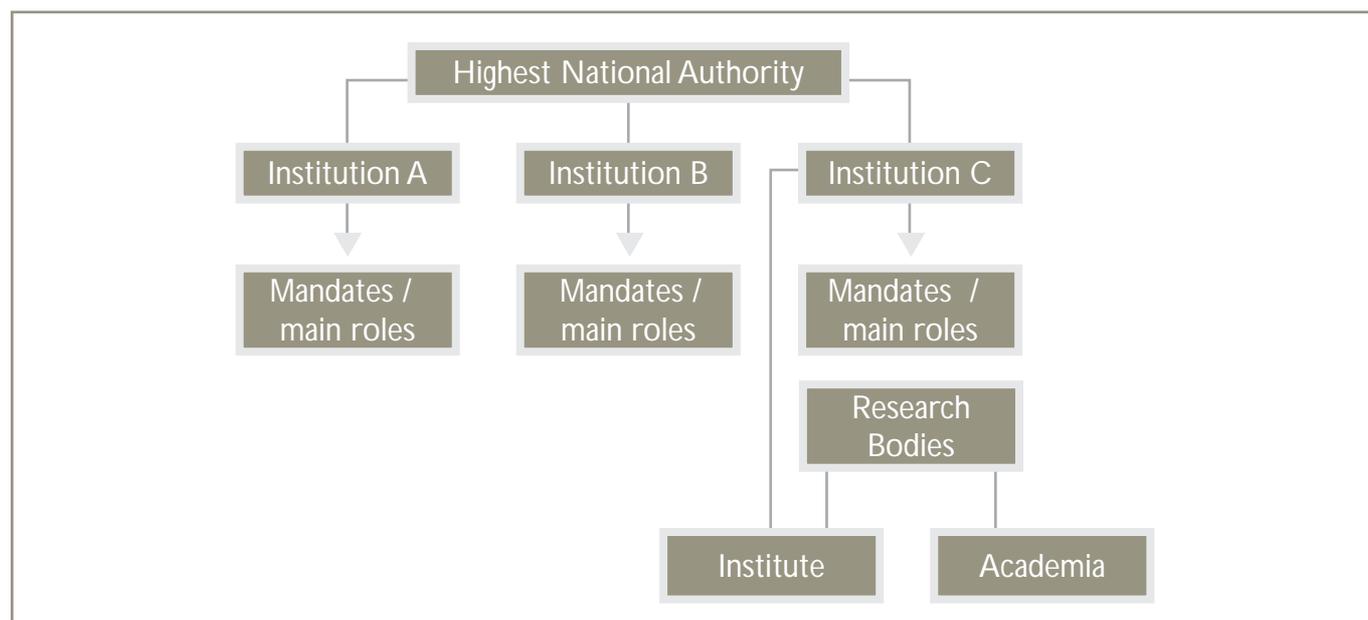


Figure 1: Roles of different stakeholders involved in SLM

Table 21: Institutional mandates and roles in SLM and resource mobilization

Institution / Stakeholder	Mandates	Role in SLM	Role in Resource Mobilization
Ministry of Agriculture	<ul style="list-style-type: none"> <li>■ Agricultural development</li> <li>■ Forest management</li> <li>■ Etc.</li> </ul>	<ul style="list-style-type: none"> <li>■ Designation of focal points</li> <li>■ Implementation of the NAP</li> <li>■ Develop priority local action plans</li> </ul>	<ul style="list-style-type: none"> <li>■ Dissemination and leading role to implement the IFS</li> <li>■ Mobilization of internal resources.</li> <li>■ Link with donors</li> </ul>

Institution / Stakeholder	Mandates	Role in SLM	Role in Resource Mobilization
Ministry of Environment	<ul style="list-style-type: none"> <li>■ Nature conservation</li> <li>■ Etc.</li> </ul>	<ul style="list-style-type: none"> <li>■ Manages communal and publicly owned land lands</li> </ul>	<ul style="list-style-type: none"> <li>■ Mobilization of internal resources</li> <li>■ Promotion of innovative sources of financing. Potential Designated National Authority (DNA) for CDM</li> </ul>
Etc.			

Stakeholder meetings are helpful in assessing the institutional capacities. The questionnaires should identify the technical, financial, legal, and human resource constraints on the level of the institutions. Some sample questions are shown in Box 7.

Box 7: Assessing institutional capacities

- Are the institutional mandates clearly defined?
- Are there any overlaps in roles and responsibilities with other institutions? If yes, where?
- Does the institution collaborate with other stakeholders? If yes, with whom? How are roles defined?
- What are the institutional mandates concerning land degradation / combating desertification?
- How many departments are concerned with land degradation / combating desertification?
- Are the institutional roles exercised?
- If institutional roles are no exercised, what are the problems?
- Are there any legal constraints (e.g. overlap in roles)? Specify.
- Are there any financial constraints (e.g. low budget)? Specify.
- Are there any technical constraints (e.g. equipment, know-how)? Specify.
- Is staff adequate in numbers?
- Is staff adequately trained / capable of carrying out responsibilities?

An important aspect of institutions is the capacity of the human resource base. If human resources are not adequately trained then even the most carefully designed roles and responsibilities may not be taken on.

- Assess the tasks that each institution needs to carry out
- Determine the skills required to carry out each task (e.g. programming, planning, budgeting, technical)
- Assess whether these skills are present in the institutions and in what capacity

Table 22: Summary of institutional deficiencies and needs

Institution / Stakeholder	Area of Deficiency	Institutional Needs
Ministry of Agriculture	<ul style="list-style-type: none"> <li>■ Human resources</li> <li>■ Technical implementation</li> </ul>	<ul style="list-style-type: none"> <li>■ Increase staff in directorate of rural development</li> <li>■ Training of staff</li> </ul>
Ministry of Planning	Etc.	Etc.

## 9. Analyze the coordination framework

The existence of a functioning mechanism for dialogue and coordination amongst the relevant stakeholders is a keystone of the success of the strategy. As a result of the multitudes of stakeholders involved in the task of combating desertification there is a heightened need for properly coordinating the complex framework that is able to transcend across sectors.

The National Coordination Body (NCB) is a mechanism with great potential to aid in the coordination effort. The NCB's role in national decision-making would further increase in significance if the mobilization of resources were added to its mandate. It remains to be seen however, if the NCB is in fact suited to take on such role. If not, an alternative mechanism would have to be defined, and established.

### 9.1 Useful sources:

- The literature review provides a basic understanding of stakeholder interactions, channels of communication and coordination
- The legal texts related to the signing of the convention may provide information on the coordination structure to be implemented
- Meetings with the main actors, especially the UNCCD focal point and chairperson of the NCB, are necessary to clarify the coordination structure

### 9.2 Steps in the analysis:

- Assess the degree of collaboration and coordination among the institutions involved in SLM
- Describe current coordination mechanisms; roles of stakeholders in coordination (at national, regional, and international levels)
- Analyze the role and functionality of the NCB
- Based on this analysis, assess whether the current coordination structure is capable of implementing the strategy.

### 9.3 Useful tools:

Box 8 lists some of the points that should be examined.

#### Box 8: Assessing the coordination framework

- Is coordination centralized?
- Who is the central coordinating authority?
- Who are the actors involved in coordination (who coordinates with whom)?
- What type coordination channels currently exist (e.g. bilateral coordination, specialized committees, etc)?
- Has an NCB been put in place? If yes, describe its structure and functionality.
- How can inter-sectoral coordination be improved?
- How can civil society organizations be involved and deputized?
- How can funds be mobilized and rapidly directed to the local level?

Table 23 helps analyze the structure and functionality of the NCB.

Table 23: Analytical grid for the NCB

Parameter	Questions
Legal status	<ul style="list-style-type: none"> <li>■ What is the legal status of the NCB?</li> <li>■ What is its administrative structure?</li> <li>■ What is its mandate? Do mandates stipulate consultative or executive roles?</li> <li>■ What is its legal capacity to act?</li> <li>■ Does it have financial autonomy?</li> </ul>
Resources	<ul style="list-style-type: none"> <li>■ What are its human resources (number of managers, level of training and experience, fields and competencies, etc)?</li> <li>■ What are its financial resources?</li> <li>■ What are its material resources?</li> </ul>
Intersectoral and multi-disciplinary character	<ul style="list-style-type: none"> <li>■ Are the main sectors involved in combating desertification represented within the NCB?</li> <li>■ Are the main fields of action in combating desertification covered by the NCB?</li> <li>■ What are the modes of communication between the members of the NCB and the groups that they represent?</li> </ul>
Composition and mode of functioning	<p>For the coordination plan</p> <ul style="list-style-type: none"> <li>■ How are the members of the NCB appointed?</li> <li>■ What is the composition of the NCB: members from civil society/state? In terms of gender?</li> <li>■ How often are the meetings held?</li> </ul> <p>For the operational plan</p> <ul style="list-style-type: none"> <li>■ Is there a program or a working plan?</li> <li>■ Is there a working budget for the NCB?</li> <li>■ What is the method of oversight for the NCB's activities?</li> </ul>

## 10. Analyze the legal framework

A coherent legal framework underpins the implementation of the strategy. Legislation may facilitate or hinder resource mobilization by stipulating, for example, budget flexibility, executive power to the coordination body, creation of a fund for financing exclusively environmental activities, or conversely restrict responsibility of important actors to a consultative role, stipulate laws without implementation decrees, etc. An analysis of the legal framework also constitutes an analysis of the legislation controlling the allocation and disbursement of resources, a central aspect of the strategy, and one that is further elaborated under a separate component.

### 10.1 Useful sources:

- The legal texts related to the signing of the convention and any implementation decrees provide a good starting point
- Legislation related to environmental resource management
- Legislation related to the public budgeting process
- Meetings with the main actors, notably in the Ministries of Finance and Environment to clarify any legislation dealing with financial mechanisms as relates to environmental issues

## 10.2 Steps in the analysis:

- Review, organize and describe existing legislation according to the type of legal text / level of application, for instance:
  - International agreements integrated into national law
  - National financial legislation
  - National environmental legislation
  - National technical legislation
- Assess applicability (through supporting legislation) and coherence among the texts
- Assess the financial mechanisms stipulated in the legal texts, if any (such as environmental taxes, land taxes, and how are these redirected or not towards funding SLM activities)
- Determine potential loopholes in the legal texts that could lead to problems
- Assess if the legal texts facilitate or hinder resource mobilization and in which ways
- Based on this analysis, assess whether the current legal framework is conducive to the implementation of the strategy

## 10.3 Useful tools:

A number of tables are helpful in summarizing the legal context.

Table 24: Analytical grid for environmental legislation related to resource mobilization (Lebanon)

Type of Text	Name of text	Law #	Date of enactment	Reference to other laws	Subject	Related articles	Present financial mechanisms	Comments
Decree	General Accountancy Law	14969	30/12/1960	X	Law on public finances and budget distribution.	Articles 1, 158, 201, 202, 203	The Public finances ruled by the following principles: - The unity of the Government's budget - The budget is set for one year - The strict balance of the budget	The principles set in the law on public finances are considered to be the main obstacles for any project financing.
Law	PROTECTION OF THE ENVIRONMENT	444/2002	29/07/2002	<ul style="list-style-type: none"> <li>•Law 64 dated 12/08/ 1988</li> <li>•Criminal Code</li> <li>•Law 216 dated 02/04/1993</li> </ul>	Setting the legal framework for the application of National environmental policies leading towards a sustainable use of natural resources	Articles 8, 9, 10, 11, 38, 47	Financing environmental programs: Creating a national environmental fund under the tutorship of the MoE whose prerogatives are extended to strengthening all projects dealing with fighting desertification	The National Fund for Environment needs an application decree in order to be established.

Table 25: Summary of legislation that facilitates/hinders resource mobilization - example

Legal text	Aspects that facilitate / hinder resource mobilization	
	Facilitate	Hinder
General Accountancy law	---	Creates obstacles for any project financing by stipulating that no exterior sums may be added to the budget of any of the public administrations without ensuring it is being voted by the Parliament.

Box 8 lists some of the points that should be examined.

Box 8: Assessing the legal framework

- To what extent is the legislation coherent with the obligations imposed by the CCD?
- What are the legal texts that are in support of the effort to combat desertification?
- Analyze the texts for their contribution to the CCD.
- Are there any barriers to enforcement of the legislation? Specify.

## 11. Analyze the planning framework

To strengthen the position of SLM and ensure the implementation of the IFS, SLM should be integrated into the national planning process. One of the main tools for ensuring the recognition of the strategy is its integration into national planning frameworks. However, oftentimes, planning frameworks are vaguely existent, and priority setting does not follow a rational basis. If the planning process itself is flawed, this creates a barrier to strategy implementation that needs to be remedied.

### 11.1 Useful sources:

- The literature review provides information on the national planning agencies
- Legal texts provide detail on the national planning framework
- Meetings with the stakeholders, notably in the institution responsible for planning (e.g. Ministry of Planning) and SLM related institutions can inform on the priority setting approach, and planning processes

### 11.2 Steps in the analysis:

- Determine main actors involved in planning at national, sub-national, local levels, and assess their roles
- Describe the planning process
- Assess instruments/approaches used for priority setting
- Assess capacity of actors in planning and prioritization

- Determine factors affecting planning processes (political, legal, financial, technical, etc.)
- Based on this analysis, assess whether the current national planning process is conducive to the implementation of the strategy

### 11.3 Useful tools:

Box 9 lists some of the points that should be examined.

Box 9: Assessing the planning framework

- Does a national planning framework exist? If yes, describe.
- Does a national environmental planning framework exist? If yes, describe.
- What efforts have been undertaken to integrate UNCCD/NAP into national, sub-national, and local planning processes?
- What are the approaches used for priority setting?
- What are the roles of regional and local authorities in development planning?
- What is the role of local communities in development planning?
- How can their involvement be enhanced?

A figure can be useful in representing graphically the national planning process.

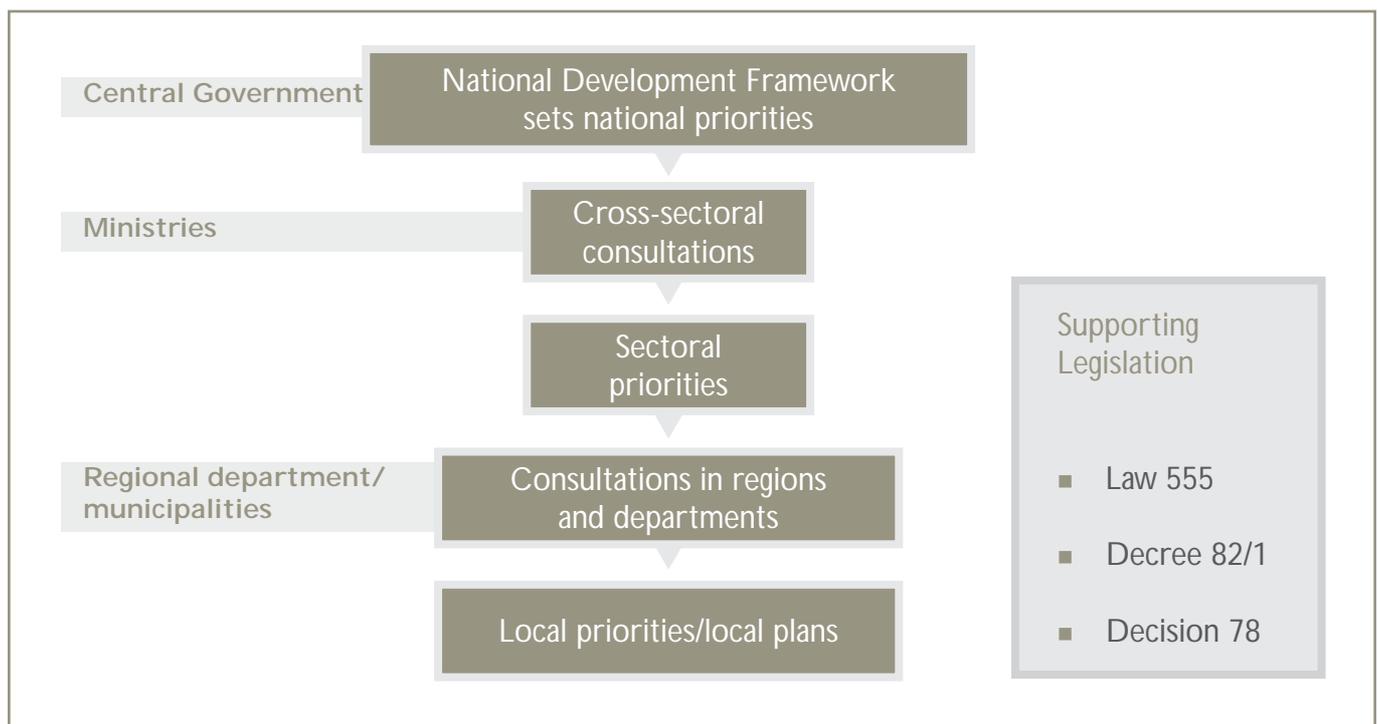


Figure 2: National planning processes

## 12. Analyze the policy development framework

The key policy formulation organs should be analyzed to gain an understanding of the approach required to integrate SLM into country policies. Sustainable Land Management may not be a country priority and its position on the national agenda may not be defined.

### 12.1 Useful sources:

- The literature review provides information on the national policy formulation organs and national policy documents
- Legal texts provide further detail on mandates and processes
- Meetings with the stakeholders can inform on the status of national policies geared towards environmental and land degradation issues

### 12.2 Steps in the analysis:

- Determine main policy formulation organs in the country
- Describe the policy formulation process
- Assess the priorities on the national agenda
- Review national policy papers, plans and programs
- Assess the status of the national environmental policy framework
- Based on this analysis, assess the constraints for introducing land degradation issues on the policy agenda

### 12.3 Useful tools:

Box 10 lists some of the points that should be examined.

#### Box 10: Assessing the policy development framework

- Which policy organs are involved in setting the national agenda?
- What are the main issues on the national agenda? Where are most of the country's resources directed?
- Is environment part of the country priorities?
- How and where are environmental issues integrated into national policies?
- Has a national development policy been drafted? If yes, what are its directions/priorities?

Policy documents that should be reviewed:

- National Development Policy
- Poverty Reduction Strategy Paper
- Sectoral strategies

## 13. Review activities to combat desertification

Not all activities conducted within the framework of SLM are necessarily related to the NAP implementation process. Other activities such as externally funded poverty alleviation projects feed into the fight against desertification.

### 13.1 Useful sources:

- The literature review and stakeholder consultations provide a comprehensive list of SLM-related activities. An additional source of information is the Global Mechanism's Financial Information Engine on Land Degradation (FIELD).
- The FIELD is an interactive knowledge management tool useful for searching for information related to sustainable management. Searching the database by country provides a list of projects, albeit the list may not be comprehensive.

### 13.2 Steps in the analysis:

- Compile a list of projects from the literature review.
- The list should be filtered to ensure that the selected activities truly fall within the scope of sustainable land management. The Rio Markers are one tool that can be used to identify the activities that are related to SLM.
- Prepare a project (or activity) profile sheet. The sheet summarizes the main information pertaining to the activity.
- An analysis of the outcomes provides an indication of the efficiency of the activities in meeting their set objectives.

**Note:** This step is highly time-consuming. It is therefore advisable to begin this step together with the literature review process

### 13.3 Useful tools:

Table 26 lists the information that should be collected for each project/activity that is reviewed.

- Information can easily be managed in a spreadsheet, which also allows for calculations to be carried out.
- The filtered project list is subsequently used in Step 14 to analyze the financial flows into SLM.
- Therefore, the more comprehensive the information, the more the subsequent analysis is facilitated.

