

BROADENING THE FUNDING BASIS FOR CCD IMPLEMENTATION IN BRAZIL



BACKGROUND

Brazil is the largest country in Latin America (8.5 million km²) and the most populous in the Latin America and the Caribbean region (170 million according to the demographic census of 2000), with 28% of the total population living in rural areas. Of the country's five regions, the semi-arid north-east is the one worst hit by desertification (60% at high risk with native vegetation reduced to 44% of its original coverage). Here, the climate is hot and dry, poor and shallow soils prevail, 70% of the subsoil is crystalline, groundwater is scarce and rainfall, irregular. Moreover, some of the north-eastern states fall within the *poligono da seca*, ("the polygon of droughts"), which extends for almost 1.7 million km² and where drought and desertification are estimated to affect the livelihoods of almost 15 million people. Yet in this environment, one of the most important ecosystems – the *Caatinga* – is to be found. This is the only dry tropical forest system in the world surrounded by semi-humid and humid forests – and offers remarkable richness of animal and plant biodiversity.

OBJECTIVES

The main objective of the Global Mechanism (GM) support to Brazil has been to raise the awareness of the national institutions and development agencies to the need for resource mobilization for the UN Convention to Combat Desertification (CCD) implementation. The GM's support has focussed on:

- identifying financial opportunities for integrating CCD principles into macro and sectoral national public policies, so as to influence agrarian reform policy and induce investments targeting sustainable management of natural resources and poverty alleviation;
- facilitating institutional and operational linkages between relevant national institutions, namely the Ministry of the Environment (CCD Focal Point), the Ministry for Agrarian Development (IFAD's national counterpart) and the Ministry of Planning (GEF Focal Point);
- supporting the establishment of participatory partnership platforms with stakeholders (federal and local administrations, civil society, private sector, donors and international agencies) so as to ensure a demand-driven process;



THE CCD IN ACTION

COMBATING LAND DEGRADATION AND POVERTY IN THE NEW MILLENNIUM

- fostering civil society and grassroots organisations' participation in the process by strengthening their capacities, and promoting the exchange of information through the consolidation of existing networks; and encouraging the participation of marginalized social groups in decision-making processes (women-headed households, communities with African heritage and indigenous peoples);
- contributing to a partnership development process with UN Agencies (UNDP, FAO) and with multilateral (World Bank, IADB, European Community) and bilateral (Germany, Italy, France, USA) donors, on investment in dryland sustainable development projects;
- fostering co-operation with IFAD's regional division, in accordance with the GM's mandate, benefiting from the financial leverage provided by IFAD operations and its new role as GEF Executing Agency; and
- mobilizing financial resources to enhance the country's capacities to design and implement investment projects.

RESULTS

- The GM is providing **technical and financial support to the Government of Brazil in the elaboration of the National Action Programme (NAP) process**. A decentralized approach has been taken by setting up pilot schemes at municipal levels. One of the main concerns addressed is the involvement of marginalised social groups in decision-making-processes, for example, women-headed households and *Quilombo* communities of African heritage.
- Under its Community Exchange and Training Programme, the GM, together with the Government of Pernambuco, is funding an initiative to create **Desertification Control Units in the Brazilian Semi-Arid Ecosystem of the Sertão**. The proposal was submitted by the Instituto Desert, a local NGO from the Piauí State and will benefit 300 families and almost 1 800 individuals. The smallholder farmers' capacities in sustainable development will improve as will their livelihoods. The special focus of this project is on the watershed as a planning unit.
- **Partnerships have been sought with national institutions and development agencies to broaden the funding basis for CCD implementation**. These efforts are expected to bring additional resources amounting to USD 11 million.
- **A multi-stakeholder platform has been launched** with the participation of all the stakeholders involved (federal and local administrations, civil society groups, private sector, donors and international agencies such

as the European Union, FAO and the French Cooperation Agency) **to create an enabling environment for financing opportunities**.

- In accordance with the GM's mandate, an **operational partnership** has been developed in LAC **between the GM and IFAD** – the GM's housing institution – **in its new role as GEF Executing Agency**. This has led to joint pre-identification of CCD principles in line with IFAD's support to rural poverty alleviation in Brazil, which, in turn, has resulted in a GEF PDF-B Project Concept Note drafted by the IFAD Project Team. The project, "Sustainable Development Project for Agrarian Reform Settlements in the Semi-arid North-east", addresses the concept of a globally-recognised *hot spot ecosystem* for CCD implementation. The Concept Note has been submitted to GEF with IFAD as Executing Agency, for entry into the pipeline in October 2003. The initiative amounts to USD 10 million, while the overall project cost is USD 105.4 million.
- Dedicated efforts have been made by the GM to explore financial opportunities to complement the GEF component proposed by IFAD. The GM's support has been oriented towards the forging of partnerships with key development players such as the European Commission and the Fonds Français pour l'Environnement Mondial (FFEM). The instrumental role of the GM in identifying, preparing and negotiating bankable proposals is exemplified in the technical assistance it has extended to the Government of Brazil and the potential technical assistance it is brokering with FAO, GTZ and USAID, in support to IFAD's portfolio and enhancing opportunities with GEF.

THE WAY AHEAD

- Strengthening the on-going partnership with IFAD in the project for the Sustainable Development of Agrarian Reform Settlements in the Semi-arid North-east, with development agencies such as the European Commission;
- Bolstering the multi-stakeholder platform through the active participation of other GM Facilitation Committee members, such as the IADB and the World Bank; and
- Building upon financial opportunities and lessons learnt, in order to co-operate with additional partners in the NAP elaboration process and to better establish feedback mechanisms between the strategic thrusts of the NAP and CCD principles.

FOR FURTHER INFORMATION PLEASE CONTACT:

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