

Terms of Reference

for

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Background

The strategic programme on Market Access and Trade (MAT) was established to support the regional programmes of the Global Mechanism in the development of comprehensive country engagement strategies looking at innovative opportunities for Sustainable Land Management (SLM) financing, with a view to sharpening the focus at the country level and increasing the capacity of the Global Mechanism to mobilize resources for UNCCD implementation in the context of the new financial architecture. The MAT programme aims to draw on trade and markets related issues, to engage new stakeholders in the UNCCD implementation, leverage innovative sources for SLM financing and establish links with overarching development plans and budgeting processes.

The engagement of the GM in the new strategic area of market access and trade has in a very short time led to the identification of a number of opportunities for promoting SLM and to the establishment of innovative initiatives and collaborations with a wide range of partners. In particular the Global Mechanism and the International Centre for Trade and Sustainable Development (ICTSD) are organising an exploratory dialogue on "Building an Enabling Environment for Increasing Investment in Sustainable Land Management through Market Access and Trade". This builds on previous experiences that involved the MAT strategic programme and in particular on the collaboration of the Global Mechanism with ICTSD and UNCTAD Biotrade Initiative. In this context, special attention is being given to streamlining the approaches of different environmental agreements on market access and trade. Discussions are already involving the Secretariats of other conventions including the Convention on Biological Diversity (CBD), the Convention on International Trade in Endangered Species of Wild Flora and Fauna (CITES) and the Ramsar Convention on Wetlands (Ramsar) and the trade and economics branch of UNEP.

In an effort to finding a common agenda for promoting sustainable use and management of land and natural resources through market access and trade, the following areas were identified: i) international trade, ii) incentive measures and iii) private sector engagement. These three areas were regarded as a package for integrated and coherent interventions. While building on previous experiences, the exploratory dialogue will try to frame the discussion on trade, markets and sustainable use of natural resources in the context of the new financial architecture for ODA. This could lead to the identification of potential opportunities for establishing systematic links between incentive frameworks for enhancing sustainable use of natural resources, policy making and resource allocation and budgeting processes at the national level.

Rationale

Resource allocation patterns in the international development community have evolved towards country leadership and country-driven identification of development priorities through *inter alia* Poverty Reduction Strategy Papers (PRSPs). As a result, resource allocation is increasingly subject to national-level negotiations within the government as well as between the government and the international community. In addition, there is a broad commitment to enhance coherence among donors. As donors are increasingly aligning their priorities with those of the recipient countries, the importance of domestic public budget allocations increases considerably through new approaches and aid delivery mechanisms such as basket funding, general budget support (GBS), sector budget support (SBS) and pooling fund arrangements under the Sector-Wide Approach (SWAp). Their appearance was a

reaction to overcome the weaknesses of the existing aid modalities, typically 'stand-alone' projects and structural adjustment operations.

For cross-cutting issues like SLM, which is closely linked to poverty reduction, rural development and sustainable natural resource management, it is important to establish links with other sectors (for example trade, education and health among others) in order to become part of the broader development agenda. Despite the growing number of successful experiences and business models for promoting sustainable use of natural resources through market access and trade, the links with policy-making and budget allocation processes are yet to be fully developed. A sustainable impact of trade on the environment and on the use of land and natural resources can only be ensured by mainstreaming environmental sustainability criteria into trade related processes.

The present consultancy is required to consolidate the outcomes of the exploratory dialogue and to provide recommendations to the strategic programme on Market Access and Trade on areas of future work by the Global Mechanism for building an enabling environment for increasing investment in SLM through market access and trade. These recommendations will have to be based on the dialogue as well as on the review of relevant experiences and materials related to the main topics to be discussed during the workshop.

Assignment

The consultant is expected to carry out the following assignment under the supervision of the trade and markets strategy officer of the Global Mechanism and in coordination with the other GM strategic programmes. In particular he will have to:

- Review relevant background materials including:
 - a) the workshop background note and background paper;
 - b) ongoing initiatives for promoting sustainable use of natural resources through market access and trade, in particular those involving other MEAs;
 - c) trade processes such as the Integrated Framework (IF), the Joint Integrated Technical Assistance Programme (JITAP) and others related to Aid for Trade;
 - d) documentation on the new international financial architecture for official development assistance (ODA) with special regard to those financial instruments and mechanisms, such as the Sector Wide Approaches (SWAPs), that are already been used (or carry the potential) to support trade development;
- Participate in the exploratory dialogue on "building an enabling environment for increasing investment in SLM through market access and trade" and write the workshop report;
- On the basis of the workshop outcomes and the review of the relevant background materials, provide recommendations to the Global Mechanism on;
 - a) potential areas for future work by the Global Mechanism and the UNCCD to enhance coherence and coordination with other relevant MEAs – including CBD, CITES and the Ramsar convention among others – on market access and trade related activities;
 - b) opportunities and entry points for the Global Mechanism to establish links with and draw on trade related processes and financing mechanisms to create incentive frameworks for increasing investment in sustainable use and management of land and natural resources;
 - c) potential opportunities for the Global Mechanism to strengthen private sector and local community engagement in the implementation of the UNCCD

Expected Outputs

The expected deliverables of this consultancy include

- A comprehensive report on the “exploratory dialogue for building an enabling environment for increasing investment in SLM through market access and trade”;
- A synthetic paper on opportunities and areas of future work by the Global Mechanism for building an enabling environment for increasing investment in SLM through market access and trade