



United Nations

ICCD/CRIC(14)/8



Convention to Combat Desertification

Distr.: General
1 October 2015
English
Original: Arabic, Chinese, English,
French, Russian and Spanish

Committee for the Review of the Implementation of the Convention

Fourteenth session

Ankara, Turkey, 13–22 October 2015

Item 4 (a) of the provisional agenda

The UNCCD reporting and review process in view of the post-2015 development agenda

Improving the procedures for communication of information as well as the quality and formats of reports to be submitted to the Conference of the Parties

Refinement of the UNCCD monitoring and evaluation framework in view of the post-2015 development agenda: strategic objective 4

Note by the secretariat

Summary

This document has been prepared by the Global Mechanism (GM) in response to decisions 14/COP.11 and 16/COP.11 on the refinement of the progress indicators under strategic objective 4 (SO 4): “To mobilize resources to support implementation of the Convention through building effective partnerships between national and international actors”. By these decisions, the Conference of the Parties (COP) requested the GM to make a proposal to the COP at its twelfth session (COP 12) to reduce the number of indicators for SO 4, simplify the reporting process and reduce the reporting burden.

Based on the guidance from the COP at its eleventh session, the GM refined the progress indicators for measuring, reporting, monitoring and assessing progress with regard to SO 4. The GM also proposes an innovative analytical framework for assessing trends in the financial progress indicators.

This document is submitted for review to the Committee for the Review of the Implementation of the Convention, which may forward it to COP 12 to inform a decision on improving the monitoring, reporting and evaluation of Convention implementation.

GE.15-16629(E)



Please recycle



Contents

	<i>Paragraphs</i>	<i>Page</i>
I. Introduction	1–3	3
II. Refined set of progress indicators and methodology for their collection, validation and analysis	4–26	4
A. Proposed refined set of progress indicators	4–10	4
B. Data collection, validation and reporting relating to strategic objective 4.....	11–14	5
C. Data analysis and use	15–26	6
III. Limitations	27–29	8
IV. Conclusions and recommendations	30–34	8
Annexes		
I. Availability of global datasets		10
II. Matrix template for assessing trends in land cover/productivity and financial conditions with numeric examples.....		11
III. Comparative analysis between trends in land cover/productivity and financial conditions		12

I. Introduction

1. By its decision 22/COP.11, the Conference of the Parties (COP) adopted a refined set of six progress indicators to measure progress against strategic objectives (SOs) 1, 2 and 3 of the 10-year strategic plan and framework to enhance the implementation of the Convention (2008–2018) (The Strategy). Through that decision, the COP adopted an innovative approach to the progress indicators, which is to (a) use readily available global data; (b) link global, national and local reporting; (c) employ both quantitative and qualitative information; and (d) emphasize stakeholder participation.¹ The progress indicators will be used for the first time during the fifth reporting process.

2. At the thirteenth session of the Committee for the Review of the Implementation of the Convention (CRIC), a non-paper entitled “Additional procedures or institutional mechanisms to assist the Conference of the Parties in regularly reviewing the implementation of the Convention” was distributed to the CRIC participants, with the aim to trigger further discussion on the United Nations Convention to Combat Desertification (UNCCD) reporting, review and assessment approach.² This non-paper, as well as the comments on its content that were received from Parties afterwards, considered the progress indicators, among other issues.

3. Building on the COP deliberations on SOs 1-3 and the feedback described in paragraph 2, this document contains a proposal for a refined and simplified set of progress indicators for SO 4 of The Strategy. The proposal includes a comparative analysis between trends observed in the progress indicators for SO 4 and those for SO 1-3, given that the effectiveness of resource mobilization efforts is ultimately a function of the results and impacts achieved on the ground. In reference to past SO 4 reporting exercises, the information retrieved included the following points:

(a) According to findings on SO 4 from reports submitted by country Parties and other reporting entities for the reporting period 2010–2011, countries appeared to have relied mostly on policy and legal incentives in addressing the mobilization of resources for the implementation of the Convention. Nevertheless, a positive trend was recorded in terms of the total number of mechanisms in almost all regions. In case of most reporting entities and regions, the results in terms of the level of satisfaction proved best with international level arrangements while declining with geographical levels and reaching its lowest point at the local level. Therefore it was concluded that the enabling environment required for sustainable land management (SLM) investments must be effectively implemented at the local level in order to benefit the actual land and ecosystem wardens;³