In the filtration process, a set of criteria should be developed to fit a country's specification so that the Rio Markers can better identify relevant projects

**TIP**

Table 26: Data collection on projects / activities

Data field	Purpose for analysis
Title	To assign a unique ID for each project
Description / Objective	To clarify the relation to SLM
Status	To differentiate between past, on-going, and planned projects
NAP Sectors	To classify project / activity under thematic area
Main funding organization	To identify main funding source
Co-funders	To identify secondary funding sources (including national governments)
Management agency	To identify main parties involved in managing SLM related projects
Implementing institution	To identify the executing party
Beneficiaries	To identify the beneficiaries of the project (of the funds)
Total funding amount	To determine magnitude of total project funds
External funding	To determine magnitude of external contributions
Government funding	To determine magnitude of national contributions
Terms of assistance	To distinguish between types of assistance (grant, loans)
Start date	To determine the start of the project
End date	To determine the end of the project
Duration	To distinguish among short-term, medium-term, and long-term projects
Rio Marker & justification	To determine the relevance of each identified project to SLM

## Rio Markers

The Rio Markers are a useful tool for identifying SLM-related activities. The Rio Markers were developed by the Development Assistance Committee (DAC) of the Organization for Economic Cooperation and Development (OECD) with the purpose of identifying activities that target the objectives of the Rio Conventions. The markers and activities included under each are elaborated in Table 27.

- Activities reviewed in this step should fall under RM 2, RM 1, or RM 0-A.
- Activities falling under RM 3 constitute activities relevant to NAP implementation and should be identified in Step 7.

Table 27: Classification of activities according to Rio Markers

Rio Marker	UNCCD relevance	Activities included
RM 3	Principal objective and in support of an action program	<ul style="list-style-type: none"> <li>■ Projects that support the country in meeting its obligations under the UNCCD. The project objective would explicitly state the development and/or implementation of a NAP or similar instrument.</li> <li>■ Projects may be bilateral as well as regional.</li> <li>■ May include projects for strategy- and capacity development for combating desertification if these project were implemented before the Convention entered into force</li> </ul>
RM 2	Principal objective	<p>Projects that significantly contribute to combating desertification; this should be manifested in the <u>project objective</u>. Relevant activities include:</p> <ul style="list-style-type: none"> <li>■ eliminating or decreasing degradation in agricultural lands, meadows, and forests thus contributing to erosion control;</li> <li>■ protecting or enhancing dryland ecosystems or remedying existing environmental damage; or</li> <li>■ integrating desertification concerns with recipient countries' development objectives through institution building, capacity development, strengthening the regulatory and policy framework, or research; or</li> <li>■ developing 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> <li>■ strengthening research into causes and expansion of desertification as well as remediation measures</li> </ul> <p>Typical projects include measures for management of water catchment areas, erosion control, re-forestation projects in arid areas, introduction of adapted agricultural techniques, as well as development of plans and policies for sustainable land management</p>
RM 1	Significant objective	<p>Projects in which <u>one part</u> (e.g. result, output) is concerned with:</p> <ul style="list-style-type: none"> <li>■ eliminating or decreasing degradation in agricultural lands, meadows, and forests thus contributing to erosion control;</li> <li>■ protecting or enhancing dryland ecosystems or remedying existing environmental damage; or</li> <li>■ integrating desertification concerns with recipient countries' development objectives through institution building, capacity development, strengthening the regulatory and policy framework, or research; or</li> <li>■ developing 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> <li>■ strengthening research into causes and expansion of desertification as well as remediation measures</li> </ul> <p>Typical projects range from national development, decentralization, regional development, environmental policy, national protected area programs in drylands, and development of land use plans.</p>

Rio Marker	UNCCD relevance	Activities included
RM 0-A	Not targeted	<p>Projects that indirectly contribute to combating desertification by decreasing anthropogenic pressure on desertification-prone areas, without any direct action to combat desertification. Projects also included:</p> <ul style="list-style-type: none"> <li>■ income diversification and creation in rural regions</li> <li>■ introduction of energy saving or alternative energy sources</li> <li>■ irrigation projects for the reconciliation of the natural water regime and the reduction of high-use pressure</li> <li>■ projects only partly implemented in dry areas, or projects in which contribute only on the level of activities to combating desertification (is not an intended goal)</li> </ul>
RM 0-B	Not targeted	Projects without direct link to combating desertification

## Output of activities

Activities that pass the filtration process should be described in more detail, including their outputs and contribution to combating desertification and SLM.

Table 28: Contribution of activities to combat desertification not constituting NAP implementation

Activity	Description	Output	Contribution to SLM
Income generation through food processing	Small rural development project to improve the income generation capacities of the local population	<ul style="list-style-type: none"> <li>■ Improvement of the socio-economic level of 500 women and 100 farmers living in rural areas</li> <li>■ Creation of small processing units and preparation of processed foods</li> </ul>	<ul style="list-style-type: none"> <li>■ Strengthened capacities of local landowners</li> <li>■ Reduced stress on land by providing alternative / supplementary means for livelihood support</li> </ul>
Etc.			

## Project profile sheet

Creating a project profile database is useful for tracking and updating future activities related to SLM and providing an overview of the actions that are being implemented within the framework of UNCCD.

Box 11 shows a sample project profile sheet used to summarize the data collected on one activity.

Box 11: Sample project profile sheet of an activity in Lebanon

Title	Integrated agricultural development in the Bekaa Valley and Baalbeck-Hermel Region		
Country	Lebanon	Geographic Area in Lebanon	Baalbeck - Hermel
Date of Approval		Starting Date	March 2003
Status	closed	Closing Date	March 2006
Project Code	n/a	Project Duration	
Type of Funding	Grant	X	Loan
Amount Contributed	1,642,333	Currency	Euros
Financial Partners	Italy		
Management Agency	n/a		
Implementing Agency	Italian Cooperation, LARI, Caritas Liban, Mediterranean Agronomic Institute of Bari		
Project Objectives	The project aims at contributing to the development of integrated rural activities following the eradication of illegal crops		
Thematic Area	Socio-economic		
Socio-economic, Water Management, etc.			
Rio Marker Rating		RM3	X RM2
Comments			

## 14. Analyze financial flows into SLM

The information contained in the project list is used to investigate the characteristics of financial flows. A number of analyses can be carried out to determine the amount of funds allocated, for instance by:

- **Thematic area (or sector):** Creating a breakdown of financial flows will better illustrate the sectors into which the resources are being channeled and will also help to clearly identify which areas should be considered a priority.
- **Funding source:** The funding sources should be divided based upon what type of assistance it is; bi-lateral or multilateral.
- **Implementing/Executing agency:** The analysis of the implementing agency will determine which agencies have been the most active in the mobilization of funds and the execution of projects.
- **Year of project start:** A breakdown of the financial flows on a yearly basis can highlight possible trends which might give insight to the political climate, the level of stability in a country, and other factors which could influence the disbursement of funds.

**Note:** Make sure to list the assumptions involved in calculating the financial flows. For instance, the project database may not be comprehensive, or the information not all inclusive.

### 14.1 Steps in the analysis:

- In an effort to analyze the most recent trends in financial flows, only consider projects which began within the last five years.

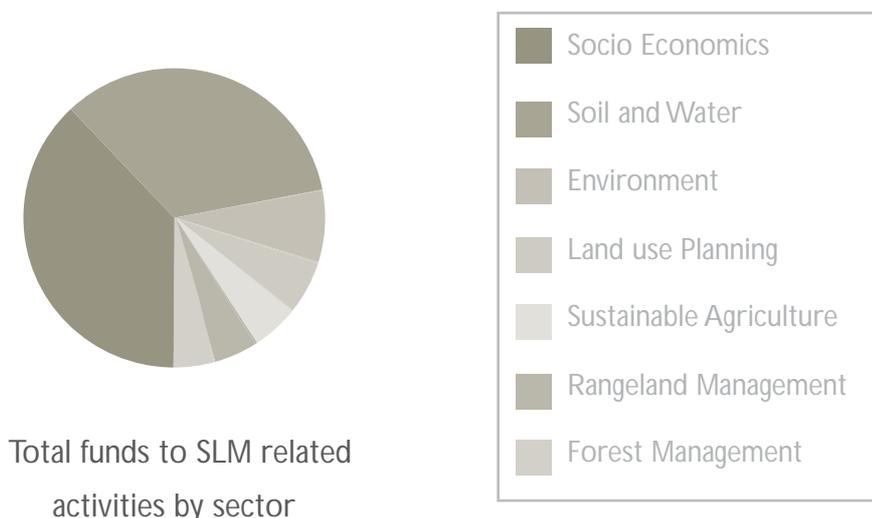
- The sum of “total funding amount” of all projects in the database yields the total funds flowing into SLM-related activities.
- A breakdown of the total funding amount by the time frame considered (e.g. 5 years) provides an estimate of the annual funds flowing into SLM.
- A breakdown of the total funding amount by the thematic area provides an estimate of funds flowing into each sector (e.g. land use planning, forestry, water management, soil conservation, etc.), This is an indicator of the sectors that are under-financed and which should be given further consideration.
- A breakdown of the total funding amount by funding source shows
  - comparison between external and internal sources of funding
  - comparison between multi-lateral and bi-lateral funding
  - main funding organizations
- A breakdown by the implementing or executing institutions shows which parties are most involved in mobilizing funds to combat desertification
- A breakdown by time may provide some insight on the trend of fund mobilization, which can often be linked to some internal or external event.

#### 14.1 Useful tools:

Sample charts and tables of financial flows:

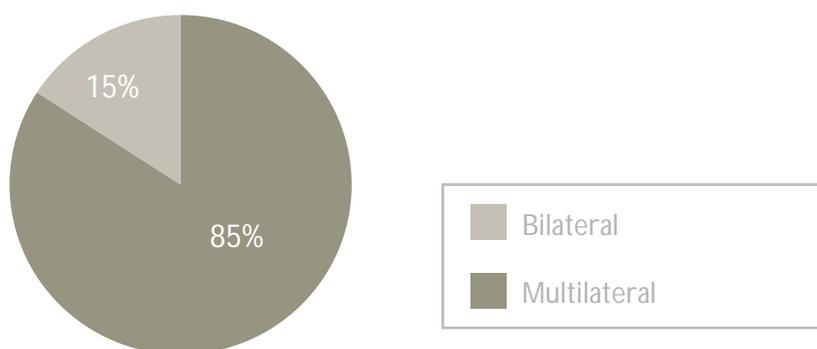


ODA vs. Internal Funding



Total funds to SLM related activities by sector

Multilateral Donor	Total contribution	Bilateral Donor	Total contribution
AFESD	v \$	Canada	v \$
EU	w \$	France	w \$
GEF	x \$	Germany	x \$
IFAD	y \$	Spain	y \$
World Bank	z \$	USA	z \$
Total multilateral ODA	$$(v+w+x+y+z)$	Total bilateral ODA	$$(v+w+x+y+z)$



Multilateral vs. Bilateral Funding

## G. SUMMARY OF GUIDELINES:

The following table lists the guidelines provided in this component.

Table 29: Summary of guidelines provided in this component

#	Step	Guidelines
1	Conduct a comprehensive literature review	<ul style="list-style-type: none"> <li>■ Documents of national strategies, sectoral programs, and plans</li> <li>■ Project progress reports and appraisal documents</li> <li>■ Texts of international conventions Understanding of the status of international conventions, namely the UNCCD</li> <li>■ Matrix of available data and needed information (by thematic area)</li> </ul>
2	Use the NAP	<ul style="list-style-type: none"> <li>■ Country National Action Program (NAP)</li> </ul>
3	Develop a thematic matrix	<ul style="list-style-type: none"> <li>■ Thematic matrix</li> </ul>
4	Meet with relevant stakeholders	<ul style="list-style-type: none"> <li>■ Matrix of stakeholders consultation process</li> <li>■ Letter from national authority</li> <li>■ Questionnaire</li> </ul>
5	Describe the environmental context	<ul style="list-style-type: none"> <li>■ Sample outline</li> <li>■ Summary tables</li> </ul>

#	Step	Guidelines
6	Evaluate the commitments to international conventions	<ul style="list-style-type: none"> <li>■ Summary tables</li> </ul>
7	Analyze the NAP elaboration process	<ul style="list-style-type: none"> <li>■ Leading questions</li> <li>■ Matrix of NAP-related activities and outputs</li> <li>■ Summary tables of challenges and constraints</li> </ul>
8	Analyze the institutional framework	<ul style="list-style-type: none"> <li>■ List of institutions</li> <li>■ Figure of institutional structure</li> <li>■ Pointers for assessing institutional capacities</li> <li>■ Summary tables</li> </ul>
9	Analyze the coordination framework	<ul style="list-style-type: none"> <li>■ Pointers for assessing coordination framework</li> <li>■ Analytical grid for NCB</li> </ul>
10	Analyze the legal framework	<ul style="list-style-type: none"> <li>■ Analytical grid for legislation</li> <li>■ Pointers for assessing legal framework</li> </ul>
11	Analyze the planning framework	<ul style="list-style-type: none"> <li>■ Pointers for assessing planning framework</li> <li>■ Figure of planning process</li> </ul>
12	Analyze the policy development process	<ul style="list-style-type: none"> <li>■ Pointers for assessing policy framework</li> <li>■ List of documents to review</li> </ul>
13	Review activities to combat desertification	<ul style="list-style-type: none"> <li>■ Rio Markers</li> <li>■ Project summary sheet</li> </ul>
14	Analyze financial flows into SLM	<ul style="list-style-type: none"> <li>■ Summary tables of financial flows by sector, donor, implementing institution, year</li> <li>■ Charts of financial flows</li> </ul>

## H. APPENDIX:

Refer to the accompanying CD.

- Institutional chart – Lebanon example
- Table for analysis of legislation – template
- Project profile sheet – template
- Spreadsheet for analysis of financial flows – template

# Component 2

Mainstreaming SLM into  
Country Frameworks



### A. DEFINITION

Mainstreaming is a two-pronged approach of embedding development concepts into the national plans while also effecting changes in the way of doing business, e.g. policy reforms, changes in planning, institutional structures, and coordination arrangements. It leads to increased recognition of the importance of land management in development and could increase investments by the public budget and international financial contributions.

This component of the Practical Guide focuses on developing and incorporating sustainable land management principles into the established country frameworks in order to create an enabling environment that supports the IFS.

### B. OBJECTIVE

The aim of this section is to stipulate interventions that serve to improve the country context in a manner that is suitable for the functioning of the strategy. While Component 1 analyzes possible bottlenecks in the national framework that may act as a barrier in the mobilization of resources, Component 2 presents actions that should be taken to ensure a better enabling environment that is able to raise funding for combating desertification and sustainable land management.

### C. SECTION CONTENTS:

This section of the strategy should cover the following topics:

- SLM integration into national planning and policy development processes
- Mechanism for improved coordination among stakeholders
- Institutional structure for SLM
- Legal reforms for SLM
- Capacity building

### D. STEPS TO FOLLOW:

The steps to follow for completing this section of the strategy are listed below:

1. **Identify instruments and entry points for SLM integration into policies, plans and programs:** Identify the entry points for integrating SLM principles into the policy framework where the aim is to bring land degradation on the national agenda.
2. **Determine measures for improving the coordination mechanism:** Propose means for improving the current coordination structure and describe alternative / supplementary coordination structures. The proposed coordination structure should offer a viable mechanism for managing the stakeholder dialogue in land management.
3. **Develop a framework for improved institutional structure:** Address the weaknesses in the institutional framework and describe the elements of a viable institutional arrangement for combating desertification and SLM.
4. **Determine necessary legal reforms:** Describe the needed changes in the legal framework in order to support raising financial resources.
5. **Identify means for improving human capacities:** Present the necessary elements / approach for strengthening human resource capacities horizontally across sectors and vertically along the decision-making hierarchy

Table 1: Summary of Steps and Results in Mainstreaming of SLM into Country Frameworks

#	Step	Results
1	Identify instruments and entry points for SLM integration into policies, plans and programs	<ul style="list-style-type: none"> <li>■ Relevant PPP (policies, plans, &amp; programs) documents identified</li> <li>■ Entry points for mainstreaming SLM into country policy framework defined</li> </ul>
2	Determine measures for improving the coordination mechanism	<ul style="list-style-type: none"> <li>■ Measures for revitalizing the multi-stakeholder coordination mechanism defined</li> <li>■ Measures for improving bilateral coordination defined</li> </ul>
3	Develop a framework for improved institutional structure	<ul style="list-style-type: none"> <li>■ Stable institutional structure identified</li> </ul>
4	Determine necessary legal reforms	<ul style="list-style-type: none"> <li>■ Necessary reforms clarified</li> </ul>
5	Identify means for improving human capacities	<ul style="list-style-type: none"> <li>■ Target groups identified</li> <li>■ Methods for strengthening human capacities defined</li> </ul>

## E. RESOURCES NEEDED:

Expertise	Task
■ Institutional specialist →	Propose a functional institutional arrangement
■ Legal expert →	Determine the necessary legal reforms
■ Policy expert →	National planning frameworks and key policy formulation organs
■ HR development expert →	Methods for strengthening human capacities

## F. METHODS AND TOOLS:

Review of the literature and an understanding of the general problem status can generate generic recommendations. However, to pinpoint the exact problems and develop solutions accordingly, stakeholders should be consulted and previous recommendations should be analyzed. The recommendations provided in this section are based on the outcomes of the analysis in the previous section. The solutions that are developed are therefore grounded in the problems that were previously elaborated.

**Note:** In this Guide, the Analysis of the National Context and the recommendations for improving the enabling environment are developed in separate components. Hence, problem identification and problem solving are presented in two separate sections. It is important to note that this methodology was followed only for reasons of clarity, in order to elaborate more thoroughly the development of each section. In the strategy, it is entirely plausible to present the recommendations as part of the National Context, following the analysis of each framework, instead of devoting a separate section solely to the provision of recommendations.

The recommendations should be validated with the stakeholders, particularly when the recommendations suggest action by specific stakeholders.

**TIP**

### 1. Identify instruments and entry points for SLM integration into policies, plans and programs

Country planning and policy development processes constitute a main SLM integration element. If SLM is integrated into the planning process then it is more likely to be embedded into the national development agenda which would increase the likelihood of gaining exposure and being translated into achievable projects.

#### 1.1 Steps to follow:

- Identify strategies, plans and programs that have or may integrate SLM principles
- Describe the documents and their status, and the extent to which SLM is integrated
- Identify subsequent steps necessary to further integrate SLM during the elaboration and implementation of these strategies, plans, and programs
- Identify potential entry points for SLM in the policy framework, review the barriers, and propose viable interventions.

#### 1.2 Useful tools:

Policy papers that are likely to have SLM principles incorporated:

- Country strategy papers (such as National Development Strategies)
- National Action Programs
- Sectoral strategies
- Strategies and action plans under the sister conventions, the CBD and UNFCCC (i.e. National Biodiversity Strategy and Action Plan and National Adaptation Program respectively)

Roundtable discussions and bilateral meetings with representatives of various departments in each ministry are the simplest and quickest means for obtaining the most accurate and up-to-date information on policies, plans, and programs

**TIP**

When integrating SLM into country policies “entry points for integration” can come in the form of policy papers, action plans, legislation, or political lobby. The concept of entry points is further elaborated in Box 1:

Box 1: Potential entry points for SLM integration

- National policy development papers that should explicitly include SLM concerns in their objectives
- Sector strategies, such as agricultural strategy, that integrates SLM principles into their medium- and long-term visions. Short-term work plans or action plans are devised on the basis of these strategies, and would incorporate SLM-related activities
- Local action plans that translate the NAP into bankable programs or projects in the areas most prone to desertification
- Land use management plans that incorporate SLM principles
- Legislation that endorses a policy paper, thereby providing the legal backing to enforce the interventions that the policy stipulates
- Political lobby to pass legislation in support of SLM
- Criteria for funding projects based on SLM principles
- Committees and councils in sectors related to land degradation. SLM can be mainstreamed into the institutions represented in the committee or council if it is introduced in the meetings

The entry points for integrating SLM may be presented as shown in Table 2. It is helpful to list the entry points by the institution in which they present themselves.

Table 2: Avenues for Mainstreaming SLM in the various institutions

Institution	Entry point for integration	Description	Problems	Interventions
Planning Ministry	National Physical Plan (NPP) for the Management of the Territory	The NPP was presented as a master plan for urban and rural planning and land use. It lays out a strategy for decisive remedial and preventative measures and includes a program prioritizing and rationalizing all ongoing and planned projects.	<ul style="list-style-type: none"> <li>■ The NPP has yet to be endorsed</li> </ul>	<ul style="list-style-type: none"> <li>■ Endorse NPP by Council of Ministers</li> <li>■ Use the NPP as a basis for the development of sustainable land use projects and programs</li> <li>■ Coordinate with MoA to develop discrete programs based on the recommendations of the NPP</li> </ul>

## 2. Determine measures for improving the coordination mechanism

The ability of the coordinating mechanism to develop cooperation across all sectors in government and involve communities, non-governmental organizations, and landowners in the decision making process is a vital goal of the convention. The NCB was designed as a decentralized mechanism which has the capacity to coordinate the activities of the various actors involved.

