

Decision 24/COP.1**Organization to house the Global Mechanism
and agreement on its modalities****The Conference of the Parties,**

Recalling that the Conference of the Parties (COP), in accordance with article 21, paragraphs 5 and 6, of the Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, particularly in Africa, shall:

(a) identify, at its first ordinary session an organization to house the Global Mechanism established under article 21, paragraph 4, of the Convention;

(b) agree with the organization it has identified upon the modalities for the Global Mechanism; and

(c) make, at its first session, appropriate arrangements with the organization it has identified to house the Global Mechanism for the administrative operations of such Mechanism, drawing to the extent possible on existing budgetary and human resources,

Having examined the recommendations of the Intergovernmental Negotiating Committee for the Elaboration of an International Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa (INCD) regarding the functions of the Global Mechanism, and the criteria for selecting an institution to house it, as reflected in Appendix I of document ICCD/COP(1)/5 and in paragraphs 1 and 2 of the Committee's decision 10/3, taken at the first part of its tenth session, with the amendment contained in document ICCD/COP(1)/5/Add.1,

Recalling decision 10/18 of the INCD, taken at its resumed tenth session, which, inter alia:

(a) requests the COP at its first session to consider the offers of the International Fund for Agricultural Development (IFAD) and the United Nations Development Programme (UNDP), including any suggestions they deem necessary, and to take appropriate action on the matters related to the selection of an institution to house the Global Mechanism; and

(b) requests the Permanent Secretariat of the Convention, in consultation with IFAD and UNDP, to develop proposals on administrative and operational modalities of the Global Mechanism for consideration and adoption by the COP at its first session,

Noting with appreciation the revised offer of IFAD to house the Global Mechanism, contained in Appendix II of document ICCD/COP(1)/5, as supplemented by document ICCD/COP(1)/CRP.3, prepared in response to operative paragraph 1 of INCD decision 10/18,

Also noting with appreciation the revised offer of UNDP to house the Global Mechanism, contained in Appendix III of document ICCD/COP(1)/5, as supplemented by document ICCD/COP(1)/CRP.2, prepared in response to operative paragraph 1 of INCD decision 10/18,

Noting further document ICCD/COP(1)/5/Add.2/Rev.1, which contains proposals developed by the Permanent Secretariat, in consultation with IFAD and UNDP regarding the administrative and operational modalities of the Global Mechanism,

1. Decides to select IFAD to house the Global Mechanism on the basis of criteria agreed on in Section B of the Annex to INCD decision 10/3;

2. Decides also that the Global Mechanism, in carrying out its mandate, under the authority and guidance of the COP, should perform the functions described in the annex to this decision;

3. Requests the Permanent Secretariat, in consultation with the organization to house the Global Mechanism, as well as the other two collaborating institutions referred to in decision 25/COP.1, to develop a memorandum of understanding between the COP and appropriate body or organization for consideration and adoption at the second session of the COP;

4. Requests also the Permanent Secretariat and the organization housing the Global Mechanism, in consultation with the two other collaborating institutions, in developing the memorandum of understanding referred to in paragraph 3 above, to take fully into account document ICCD/COP(1)/5 and other related documents, including document ICCD/COP(1)/CRP.1, to address, inter alia, the following:

- (a) the separate identity of the Global Mechanism within the housing organization;
- (b) the measures to be taken to assure full accountability and full reporting to the COP;
- (c) the field office support available for Global Mechanism activities;
- (d) the administrative infrastructure available to support the Global Mechanism; and
- (e) arrangements for the handling of resources made available for Global Mechanism functioning and activities;

5. Further requests the organization housing the Global Mechanism and the Permanent Secretariat to work out appropriate arrangements for liaison and cooperation between the Permanent Secretariat and the Global Mechanism in order to avoid duplication and to enhance the effectiveness of Convention implementation in accordance with their respective roles in implementation;

6. Invites relevant institutions, programmes and bodies of the United Nations system, including the United Nations Food and Agriculture Organization (FAO), the Global Environment Facility (GEF), the United Nations Environment Programme (UNEP) and the World Food Programme (WFP), intergovernmental, regional and subregional organizations and regional development banks, as well as interested non-governmental organizations (NGOs) and the private sector, to actively support the activities of the Global Mechanism;

