



Objective 1 OPTIMIZING AVAILABLE RESOURCES

The 2008-2018 Strategic Plan to enhance UNCCD implementation recognizes a central role for the Global Mechanism (GM) in the improvement of the targeting, effectiveness and efficiency of financial and technological resources for combating desertification, land degradation and drought.

In particular, the GM is requested to: (a) assist and advise affected developing countries in the development of integrated investment frameworks for Sustainable Land Management (SLM), and (b) engage with donors, financial institutions and the private sector to promote harmonization and alignment and the development of consistent and complementary SLM financing platforms.

The GM believes that better use of better information and knowledge leads to better policies and better development outcomes. The Observatory on SLM Investments is designed to inform decision-making on SLM financing at all levels.

The first objective of the Observatory is to **maximise the use of existing resources** for SLM.

This is achieved in two steps:

(1) through the assessment of country SLM priorities and financial needs, and

(2) through the identification of relevant funding opportunities at national and international level.

By providing a detailed map of sources of funds and financial mechanisms, the Observatory facilitates the mobilization and channeling of resources available for SLM and UNCCD implementation.

The Observatory also offers a structured platform for information exchange, which enables stakeholders to gather and share information, knowledge, experience, and best practices on SLM financing.

This facilitates the development of synergies and partnerships that contribute to enhancing UNCCD implementation.

Objective 2 LEVERAGING INNOVATIVE RESOURCES

A major factor in the mobilization of financial resources for sustainable land management (SLM) is the availability of compelling, factual information on the scope and impact of relevant investments.

Through SLM portfolio reviews of donor organizations and country-level SLM investment reviews, the GM is assisting countries in the evaluation of performance of existing initiatives, with the aim of expanding the scope of future investments.

The GM Financial Information Engine on Land Degradation (FIELD) is used to inform the establishment of national monitoring systems of relevant SLM investments made by public, private, domestic and foreign entities.

The second specific objective of the Observatory is to **facilitate the mobilization of innovative and additional resources** for SLM.

The Observatory is particularly useful in detecting at an early stage changing trends in development finance that may affect future SLM investments.

The Observatory also provides practical information on how SLM may benefit from new financial instruments and mechanisms such as market-based mechanisms, payment for ecosystem services, and climate change adaptation funds.

The Observatory relies on and supports the integrated assessment of the costs of inaction, which quantifies the direct and indirect socio-economic and ecological impacts of desertification in terms of opportunity costs resulting from the decisions not to invest in SLM.

Societal and developmental issues such as poverty reduction, food security, sustainable production and consumption, biodiversity conservation, are just some examples of issues that are factored in.

These activities of the Observatory are instrumental to the development of integrated financing strategies for SLM.

Objective 3 MONITORING RETURN ON INVESTMENTS

In addition to the costs of inaction, the Observatory takes a close look at the benefits of action, i.e. the net socio-economic and financial gains accruing from SLM investments.

This is done mainly through the observation of performance and impact indicators to measure results against benchmarks and expectations.

In line with Results Based Management principles, the Observatory monitors both outputs and outcomes of interventions, thereby contributing to the establishment of a global learning process to advance the SLM agenda.

By doing so, the Observatory pursues its third objective, namely to **monitor the returns on investment** of SLM interventions and other measures taken to combat desertification, land degradation and drought.

To this end, the Observatory capitalizes on existing public expenditure reviews, as well as program appraisals and project evaluations already undertaken by other organizations.

This looks at both the cost-effectiveness and efficiency of interventions as well as the scale, quality and timeliness of results. It generates recommendations that guide policy reforms, inform programme development cycles and drive project implementation.

In addition to discouraging sub-optimal and unsustainable use of existing resources, the Observatory contributes to the mobilization of additional resources by providing the information necessary for mainstreaming SLM into overarching development strategies, policies and regulatory frameworks, as well as into corporate social and environmental responsibility policies, foreign direct investments, trade and production processes.

Through this work, the Observatory facilitates the replication and upscaling of virtuous SLM investment programmes.

FOR MORE INFORMATION



Mr Simone Quatrini

Coordinator, Policy and Investment Analysis

Tel. +39 06 5459 2154

Fax +39 06 5459 3154

s.quatrini@global-mechanism.org

www.global-mechanism.org

www.gmfield.info

The Global Mechanism of the UNCCD

Via Paolo di Dono 44

00142 Rome, Italy

Tel +39 06 5459 2155

Fax +39 06 5459 2135