(b) During the 2012–2013 reporting and review exercise, Parties reported on a set of performance indicators, employing simplified reporting templates and improved methodologies and definitions. Affected country Parties had the opportunity to report and provide feedback on the basis of the set of impact indicators provisionally adopted by the COP.⁴

¹ ICCD/COP(12)/CST/3-ICCD/CRIC(14)/7.

² ICCD/CRIC(14)/10.

³ ICCD/CRIC(11)/10.

⁴ ICCD/CRIC(11)/15.

II. Refined set of progress indicators and methodology for their collection, validation and analysis

A. Proposed refined set of progress indicators

4. According to The Strategy, SO 4 is “to mobilize resources to support implementation of the Convention through building effective partnerships between national and international actors”. The objective was articulated in two expected impacts: (a) increased financial, technical and technological resources are made available to affected developing country Parties, and where appropriate Central and Eastern European countries, to implement the Convention; and (b) enabling policy environments are improved for UNCCD implementation at all levels.

5. SO 4 thus involves the measurement of financial resources (public and private) and assessment of the enabling conditions to mobilize the resources. One of the basic assumptions of this document is that public finances represent what is called ‘enabling investments’ so as to create enabling conditions and engage private capital in land management. Enabling investments are considered as a governmental effort to create an enabling environment for a private–state partnership.

6. Enabling investments represent the effort in terms of resource mobilization made by a government to create enabling conditions in order to invite and encourage the private sector to make investments in assets, land, sustainable forest management, various productive activities and conservation. Enabling investments serve the strategic purpose of attracting and directing private capital towards investments that restore the value of degraded land assets.

7. In the absence of authoritative and comprehensive global databases and monitoring systems that could capture all relevant investments by the private sector, the analysis of public sector enabling investments represents a valuable ‘proxy’ indicator to measure both the effort made by the public sources in terms of direct investments in UNCCD implementation and their effectiveness in establishing a ‘conducive’ investment environment to leverage private sector capital.

8. In addition, another proxy indicator is proposed to measure progress in achieving SO 4: trend in number of co-financing partners. Co-financing is generally considered by donors as a necessary precondition for development assistance. Many international donors require co-financing from the involved partners, including in-kind contributions. Co-financing can be a very effective fundraising tool, especially when it builds on partners’ comparative advantages. In a broad sense, potential co-financing partners may include affected and developed country Parties, especially neighbouring countries, ministries and national governments, multilateral and bilateral donors, research organizations and academia, local authorities, international and local non-governmental organizations, international and national investors, the private sector (businesses and land users), philanthropic organizations, charity funds and individuals.

9. Based on the above assumptions, the new set of SO 4 progress indicators is proposed in box 1.

Box

Proposed progress indicators under strategic objective 4

Strategic objective (SO) 4: To mobilize resources to support implementation of the Convention through building effective partnerships between national and international actors

Progress indicator 4-1: Trends in public sector finance and enabling investments to implement the Convention

Metrics:

SO 4-1 Trends in international bilateral and multilateral Official Development Assistance

SO 4-2 Trends in domestic public resources

SO 4-3 Trends in number of co-financing partners

10. The proposed progress indicator and indexes under SO 4 shall be used to establish baselines, monitor trends and analyses the effectiveness of resources mobilized through the enabling investments at national, subregional and regional levels. The reporting cycle for progress indicators is currently four years for all strategic objectives, and the trends in the financial indicators will be systematically analyzed and compared during these cycles. The land cover/productivity trends, measured under SOs 1–3, shall be assessed in conjunction with the trends in three indexes related to resource mobilization: Official Development Assistance (ODA), domestic public resources and number of co-financing partners. The conclusions shall consider the possible influence of the other important external factors, such as severe droughts, financial crises and other environmental, social and economic shifts.