The analysis in the previous section should unveil the diverse channels of coordination and further elaborate the problems of the NCB. Even though the NCB was conceptualized as an ideal platform for productive dialogue between stakeholders it may not be achieving its goals (i.e. not functioning efficiently), which necessitates research into other possible alternative platforms.

### 2.1 Steps to follow:

- Propose interventions for improving the functioning of the NCB
- Propose alternative coordinating mechanisms
- Seek stakeholder feedback
- Identify important bilateral channels of communication between stakeholders as a means for strengthening them

### 2.2 Useful tools:

Potential improvements to the NCB are elaborated in Box 2.

#### Box 2: Potential interventions for improving the NCB

- Clarification of the NCB's mandate and responsibilities
- Legislation that recognizes the decision making status of the NCB
- Setting of criteria for selection of the NCB members
- Development of a program / work plan for action
- Financial autonomy (allocation of independent budget)
- Inclusion of non-governmental actors
- Change in the modes of communication

Options for alternative coordinating mechanisms:

- An autonomous national center created within a ministry with a mandate to act as a secretariat for the UNCCD at the country level. Tasks would include coordination among main actors.
- Designation of an existent platform as the coordination body for UNCCD activities. This could be a committee that already has a set work plan, meets on a regular basis, and includes most of the stakeholders involved in SLM. This would necessitate the elaboration of the body's platform's mandate. Alternatively, the coordination body could be an institution that maintains strong ties with stakeholders across sectors as part of its mandate.

Establishing bilateral coordination among the stakeholders is equally important in ensuring continuity. While the coordinating platform would combine all stakeholders in meetings on a scheduled basis, the process of coordination should be ongoing.

Some of the main bilateral coordination channels that need to be built / strengthened are outlined below

Channels of bilateral communication between:

- Ministries concerned with natural resource management
- Ministry of Finance and line ministries
- Ministry of Planning and line ministries
- Municipalities and communities

Table 3 shows the ways in which bilateral channels of communication may be strengthened in a typical country example

Table 3: Strengthening bilateral channels of communication

Bilateral coordination	Current Status	Necessary steps
Ministry of Finance - Ministry of Agriculture  Ministry of Finance - Ministry of Environment	Limited.	<ul style="list-style-type: none"> <li>■ MoE and MoA should follow-up with the MoF through the established inter-ministerial committees in order to mainstream SLM and other environmental criteria and activities in the different sectoral programs</li> </ul>
MoSA - Communities	Ongoing though the ministry's 144 service centers throughout the country	<ul style="list-style-type: none"> <li>■ Strengthen the capacities of service centers to act as links between the Interministerial Committee and the community</li> </ul>
Ministry of Planning - Line ministries	Regular, based on program/ project need	<ul style="list-style-type: none"> <li>■ Establish formal mechanism for coordination between each ministry and MoP</li> <li>■ Designate responsible authority to follow up with MoP</li> <li>■ MoP should disseminate relevant information on donors and planned projects to ministries and similarly ministries should keep MoP up to date on priorities and plans</li> </ul>
Ministry of Planning - Donors	Regular coordination on ongoing and planned projects	<ul style="list-style-type: none"> <li>■ Establish mechanism for compiling and disseminating sector priorities to donors on a regular basis</li> </ul>

### 3. Develop a framework for improved institutional structure

The continuous process for the implementation of the UNCCD and mainstreaming of SLM requires strong institutional capacities across sectors. Since SLM requires the cooperation of several institutions the responsibilities have a tendency to overlap across sectors. There lies a challenge in achieving cohesion amongst the varying institutions and engaging the participants under the convergent platform of combating desertification and sustainable land management. The coordination mechanism is responsible for unifying the sectors but there is still a need for a strong institutional architecture which is capable of implementing the activities. It may be plausible to designate a new institutional unit with the responsibility of not only coordinating (as addressed in Step 2) but also of acting as a central hub for all SLM-related activities.

#### 3.1 Steps to follow:

- Identify important actions needed to improve the institutional structure
- Propose interventions for improving the functions of the institutional structure
- Propose alternative institutional units to follow up on the implementation of the UNCCD
- Seek stakeholder feedback

#### 3.2 Useful tools:

Potential improvements to the institutional structure are elaborated in Box 3.

#### Box 3: Potential interventions for improving the institutional structure

- Clarification of institutional mandates
- Reorganization of roles and responsibilities
- Merging of Rio Convention focal points within same institution
- Designation of competent national authority
- Strengthening capacities
- Setting up a reporting and communication mechanism

Potential characteristics of an independent unit dedicated to combating desertification and sustainable land management are elaborated in Box 4.

#### Box 4: Characteristics of an independent unit dedicated to combating desertification

- Permanent apparatus
- Established within ministry that currently hosts convention focal point
- Is integrated into ministerial structure
- Has financial autonomy (an independent budget)
- Has executive privileges (not only consultative)
- Is dedicated solely to
  - carrying out implementation activities,
  - following up with stakeholders outside the coordination body,
  - cooperating with the GM, and
  - developing and implementing programs and projects in the desertification-prone areas

## 4. Determine necessary legal reforms

The legal framework is an essential component that can gauge the efficiency of raising financial resources. Institutional coherence, a stable coordination mechanism, and financial flexibility may not be achieved without a reform of legislation.

### 4.1 Steps to follow:

- Identify important actions to reform the legislation that hinders resource mobilization

### 4.2 Useful tools:

Potential improvements to the legal framework structure are elaborated in Box 5.

#### Box 5: Potential reforms in the legal framework

- For the Convention:
  - Enact secondary legislation / implementation decrees for the implementation of activities committed to under the convention
- For institutions:
  - Clarify institutional mandates
  - Endorse the creation of an independent unit to combat desertification
- For coordination:
  - Provide the coordination body with executive responsibilities
- For policy:
  - Endorse strategies, plans, programs for entry into force / implementation
- For environmental management
  - Enact/enforce fines and sanctions for environmental violations
  - Provide incentives and guidelines for better environmental management
- For financial management
  - Decree the establishment of a fund for combating desertification or similar financing mechanisms

## 5. Identify means for improving human capacities

It is common for institutions to be understaffed or have human resources who are not well trained. However, weaknesses in human capacities also exist outside the public offices and in communities and civil society groups. It is necessary to identify these target groups, their specific needs, and tailor training programs accordingly.

### 5.1 Steps to follow:

- Identify the main target groups
- Identify tasks that these groups will need to perform
- Identify the skills needed to perform the tasks and
- Propose methods of training

Weaknesses in human capacities are best identified by the human resources themselves. Workshops held at the relevant institutions help meet this objective.

**TIP**

### 5.2 Useful tools:

Potential target groups are listed in Box 6.

#### Box 6: Potential target groups

- Ministry staff – managerial level
- Ministry staff – technical level
- Decision makers
- Politicians (the lobby)
- Private sector
- NGOs / CSOs
- Municipalities
- Local communities

Table 4: Strengthening human capacities

Target Group	Tasks that need to be implemented	Needed skills	Method of Training
Ministry staff – managerial	<ul style="list-style-type: none"> <li>■ Setting priorities</li> <li>■ Developing programs and plans</li> <li>■ Setting the budget</li> </ul>	<ul style="list-style-type: none"> <li>■ Planning skills</li> <li>■ Coordination skills</li> <li>■ Financial skills</li> </ul>	<ul style="list-style-type: none"> <li>■ Courses provided by the Financial Training Institutes</li> <li>■ Workshops on managerial skills</li> </ul>

Target Group	Tasks that need to be implemented	Needed skills	Method of Training
Ministry Staff – technical	<ul style="list-style-type: none"> <li>■ Preparation of reports and presentations</li> <li>■ Technical tasks depending on specialty</li> </ul>	<ul style="list-style-type: none"> <li>■ Data interpretation and presentation</li> <li>■ Computer literacy</li> <li>■ Technical skills depending on specialty</li> </ul>	<ul style="list-style-type: none"> <li>■ Specialty training workshops conducted in-house</li> <li>■ Foreign exchange programs</li> </ul>

## G. SUMMARY OF GUIDELINES:

The following table lists the guidelines provided in this component.

Table 5: Summary of guidelines provided in this component

#	Step	Guidelines
1	Identify instruments and entry points for SLM integration into policies, plans and programs	<ul style="list-style-type: none"> <li>■ Potential entry points for SLM integration</li> <li>■ Table of avenues for mainstreaming SLM into policies, plans, and programs</li> </ul>
2	Determine measures for improving the coordination mechanism	<ul style="list-style-type: none"> <li>■ Potential interventions for improving NCB</li> <li>■ Table on strengthening bilateral communications</li> </ul>
3	Develop a framework for improved institutional structure	<ul style="list-style-type: none"> <li>■ Potential interventions for improving the institutional structure</li> <li>■ Characteristics of an independent unit dedicated to combating desertification</li> </ul>
4	Determine necessary legal reforms	<ul style="list-style-type: none"> <li>■ Potential reforms in the legal framework</li> </ul>
5	Identify means for improving human capacities	<ul style="list-style-type: none"> <li>■ Potential target groups</li> <li>■ Table on strengthening human capacities</li> </ul>





## A. DEFINITION:

The internal sources of funding constitute the financial sources that are raised from within the country itself. This component is concerned with the elaboration of these domestic funds.

Traditionally, the bulk of financing for development projects has originated from international sources. However, in the new financing approach adopted by donors, governments will be expected to raise a significant amount of financial resources domestically, before these are supplemented by donor funds. Internal sources of funding should be the 'first door of financing' for any program or project in combating desertification and sustainable land management.

## B. OBJECTIVE:

The aim of this section is to analyze the country's capacity to raise domestic financial resources and propose means for improving the mobilization of these internal resources. The section analyzes the main sources of domestic funding, uncovers the decision-making process for resource allocation, and develops means for increasing their mobilization and use towards combating desertification and sustainable land management.

## C. SECTION CONTENTS:

This section of the strategy should cover the following topics:

- Internal sources of funding – an overview
- Public financial management and budgeting process
- Budget allocation and cut-off in the relevant public administrations (ministries)
- Municipal budgets
- National funds
- Private sources of domestic funding
- Summary of main findings
- Recommendations for improving the mobilization of resources from internal sources

## D. STEPS TO FOLLOW:

The steps to follow for completing this section of the strategy are listed below:

1. **Identify internal sources of funding:** Provide an overview of the different domestic sources of financing available in the country.
2. **Analyze the public budget process:** Describe the coverage of the budget, the budget preparation process, and the problems encountered. The pitfalls in the budget cycle and the legal instruments covering the budgeting process are presented in detail
3. **Analyze the budget of relevant administrations:** For each of the public administrations involved in combating desertification, investigate the decision-making process for resource allocation, which includes yearly budget allocation and disbursement, particularly for activities concerned with combating desertification. This provides an indication of the magnitude of resources allocated (direct and indirect) and spent as well as trends of resource allocation over time, potential problems and shortcomings.
4. **Analyze the municipal budget:** Describe the budget allocation process in the decentralized administrative units. The analysis has similar objectives as in Step 3.
5. **Assess national funds to support local development:** Identify and describe any national funds created for the support of local development initiatives, environmental protection, and land management.
6. **Investigate private sources of domestic funding:** Identify private sources of domestic funding that could contribute to combating desertification and describe the mechanisms for promoting the mobilization of financial resources from them.
7. **Provide a summary of the main findings:** Summarize the results of the analysis in concise form to provide an overview of the internal sources of financing and generate recommendations accordingly.
8. **Formulate recommendations for improving mobilization of internal sources of funding:** Based on the findings presented in the previous step, present the main recommendations for mobilizing resources more efficiently.

Table 1: Summary of Steps and Results in the Mobilization of Internal Sources of Funding

#	Step	Results
1	Identify internal sources of funding	<ul style="list-style-type: none"> <li>■ The range of internal financing sources identified</li> </ul>
2	Analyze the public budget process	<ul style="list-style-type: none"> <li>■ Public financial budget described: coverage, planning process</li> <li>■ Problems in the budget cycle analyzed</li> <li>■ Principles for improving the financial framework stated</li> </ul>
3	Analyze the budget of relevant administrations	<ul style="list-style-type: none"> <li>■ Decision-making process for resource allocation investigated</li> <li>■ Budget allocated and disbursed by relevant administrations assessed</li> </ul>
4	Analyze the municipal budget	<ul style="list-style-type: none"> <li>■ Decision-making process for resource allocation investigated</li> </ul>
5	Assess national funds to support local development	<ul style="list-style-type: none"> <li>■ National funds to support SLM or related activities identified</li> </ul>

#	Step	Results
6	Investigate private sources of domestic funding	<ul style="list-style-type: none"> <li>Private sources identified</li> <li>Means for promoting mobilization of private resources addressed</li> </ul>
7	Provide a summary of the main findings	<ul style="list-style-type: none"> <li>Main findings highlighted</li> </ul>
8	Formulate recommendations for improving mobilization of internal sources of funding	<ul style="list-style-type: none"> <li>Recommendations for improving the mobilization of internal sources of funding from public budget and private sources elaborated</li> </ul>

## E. RESOURCES NEEDED:

Expertise	Task
<ul style="list-style-type: none"> <li>Public finance expert</li> </ul>	→ Analysis of public budget processes
<ul style="list-style-type: none"> <li>Legal expert</li> </ul>	→ Analysis of legislation governing the budgeting process and allocation of financial resources

## F. METHODS AND TOOLS:

The investigation of internal sources of funding includes an overview of what constitutes these sources and an elaboration of each constituent. The public budget has traditionally been the main source of internal funding as governments have increasingly been giving greater priority to managing the environment and natural resources. The public budgeting process is therefore subject to further investigation to elaborate budget allocations in the public administrations, the identification of problems, loopholes, and planned initiatives. The section concludes with a number of recommendations based on the analysis of the internal sources of funding.

An integral component in this section is the analysis of resources available to the administrations that are involved in combating desertification and sustainable land management. To be better equipped for this task financial ledgers are an indispensable tool. To gain access to these it is imperative to contact the Ministry of Finance or similar administration well in advance. Without this source of information, the analysis of the internal sources of financing is meaningless.

### 1. Identify internal sources of funding

Prior to delving into the individual forms of internal financing, it would be helpful to define what is meant by internal sources of funding, and what constitutes these sources. Financing sources should be identified through an analysis of the decision making process for resource allocation. This should reveal that there is public as well as private financing flowing into combating desertification and sustainable land management.

### 1.1 Useful sources:

- The literature review of state instituted instruments in the framework of financing planned projects provides an insight on different financing sources
- Meetings with administrations that have implemented projects in the field and have overseen the management of funds from different sources clarifies the decision making process for allocating resources

### 1.2 Steps to follow:

- Analyze the decision making process for allocating resources
- Identify and briefly describe the different internal sources of financing, public vs. private

## **2. Analyze the public budget process**

The public budget represents the most important internal financial resource. The preparation, financing, and implementation of programs related to combating desertification essentially spring from the government. The public budget process should therefore be subject to an elaborate analysis.

### 2.1 Useful sources:

- The Ministry of Finance or similar administration constitutes the main information source
- Literature concerning the public finance including budget laws, budget cycle, central government finances, etc.
- Legal texts related to budget allocation (e.g. public finance laws, public accounting laws, etc.) at the national and decentralized levels
- Meetings with representatives from the Ministry of Finance and line ministries

### 2.2 Steps to follow:

- Briefly describe the country's fiscal situation
  - overview of revenues & expenses
  - overview of deficit / debt situation, if applicable
- Determine the institutional budget coverage
  - administrative structure of the budget
  - problems with the budget coverage
- Provide an overview of the main legal instruments governing the budgeting process
- Describe the budget preparation process
- Elaborate on planned initiatives (reforms, organic budget law, etc)

## 2.3 Useful tools:

The budget analysis should begin with the institutional coverage of the budget, i.e. with the determination of the entities or administrations that are, or should be, covered by the budget.

Box 1 presents an example of the presentation of the administrative structure of the budget. Some of the legal instruments governing the budgeting processes that may be elaborated on are listed in Box 2.

### Box 1: Administrative structure of the budget

#### A. General Budget

- Parliament
- Councils
- Ministers
- Budget reserve

#### B. Annex Budgets

#### C. Treasury Operations

- Trust accounts/Guarantees
- Municipalities
- Deposits
- Expenditures from previous years' appropriations
- Expenditures from previous years' guarantees
- Other

### Box 2: Legal instruments governing the budgeting process

- Constitution
- Parliament Internal Regulations or equivalent, depending on the governing bodies
- Public Accountancy Law or equivalent: the main legal text that deals with budget preparation and execution
- Administrative unit at the line ministries
- Budget directorate at the Ministry of Finance or equivalent
- Court of Accounts Law or equivalent: an external body exercising the external audit of the public budget

Figure 1 shows a typical budget cycle that may be adapted for the analysis of the budget.

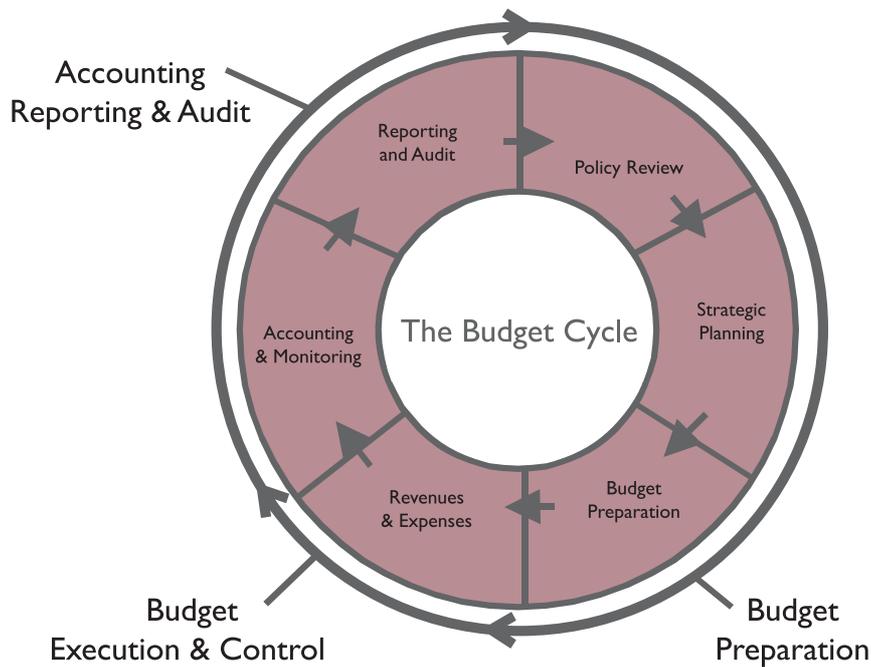


Figure 1: Typical budget cycle

To be comprehensive, the analysis of the budget preparation process should cover the elements presented in Box 3.

