

**Promoting national financing strategies for SLM
and UNCCD implementation**

Why?

The international development community's resource allocation patterns are increasingly determined by countries' development priorities and funding decisions. The finances available for UNCCD implementation therefore depend not only on governments identifying sustainable land management (SLM) as a national priority, but also on the allocation of resources for SLM from their national budgets.

In response to this changing environment, the GM's Economics and Financing Instruments Programme is developing the concept of national financing strategies (NFSs) and promoting their implementation to support UNCCD processes at country level.

What?

A NFS is a comprehensive arrangement that coordinates various financial sources, instruments and mechanisms to secure sustainable, timely and predictable investments for UNCCD implementation.

NFSs mobilize additional resources for SLM by broadening the scope of planning processes to include sectors that have not traditionally been part of the UNCCD agenda, and by promoting adequate resource allocation for UNCCD-related development policies in public budgets and expenditure frameworks.

NFSs maximize the value of public and private financial sources – both external and domestic - by recognizing and exploiting their complementary roles and interrelationships. Financial instruments can generate and influence financial flows by attracting or redirecting them, for instance, through fiscal or policy incentives and disincentives.

While NFSs are innovative, they are closely linked to the NAP process and well anchored in the national institutional setting.

The financial mechanisms involved in a NFS may include the Global Environment Facility (GEF), aid delivery mechanisms, national and international funds and implementation frameworks, and compensation for ecosystem services (CES) schemes.

How?

The programme promotes a series of interventions leading to the development of NFSs. The knowledge and know-how generated during this process is used to strengthen the overall concept of NFSs. Concept development is therefore an integral part of programme implementation.

Programme activities focus on strengthening national capacities through learning by doing, mentoring and coaching. More formal methodologies will also be needed, including the design and implementation of training modules on core NFS development issues.

To promote the sharing of good practices and lessons learned in partner countries, the programme will provide input to policy processes and meetings at all levels, through presentations, lectures and publications .

At country level, current SLM financing will be reviewed, constraints and opportunities assessed, and training sessions organized. NFS will be developed in consultation with national and international stakeholders.

At international level, experiences will be shared with other countries, generic guidelines for formulating and implementing NFSs will be prepared, training modules developed, and recommendations to improve financing for SLM at national level, formulated.

Work in progress

A conceptual framework for NFSs is currently being developed to:

- provide a concise overview of NFS as a way of supporting UNCCD processes
- list the implications of and provide recommendations for NFS design
- outline the NFS implementation process.

The programme will support the development and implementation of NFSs in GM priority countries in Africa, Asia and Latin America and the Caribbean. It is already operative in Jordan, Lebanon and Uganda - analyzing and assessing national public financial management, fiscal policy and investments and aid modalities.

In close collaboration with partners such as the United Nations Food and Agriculture Organization (FAO) and the Global Donor Platform on Rural Development, the GM is building knowledge on core NFS-related issues, through applied research on topics such as sector-wide approaches (SWAPs), the Highly-Indebted Poor Countries (HIPC) Initiative, public financial management processes, and aid modalities and instruments and their implications for SLM financing.

Expected outcomes

The Programme is expected to:

- design a coherent financing strategy for GM interventions at national level
- increase countries' capacity to develop NFS
- develop NFSs and initiate implementation in participating countries
- enhance dialogue and knowledge-sharing on financing for the UNCCD both within participating countries and at regional and international levels.

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