B. Data collection, validation and reporting relating to strategic objective 4

11. Data collection for the SO 4 progress indicators will rely on two sources of information:

(a) The Organisation for Economic Co-operation and Development (OECD) database Creditor Reporting System (CRS), which is the most authoritative source of information on the ODA. The data is validated through reliable statistical verification, involving a network of statistical correspondents under the Development Assistance Committee⁵ and the OECD Secretariat;

(b) The national reports to the UNCCD, which the affected country Parties will submit according to the reporting template.

12. In addition to the resources committed through domestic budget allocations, the UNCCD reports will allow financial flows in South–South cooperation to be captured, as they are not captured through the CRS. This information will be collected through the UNCCD country reports using the Unified Financial Annex.⁶

13. The centrally available data will be collected in the reporting templates along with the information submitted by country Parties. The information from the CRS will be

⁵ <www.oecd.org/dac/developmentassistancecommitteeac.htm>.

⁶ <www.unccd.int/en/programmes/Capacity-building/CBW/Resources/Pages/5RC/ManualUFA.aspx>.

collected in order to analyse Convention implementation; it is not expected to replace corresponding national statistical data. The main purpose of the approach is to reduce the reporting burden on country Parties and bring more accuracy and homogeneity to the analytical information. The secretariat will share the centrally collected data with the reporting Parties and will expect their feedback and corrections (if any) in terms of (a) rejection of the data; (b) replacement and/or amendment with the national data; or (c) validation of the data.

14. Based on the preliminary results of the ongoing testing phase, it is expected that the compilation of national estimates for the actual reporting and review process, and the review and use of these data for national reporting and target-setting could take place in 2018, under the condition that relevant institutions assist with the provisions of relevant datasets and related methodologies.

C. Data analysis and use

15. There are essentially two trends that can be observed, compared and analysed through the progress indicators for SOs 1–4. The first trend is (1) evolution of the conditions of terrestrial ecosystems affected by land degradation. This trend is observed through the analysis of indicators for SO 1, 2 and 3. The second trend is (2) evolution in public sector investments and enabling conditions to implement the Convention through SO 4. Both trends will be assessed and analysed with the help of related matrices.

1. Trends in the conditions of terrestrial ecosystems affected by land degradation

16. In decision 22/COP.11, country Parties have: (i) adopted the SOs 1–3 progress indicators, which monitor both the conditions of the ecosystems and the conditions of the local population living in the affected areas; and (ii) established their validation process. The indicators were tested during 2014–2015 in 16 volunteering countries within the framework of the UNCCD pilot Land Degradation Neutrality Project.⁷ Among the 6 progress indicators for SOs 1-3, the indicators allow for the establishment of the baseline and monitoring dynamics of land conditions following the first reporting cycle. The three indicators are: trends in land cover (SO 2-1); trends in land productivity or functionality of the land (SO 2-2); and trends in carbon stocks above and below the ground (SO 3-1). The synoptic utilization of the three indicators and their qualitative analysis will assess whether land conditions are improving, remaining stable or worsening.

17. The combined assessment of these indexes should indicate progress in improvement in the conditions of affected areas over the four-year reporting period. The progress can be expressed in qualitative terms, for example: ‘significant land improvement’, ‘limited land improvement’, ‘no change’, ‘limited land degradation’, ‘significant land degradation and ‘unknown’. The trends of these indicators will then be compared with the trends of financial indicators under SO 4 (see annex II).

2. Trends in public sector investments and enabling conditions to implement the Convention

18. This trend can be quantified and analysed using the proposed progress indicator under SO 4. Public sector investments come from two types of sources: domestic resources and ODA.

⁷ Algeria, Armenia, Belarus, Bhutan, Chad, Chile, Costa Rica, Ethiopia, Grenada, Indonesia, Italy, Myanmar, Namibia, Panama, Senegal and Turkey.

19. An additional auxiliary index is the trend in the number of co-financing partners. This index indicates the number of the international and national investors and partners. It indirectly characterizes the policy and institutional framework in the countries and the attractiveness of their investment climate for foreign investors. Trends in the number of co-financing partners can bear witness to many processes and risks, including investor preferences, interests and priorities, as well as shifts in the land management environment. Data on international and national agreements and co-financing partners is available in the CRS and UNCCD country reports, along with the investment figures.