Box 3: Elements in the budget preparation process

- Budget planning
- Budget elaboration
- Budget documentation
- Budget approval
- Budget execution
- Budget reporting
- Budget audit

It is helpful to illustrate the budget preparation process graphically. Figure 2 shows the budget preparation process in Lebanon, illustrating

- Step description
- Administration involved in each step
- Timing of each step

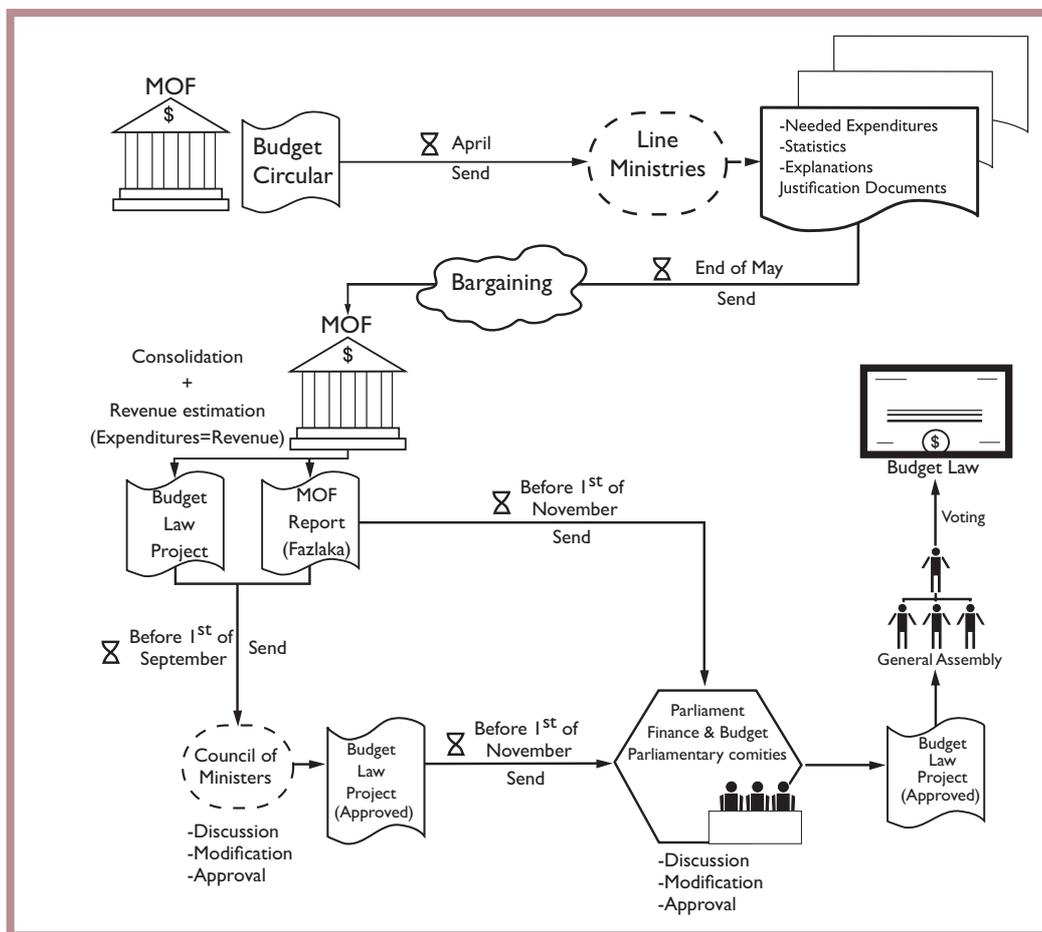


Figure 2: Budget preparation process in Lebanon

### 3. Analyze the budget of relevant public administrations

This analysis reveals the portion of the budget that administrations involved in combating desertification and sustainable land management allocate to carrying out their activities. The budget typically covers operating expenses (such as salaries, office equipment, stationary, utilities, etc) as well as capital expenses (costs for the implementation of activities). It is the latter portion of the budget that is of greater concern, and more specifically, the portion that is dedicated to SLM related activities.

#### 3.1 Useful sources:

- Financial ledger from the Ministry of Finance or similar institution constitutes the main information source
- Meetings with representatives from the Ministry of Finance and line ministries

Securing the financial ledgers may be a time consuming process that requires official authorization. It is best to start this process early on.

**TIP**

#### 3.2 Steps to follow:

- Describe the division of the budget
- Assess budget allocated to relevant administrations over several years
  - assess budget allocated to activities related to combating desertification and sustainable land management

- Assess budget cut off of the relevant administrations
- Compare budget allocation to budget cut-off for each relevant administrations
- Analyze and interpret trends, gaps and inconsistencies

### 3.3 Useful tools:

Tables that may be used for presenting budget allocation and cut-off are shown below.

Table 2: Ministry budget allocation example

Description (Thousand USD)	2000	2001	2002	2003	2004
Operating Expenses	32,453	54,016	30,998	31,956	37,759
Capital Expenses	1,158	6,116	3,850	2,319	3,513
Total Budget Allocation	33,611	60,132	34,849	34,275	41,272
Total Government Budget	9,683,976	9,900,000	9,375,000	8,600,000	9,400,000
	0.3%	0.6%	0.4%	0.4%	0.4%

Table 3: Ministry budget cut off example

Description (Thousand USD)	2000	2001	2002	2003	2004
Operating Expenses	20,142	22,064	25,953	21,690	34,879
Capital Expenses	2,071	1,058	5,930	1,422	1,100
Total Budget Cut-off	22,212	23,122	31,883	23,111	35,979
Total Government Budget Cut-off	8,906,693	8,211,881	9,234,450	9,434,283	9,182,827
	0.2%	0.3%	0.3%	0.2%	0.4%

Graphs provide insight of trends in budget allocation over time. Figure 3 summarizes the above tables.

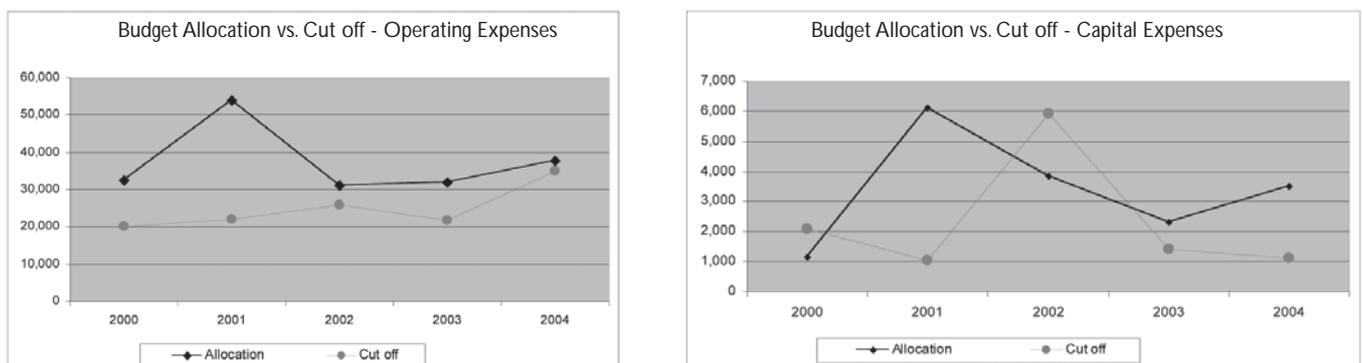


Figure 3: Graph of example ministry budget allocation and cut-off

Box 4 lists some of the elements that should be analyzed in the comparison of budget allocation and budget cut-off.

#### Box 4: Budget analysis

- Total allocated budget including yearly variation
- Division of budget into operating expenses and capital expenses (if applicable)
- Trends operating expenses and capital expenses (if applicable)
- Variation and/or predominance in allocation to certain sectors / activities
- Magnitude of disparity between allocated and disbursed budget
- Fate of allocated but unspent funds

## 4. Analyze the budget of local governments

Local governments, such as municipalities, may constitute an independent source of funding if they act as administrative units with fiscal autonomy. Municipalities may also have the right to accept funding from an external source, thereby forming a direct channel for resource mobilization. These possibilities should be investigated in more depth.

### 4.1 Useful sources:

- Legislation on governance of municipalities
- Meetings with representatives from Ministry of Finance, Ministry of Interior (or similar administration) as well as with the central authority responsible for management of municipalities, and the decentralized governments (i.e. the municipalities)

### 4.2 Steps to follow:

- Describe governance of municipalities including fiscal matters
- Describe budget preparation process
- Assess entry points for mobilization of resources through municipalities

### 4.2 Useful tools:

Box 5 provides some pointers for the analysis of the municipal budgets.

#### Box 5: Analysis of municipal budgets

- Characteristics of governance structure of municipalities
  - management
  - organization / institutional arrangement
  - fiscal autonomy
- Legislation governing administration of the municipalities
- Characteristics of budget of municipalities (part of the state budget?)
- Existence of an independent fund
- Means of channeling funds to municipalities

Box 6 describes a sample budget preparation process in decentralized municipalities.

Box 6: Example of a Preparation of the municipal budget preparation process – Lebanon example

The budget should be approved before the end of the year. However, there is no legally-binding timeframe for the completion of each step in the budget preparation process.

1. The process begins with a request from the Head of the Municipality to each department within his jurisdiction to prepare its own budget, explaining expenditures anticipated in the year to come.
2. The budget expenditure proposals from all departments are consolidated into a single document and revenues for the year to come are projected.
3. The Head of the Municipality tries to balance between the expenditures and the revenues and sets the Budget Project.
4. The Budget Project is delivered to the Council of the Municipality accompanied by a detailed explanatory report (like the Fazlakeh report at the national level).
5. The Council of the Municipality discusses the budget proposal before the end of September. The Council may appoint a committee specialized in financial and budgetary matter to further study the proposed budget.
6. Members of the Council then vote on the budget proposal, which becomes a Budget Law.
7. Within eight days of voting, and before the end of November, the Head of the Municipality sends the Budget Law to the Administrative Control Authority in the Court of Accounts for approval.
8. Within one week of the approval of the Budget Law, the Head of the Municipality sends a copy of the Budget Law to the public administration (ministry) responsible for municipal affairs.

The Lebanon case is an example where municipalities may constitute an entry point for the mobilization of resources, because

- Municipalities exercise autonomy within their jurisdiction
- Municipal budgets are independent from state budgets
- Municipal budgets are administered without supervision from a central authority (i.e. Ministry of Finance)
- Municipalities may accept international donations directly from external funding sources without passing through complicated bureaucratic approval procedures

## 5. Assess national funds to support local development

Most countries have dedicated a certain number of funds to address issues such as combating poverty, dryland development, rural development, etc. Algeria, for example, has twenty different treasury funds, which are supplied by state subsidies, special taxation, taxes, revenues from fines, and sometimes national and international donations and bequests. Such funds constitute a valuable source of internal funding that should be assessed.

### 5.1 Useful sources:

- Legal texts stipulating establishment of the funds
- Meetings with administrations responsible for authorizing expenditure from the funds

### 5.2 Steps to follow:

- Identify funds
- Assess fund organization, coverage, and management
- Assess level of financial contribution to combating desertification and sustainable land management
- Assess problems
- Determine means for increasing financing from national funds

### 5.3 Useful tools:

Box 7 provides some guidelines for the analysis of the national funds.

#### Box 7: Analysis of national funds

- When and how was the fund established? (provide legal texts)
- Who is the managing authority / institution?
- What does the fund cover? (themes, priorities, geographic distribution, etc.)
- How is the fund replenished?
- How are expenditures administered?
- Does the fund introduce a participatory management of financial resources as recommended by the Convention?
- Does the fund encourage partnerships between different actors concerned?
- Does the fund allow for the rapid flow of financing at the local level? If not, what are the constraints?
- Who are the main beneficiaries?
- Are civil society actors eligible to receive funding?

Box 8 suggests some means for improving this financial instrument.

#### Box 8: Means for improving resource mobilization from national funds

- Mainstream principles of combating desertification and sustainable land management into the fund structure
- Increase participatory management of financial resources (for example fund may be managed by the coordination platform; refer to coordination mechanism discussed earlier)
- Increase partnership and cooperation among actors
- Increase eligibility of civil society actors
- Stipulate legislation that facilitates fund replenishment from various sources
- Increase transparency in fund administration

## 6. Investigate private sources of domestic funding

An array of private funding sources exists within the country, many of which are not presented as traditional financing sources. For instance, as public interest in the environment is increasing, private investment is following suit often for reasons of corporate social responsibility (i.e. to boost the company image in the eyes of consumers). Private sector intervention may become a substantial financing source if accurately assessed and properly guided.

### 6.1 Useful sources:

- Review literature of activities financed by the private sector
- Events / campaigns sponsored by the private sector
- Meet with NGOs, banks, commercial institutions, etc

### 6.2 Steps to follow:

- Identify potential actors
- Assess the level of private sector intervention
- Determine means for increasing private sector contribution

### 6.3 Useful tools:

Box 9 identifies some private funding sources.

#### Box 9: Sources of private funding

- Commercial enterprises
- Commercial banks
- Credit unions
- NGOs
- Philanthropic organizations
- Professional organizations
- Cooperatives
- Individuals / investors

Table 4 provides a theoretical framework for approaching private sector involvement in combating desertification and sustainable land management. It suggests the need for a deeper analysis of the economic actors and national legislation. This will ultimately determine the potential for involving the private sector in combating desertification.

Table 4: Private sector intervention in combating desertification

Level of involvement	Type of contribution	Category of actors	Interests of the actor
National	Awareness raising for combating desertification Support for research Mobilizing financial means Carrying out projects	Large businesses (based on sales figures) and distribution networks	Sponsoring, publicity resulting from distribution and seeking an ecological reputation
Regional	Contributing to regional growth Taking charge of the components in a project Awareness raising for combating desertification	Businesses based at the regional level or operating in the region	Interest in regional economic growth, public markets (trade, tourism)
Local	Contributing to and taking charge of carrying out and managing projects, upkeep of initiatives, awareness raising Duplicating projects	Beneficiaries, Facility users, breeders, and investors	Immediate interest in conserving and protecting resources and improving productivity of land

Box 10 identifies some methods for promoting private sector contribution.

Box 10: Promoting private sector contribution

- Extend credit
- Provide land plots for projects
- Provide tax breaks
- Stipulate legislation that facilitates obtainment of licenses
- Marketing opportunity through sponsorship of activities
- Promote corporate social responsibility
- Highlight a “green” image

## 7. Provide a summary of the main findings

It is helpful to summarize the main findings of this section in brief table format before delving into the recommendations. The summary should highlight the main conclusions reached by the analysis, which will set the stage for the development of solutions for the constraints on resource mobilization from internal sources of funding.

Box 11 shows the main elements that should be highlighted in the summary

#### Box 11: Summary of main findings of internal sources of funding

- Decision making process for budget allocation
- Institutional level
  - Institutions with highest budget allocation
  - Contribution of government budget to administrations related to SLM
  - Budget allocation in SLM related administrations
  - Budget cut-off in SLM related administrations
  - Trends in allocation and spending.
  - Disparities between allocation and disbursement
- Municipal level
  - Financial administration, management and autonomy
  - Constraints
- National funds
  - Availability and administration
  - Constraints
- Private sector
  - Actors and level of contribution
  - Future potential

## 8. Formulate recommendations for improving mobilization of internal sources of funding

The summary of the main findings presented in the previous step forms the basis for the development of recommendations for improving the mobilization of financial resources from internal sources of funding.

Recommendations will vary depending on the results of the analysis. Box 12 highlights some generic points that may be relevant

#### Box 12: Recommendations for increasing mobilization of internal sources of funding

- Increase resource mobilization from government budget, through
  - Improved planning of budgets
  - Legal reforms to increase flexibility of management of budgets within institutions
- Increase resource mobilization from municipalities through
  - Mainstreaming of SLM concepts into budget and activities of municipalities
  - Raising awareness / training on acceptance and management of donations
- Increase resource mobilization from national funds, through
  - Legal reforms to increase mandate of coordination mechanism to manage the funds
  - Activation of inactive funds
  - Lobbying for creation of fund for combating desertification
- Increase resource mobilization from private sector, through
  - Creating incentives for private sector participation
  - Building public-private partnerships and private-CSO/NGO partnerships

- Reform legislation governing the public budget process
  - Enact organic budget law
  - Clarify mandates
- Increase the lobby
  - Lobby through politicians at different stages of the budget preparation process
  - Lobby through politicians in parliament to increase spending on environmental issues
- Build capacities of human resources for better
  - Program planning
  - Budget allocation / management of financial resources

The recommendations may be supplemented by a table stating potential entry points, actors, and measures to be taken for increasing mobilization of internal sources of funding. Table 5 shows an example from the Lebanon case.

Table 5: Entry points for internal sources of funding – the Lebanon case

Entry point	Description	Actor / Level of Action	Measures to be taken
Program Laws	Are budget execution laws that show budgets allocated towards a specific plan or program over a certain period or time, and reflect in detail what has been done and how much it has cost. Current program laws reflect a lack of planning in general and in particular as regards the integration of SLM-related activities into the budget	■ Ministries	<ul style="list-style-type: none"> <li>■ Develop a plan or program to be included in the Program law, thereby becoming an official component of the budget allocated to a specific function during a specific year</li> </ul>
Budget requests	There is a noted disparity between the funds that are allocated and those that are actually spent. As a result, the credibility of the ministries in spending their budgets has decreased and with it the funds which they are allocated	■ Ministries	<ul style="list-style-type: none"> <li>■ Ministries should assess their capacity to implement planned activities</li> <li>■ Ministries should prepare budgets and justify in as much detail as possible their budget requests in order to be granted the full amounts requested</li> </ul>
Comprehensive Budget Law	There is no unified budget system law (BSL) in Lebanon to lay out the requirements of the annual budget process and implementation of the annual budget law. Budget management is governed by a number of legal instruments that are not consolidated in a single document.	<ul style="list-style-type: none"> <li>■ MoF</li> <li>■ CoM</li> </ul>	<ul style="list-style-type: none"> <li>■ Enact a comprehensive budget system law that regulates the budgeting process and follows the same principles and adopts the same building blocks of a typical organic budget law.</li> </ul>

Entry point	Description	Actor / Level of Action	Measures to be taken
Municipal budgets	Municipal budgets are allocated by the MoF on an annual basis. Municipalities have the freedom to use the budgets in whichever way is deemed necessary without entering into tedious bureaucratic processes involving the Ministry of Finance that result in endless delays.	<ul style="list-style-type: none"> <li>■ Municipality</li> <li>■ MoA</li> </ul>	<ul style="list-style-type: none"> <li>■ Train capacities within municipalities to include SLM related activities within requested budgets</li> <li>■ Train capacities within municipalities to better use their budgets to implement SLM-related activities</li> </ul>
National Environment Fund	The creation of the National Environment Fund (NEF) was stipulated by Law 444/2002. The NEF represents an independent and direct source of funding for environment related activities. The legislation for the creation of the National Environment Committee and National Environment Fund has been prepared and is awaiting endorsement.	<ul style="list-style-type: none"> <li>■ CoM</li> <li>■ MoA</li> </ul>	<ul style="list-style-type: none"> <li>■ CoM should endorse the legislation for the creation of the National Environment Fund.</li> <li>■ MoA should lobby for increasing funds allocated to SLM activities.</li> </ul>
Political Lobby	The preparation of the budget involves several negotiation steps which provide an opportunity to further justify and press for the requested budget for SLM-related activities. Lobbying for environmental issues can also come during regular parliamentary sessions, CoM meetings, and personal relations. The general public can add pressure on its representatives in office.	<ul style="list-style-type: none"> <li>■ Members of Parliament</li> <li>■ The Green Party</li> <li>■ Politicians in general</li> <li>■ CSOs, env. NGOs, general public</li> </ul>	<ul style="list-style-type: none"> <li>■ Pro-environment MPs should lobby at the level of Parliamentary committees to assign higher importance to environmental issues on the national agenda.</li> <li>■ Introduce environmental issues within the top government priorities</li> </ul>
Other internal sources of funding	There is a multitude of other potential internal sources of funding that need to be studied. These include but are not limited to, private companies, commercial banks, NGOs, and philanthropic organizations.	<ul style="list-style-type: none"> <li>■ MoA / Desertification unit</li> </ul>	<ul style="list-style-type: none"> <li>■ Investigate other internal sources of funding</li> <li>■ Develop incentives to encourage investment in SLM</li> </ul>

## G. SUMMARY OF GUIDELINES:

The following table lists the guidelines provided in this component.