7. Urges Governments and all interested organizations, including non-governmental organizations and the private sector, to make promptly the voluntary contributions necessary to ensure that the Global Mechanism can begin operating on 1 January 1998 on the basis of Section A of Appendix I of document ICCD/COP(1)/5 and continue effective operations on the basis of the memorandum of understanding referred to in paragraph 3 above after its adoption by the second session of the COP;

8. Reiterates that, in accordance with article 21, paragraph 7 of the Convention, the COP shall, at its third ordinary session, review the policies, operational modalities and activities of the Global Mechanism and, on the basis of this review, shall consider and take appropriate action.

ANNEX

FUNCTIONS OF THE GLOBAL MECHANISM

In order to increase the effectiveness and efficiency of existing financial mechanisms, a global mechanism is established to promote actions leading to the mobilization and channelling of substantial financial resources.

In accordance with the relevant provisions of the Convention, in particular articles 7, 20 and 21, and the financial provisions of relevant regional implementation annexes, the global mechanism shall function under the authority and guidance of the Conference of the Parties, including on policies, operational modalities and activities, and be accountable and make regular reports to it, according to the principles of transparency, neutrality and universality. The global mechanism, in carrying out its mandate under article 21, paragraph 4, should perform the following functions:

1. Collecting and disseminating information

- (a) Identify potential sources of financing from bilateral donors, the United Nations system, multilateral financial institutions, regional and subregional financial mechanisms, and non-governmental organizations, foundations and other private sector entities, and establish relationships and maintain contacts with them.
- (b) Establish and update an inventory of the financial needs of affected developing country Parties for carrying out action programmes, as well as other relevant activities related to the implementation of the Convention, on the basis of information provided under relevant articles of the Convention.
- (c) Identify and draw up an inventory of relevant bilateral and multilateral cooperation programmes and available financial resources in the form of a comprehensive database, incorporating information both from Parties and from various financial mechanisms, comprising:
 - (i) Sources of available financing through bilateral and multilateral agencies, including their funding patterns and eligibility criteria, using reports to the Conference of the Parties by Parties and all other available data;
 - (ii) Sources of financing from non-governmental organizations, foundations, academic institutions and other private sector entities that might be encouraged to provide funding, including their funding patterns and eligibility criteria;
 - (iii) National funding in affected country Parties to finance actions designed to combat desertification and/or mitigate the effects of drought.
- (d) Disseminate information collected in accordance with paragraphs (a), (b) and (c) to Parties on a regular basis and make it available, on request, to interested intergovernmental and non-governmental organizations.

2. Analyzing and advising on request

- (a) Promote the matching of available resources to the projects and programmes of affected developing countries related to combating desertification, including assisting them to find new and additional resources for the implementation of the Convention.
- (b) Analyze and provide advice on sources of financial assistance and on mechanisms to channel resources to the local, national and subregional levels, including through non-governmental organizations and private sector entities.
- (c) Provide advice on the establishment, financing and management of national desertification funds.
- (d) Identify, promote and provide advice about innovative methods and incentives for mobilizing and channelling resources.

3. Promoting actions leading to cooperation and coordination

- (a) Disseminate information it collects so as to facilitate the assessment of, and exchange of information on, the effectiveness of financial assistance, including its accessibility, predictability, flexibility, quality and local-level orientation.
- (b) Provide identified United Nations agencies, funds and programmes, and multilateral financial institutions, with information and stimulate coordination among them, including in multiple-source financing.
- (c) Encourage, and facilitate coordination through the provision of information and other measures concerning relevant multiple-source financing approaches, mechanisms and arrangements, such as co-financing, parallel financing, consortia and joint programmes.
- (d) Increase awareness of the Convention, and promote the participation in its implementation, of identified foundations, academic institutions, non-governmental organizations and other private sector entities and facilitate contacts with them by interested Parties, in order to contribute to the mobilization and channelling of substantial financial resources.
- (e) Provide information, making use of the Conference of the Parties and other relevant existing forums, that will:
 - (i) Facilitate discussion of relevant issues in the governing bodies of multilateral financial institutions;
 - (ii) Inform Parties about the eligibility criteria and projects of international financial instruments and mechanisms, including particularly the Global Environment Facility (GEF), as they relate to implementation of the Convention;