20. Against a baseline year, trends in SO 4 progress indicators can be expressed in quantitative terms and compared with the trends observed in indicators (see chapter II.C.3 below and annex II).

3. Comparative analysis of land cover/productivity and financial trends

21. Comparative analyses of financial and land cover/productivity trends would enable the detection of possible correlations as well as evidence of particularly effective (or ineffective) resource mobilization and partnership efforts. The analysis will aim to show how the public investments may affect the environment, living conditions and global public good. It can be conducted at different levels of granularity; including national, subregional, regional and global scales (see annexes II and III).

22. The analytical framework will have to take into consideration a time lag between the investments and results on the ground. From the available observations, one can conclude that a minimum time lag may take four or more years. Thus, current indicators are to be compared with the investments made four or more years back. It is important to introduce a time lag in order to factor in the potential causality link between enabling investments and impacts on the ground.

23. From a given baseline year, the comparative analysis will have to identify the relationship between the marginal land improvement and the marginal financial flows over one or several reporting periods.

24. The comparative analysis of land cover/productivity and financial trends will be complemented by an analysis of additional external factors and variables that might have influenced the observed changes. These factors may include droughts, economic and financial crises, and major political, social and economic shifts. Analytical techniques can be introduced to detect and interpret any meaningful correlations. This innovative approach would represent a significant step forward in the review and assessment of progress in UNCCD implementation.

25. The comparative analysis is to show how increments in public investments might improve the conditions of affected terrestrial ecosystems and vice versa. The analysis will start with a qualitative judgement. The qualitative judgement can then be expressed in percentage terms. For instance, in a given affected country Party the analysis could reveal a significant improvement in the conditions of affected land ecosystems corresponding to a 10 per cent increase in the enabling investments made five years earlier.

26. The results of the analytical approach are to add value to both the financial and land cover/productivity indicators of the UNCCD. The results will help to (a) monitor the indicators not separately in isolation, but jointly, as a system of land cover/productivity and financial factors; (b) provide a gap analysis and identify weak points in the chain of international development assistance; (c) prioritize Convention actions and national measures to support The Strategy; (d) establish baseline efficiency of the national and international financial flows, their comparison and ways of improvement; (e) design effective measures for the implementation of The Strategy; (f) promote sound competition among the affected country Parties for the limited development resources; (g) improve the

policy and legal environment for land investments; (h) facilitate public–private partnerships in SLM; and (i) identify, map and quantify negative trends and risks of land degradation in terms of land cover/productivity and financial resources, etc.

III. Limitations

27. The current proposal takes into consideration limitations in terms of access to accurate data, time, resources and the analytical capacity of both country Parties and the secretariat. The proposal is realistically based on what is achievable and feasible with the current and foreseeable resources.

28. The refined progress indicators under SO 4 will limit data collection to only public international and national investments from the two main sources: the CRS and UNCCD country reports. If other reliable and authoritative sources are identified in future, they could potentially be considered insofar as they can lead to a further improvement of the proposed analytical framework.

29. It is important to note that changes in land cover/productivity and financial indicators may be explained by numerous other factors that are beyond the limits of the current proposal and may distort the conclusions. These factors may include natural disasters, financial bubbles and downturns, as well as social and political changes. Factoring in all these external factors will represent a significant challenge.

IV. Conclusions and recommendations

30. At its eleventh session, the COP adopted an innovative approach for measuring progress indicators. The approach (a) assumes the broader use of reliable global data sets; (b) links global reporting to national and local monitoring; (c) considers both quantitative and qualitative information, including narrative indicators from local case studies and storylines; and (d) emphasizes stakeholder participation (decision 22/COP.11).

31. The land cover/productivity progress indicators for SOs 1-3 establish baselines and assess trends in ecosystem dynamics. The financial indicator (SO 4) is to assess trends in public investments in land. Both trends should be systematically compared and analyzed to draw practical conclusions and recommendations. The proposed approach is presented as an innovation that adds value to the UNCCD reporting system.