Table 6: Summary of guidelines provided in this component

#	Step	Guidelines
1	Identify internal sources of funding	<ul style="list-style-type: none"> <li>■ NA</li> </ul>
2	Analyze the public budget process	<ul style="list-style-type: none"> <li>■ Administrative structure of the budget</li> <li>■ Legal instruments governing the budgeting process</li> <li>■ Elements in the budget preparation process</li> <li>■ Figure of typical budget cycle</li> <li>■ Figure of budget preparation process in Lebanon</li> </ul>
3	Analyze the budget of relevant administrations	<ul style="list-style-type: none"> <li>■ Table for budget allocation and cut-off</li> <li>■ Graph of budget allocation and cut-off</li> <li>■ Elements of budget analysis</li> </ul>
4	Analyze the municipal budget	<ul style="list-style-type: none"> <li>■ Guidelines for analysis of municipal budgets</li> <li>■ Sample preparation process of municipal budget</li> </ul>
5	Assess national funds to support local development	<ul style="list-style-type: none"> <li>■ Guidelines for analysis of national funds</li> <li>■ Means for improving resource mobilization from national funds</li> </ul>
6	Investigate private sources of domestic funding	<ul style="list-style-type: none"> <li>■ Potential sources of private funding</li> <li>■ Table for private sector intervention in combating desertification</li> <li>■ Guidelines for promoting private sector contribution</li> </ul>
7	Provide a summary of the main findings	<ul style="list-style-type: none"> <li>■ Sample summary of main findings of internal sources of funding</li> </ul>
8	Formulate recommendations for improving mobilization of internal sources of funding	<ul style="list-style-type: none"> <li>■ Generic recommendations for increasing mobilization of internal sources of funding</li> <li>■ Table of entry points for internal sources of funding – Lebanon case</li> </ul>

# Component

4

## Resource Mobilization: External Sources of Funding



## A. DEFINITION:

External sources of funding represent out-of-country sources such as bilateral and multilateral donors, multinational corporations, charitable foundations, etc. from which financial contributions may be sought. This component is concerned with the elaboration of these international funds.

External sources of funding represent the 'second door of financing' after internal sources. While they have traditionally contributed to the majority of project or program financing, international funds are increasingly identified as supplementary resources. Their magnitude is now being determined by the amount of resources the country is able to raise internally and the number of co-financers contributing to the same activity.

## B. OBJECTIVE:

The aim of this section is to develop a better understanding of the international donor community and propose means for increasing the mobilization of funding from external sources. Mobilizing funds from external sources requires knowledge of best possible development partners, their priorities, goals, interests, policies, and budgets. These elements are analyzed in depth in this component.

## C. SECTION CONTENTS:

This section of the strategy should cover the following topics:

- External sources of funding – an overview
- Evolution of donor community and donor priorities
- Main country donors
- Strategic approach to donors
- Other external sources of funding
- Recommendations for improving the mobilization of resources from external sources

## D. STEPS TO FOLLOW:

The steps to follow for completing this section of the strategy are listed below:

1. **Identify external sources of funding:** Define external sources of funding and provide an overview of the different external sources of financing available.
2. **Describe trends in the donor community and donor priorities:** Describe changes in the approach used by donors to address sustainable development issues and identify the general priority axes.
3. **Analyze main donors:** Identify main bilateral and multilateral donors for the country, analyze their priorities and funding modalities.
4. **Construct a donor matrix:** Elaborate the entry points in a detailed matrix that is based on the thematic areas described in Component 1. The matrix is a tool for easily identifying potential donors according to their funding interests.
5. **Elaborate donor profile sheets:** For each donor listed in the matrix, provide supplementary information and clarification in a separate profile sheet.
6. **Investigate other sources of external funding:** Describe approach to other potential sources of external funding as identified in Step 1, and add the information to the donor matrix.
7. **Formulate recommendations for improving mobilization of resources from external sources of funding:** Based on the findings presented in the previous steps, identify the strategic approach for mobilizing external resources more efficiently.

Table 1: Summary of Steps and Results in the Mobilization of External Sources of Funding

#	Step	Results
1	Identify external sources of funding	<ul style="list-style-type: none"> <li>■ External funding sources defined</li> <li>■ The range of external financing sources identified</li> </ul>
2	Describe trends in the donor community and donor priorities	<ul style="list-style-type: none"> <li>■ Changes in the international donor community described</li> <li>■ Donor intervention areas and priorities identified</li> </ul>
3	Analyze main donors	<ul style="list-style-type: none"> <li>■ Main bilateral and multilateral donors identified</li> <li>■ Donor priorities and funding modalities described</li> </ul>
4	Construct a donor matrix	<ul style="list-style-type: none"> <li>■ Donor matrix developed</li> <li>■ Entry points to donors elaborated</li> </ul>
5	Elaborate donor profile sheets	<ul style="list-style-type: none"> <li>■ Individual donor profile sheet developed</li> <li>■ Information in donor matrix further clarified</li> </ul>
6	Investigate other sources of external funding	<ul style="list-style-type: none"> <li>■ Approach to other external funding sources described</li> </ul>
7	Formulate recommendations for improving mobilization of resources from external sources of funding	<ul style="list-style-type: none"> <li>■ Strategic axes for approaching donors identified</li> <li>■ Recommendations for improving the mobilization of external sources of funding from international community elaborated</li> </ul>

## E. RESOURCES NEEDED:

Expertise		Task
■ Development specialist	→	Analysis of donor modalities
■ Financial expert	→	Analysis of other external sources of funding such as direct foreign investment

## F. METHODS AND TOOLS:

This component is highly time-consuming mainly because the international donor community is highly diversified. A significant amount of research is required to identify and investigate the best possible country development partners. The investigation of external sources of funding begins with an identification of the range of potential funding sources. Bilateral and multilateral donors, traditionally the main sources of external funds, are subsequently analyzed in detail and specific entry points are identified and presented in a comprehensive donor matrix. Investigation of other external sources such as philanthropic organizations and international NGOs are also included in the analysis. The section concludes with a number of recommendations for increasing the mobilization of external sources of funding.

The donor matrix is a key output resulting from the analysis. The matrix is constructed based on donor interests matched with sectors related to combating desertification and sustainable land management. It serves as an easy-to-update tool for quickly locating potential co-financers for future programs and projects.

### 1. Identify external sources of funding

The range of external sources of funding is wide and it is useful to first define the international donor community and identify the different categories of funding that will be investigated in more detail in subsequent steps.

#### 1.1 Useful sources:

- The literature review of past projects provides an insight on different financing sources
- Meetings with institutions that have implemented projects in the field and have overseen the management of funds from different sources
- Websites of the main international donor organizations

#### 1.2 Steps to follow:

- Review the list of past projects and programs
- Conduct an internet search and establish contact with donors to request further information
- Briefly describe the different categories of external sources of financing

### 1.3 Useful tools:

Box 1 lists the main categories of external sources of funding.

#### Box 1: Potential external sources of funding

- Bilateral donors
- Multilateral donors
- Private sources such as Foreign Direct Investment (FDI) for profit projects or corporate social responsibility projects, commercial loans, etc
- Expatriate funds
- International NGOs
- International philanthropic organizations

## 2. Describe trends in the donor community and donor priorities

Donor approaches have changed in recent years and it would be helpful to describe briefly the country experience with the international funding community in regards to combating desertification and SLM.

### 2.1 Useful sources:

- The literature review of past activities implemented within the framework of combating desertification and SLM
- Meetings with institutions that have ties with donors involved in sustainable development issues
- Websites of donors, international organizations and conventions related to development financing

### 2.2 Steps to follow:

- Describe input of international donor community to combating desertification and sustainable land management in the country
  - describe background and past experiences
  - list main actors
  - identify lessons learned
- Analyze the impact of the changed donor policies on the country
- Identify priority intervention areas or areas of interest for donors in the country

## 3. Analyze main donors

Bilateral and multilateral donors traditionally make up the main external funding source. The donors that are of most relevance to the country need to be identified, and their priorities and funding modalities described.

Main donors should be analyzed within the current context as donors routinely refine their funding strategies and modalities, making changes in geographic and sectoral priorities.

**TIP**

### 3.1 Useful sources:

- The literature review of past activities implemented within the framework of combating desertification and sustainable land management
- FIELD database on the Global Mechanism's website
- Websites of donors
- Meetings with donors

Information collected during the analysis of financial flows into SLM (Component 1) can prove helpful in the analysis of the donors.

**TIP**

### 3.2 Steps to follow:

- Identify main bilateral and multilateral donors according to interests (sector and geographic region) and priorities
- Analyze donor priorities and modalities
- Verify collected information through meetings with donor representatives

### 3.3 Useful tools:

Table 2 lists some of the main bilateral and multilateral donors involved in combating desertification and sustainable land management

Table 2: Potential bilateral and multilateral donors

Bilateral	Multilateral
Belgium	EU
Canada	FAO
France	GEF
Germany	IFAD
Italy	UNESCO
Norway	UNIDO
Spain	UNDP
Sweden	USAID
UK	World Bank
U.S.A.	Other UN agencies

For the Arab region, some main Arab donors to consider are listed in Box 2

#### Box 2: Potential Arab funding sources

- Arab Authority for Agricultural Investment and Development – AAAID
- Arab Fund for Economic and Social Development – AFESD
- Arab Gulf Program for United Nations Development Organizations – AGFUND
- Arab Organization for Agricultural Development – AOAD
- Islamic Development Bank – IDB
- OPEC Fund for International Development – OFID
- Arab Investment Company – TAIC
- Kuwait Fund for Arab Economic Development – KFAED
- Saudi Arab Fund for Development – SFD ia
- Abu Dhabi Fund for Development.A.E. – ADFD
- Qatar Foundation
- etc.

Box 3 provides some useful pointers in the identification and analysis of main donors.

#### Box 3: Analysis of main donors

- Is the country a “priority country” for the donor?
- How does the donor classify the country?
- Where does the country feature on the donor’s priority list?
- What is the current amount and periodicity of financial support?
- What are the donor’s main intervention areas within the country?
- How does combating desertification and sustainable land management feature on the donor agenda?
- What initiatives has the donor undertaken recently? In the past?
- Does the donor have a country-specific strategy or program?
- Does the donor have any pre-conditions to financing?
  - Implementation of reforms
  - Co-financing
  - Partnerships
- Is the donor involved in any regional activities?
- What funding schemes does the donor have?
  - Grants / small grants
  - Loans
  - Macro financial assistance
- Calendars for submitting requests and/or calls for proposals
- Procedures for submitting project proposals
- What is the programming cycle of the donor?

Table 3: Type and significance of data collected in the analysis of main donors

Data Collected	Significance
Donors' priority countries or regions	Ascertain if country is eligible for funding based on geographic location
Donors' intervention areas or fields	Determine in which area donor funding can be applied (e.g. water resource management activities, reforestation initiatives, etc.)
Type of assistance offered	Some donors offer non-monetary assistance such as technical assistance, training of experts, etc.
Criteria for assistance	Determine pre-requisites for donor assistance (e.g. implementation of reforms, co-financing, etc.)
Financing Partners	Certain donors provide assistance only through specific partners, such as NGOs
Country-specific programs	Outline the planned assistance over a particular period of time; funding amounts may be specified (e.g. the World Bank's CAS, the EU's ENP, etc.)

Donors should be contacted to verify information that is collected from web-based sources and the literature. A questionnaire should be prepared prior to the meetings. Box 4 shows how the questionnaire should be structured.

Questionnaires that are mailed to donors should cover the information requested in a very concise manner. Non-response rate and delays in the reply tend to increase with the length of the questionnaire.

**TIP**

#### Box 4: Structure of the Donor Questionnaire

- Contact information
- Type of funding
  - Grants
  - Loans
  - Non-monetary
- Funding priorities
- Criteria for funding
  - co-financiers
  - reforms
- Agency (implementation) partners
- Amount of ODA scheduled for disbursement through relevant programs over next 5 years
- Country specific programs (e.g. the World Bank's CAS to Lebanon, the EU's ENP)
- Specific application procedures (targeted questions that are still outstanding after the web-based research)

## 4. Construct a donor matrix

Based on the analysis of main bilateral and multilateral donors, their intervention areas, priorities, and financing instruments a matrix can be constructed that matches donors with the thematic areas related to combating desertification. The matrix provides a tool for planners and decision makers to identify potential sources of external funding. It explores the specific entry points and aids in developing a tailored approach for each donor.

The construction of the donor matrix is a highly time consuming task. It is best to carry it out in conjunction with the donor analysis. Valuable information can be provided from the public administrations who regularly implement activities funded by donors.

**TIP**

Table 4 describes the columns of the matrix. A sample matrix is provided in the appendix.

Table 4: Description of matrix columns

Column	Description
NAP theme	Identifies the relevance to combating desertification
Donor	Identifies the donor
Stated donor intervention area	Specifies the area or sector of interest to the donor
Points of entry / Recommended action	Describes the actions that should be taken to approach the donor
Clarification	Provides additional information on the actions that are recommended.

## 5. Elaborate donor profile sheets

The donor profile sheets provide supplementary information on the donors listed on the matrix. It is an additional resource that is helpful in identifying the appropriate donor for the project or program that is to be funded.

The information that should be included in the donor profile sheet is outlined in Box 5.

### Box 5: Information for donor profile sheet

- Website
- Contact information
- Brief description of background, mandate, activities implemented, etc
- Strategic objective
- Instruments of financial cooperation
  - type of financing provided
  - conditions if applicable
  - application procedures

## 6. Investigate other sources of external funding

A number of potential external funding sources are identified at the beginning of the section. These sources should be further assessed to determine how best to maximize the mobilization of resources from them.

### 6.1 Useful sources:

- The literature review of past activities implemented within the framework of combating desertification and sustainable land management
- Website research and meetings with international NGOs, philanthropic organizations, institutions managing regional funds, etc
- Financial information from the Central Bank on expatriate funds, foreign direct investment, etc

It is difficult to estimate the amount of funding from some external sources such as direct foreign investment and expatriate funds. The Central Bank may be able to provide such information. A financial expert is crucial for this task.

**TIP**

### 6.2 Steps to follow:

- Describe the sources of external funding
- Determine magnitude of funding / importance of the source to combating desertification and sustainable land management
- Describe modality for mobilizing resources and directing funding from these sources to combating desertification and sustainable land management
- Add the information to the donor matrix and create profile sheets, where necessary

## 7. Formulate recommendations for improving mobilization of resources from external sources of funding

Even though donors differ from one another in terms of preferred intervention areas, financial instruments, and funding pre-requisites and conditions there remain several similarities among them. A number of strategic actions may be taken to aid in the improvement of resource mobilization from donors. Similarly, some of these measures, such as specific reforms, may also be conducive to increasing mobilization of funds from other external sources.

The strategic approach to external sources of funding is based on a synthesis of the information obtained from the analysis in the previous two steps. Some approaches are highlighted in Box 6.

### Box 6: Strategic approach to external funding sources

- Mainstream SLM into national development frameworks and articulate them as a priority since donors are interested in funding national priorities
- Implement reforms such as fiscal reforms that would make the country eligible for macroeconomic assistance
- Develop the capacities of smaller administrative units that may be able to accept direct funding (such as municipalities)
- Build partnerships, namely with NGOs and CSOs. Some donors provide direct funding to these actors.
- Study further the modalities of debt conversion, debt cancellation, and direct foreign investment

Table 5 presents a summary of strategic entry points for mobilizing external sources of funding.

Table 5: Strategic entry points for external sources of funding

Donor	Strategic Approach	Actor / Level of Action
EU	<ul style="list-style-type: none"> <li>■ Finalize the development of Action Plans. Ministries' priorities should be articulated and presented in the action plans</li> <li>■ Mainstream NAP and SLM into Action Plans</li> <li>■ Officially endorse the Action Plans</li> <li>■ Implement fiscal reforms to become eligible for macro-economic assistance</li> </ul>	<ul style="list-style-type: none"> <li>■ Line Ministries</li> <li>■ Ministry of Finance</li> </ul>
World Bank	<ul style="list-style-type: none"> <li>■ Implement reforms to maximize the size of the lending envelope</li> </ul>	<ul style="list-style-type: none"> <li>■ Ministry of Finance</li> </ul>
IFAD	<ul style="list-style-type: none"> <li>■ Articulate priorities (eventually through a National Development Strategy)</li> <li>■ Funding requests should fall in line with needs elaborated in the National Development Strategy</li> </ul>	<ul style="list-style-type: none"> <li>■ MoAgriculture &amp; MoSocial Affairs in coordination with other ministries</li> </ul>
USAID	<ul style="list-style-type: none"> <li>■ Develop partnerships with the NGOs that are funded by USAID and link their activities to the (desertification-prone) areas in which the ministry is active</li> </ul>	<ul style="list-style-type: none"> <li>■ MoAgriculture</li> <li>■ MoEnvironment</li> </ul>

Donor	Strategic Approach	Actor / Level of Action
Bi-lateral donors	<ul style="list-style-type: none"> <li>■ Demonstrate commitment to a development strategy through credible sectoral policies that emphasize the rural poor</li> </ul>	<ul style="list-style-type: none"> <li>■ MoPlanning</li> </ul>
	<ul style="list-style-type: none"> <li>■ Build research partnerships to foster knowledge-sharing and enhance exchange of information and know-how</li> </ul>	<ul style="list-style-type: none"> <li>■ Research centers</li> <li>■ Academia</li> </ul>
	<ul style="list-style-type: none"> <li>■ Lobby for funding for environment and SLM-related activities at embassies (e.g. through invitations to cultural activities and awareness events, requests for sponsorship of activities, etc)</li> </ul>	<ul style="list-style-type: none"> <li>■ NGOs</li> <li>■ CSOs</li> <li>■ Municipalities</li> </ul>
Arab donors	<ul style="list-style-type: none"> <li>■ Approach with a development planning policy to ensure concerted effort since Arab donors have not set their own development targets for funding</li> <li>■ Lack of sectoral preference provides opportunity to emphasize agriculture-related projects and programs</li> <li>■ Explore forms of grant aid instead of focusing primarily on loans</li> </ul>	<ul style="list-style-type: none"> <li>■ MoPlanning</li> <li>■ Line Ministries</li> </ul>
All donors	<ul style="list-style-type: none"> <li>■ Establish partnerships with NGOs and CSOs who are eligible to direct funding from external sources (such as GEF and WB)</li> </ul>	<ul style="list-style-type: none"> <li>■ MoAgriculture</li> </ul>
All donors	<ul style="list-style-type: none"> <li>■ Follow the program approach to seeking funding (i.e. develop cross-sectoral programs based on priorities, mobilize majority of funds from internal sources and subsequently seek co-funding)</li> </ul>	<ul style="list-style-type: none"> <li>■ Line Ministries</li> <li>■ Municipalities</li> <li>■ NGOs / CSOs</li> </ul>

Some recommendations for submitting a proposal to donors are outlined in Box 7

Box 7: Recommendations for approaching financing partners by submitting a proposal to donors

1. Present a complete dossier
2. Present an accurate and detailed co-financing plan
3. Provide all the required elements
4. Follow norms and procedures
5. Respect deadlines
6. Present a realistic budget
7. Provide CVs of experts and persons directly involved in carrying out the project,
8. Establish an executive timeline (project's sequence),
9. Provide a logistical framework for carrying out the project,
10. Determine tools and process for evaluating the project (even if not required by the lender, it is an asset for the candidate),
11. Keep books judiciously, separate from the project, to be able to provide better accounts

## G. SUMMARY OF GUIDELINES:

The following table lists the guidelines provided in this component.

Table 6: Summary of guidelines provided in this component

#	Step	Guidelines
1	Identify external sources of funding	<ul style="list-style-type: none"><li>■ List of potential external source of funding</li></ul>
2	Describe trends in the donor community and donor priorities	<ul style="list-style-type: none"><li>■ NA</li></ul>
3	Analyze main donors	<ul style="list-style-type: none"><li>■ List of potential bilateral and multilateral donors</li><li>■ List of potential Arab funding sources</li><li>■ Guidelines for analysis of main donors</li><li>■ Table for data collected on main donors</li><li>■ Structure of donor questionnaire</li></ul>
4	Construct a donor matrix	<ul style="list-style-type: none"><li>■ Table illustrating matrix contents</li></ul>
5	Elaborate donor profile sheets	<ul style="list-style-type: none"><li>■ Contents of donor profile sheet</li></ul>
6	Investigate other sources of external funding	<ul style="list-style-type: none"><li>■ NA</li></ul>
7	Formulate recommendations for improving mobilization of resources from external sources of funding	<ul style="list-style-type: none"><li>■ Guidelines for strategic approach to external sources of funding</li><li>■ Table of strategic entry points to external sources of funding</li><li>■ Recommendations for approaching financing partners</li></ul>

## H. APPENDIX:

Refer to the accompanying CD.

- List of donor websites
- Donor matrix - template
- Donor matrix - Lebanon example
- Donor questionnaire - template
- Donor profile sheet

# Component 5

## Resource Mobilization: Innovative Sources of Funding



# Resource Mobilization: Innovative Sources of Funding

## Component 5

### A. DEFINITION:

Innovative sources of funding represent potential and non-traditional modes of financing, a new supplementary approach aimed at increasing the amount of resources available and ensuring better predictability of aid flows. This has been recognized as a particularly important condition for maximizing the impact of ODA.