- (iii) Inform affected country Parties about each other's relevant activities;
 - (iv) Disseminate methodologies developed by Parties to identify and prioritize the financial needs of action programmes at all levels;
 - (v) Promote full use and continued improvement of the funding sources to be utilized for the implementation of the Convention referred to in relevant articles of the Convention.
- (f) Identify and then provide information and advice on financing sources for the transfer, acquisition, adaptation and development of environmentally sound, economically viable and socially acceptable technologies relevant to combating desertification and/or mitigating the effects of drought.
- (g) Promote partnership building as it relates to the support of the mobilization of financial resources for the implementation of the Convention at the local, national, subregional and regional levels.
- (h) Facilitate the financing of information exchange on best practices utilized in combating desertification and/or mitigating the effects of drought at the local level in affected developing country Parties.

4. Mobilizing and channelling financial resources

- (a) Promote actions leading to the mobilization and channelling of financial resources to all levels in accordance with the provisions of the Convention.
- (b) Undertake actions and/or activities, in partnership particularly with developed country Parties, and relevant institutions, that shall, consistent with the Convention, mobilize and maximize for the purpose of the Convention adequate and substantial financial resources, including, as agreed in the Convention, new and additional resources, on a grant or, if necessary, concessional basis, to fund activities under action programmes of affected developing country Parties, particularly those in Africa, at all levels in conformity with the Convention and with the particular conditions of the regions of relevant regional implementation annexes.
- (c) Promote the use of existing bilateral and multilateral financial mechanisms and arrangements that mobilize and channel substantial financial resources to affected developing country Parties in combating desertification and mitigating the effects of drought.
- (d) Undertake actions and/or activities for the mobilization of adequate, timely and predictable financial resources, including new and additional funding from the Global Environment Facility of the agreed incremental costs of those activities concerning desertification that relate to its four focal areas, in conformity with the relevant provisions of the instrument establishing the Global Environment Facility.

- (e) Guide and direct, as requested and as appropriate, the channelling and allocation of resources mobilized for the purpose of the Convention from bilateral and multilateral sources through the host, and other organizations in an adequate, predictable and timely fashion to local, national, subregional and regional levels for the implementation of action programmes, projects and activities to combat desertification and/or mitigate the effects of drought in affected developing country Parties, particularly in Africa.
- (f) Use, as requested and appropriate, its own resources made available to it through trust fund(s) and/or equivalent arrangements established by the host organization for the Global Mechanism's functioning and activities, as defined in this annex, from bilateral and multilateral sources through the host organization and from the budget of the Convention.
- (g) Encourage, in conjunction with the Conference of the Parties, the provision, through various mechanisms within the United Nations system and through multilateral financial institutions, of support at the national, subregional and regional levels to activities that enable developing country Parties to meet their obligations under the Convention.
- (h) Increase the efficiency and effectiveness of existing financial mechanisms and collaborate with them to facilitate and catalyse the mobilization and channelling by them of adequate and substantial financial resources, including new and additional resources, for implementation of the Convention.
- (i) Play, among other functions, a catalytic role, in ensuring the availability of resources for project and programme design and implementation from bilateral and multilateral sources.
- (j) Promote and facilitate, through the actions in paragraphs (a) to (i):
 - (i) The transfer, acquisition, adaptation and development of environmentally sound, economically viable and socially acceptable technologies, knowledge, know-how and practices relevant to combating desertification and/or mitigating the effects of drought in affected developing countries, in conformity with the Convention.
 - (ii) The use of indigenous and traditional knowledge and technologies, as well as local expertise, at all levels in affected developing countries.

5. Reporting to the Conference of the Parties

- (a) Provide reports to the sessions of the Conference of the Parties on its activities, including in those reports the following:
 - (i) The operations and activities of the global mechanism, including the effectiveness of its activities in promoting the mobilization and channelling of the substantial financial resources referred to in paragraph 4 (a) above to affected developing country Parties;

- (ii) The assessment of future availability of funds for implementation of the Convention, as well as assessment and proposals for effective ways and means of providing such funds.