32. The approach is based on the comparative analysis between the trends in (SOs 1, 2 and 3) and financial (SO 4) progress indicators. In order to assess progress on financial indicators (SO 4), the proposal is looking beyond investments injected into land. It also considers results achieved on the ground through the land cover/productivity indicators (SOs 1–3). In addition to direct investments, another proxy indicator has been added: number of co-financing partners, derived from the OECD and UNCCD reports. Trends are analysed, taking time lag into consideration. Time lag is a time period between the land investments and their effect on the ground. The delayed effect depends on the investment type and presumably takes four or more years to manifest itself.

33. The practical implications of the proposed comparative analysis are varied. The analysis shall establish probable relations between the dynamics of land investments and land quality. The ratio will be used in several areas and will allow for the: (a) establishment of an investment baseline for the countries and regions as well

as globally; (b) monitoring of the dynamics of the land improvement/finance ratio over reporting cycles; (c) comparisons of the ratios of different states to estimate countries' efficiency and policy environments; (d) assistance in identifying priority projects, programmes and actions for national action programmes; (e) identification of priority investments for international donors and private businesses; (f) promotion of competition among countries for international development aid; and (g) improvement of the overall efficiency of SLM.

34. The following recommendations may be considered by Parties at the fourteenth session of the CRIC, with a view to initiating early consultations on draft conclusions to be forwarded to the COP at its twelfth session for consideration:

(a) The Parties are invited to approve the refined progress indicator under SO 4 in the format presented in the box on page 5;

(b) The Global Mechanism and the secretariat shall develop a template for data collection on the financial indicator under SO 4 and include it in the common reporting template along with land cover/productivity indicators under SOs 1, 2 and 3;

(c) The Global Mechanism and the secretariat shall develop a methodology for the financial data analysis along the lines of the current proposal in order to compare and monitor trends in land cover/productivity and financial indicators;

(d) The Global Mechanism and the secretariat, in cooperation with relevant institutions, shall provide technical assistance to affected country Parties for the quality collection and presentation of the financial data to the UNCCD according to the reporting template;

(e) Affected country Parties shall provide timely feedback and present country reports with the requested information on the financial progress indicator under SO 4 to the UNCCD secretariat during the upcoming fifth reporting cycle;

(f) The Global Environmental Facility and financial institutions shall be invited to provide necessary financial assistance for developing national capacities for collecting and presenting UNCCD data on the financial progress indicators under SO 4 listed in paragraph 34 a.).

Annex I

Availability of global datasets

<i>Indicator and related metrics</i>	<i>Global datasets</i>	<i>Disaggregation level</i>
Trends in international bilateral and multilateral financial resources Metrics: Financial flows	Creditor Reporting System (CRS) of the Organisation for Economic Co-operation and Development's (OECD) Development Assistance Committee (DAC) (www.oecd.org/dac/)	National estimates only Geographically disaggregated data at subnational level is not available.
Trends in domestic public financial resources Metrics: Financial flows	Country reports to the United Nations Convention to Combat Desertification (UNCCD) by affected country Parties.	National, rural and urban estimates Geographically disaggregated data is available.
Trends in number of co-financing partners Metrics: Number of co-financing partners	CRS of the OECD's DAC (www.oecd.org/dac/), UNCCD reports	Data can be disaggregated at the subnational level.

Annex II

**Matrix template for assessing trends in land cover/
productivity and financial conditions with numeric examples**

**Matrix template for assessing trends in land cover/productivity and financial
conditions with numeric examples (in percentage)**

<i>Land cover- productivity/financial conditions</i>	<i>Significant land improvement</i>	<i>Limited land improvement</i>	<i>No change in land conditions</i>	<i>Limited land degradation</i>	<i>Significant land degradation</i>	<i>No knowledge</i>
Trends in domestic resources ↑						
Trends in ODA ↓						
Trends in number of co-financing partnerships↑						
Trends in domestic resources ↓						
Trends in ODA ↑						
Trends in number of co-financing partnerships↓						

Abbreviation: ODA = Official Development Assistance.

Annex III

**Comparative analysis between trends in land cover/
productivity and financial conditions**