In recent years, innovative financing mechanisms are increasingly being seen as a stable and sustainable funding source that is not interrupted by changes in political dynamics or donor modalities. Innovative resources are mobilized through financial mechanisms and instruments where the principles of combating desertification and sustainable land management are incorporated. The funds from innovative sources can be earmarked to fund SLM activities.

### B. OBJECTIVE:

The aim of this section is to investigate the range of suitable innovative financing mechanisms that could supplement the traditional funding sources. Mobilizing funds from innovative sources requires knowledge of mechanisms and instruments that are applicable in the country, as well as, accompanying measures that are required to implement them.

### C. SECTION CONTENTS:

This section of the strategy should cover the following topics:

- Overview of innovative financial mechanisms and instruments
- Appropriate innovative sources of funding
- Measures for implementing innovative sources

### D. STEPS TO FOLLOW:

The steps to follow for completing this section of the strategy are listed below:

1. **Identify and describe innovative financial mechanisms and instruments:** Investigate the range of innovative sources of funding that are available, including mechanisms of related conventions.

2. **Assess the most suitable innovative financing sources:** Of the range of mechanisms and instruments available, investigate the ones that are most suitable to the country.
3. **Assess accompanying measures needed for implementation:** Identify and describe the measures that are required to put the innovative mechanisms into practice.

Table 1: Summary of Steps and Results in the Mobilization of Innovative Sources of Funding

#	Step	Results
1	Identify and describe innovative financial mechanisms and instruments	<ul style="list-style-type: none"> <li>■ Range of innovative financing mechanisms and instruments identified</li> </ul>
2	Assess the most suitable innovative financing sources	<ul style="list-style-type: none"> <li>■ Innovative sources of funding that are appropriate to the country context elaborated</li> </ul>
3	Assess accompanying measures needed for implementation	<ul style="list-style-type: none"> <li>■ Measures required for implementation of mechanisms identified and described</li> </ul>

## E. RESOURCES NEEDED:

Expertise	Task
<ul style="list-style-type: none"> <li>■ Environmental economist</li> </ul>	→ Analysis of innovative financing mechanisms and instruments
<ul style="list-style-type: none"> <li>■ Legal expert</li> </ul>	→ Analysis of legal and regulatory instruments required for implementation of innovative financing schemes

## F. METHODS AND TOOLS:

Innovative financing mechanisms are lesser known than their traditional funding sources counterparts. A review of the growing body of literature is therefore essential to this component. Mechanisms linked to the Rio Conventions as well as emerging environmental finance mechanisms and traditional fiscal instruments conventionally used by governments for regulation should be explored. The internet provides a rich source of information.

### 1. Identify and describe innovative financing mechanisms and instruments

There is a wide range of innovative financing mechanisms that should be researched. An exhaustive literature review should be conducted as a first step.

Innovative instruments are highly varied but have not been fully explored in developing countries as much as other more traditional funding sources. This analysis may therefore be highly time-consuming which requires meetings with a multitude of actors in both the public and private sectors.

**TIP**

### 1.1 Useful sources:

- The texts of the Rio Conventions and associated documents
- Literature on economic instruments used in environmental protection
- Websites of environmental funds and innovative mechanisms. A short sample is shown in Table 2.
- Meetings with stakeholders who are exploring or already have experience implementing certain innovative schemes.

Table 2: List of websites relevant to innovative funding sources

Name of site	URL
Conservation Finance Alliance	<a href="http://www.conservationfinance.org">http://www.conservationfinance.org</a>
Biodiversity Economic	<a href="http://www.biodiversityeconomics.org">http://www.biodiversityeconomics.org</a>
FRAME	<a href="http://www.frameweb.org">http://www.frameweb.org</a>
Ecofondos	<a href="http://www.ecofondos.net">http://www.ecofondos.net</a>
Nature Valuation and Finance Network	<a href="http://topshare.wur.nl/natureevaluation">http://topshare.wur.nl/natureevaluation</a>
Red LAC	<a href="http://www.redlac.org">http://www.redlac.org</a>
GPAN	<a href="http://www.profonanpe.org.pe/gpan">http://www.profonanpe.org.pe/gpan</a>
Ecosystem Marketplace	<a href="http://www.ecosystemmarketplace.com">http://www.ecosystemmarketplace.com</a>
Eco-Portal	<a href="http://www.EnvironmentalSustainability.Info">http://www.EnvironmentalSustainability.Info</a>
The Forest Conservation Portal	<a href="http://www.forests.org">http://www.forests.org</a>
The Climate Ark - Climate Change Portal	<a href="http://www.climateark.org">http://www.climateark.org</a>
The WaterConserve - Water Conservation Portal	<a href="http://www.WaterConserve.info">http://www.WaterConserve.info</a>
Environmental Finance	<a href="http://www.environmental-finance.com/index.htm">http://www.environmental-finance.com/index.htm</a>

### 1.2 Steps to follow:

- Review the literature
- Review the Rio Conventions and their associated financing mechanisms
- Identify innovative financing mechanisms and their status in or applicability to the country context.

### 1.3 Useful tools:

Box 1 lists a number of innovative financing mechanisms and instruments.

### Box 1: Potential financing mechanisms and instruments

#### Financing mechanisms

- Debt-for-nature swaps
- Compensation for ecosystem services schemes
  - PES – Payment for Ecosystem Services
- Clean Development Mechanism (CDM)

#### Financing instruments

- Fiscal or policy incentives and disincentives provided through
  - charges
  - fines
  - taxes
  - subsidies
  - tariffs

The financial mechanisms may be presented in a number of ways. Box 2 shows how the mechanisms may be classified.

### Box 2: Types of financing mechanisms

Finance mechanisms will vary according to their ecological, social and political context. Four broad types of mechanisms can be distinguished, in declining level of government involvement (Scherr et al., 2004; Powell et al., 2002).

1. Public payment schemes. The government provides the institutional foundation for a program and directly invests in it as well. Examples include:
  - Permanent conservation easements
  - Contract farmland set aside for conservation
  - Programs to co-finance investments in afforestation or sustainable forest management
  - Payments for the confirmed presence of endangered wildlife species.
2. Open trading under a regulatory cap or floor. The government defines a mandatory level of a specific ecosystem service to be provided. But to achieve this level the regulated party can choose either to comply directly with the requirement or to pay others, who are in the position to supply the service at a better rate, to do so. Examples include
  - Wetland mitigation banking in the USA
  - Tradable Development Rights
  - Salinity credit trading in New South Wales, Australia
  - Carbon emission offset trading
3. Self-organized private deals. Direct, usually closed, transactions between offsite beneficiaries of forest services and forest landholders responsible for the services. Examples include:
  - Hydro power companies paying land owners upstream for managing forest cover in the designated watershed
  - An NGO partners with local people to restore degraded land
  - A pharmaceutical company paying for access to a certain area or for the collecting work by local people of potentially valuable organisms.

4. Ecolabelling of forest or farm products. Also this process is also handled by private actors, payments for ecosystem services is embedded in a traded product. Examples include:

- FSC (Forest Stewardship Council) timber and non-timber certification
- «Salmon-safe» labelled products from farmers in the northwestern US.

Source: Scherr, S., White, A., Khare, A., 2004. For services rendered: The current status and future potential of markets for the ecosystem services provided by tropical forests. International Tropical Timber Organization (ITTO) Technical Series No 21.

Powell, I., White, A., Landell-Mills, N., 2002. Developing markets for ecosystem services of forests. Forest Trends ISBN 0-9713606-3-4.

<http://topshare.wur.nl/naturevaluation>

## 2. Assess the most suitable innovative financing sources

The most appropriate mechanisms should be selected based on the country context, namely the potential to implement the mechanisms. Existing structures, regulations, and legislation should be considered when analyzing the relevance of the mechanisms.

### 2.1 Steps to follow:

- For innovative financing sources that already exist, identify the following steps needed to increase the mobilization of resources
- For innovative financing sources that have potential for implementation, identify the mechanisms required to institute them

It is beyond the scope of the IFS to present an exhaustive analysis of all innovative sources of funding. Rather schemes that show high potential for implementation need to be highlighted for further investigation in follow-up studies (e.g. the swappable portion of national debt)

**TIP**

### 2.2 Useful tools:

Table 3 displays some innovative financing that may be applicable to some country cases and identifies the main steps needed for their implementation

Table 3: Applicable innovative mechanisms

Innovative Mechanism	Points of entry / Recommended steps	Applicability / Comments
Conservation Easements	<ul style="list-style-type: none"> <li>■ Municipality to identify a natural asset in its jurisdiction under threat of exploitation.</li> <li>■ Municipality is to approach owner with a package (perhaps consisting of tax reductions).</li> <li>■ Owner must voluntarily agree to take those tax reductions in return for conserving the natural asset.</li> </ul>	<p>If a certain natural asset is upon privately owned land, getting the private owner to agree to a conservation easement rests on two criteria:</p> <ol style="list-style-type: none"> <li>1- He/She must voluntarily agree to undergo such an agreement</li> <li>2- Involve municipal body upon which the jurisdiction lies to agree to provide the landowner with some sort of tax cuts if he/she undergoes the agreed conservation measure in the easement.</li> </ol>
Small targeted grants	<ul style="list-style-type: none"> <li>■ Identify an important local environmental asset (forest) or service which needs conservation or enhancement.</li> <li>■ Approach an institution (private bank or private sector company) to see if they are willing to offer a grant for the asset or service.</li> <li>■ When agreement is made, ensure that media coverage is undertaken to reveal to people the bank's (or any other institution) commitment to the environment.</li> </ul>	<p>Many institutions like private banks are becoming aware of the importance of having a positive environmental image.</p>
Debt-for-nature swaps	<ul style="list-style-type: none"> <li>■ Identify (with Ministry of Environment) natural area that needs to be protected</li> <li>■ Identify whether area is under 'public' property. If Yes, proceed.</li> <li>■ Contact international organizations (e.g. WWF for the Conservation of Nature) that deal with debt-for-nature swaps and assess their willingness to coordinate</li> <li>■ Involve Ministry of Finance to express amount of debt the organization would pay in return for the conservation of the specified area.</li> <li>■ Involve directly the international or local body whom is the recipient of the debt, because most probably the debt would be returned lower than face value.</li> </ul>	<p>Several bilateral donor countries show interest in undertaking debt-for-nature swaps with their partner countries that are heavily indebted.</p>
Communal property rights	<ul style="list-style-type: none"> <li>■ Identify what it is that is being exploited (e.g. Medicinal &amp; Aromatic Plant) being sustainable yields.</li> <li>■ Identify the area (under who's municipal or regional jurisdiction) where the exploitation is taking place</li> <li>■ Identify who among the people are harvesters in this case.</li> <li>■ Set up workshop(s) under the municipalities in area, inviting all harvesters.</li> <li>■ Provide harvesters with permits to the harvest, communicating with them the method to harvest and amount.</li> <li>■ Empower the local harvesters to notify municipal authorities (or other) of any outside harvesters to prevent the latter.</li> </ul>	<p>Implementing communal property rights in a densely populated nation, however is not an easy method to implement.</p>

Innovative Mechanism	Points of entry / Recommended steps	Applicability / Comments
Clean Development Mechanism (Kyoto)	<ul style="list-style-type: none"> <li>■ Preparation of investment plan by investor</li> <li>■ Designated National Authority screen the project</li> <li>■ Investor involves Designated Operational Entity to verify project and emission reduction</li> <li>■ Registration of project with CDM Executive Board</li> <li>■ Implementation of Project</li> <li>■ Monitoring Plan is set through the Project Proponent and verified by DOE</li> <li>■ Certification is given by DOE with a certification letter to the EB</li> <li>■ CDM registry issues the CERs upon instruction by EB</li> </ul>	The country is still in the phase of establishing or has established the Designated National Authority, without which CDM cannot be initialized.

For the analysis of debt-for-development, Table 4 lists some organizations that have experience in implementing these schemes.

Table 4: Organizations with experience in debt-for-development schemes

Name	Address	Contact Numbers
Conservation International	1015, Eighteenth Street, N.W. Suite 1000, Washington DC 20036, USA	Tel: (202) 429-5660 Fax: (202) 887-5188
The Nature Conservancy	International Headquarters 1815 North Lynn Street Arlington, Virginia, 22209, USA	Tel.: (703) 841-7417 Fax: (703) 841-4880
WWF	1250 Twenty Fourth Street, N.W. Washington DC 20037-1175, USA	Tel.: (202) 778-9766 Fax: (202) 861-8324
UNCTAD — Development Finance Unit	Palais des Nations CH-1211 Geneva 10, Switzerland	Tel.: 41-22-9071234 Fax: 41-22-9070057
UNICEF	3 United Nations Plaza New York, N.Y. 10017, USA	Tel.: 1-212-3267000 Fax: 1-212-8887465
EURODAD	Square Ambiorix 10 B-1000 Brussels, Belgium	Tel.: 32-2-7438795, Fax: 32-2-7321934 E-Mail: eurodad@knooppunt.be
NCOS	Vlasfabriekstraat 11 B-1060 Brussels, Belgium	Tel.: 32-2-5392620 Fax: 32-2-5391343
ING-Bank	Emerging Markets Department P.O.Box 1800 NL-1000 BV Amsterdam-Zuidost, Netherlands	Tel.: 31-20-5635138 Fax: 31-20-5635853
SÜDWIND	Lindenstrasse 58-60 D-53721 Siegburg, Germany	Tel.: 49-2241-53617 Fax: 49-2241-51308
Epargne Sans Frontière	32 Rue Le Peletier F-75009 Paris, France	Tel.: 33-1-48009682 Fax: 33-1-48009659
IUCN—The World Conservation Union	Rue Mauverney 28 CH-1196 Gland, Switzerland	Tel.: 41-22-9990001 Fax: 41-22-9990020
MEDA Trade and Consulting (MTC)	155 Forbisher Dr., Suite I- 106 Waterloo, Ontario NZV 2E1 Canada	Tel. 1-519-7251725 Fax: 1-519-7259083

### 3. Assess accompanying measures needed for implementation

Governments can facilitate the implementation of the identified financing mechanisms in many ways. Legal and regulatory structures in particular should be explored.

Examples of the kind of legislation / regulation that governments can implement are shown in Box 3.

#### Box 3: Types of facilitating legislation / regulation

- New legislation should recognize the ecosystem approach
- Not only should environmental legislation be adapted, but national legislation should be developed to regulate economic activities so that they do not adversely affect ecosystems
- Rules and regulations should secure property rights. Supportive legislative action covers formalization and registration of rights, land use registers, coordination among departments for allocating rights, and dispute resolution mechanisms.

Box 4 lists some incentives for actors to become involved in innovative financing schemes

#### Box 4: Incentives to become involved in innovative schemes

##### Public sector

- Finance mechanisms can provide a cost-effective solution to further internalize the value of nature into the market by seeing it as a good or services that can be traded.

##### Private sector

###### I. Forced to:

- Regulatory compliance. Examples include:
  - Law
  - Cap-and-trade

###### II. Clear business benefits:

- Business opportunity. Examples include:
  - Ability to earn money through carbon offsets or the water market (financial intermediaries).
  - Reduce environmental risk (insurance firms)
  - Eco-enterprise operations
- Secure, sustain or reduce costs of key natural resource inputs required for business operations. Examples include:
  - Uncontaminated water needed for bottling plant
  - "Charismatic" macro fauna for ecotourism
  - Genetic resources for pharmaceutical companies (i.e. bioprospecting)
  - Conservation of watershed to secure water flow regulation / high quality drinking water
- Securing license to operate: Reputation risk management/managing potentially difficult relationships:
  - Better relations with regulators, supporting formal license to operate in the future.
  - Better relations with local communities, supporting informal license to operate, avoiding disruption/losses from protests.

- Enhance or maintain the financial value of land, forest or other assets belonging to the company.

III. Indirect business benefits:

- Enable strong “green” branding by the company (for marketing to consumers, investors or others committed to green products)
- Improved staff pride and morale, enhanced recruitment and retention of superior staff.
- Reflect/consistent with broader business values of the corporation (commitment of CEO to “good husbandry”)

IV. Not-business related

- Philanthropy / Charity

Source: Adapted from: <http://topshare.wur.nl/naturevaluation/71579>

## G. SUMMARY OF GUIDELINES:

The following table lists the guidelines provided in this component.

Table 5: Summary of guidelines provided in this component

#	Step	Guidelines
1	Identify and describe innovate financial mechanisms and instruments	<ul style="list-style-type: none"> <li>■ List of potential financing mechanisms and instruments</li> <li>■ Categorization of types of financing mechanisms</li> </ul>
2	Assess the most suitable innovative financing sources	<ul style="list-style-type: none"> <li>■ Table of entry points for innovative financing mechanisms</li> <li>■ List of organizations with experience in debt-for-development schemes</li> </ul>
3	Assess accompanying measures needed for implementation	<ul style="list-style-type: none"> <li>■ List of types of facilitating legislation / regulation</li> <li>■ List of incentives to become involved in innovative schemes</li> </ul>

## H. APPENDIX:

Refer to the accompanying CD.

- Mechanism for typical debt-for-nature swap operations
- Fact sheet on conservation easements and communal property rights

# Component 6

## Partnership Building



### A. DEFINITION:

A partnership is the collaboration of two or more parties working towards a common goal. Partnerships are meant to foster comprehensive and widespread cross-sector collaboration to ensure that sustainable development initiatives are imaginative, coherent and integrated to face the most intractable problems. Partnerships provide an opportunity for improving activities by recognizing the qualities and competencies of each sector and finding new ways of harnessing them for the common good.

Partnership building is central to resource mobilization due to the cross-sectoral nature of combating desertification and sustainable land management, and the multitude of actors involved in it. Based on a strong understanding of internal and external financing procedures, partnership optimizes the contribution of each party to an integrated process.

### B. OBJECTIVE:

The aim of this section is to assess the range of partners and develop new approaches to partnership building for resource mobilization. It defines the elements required to set into motion the participatory approach involving several actors, including national, international, and development partners.

### C. SECTION CONTENTS:

This section of the strategy should cover the following topics:

- Current partnerships in UNCCD
- Potential partners
- Approach to partnership building

### D. STEPS TO FOLLOW:

The steps to follow for completing this section of the strategy are listed below:

1. **Review partnerships implemented within UNCCD framework:** Identify current UNCCD partners and assess their contribution to combating desertification and sustainable land management
2. **Identify potential partners and describe their role in combating desertification and sustainable land management:** Identify partners, their role and contribution to

combating desertification and resource mobilization.

3. **Build partnerships:** Describe process for establishing partnerships with identified partners.

Table 1: Summary of Steps and Results in Partnership Building

#	Step	Results
1	Review partnerships implemented within UNCCD framework	<ul style="list-style-type: none"> <li>Existing partnerships identified</li> <li>Contribution of partnerships to combating desertification and to sustainable land management assessed</li> </ul>
2	Identify potential partners and describe their role in combating desertification and Sustainable Land Management	<ul style="list-style-type: none"> <li>Potential partners identified</li> <li>Roles of potential partners specified</li> </ul>
3	Build partnerships	<ul style="list-style-type: none"> <li>Process for building partnerships developed</li> </ul>

## E. RESOURCES NEEDED:

Expertise	Task
<ul style="list-style-type: none"> <li>Partnership facilitator</li> </ul>	<ul style="list-style-type: none"> <li>Investigate potential partners and approach to partnership building</li> </ul>

## F. METHODS AND TOOLS:

Partnership building lies at the core of the participatory approach that is advocated by the UNCCD. A number of actors are identified and discussed in previous components (coordination mechanism, internal sources of funding, external sources of funding). This component develops more thoroughly the approach for identifying and integrating new partners into the resource mobilization process. Some partnerships may already exist and it is important to assess their contribution to the UNCCD to determine ways to improve the relationship and increase the benefits of resource mobilization.

### 1. Review partnerships implemented within UNCCD framework

The UNCCD advocates the establishment of partnerships. As a first step, the existing partnerships should be reviewed and their contribution to combating desertification assessed.

Box 1 lists some of the actors that may already be involved in partnerships with the national authority coordinating the action to combat desertification.

### Box 1: Existing or potential partners

- State and government structures (ministries, agencies)
- Local authorities (governorates, municipalities)
- Private enterprises and organizations (banks, micro-credit associations, industries)
- Professional organizations (cooperatives, syndicates, small farmers> association)
- Civil society organizations
- NGOs
- Research centers
- UN agencies
- Bilateral and multilateral donors
- International Development Organizations

Box 2 lists some points that should be considered during the partnership review process.

### Box 2: Reviewing partnerships

- When and how was the partnership established?
- How is the partner linked to the national authority concerned with CD/SLM?
- What is the role of the partner in CD/SLM?
- What has the partner's contribution been to the process of CD/SLM?
- What are the partner's modalities of operation?
- Is the partner productive?
- Is the partner able to mobilize resources?

## 2. Identify potential partners and describe their role in combating desertification

Actors at any level engage in partnerships for reasons of competence, means, and competition.

For instance,

- stronger competencies may have been devolved to other entities, such as local authorities
- more financial resources required for development activities may be held by other parties, such as the private sector, national, or international financial institutions
- sparse resources dictate that only the competitive actors survive and hence it is imperative to ally with the best partners in their areas of competence

Potential new partners should be identified. Partnerships may be built at different geographic levels and across sectors.

## 2.1 Partnerships at various levels

### ■ Local level:

- Establish coalitions in order to succeed in carrying out local projects
- This partnership should encompass all the forces and competences at work in the local area, from municipal services, through decentralized government services, civil society and NGOs, economic and industrial settings, research centers or universities.

### ■ National level:

- These partnerships serve to build strategic alliances at the policy level.

### ■ Regional level:

- The establishment of partnerships is necessary for the success of regional integration.
- The New Partnership for Africa's Development (NEPAD) is a perfect illustration. It is an initiative based on an integrated and comprehensive vision and strategic framework for development. Partnerships between different African stakeholders are the established mode of functioning for development activities on the African continent.

### ■ International level:

- These partners often provide project or program financing, technical assistance, political lobby, exchange of expertise, exchange and dissemination of experiences, and networking support among others.
- Partners may co-finance an ongoing program or complement a planned program by another partner.

## 2.2 Partnerships across sectors

Sector	Core Attributes related to SLM	Main Attributes
Public Sector	<p>The rule of law by:</p> <ul style="list-style-type: none"> <li>■ Generating political commitment to development and creating frameworks for integration of SLM and better resource mobilization</li> <li>■ Developing regulations and standard-setting mechanisms as well as adherence to international obligations</li> </ul>	'Rights' driven, the public sector provides access, information, stability and legitimacy
Private Sector	<p>Investment and trade by:</p> <ul style="list-style-type: none"> <li>■ Creating goods and services</li> <li>■ Providing employment opportunities, innovation and economic growth</li> <li>■ Maximizing profits for investors to ensure further investment that will allow the business to continue to innovate</li> <li>■ Use of natural resources for sustainable production</li> </ul>	'Profits' driven, the business sector is inventive, productive, highly focused and fast

Sector	Core Attributes related to SLM	Main Attributes
Civil Society	Social development by: <ul style="list-style-type: none"> <li>■ Providing support and services for those in need or excluded from mainstream society</li> <li>■ Acting as guardians of the public good, such as the environment</li> <li>■ Implementing projects</li> <li>■ Involving the community</li> <li>■ Raising awareness</li> </ul>	'Values' driven, civil society is responsive, vocal, inclusive and imaginative
Academia / Research	Education by: <ul style="list-style-type: none"> <li>■ Building the information base on land degradation processes</li> <li>■ Developing innovative approaches to addressing land degradation</li> <li>■ Developing the technical skills of human resources</li> </ul>	'Knowledge' driven, academia is scientific, methodical, and the driver of changes in approach

Source: Adapted from Tennyson, R. 2003. The Partnering Toolbook. The International Business Leaders Forum (IBLF) and the Global Alliance for Improved Nutrition (GAIN)

Certain important actors are often not integrated nor given responsibilities in the process of implementing projects for accessing different sources of financing. Possible new actors are outlined in Box 3.

### Box 3: Identifying "new" actors for potential partnerships

- Employer's associations, professional associations, private sector firms
- Women
- Youths
- Unions
- Elders
- Politicians
- Cooperatives

Potential partners should be a good fit with the goals / needs of the partnership. Box 4 provides some pointers on the partner selection process.

Many of the stakeholders previously identified could become potential partners. During the consultation process, issues related to partnership building should be brought to the discussion table.

**TIP**

#### Box 4: Criteria to consider when selecting potential partners

- What are the partner's interests in the area of combating desertification and sustainable land management?
- Do the partner's goals converge with those of cooperating in combating desertification / sustainable land management?
- Does the partner have a good track record?
- Does the partner have good standing in his sector?
- Does the partner have useful contacts that they are willing to share?
- Does the partner have the necessary competencies / skills?
- Does the partner hold potentially useful information or technical knowledge?
- Does the partner have a sound governance and management structure?
- Does the partner have a record of financial stability?
- Is the partner experienced and reliable in development projects?
- Has the partner been successful in mobilizing and managing resources?

Source: Adapted from Tennyson, R. 2003. The Partnering Toolbook. The International Business Leaders Forum (IBLF) and the Global Alliance for Improved Nutrition (GAIN).

Sometimes partners may not fit the criteria outlined in Box 4. However, certain actors have to be involved in the implementation for reasons outlined in Box 5

#### Box 5: Reasons for involvement of actors in project/program

- They have an official role in the framework of the project ;
- They represent a given community or a large sub-group of the targeted population ;
- They bring competences and/or necessary information for the process ;
- They finance the process ;
- They have legal rights in the project's area ;
- They have power and/or money ;
- They play a fundamental role in ensuring the success of the undertaking ;
- They invest in local development ;
- They are the main inhabitants in the area of the project's implementation.

Source: Adapted from Tennyson, R. 2003. The Partnering Toolbook. The International Business Leaders Forum (IBLF) and the Global Alliance for Improved Nutrition (GAIN).

Actors can bring a wide range of non-cash resources to the partnership.. Box 6 outlines the non-cash resources that partners may be able to provide.

## Box 6: Contributions of Partners

- Information
  - Statistics / Legal framework (PS)
  - Local knowledge / Social conditions (CS)
- Accommodation for
  - Partnership / Project Office (All)
  - Meetings / Workshops / High profile events (All)
  - Public information point (All)
- Products (depending on focus of project and on the businesses involved)
  - Medicines, Food, IT (BS)
  - Energy supplies (BS, PS)
- Expertise
  - Technical experts (All)
  - Project development (All)
  - Training/capacity-building (All)
  - Management (BS)
  - Marketing (BS)
  - Facilitation (CS)
  - Convening (PS)
- Relationships with
  - Donors (CS, PS)
  - Policy makers (BS, PS)
  - Suppliers / Labor organizations (BS)
  - Religious institutions, Community groups (CS)
  - Media (All)
  - General public (PS, CS)
- People
  - Specialist staff (All)
  - Administrative support (All)
  - Volunteers (CS, BS)
  - Students / Interns (PS)
- Information (dissemination)
  - Electronic communication systems (All)
  - Word of mouth (All)
  - Published materials (All)

BS: Business Sector

CS: Civil Society

PS: Public Sector

All: All Partners

Source: Adapted from Tennyson, R. 2003. The Partnering Toolbook. The International Business Leaders Forum (IBLF) and the Global Alliance for Improved Nutrition (GAIN).

Since partners will be involved in the process of resource mobilization it is imperative that specific roles are defined from the beginning. This is dependent on the competencies identified in each partner as well as the resources that each can contribute to the process (refer to Box 4 and Box 6). The key roles in partnerships are listed in Box 7.

#### Box 7: Key roles of partners

- Partnership / project “champion” (key promoter)
- Awareness raising
- Administration / Coordination
- Relationship management
- Project / program planning
- Project / program management or execution
- Communications
- Monitoring

### 3. Build partnerships

Of particular interest to combating desertification and to sustainable land management are South-South partnerships. In 1999, with the medium term policy for Public Development Aid (PDA), aid for South-South cooperation was deemed an integral part of effective methods of assistance. In particular, the contribution of experts and the organization of training sessions are supported mainly by South-South cooperation.

South-South cooperation schemes open doors to new financing schemes in the area of combating desertification. Particular attention should be paid to investigating these types of partnerships

**TIP**

#### Box 8: GM's SolArid Program

The GM has adopted this form of cooperation as a new opportunity for mobilizing resources. The SolArid program associates countries from North Africa and the Sahel around a general goal. The Global Mechanism's general themes for South-South cooperation revolve around the following points:

- Consolidating dialogue with development partners on national development policies and measures taken for making the NAP operational
- Access to resources, modalities and procedures for their mobilization from national and international sources
- Identifying paths and means for putting in place a platform for exchanging experiences and managing knowledge of the different facets of mobilizing resources for combating desertification
- Identifying paths for better mastering, strengthening and evaluating partnership relations between countries in the region and financial lenders
- Making use of experiences and results from national workshops organized by some countries on partnership in the framework of the NAP
- Contributing to making evident and promoting the specific profile of countries in the Sahel in the area of combating desertification, with regard to sustainable management of natural resources and combating poverty

As discussed earlier, partnerships can exist at many levels - from national or international strategic alliances at a policy level at one end of the partnering continuum, to locally based practical initiatives at the other. However the building and maintenance processes involved apply to virtually all types of partnership.

Figure 1 provides a guideline to the phases involved in the partnering process.



Figure 1: Phases in the partnering process

Source: Adapted from Tennyson, R. 2003. The Partnering Toolkit. The International Business Leaders Forum (IBLF) and the Global Alliance for Improved Nutrition (GAIN).

The significance of the partner's contribution can be summarized as shown in Table 2.

Table 2: Identification of partners, contribution, role and approach

Partner	Role*	Contribution
International NGO	<ul style="list-style-type: none"> <li>■ Provide technical support</li> </ul>	<ul style="list-style-type: none"> <li>■ Offer training sessions on developing legal framework</li> </ul>
Local NGO	<ul style="list-style-type: none"> <li>■ Implementation of projects at the community level</li> <li>■ Awareness raising campaigns</li> </ul>	<ul style="list-style-type: none"> <li>■ Provide volunteers</li> <li>■ Provide links to community</li> <li>■ Cooperate with local farmers</li> </ul>
Etc.		

\*Either a role in resource mobilization or a role in combating desertification

## G. SUMMARY OF GUIDELINES:

The following table lists the guidelines provided in this component.

Table 3: Summary of guidelines provided in this component

#	Step	Guidelines
1	Review partnerships implemented within UNCCD framework	<ul style="list-style-type: none"> <li>■ List of existing or potential partners</li> <li>■ List of items to consider during partnership review process</li> </ul>
2	Identify potential partners and describe their role in combating desertification and Sustainable Land Management	<ul style="list-style-type: none"> <li>■ List of partnership levels</li> <li>■ List of partnership sectors</li> <li>■ List of potential "new" actors</li> <li>■ Criteria to consider when selecting potential partners</li> <li>■ List of reasons for involvement of actors in project/program</li> <li>■ List of contributions of partners</li> <li>■ List of partner key roles</li> </ul>
3	Build partnerships	<ul style="list-style-type: none"> <li>■ 12 phases in partnering process</li> <li>■ Table for summarizing significance of partner contributions</li> </ul>

# Component 7

Action Plan for the IFS



### A. DEFINITION:

The Action Plan summarizes the main interventions to reach the outcomes and outputs of the strategy. The strategy identifies several process-oriented interventions that should be launched to facilitate inter-sectoral coordination, broaden stakeholder participation, establish formal partnerships and initiate policy dialogue, to name a few. These processes translate the strategy into concrete activities that will lead to the mobilization and channeling of substantial financial and other resources to support UNCCD implementation.

The Action Plan accompanies the strategy to summarize the activities recommended for effective resource mobilization. The Action Plan uses indicators in the form of a simple scorecard to identify the baseline situation as well as the intended target result. Steps to reach the target are identified, responsibilities and priorities are allocated, sources of verification, are listed, and budgets are assigned, where possible.

### B. OBJECTIVE:

The aim of the Action Plan is to present a comprehensive and easy-to-read logical framework (logframe) which lists the activities recommended to overcome barriers in the enabling environment and facilitate the mobilization of the mix of financial resources. The logframe presents the necessary activities to achieve the intended outputs and outcomes. Responsibilities are assigned to relevant stakeholders with set budgets, indicators, and targets, denoting priority of implementation.

### C. SECTION CONTENTS:

This section of the strategy should cover the following topics:

- Action plan

Outcome										
1	2	3	4	5	6	7	8	9	10	11
Output	Activity	Responsibility	Indicator	Baseline Situation	Target	Sub-activities	Sources Of Verification	Priority	Budget	Risks & Assumptions

## D. STEPS TO FOLLOW:

The steps to follow for completing this section of the strategy are listed below:

1. **Construct the logframe:** List the outcomes and outputs of the strategy.
2. **Summarize the activities:** For each output, list in bullet points the activities that are undertaken to reach the output.
3. **Assign responsibility:** For each activity, identify the lead responsibility and supporting actors.
4. **Develop indicators:** For each activity, develop a set of indicators based on a score of 0 to 3, to suggest the range of possible situation that could exist or develop. The indicators will be used to score the current baseline situation and desired target situation in subsequent columns.
5. **Describe the baseline situation:** Describe the current situation that the activity is meant to address. Assign a score to the baseline situation based on the indicators developed in the previous column.
6. **Identify the target status:** Based on the indicators developed, choose the target status that is intended to be reached by the activities.
7. **List the sub-activities to meet the target:** Develop in detail the sub-activities to be taken by the responsible actors to meet the set target.
8. **Identify sources of verification:** Identify tangible products resulting from the implementation of activities, and that may serve to verify their completion.
9. **Assign priority:** Identify if the activity warrants high, medium, or low priority, based on a number of factors including urgency.
10. **Estimate the required budget:** Estimate the financial resources needed to implement each activity.
11. **Identify risks and list any assumptions made:** Identify potential risks in the path of implementing the activities and list any assumptions.

Table 1: Summary of Steps and Results in the development of the Action Plan

#	Step	Results
1	Construct the logframe	<ul style="list-style-type: none"> <li>■ Skeleton framework of logframe developed</li> <li>■ List of outcomes and outputs filled in logframe</li> </ul>
2	Summarize the activities	<ul style="list-style-type: none"> <li>■ Activities to reach outcome listed in bullet point format</li> </ul>
3	Assign responsibility	<ul style="list-style-type: none"> <li>■ Responsibility of main and supporting actors identified</li> </ul>
4	Develop indicators	<ul style="list-style-type: none"> <li>■ Indicators developed based on a scale of 0 to 3</li> </ul>
5	Describe the baseline situation	<ul style="list-style-type: none"> <li>■ Baseline situation elaborated for each activity</li> <li>■ Baseline score assigned according to numeric indicators</li> </ul>
6	Identify the target status	<ul style="list-style-type: none"> <li>■ Target score assigned according to numeric indicators</li> </ul>
7	List sub-activities to meet the target status	<ul style="list-style-type: none"> <li>■ Activities required to meet target identified</li> </ul>
8	Identify sources of verification	<ul style="list-style-type: none"> <li>■ Tangible products resulting from the implementation of activities listed</li> </ul>
9	Assign priority	<ul style="list-style-type: none"> <li>■ Priority of activity identified</li> </ul>

#	Step	Results
10	Estimate the required budget	<ul style="list-style-type: none"> <li>Financial resources needed to implement activity estimated</li> </ul>
11	Identify risks and list any assumptions made	<ul style="list-style-type: none"> <li>Potential risks identified</li> <li>Assumptions made in assigning responsibility, estimating budget, assigning priority , etc listed</li> </ul>

## E. RESOURCES NEEDED:

Expertise	Task
<ul style="list-style-type: none"> <li>Program Analyst</li> </ul>	→ Summarize the actions detailed in the strategy, determine responsibility of actors, priority of actions, risks and assumptions

**Note:** The actors identified should be consulted and involved in the development of the strategy and the Action Plan

## F. METHODS AND TOOLS:

The development of the Action Plan is based on the recommendations that have been proposed throughout the strategy. Having a detailed set of recommended interventions simplifies the task of summarizing them to form a logframe.

Central to the action plan is the development of a set of indicators for each activity. For each activity, a range of possible results is identified, each with a corresponding numeric code. These indicators provide a simple means for determining the current status (baseline situation) and desired target. Tangible products of the activities serve as a means for verifying that the activities are indeed being implemented. The sources of verification is a helpful tool that is based on the activities and sub-activities needed to reach the desired output.

An assignment of priorities and an estimate of the budget for each activity as well as listing of the anticipated risks and assumptions made in the course of the recommendations conclude the action plan. In the steps that follow, each column in the matrix is separately elaborated upon.

### 1. Construct the logframe

The Action Plan can be presented in a simple table format with outputs, associated activities, responsibilities, indicators, baseline situation, target, etc. elaborated in horizontal columns. The broad outcome or overall objective of each section of the Action Plan (e.g. Mobilize Internal Resources, Mobilize External Resources) can be stated in the first line of the table as shown in the sample logframe above. Table 2 describes the columns of the Action Plan logframe.

Table 2: Description of columns in the Action Plan logframe

Column	Description
Output	<ul style="list-style-type: none"> <li>■ Broadly set target of the interventions</li> </ul>
Activity	<ul style="list-style-type: none"> <li>■ Specific intervention to meet the set output</li> </ul>
Responsibilities	<ul style="list-style-type: none"> <li>■ Lead and associate actors who are to carry out or oversee the implementation of the activity</li> </ul>
Indicator	<ul style="list-style-type: none"> <li>■ A unit of measurement that provides an indication of the condition of performance of an objective over time</li> <li>■ A range of possible situations are developed and a numeric code from 0 to 3 is assigned to each status, where 0 is generally the least desirable situation, and 3 the most desirable target. Hence, the higher the number, the more “favorable” the status.</li> </ul>
Baseline situation	<ul style="list-style-type: none"> <li>■ Current situation based on the analysis of the national context</li> <li>■ A score is assigned to the baseline situation</li> </ul>
Target	<ul style="list-style-type: none"> <li>■ Target based on desired result to be reached</li> <li>■ A number score identifies the desired target</li> </ul>
Sub-Activities	<ul style="list-style-type: none"> <li>■ A list of steps that should be taken to move from the baseline situation to the desired target</li> <li>■ This is an elaboration of the “Activity”</li> </ul>
Sources of verification	<ul style="list-style-type: none"> <li>■ Tangible products used for verifying the implementation of the activities and making sure that the actors are complying with their responsibilities</li> </ul>
Priority	<ul style="list-style-type: none"> <li>■ A ranking of the pressing nature of implementation of the activity</li> <li>■ Varies from high to medium to low</li> </ul>
Budget	<ul style="list-style-type: none"> <li>■ Estimation of the financial package required to carry out the intervention</li> </ul>
Risks & Assumptions	<ul style="list-style-type: none"> <li>■ Potential events that may cause hindrance in the implementation of actions</li> <li>■ Presumptions made in the recommendation of activities</li> </ul>

As a first step to filling out the logframe, the overall outcome should be stated in the first line of the table. Each of the following sections of the strategy constitutes an “Outcome” in the logframe:

- Mainstreaming SLM into Country Frameworks (Component 2)
- Mobilizing Internal Sources of Funding (Component 3)
- Mobilizing External Sources of Funding (Component 4)
- Mobilizing Innovative Sources of Funding (Component 5)
- Building Partnerships (Component 6)

The desired outputs that were developed in each of these sections should subsequently be listed in the first column as shown in Table 3.

Table 3: Filling in “Outcome” and “Output” columns in the Action Plan Logframe

Outcome 1 Mainstream SLM into Country Frameworks										
(1) Output	2	3	4	5	6	7	8	9	10	11
Improve the Coordination Mechanism	Activity	Responsibility	Indicator	Baseline Situation	Target	Sub-activities	Sources Of Verification	Priority	Budget	Risks & Assumptions

## 2. Summarize the activities

In each of the sections of the strategy that constitutes an output, recommendations are developed at the end of the section. These recommendations constitute the activities that should be carried out by the actors in order to meet the desired output.

In the second column of the logframe, under “Activities” these recommendations should be summarized in bullet point format. Each recommendation should constitute an Activity as shown in Table 4.

It is important to make sure that the activities presented in the Action Plan are consistent with the recommendations proposed in the sections of the strategy. The AP is a comprehensive summary of the outcomes of the analysis.

**TIP**

Table 4: Filling in “Activity” column in the Action Plan Logframe

Outcome 1										
1	(2) Activity	3	4	5	6	7	8	9	10	11
Output	Establish a national coordination platform for UNCCD Implementation with focus on resource mobilization	Responsibility	Indicator	Baseline Situation	Target	Sub-activities	Sources Of Verification	Priority	Budget	Risks & Assumptions
	Strengthen bilateral coordination among parties	Responsibility	Indicator	Baseline Situation	Target	Sub-activities	Sources Of Verification	Priority	Budget	Risks & Assumptions

### 3. Assign responsibility

For each activity that needs to be undertaken, the actors that are to take on the responsibility of implementing these tasks should be defined. In some cases, a single actor, such as the Ministry of Agriculture, may be involved. In other cases a multitude of actors may share responsibility.

Where multiple actors are involved, it is important to distinguish their roles. Generally, the lead is taken by one actor, while other actors lend supporting roles. The roles of the actors may be as follows:

- **Lead actor:** is responsible for initiating the activity and pushing it forward
- **Supporting actor:** works in various ways to support the lead actor; may act independently but does not initiate the activity
- **Promoter:** supports the lead actor by advertising and promoting a specific activity or concept; the media for instance may be involved as a promoter
- **Lobby:** rallies political or popular support to influence the decision making process; NGOs, CBOs, political parties, and representatives in government may constitute a strong lobby

#### Box 1: Assigning responsibility

The following factors should be considered when deciding on the responsibility to the various actors

- legal mandates
- capacity to act (technical, financial, human resources, etc)
- willingness to act
- degree of involvement in CD/SLM

The third column in the logframe should list the main actors and specify the type of role that each plays (i.e. lead, support, promoter, lobby). An example is shown in Table 5.

Table 5: Filling in “Responsibility” column in the Action Plan Logframe

Outcome 1										
1	2	(3) Responsibility	4	5	6	7	8	9	10	11
Output	Activity	<ul style="list-style-type: none"> <li>■ Lead: Ministry of Agriculture</li> <li>■ Support: Ministry of Environment, Ministry of Planning,</li> </ul>	Indicator	Baseline Situation	Target	Sub-activities	Sources Of Verification	Priority	Budget	Risks & Assumptions
	Activity	<ul style="list-style-type: none"> <li>■ Equal involvement from all parties: Ministries of Agriculture, Environment, Finance, Planning, private sector</li> <li>■ Lobby from members of parliament, NGOs</li> </ul>	Indicator	Baseline Situation	Target	Sub-activities	Sources Of Verification	Priority	Budget	Risks & Assumptions

## 4. Develop indicators

For each activity, indicators should be developed whether or not an activity has been implemented.

### Box 2: Definition of Indicator used in the logframe

The indicators used in the logframe can be defined as a set of quantitative and qualitative variables that allow the verification of changes produced by the activity.

The indicators represent potential status that may result from the implementation (or non-implementation) of the activity.

Each indicator consists of

- a numeric code ranging from 0 to 3, where
  - 0 represents the least desirable status → often the baseline situation
  - 3 represents the most desirable status → may be unachievable in the short term
- a qualitative description of the status

It is imperative that the description of each indicator be carefully developed, because

- The indicators will be used to describe the baseline situation (column 5)
- The indicators will be used to describe the target status (column 6)
- The more elaborate the description of the indicator, the easier it will be to narrow down the required sub-activities to move out of the baseline situation and reach the target (column 7).

The numeric codes used should incrementally indicate a status that becomes more desirable (i.e. the higher the number the more favorable the status). Using numeric codes, the indicators provide a quick and simple way to rate the change that the activity is anticipated to produce. For example, is a change from a baseline of 0 to a target of 3 desired? Or is the change from 0 to 1 desired? This change factor will also be taken into consideration when estimating the needed budget (column 10).

### Box 3: Constructing numeric codes

The numeric code 0 represents

- the least desirable status

The numeric codes 1 and 2 represent

- an improved status (i.e. better than 0)
- partial completion of a desired activity
- meeting one or more but not all of the components of the most desirable status (3)

The numeric code 3 represents of the completion

- the most desirable status
- an ultimate result that may not be met in the short or medium term

The indicators are developed in the fourth column in the logframe as shown in Table 6.

Table 6: Filling in “Indicators” column in the Action Plan Logframe

Outcome 1										
1	2	3	(4) Indicators	5	6	7	8	9	10	11
Output	Activity	Responsibilities	0 -- No operation coordination platform. NCB is still inactive; 1 -- Coordination platform is operational but meetings are irregular 2 -- Platform is operational and meetings are held on a regularly scheduled basis 3 -- Coordination proceedings create a positive feedback loop into SLM related activities in individual institutions	Baseline Situation	Target	Sub-activities	Sources Of Verification	Priority	Budget	Risks & Assumptions
Output	Activity	Responsibilities	0 -- No change in the status quo; bi-lateral coordination is still very limited 1 -- Formal channels of bi-lateral coordination are set up (such as designated authority in respective institutions) 2 -- Coordination meetings are held on a regular basis. 3 -- Active exchange of information, update, peer-review of plans, coordination and consultation in implementation of activities, synergistic efforts from stakeholders	Baseline Situation	Target	Sub-activities	Sources Of Verification	Priority	Budget	Risks & Assumptions

## 5. Describe the baseline situation

The analyses developed in the relevant sections of the strategy (i.e. Mainstreaming SLM into Country Frameworks, Mobilizing Internal Sources of Funding, etc.), are used to describe the baseline situation as follows:

- The baseline situation should be summarized in bullet format
- The points that are presented should be relevant to the intended output and the planned activity
- The baseline situation should be assigned a numeric code that corresponds to one of the indicators developed in the previous column

Table 7: Filling in “Baseline Situation” column in the Action Plan Logframe

Outcome 1										
1	2	3	4	(5) Baseline Situation	6	7	8	9	10	11
Output	Activity	Responsibilities	Indicators	<ul style="list-style-type: none"> <li>The NCB is inactive</li> <li>No coordination platform exists to combine stakeholders</li> <li>Numeric Code = 0</li> </ul>	Target	Sub-activities	Sources Of Verification	Priority	Budget	Risks & Assumptions
Output	Activity	Responsibilities	Indicators	<ul style="list-style-type: none"> <li>Bi-lateral coordination remains weak and is in need of strengthening</li> <li>Numeric Code = 0</li> </ul>	Target	Sub-activities	Sources Of Verification	Priority	Budget	Risks & Assumptions

## 6. Identify the target status

The desired target status should be specified in the sixth column of the logframe. The identification of the target status is derived directly on the indicators. The target should be one of the situations described in column 4. It is important to choose a target that is achievable. For example, if numeric code 3 denotes an ideal status that may not be achieved in the long-term without investment of significant resource, it may be more plausible to choose a more realistic target.

For simplicity, the target status should be represented by the numeric code as shown in Table 8.

Table 8: Filling in “Target” column in the Action Plan Logframe

Outcome 1										
1	2	3	4	5	(6) Target	7	8	9	10	11
Output	Activity	Responsibilities	Indicators	Baseline Situation	2	Sub-activities	Sources Of Verification	Priority	Budget	Risks & Assumptions
Output	Activity	Responsibilities	Indicators	Baseline Situation	3	Sub-activities	Sources Of Verification	Priority	Budget	Risks & Assumptions

**Note:** In the first row of the table, the numeric code “2” corresponds to a status where according to the indicators “Platform is operational and meetings are held on a regularly scheduled basis”. This is certainly a more realistic target than “Coordination

proceedings create a positive feedback loop into SLM related activities in individual institutions”, which corresponds to the numeric code “3”.

## 7. List the sub-activities to meet target

Identifying the desired target status makes it possible to elaborate the sub-activities that are needed to advance from the baseline situation to meet the target. The sub-activities should be as practical as possible and clearly explain the task that each actor should be performing.

The sub-activities are drawn out of the recommendations developed in each of the sections of the strategy. These should be summarized and presented in bullet format in the seventh column of the logframe as shown in Table 9.

Table 9: Filling in “Sub-activities” column in the Action Plan Logframe

Outcome 1										
1	2	3	4	5	6	(7) Sub-activities	8	9	10	11
Output	Activity	Responsibilities	Indicators	Baseline Situation	Target	<ul style="list-style-type: none"> <li>■ Explore feasibility of proposed coordination platforms:               <ul style="list-style-type: none"> <li>□ Revitalize the NCB</li> <li>□ Create an autonomous coordination department</li> <li>□ Use an existing platform for coordination of activities</li> </ul> </li> <li>■ Set up appropriate platform</li> </ul>	Sources Of Verification	Priority	Budget	Risks & Assumptions
Output	Activity	Responsibilities	Indicators	Baseline Situation	Target	<ul style="list-style-type: none"> <li>■ Set up formal channels of communication: designate authority in respective institutions for coordination, strengthen capacities of MoSA service centers to interact with community</li> <li>■ Hold regular meetings for update and exchange of information</li> <li>■ Incorporate feedback into planning and execution of activities</li> </ul>	Sources Of Verification	Priority	Budget	Risks & Assumptions

## 8. Identify sources of verification

In order to ensure that the activities are being carried out, a form of verification must be made available. The “sources of verification” represent tangible products that result from the implementation of the sub-activities detailed in column 7. Sources of verification may include

- legal texts
- studies, surveys, maps
- work plans or work agendas
- minutes of meetings

- memorandums of understanding
- terms of reference issued by the actor
- awareness material, etc

The sources of verification are directly linked to the sub-activities. They are presented in the eighth column of the logframe as shown in Table 10.

Table 10: Filling in “Sources of Verification” column in the Action Plan Logframe

Outcome 1										
1	2	3	4	5	6	7	(8) Sources of Verification	9	10	11
Output	Activity	Responsibilities	Indicators	Baseline Situation	Target	Sub-activities	<ul style="list-style-type: none"> <li>■ Legal text setting up the coordination platform</li> <li>■ Work plan and agenda of the coordination platform</li> <li>■ Minutes of meeting</li> </ul>	Priority	Budget	Risks & Assumptions
Output	Activity	Responsibilities	Indicators	Baseline Situation	Target	Sub-activities	<ul style="list-style-type: none"> <li>■ An established channel of communication</li> <li>■ Minutes of meetings</li> </ul>	Priority	Budget	Risks & Assumptions

## 9. Assign priority

A form of order or ranking should be assigned to each activity. This ranking need not be unique to the activity (such as when activities are ranked by numbers, where “1” would indicate that the activity is implemented first). However, it should provide an idea of the importance and sequence of implementation of the activities.

A reasonable classification of priority would be

- high
- medium
- low

The choice of a particular priority category depends on the following factors:

- urgency of implementation of the activity → to avoid negative consequences of inaction
- availability of resources → required budget may be very modest hence making it easier to implement the activity; stakeholders may already be mobilized
- precursor or prerequisite to another activity → must be implemented before an associated activity can take place
- significance/stakeholder concern → importance to stakeholders
- apparent technical feasibility → ease with which it may be implemented (sometimes the existence a structure may either simplify or complicate the implementation)

It may be helpful to break down the criteria as shown in Table 11. Each criterion can then be assigned a number value (1 = low significance, 2 = medium significance, 3 = high significance). The average significance value would determine the overall priority as shown in Table 11.

Table 11: Criteria for priority setting

Activity	Criteria					
	Urgency	Resource availability	Prerequisite for other activities	Significance / stakeholder concern	Apparent technical feasibility	Average significance
Establish national coordination platform	High 3	High 3	Medium 2	High 3	Medium 2	High 2.6
Strengthen bilateral coordination among parties	Medium 2	Low 1	Low 1	Medium 2	Low 1	Low 1.4

Although it is not always straightforward, in general the priority categories would have the characteristics shown in Table 12.

Table 12: General characteristics of the priority categories

Priority	Characteristics
High	<ul style="list-style-type: none"> <li>■ High urgency; inaction could lead to detrimental negative consequences</li> <li>■ Resources are readily available and sufficient to implement activity</li> <li>■ Is a prerequisite to other activities (e.g. legislation to establish NCB before an NCB can be created)</li> <li>■ Is a significant concern for stakeholders</li> <li>■ Is technically easy to implement</li> </ul>
Medium	<ul style="list-style-type: none"> <li>■ Moderately urgency; inaction will have minor negative consequences</li> <li>■ Some resources are still inadequate (financial, human, etc); mobilization required</li> <li>■ Is not holding up implementation of other activities</li> <li>■ Is of moderate concern to stakeholders</li> <li>■ Is technically challenging to implement either due to absence of previous structure/mechanism, or hurdle created by already existing structure/mechanism</li> </ul>
Low	<ul style="list-style-type: none"> <li>■ Not urgent; inaction will have no negative consequences</li> <li>■ Resources are not adequate at the present time; mobilization required</li> <li>■ Is not holding up implementation of other activities</li> <li>■ Is not of concern to stakeholders</li> <li>■ Is technically very challenging to implement (time consuming, specific structures must be built, etc.)</li> </ul>

The priority assigned for each activity should be presented in the ninth column of the logframe as shown in Table 13.

Table 13: Filling in “Priority” column in the Action Plan Logframe

Outcome 1										
1	2	3	4	5	6	7	8	(9) Priority	10	11
Output	Activity	Responsibilities	Indicators	Baseline Situation	Target	Sub-activities	Sources Of Verification	High	Budget	Risks & Assumptions
Output	Activity	Responsibilities	Indicators	Baseline Situation	Target	Sub-activities	Sources Of Verification	Low	Budget	Risks & Assumptions

## 10. Estimate the required budget

Budget estimation may be very difficult and may require a separate detailed study of the activity that is to be implemented. The size of the estimated budget would depend on the following factors:

- scale of activity → size of project and hence required resources
- time frame of implementation → the longer the required time to implement the activity, the costlier it will be
- availability of resources → if resources are already available the activity may be less costly
- priority → generally, the faster it must be implemented the more costly it may be
- magnitude of desired change → a desired change from a baseline situation of 0 to a target status of 3 may be costlier than a change from 0 to 1
- complexity of action → type of expertise or technology needed to implement the activity; generally the more complex the activity, the costlier it will be

Table 14 shows how a budget may be constructed. The table lists some of the important elements to be considered during budget estimation and illustrates how total costs may be calculated.

Table 14: Sample budget construction

Category	Unit	Unit Cost (\$)	# of Units	Total Cost (\$)
Personnel	Project Manager - Person month	1,000	24	24,000
	Coordinator - Person month	800	24	19,200
	Assistant - Person month	500	48	24,000
Training	Workshops	2,000	2	4,000
	Training manuals	20	2,000	40,000
Equipment / Supplies	Office rent	500	24	12,000
	Computers	850	3	2,250
Transport	Airfares	800	3	2,400
	Local transport	0.30 /km	5,000	1,500
	Stationery	300/month	24	7,300
Misc.	Marketing materials	700	2	1,400
	Communication	200	24	4,800
<b>Total Budget</b>				<b>142,850</b>

For simplicity, budget estimations may be presented in fixed brackets:

- < \$50,000
- \$50,000 – \$100,000
- \$100,000 – \$250,000
- > \$250,000

TIP

It may not be possible to assign detailed budget information to each action item, thus, estimations should be based on best available knowledge

The estimated budget for each activity should be presented in the tenth column of the logframe as shown in Table 15.

Table 15: Filling in “Budget” column in the Action Plan Logframe

Outcome 1										
1	2	3	4	5	6	7	8	9	(10) Budget	11
Output	Activity	Responsibilities	Indicators	Baseline Situation	Target	Sub-activities	Sources Of Verification	Priority	< \$50,000	Risks & Assumptions
Output	Activity	Responsibilities	Indicators	Baseline Situation	Target	Sub-activities	Sources Of Verification	Priority	\$50,000 – \$100,000	Risks & Assumptions

## 11. Identify risk and list any assumptions made

The last column of the logframe should list any outstanding issues that could influence the implementation of the activity, such as potential risks in the path of implementation or presumptions that were made as part of the recommendation but may not hold true in all cases. Table 16 elaborates upon some examples.

Table 16: Definition and examples of “Risks and Assumptions”

Term	Definition	Generic Examples
Risk	<ul style="list-style-type: none"> <li>■ A potential harm that may arise from some present process or from some future event</li> <li>■ Potential events that may cause hindrance in the implementation of activities</li> </ul>	<ul style="list-style-type: none"> <li>■ Political turmoil may cause significant delays in the process</li> <li>■ Available human resources lack adequate training</li> <li>■ Parties are not willing to cooperate</li> </ul>
Assumption	<ul style="list-style-type: none"> <li>■ A premise; a statement that is presumed to be true and from which a conclusion is drawn</li> <li>■ Presumptions made in the recommendation of activities</li> </ul>	<ul style="list-style-type: none"> <li>■ SLM may remain under-rated due to the low priority given to environmental issues</li> <li>■ Incentives for participants may be required</li> <li>■ The coordination body enjoys financial autonomy</li> <li>■ Institutional responsibilities and mandates are clearly understood and respected by all parties</li> </ul>

The risks and assumptions for each activity should be presented in the final column of the logframe as shown in Table 17.

Table 17: Filling in “Risks & Assumptions” column in the Action Plan Logframe

Outcome 1										
1	2	3	4	5	6	7	8	9	10	(11) Risks & Assumptions
Output	Activity	Responsibilities	Indicators	Baseline Situation	Target	Sub-activities	Sources Of Verification	Priority	Budget	<ul style="list-style-type: none"> <li>■ Participants designated by their institutions are appropriate for the posts &amp; report back to decision makers for follow-up</li> <li>■ Incentives for participants may be required</li> <li>■ The coordination body enjoys some form of autonomy</li> </ul>
Output	Activity	Responsibilities	Indicators	Baseline Situation	Target	Sub-activities	Sources Of Verification	Priority	Budget	<ul style="list-style-type: none"> <li>■ Points of conflict between institutions are resolved</li> <li>■ Incentives to coordinate and consult one another exist</li> <li>■ Institutional responsibilities and mandates are clearly understood and respected by all parties</li> </ul>

## G. SUMMARY OF GUIDELINES:

The following table lists the guidelines provided in this component.

Table 18: Summary of guidelines provided in this component

#	Step	Guidelines
1	Construct the logframe	<ul style="list-style-type: none"> <li>■ Description of columns in logframe</li> <li>■ Filling in Column (1) – example</li> </ul>
2	Summarize the activities	<ul style="list-style-type: none"> <li>■ Filling in Column (2) – example</li> </ul>
3	Assign responsibility	<ul style="list-style-type: none"> <li>■ Factors to be considered when assigning responsibility</li> <li>■ Filling in Column (3) – example</li> </ul>
4	Develop indicators	<ul style="list-style-type: none"> <li>■ Definition of indicator used in the logframe</li> <li>■ Constructing numeric codes</li> <li>■ Filling in Column (4) – example</li> </ul>
5	Describe the baseline situation	<ul style="list-style-type: none"> <li>■ Filling in Column (5) – example</li> </ul>
6	Identify the target status	<ul style="list-style-type: none"> <li>■ Filling in Column (6) – example</li> </ul>
7	List sub-activities to meet the target	<ul style="list-style-type: none"> <li>■ Filling in Column (7) – example</li> </ul>
8	Identify sources of verification	<ul style="list-style-type: none"> <li>■ Filling in Column (8) – example</li> </ul>
9	Assign priority	<ul style="list-style-type: none"> <li>■ Criteria for priority setting</li> <li>■ General characteristics of the priority categories</li> <li>■ Filling in Column (9) – example</li> </ul>
10	Estimate the required budget	<ul style="list-style-type: none"> <li>■ Sample budget</li> <li>■ Filling in Column (10) – example</li> </ul>
11	Identify risks and list any assumptions made	<ul style="list-style-type: none"> <li>■ Filling in Column (11) – example</li> </ul>

## H. APPENDIX:

Refer to the accompanying CD.

- Action Plan logframe
- Action Plan example from Lebanon IFS