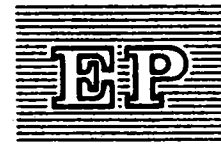




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STUDY ON FINANCING PLAN OF ACTION TO
COMBAT DESERTIFICATION

Note by the Executive Director

The attached note has been prepared by the Executive Director, on behalf of the Secretary-General of the United Nations, in connexion with the consultations called for under paragraph 7 of General Assembly resolution 34/184 of 18 December 1979.

1. In its resolution 34/184 of 18 December 1979, the General Assembly, inter alia, requested the Secretary-General, in consultation with the Governing Council, to submit to the General Assembly, at its thirty-fifth session, a report on additional resources for financing the Plan of Action to Combat Desertification based on a study to be prepared by a group of high-level experts in international financing to be convened by the Executive Director. Paragraph 7 of the resolution specified the items with which the study should deal (see UNEP/GC.8/6, para. 22).
2. In order to implement paragraph 7 of the above resolution, the Executive Director has initiated the necessary arrangements for the preparation of the study by the high-level experts. In view of the request by the General Assembly that consultations be held with the Governing Council on the preparation of the Secretary-General's report to the General Assembly, the Executive Director is presenting, with the concurrence of the Secretary-General, the following annotated outline of the study, providing further details on what the study will involve:

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(a) Inventory

This section will contain a compendium of different ideas and proposals put forward in the United Nations system for possible new ways and means of financing programmes of multilateral organizations at the world level, in addition to their regular assessed budgets and conventional extrabudgetary resources. The inventory will cover as far as possible, proposals, recommendations and resolutions put forward in different United Nations bodies, programmes and specialized agencies as well as United Nations conferences, expert groups and ad hoc committees;

(b) Financial plan and analysis

This section will outline the broad components and costs of a financial plan to meet minimum requirements to stop further desertification. It will identify, to the extent possible, what is already being financed through international assistance and what additional resources may be needed to meet the minimum objectives of halting the spread of desertification;

(c) Mobilization of domestic resources

This section will deal with national, fiscal and monetary measures, the allocation of priorities and the ways of channelling domestic resources for desertification control programmes, projects and other activities as well as the problems and potential of such methods. Recommendations for special measures aimed primarily at increasing resources linked to desertification will be detailed;

(d) Loans from Governments and world capital markets on a concessionary basis

This section will deal with the practicality of obtaining loans for desertification control programmes from Governments, international banks, etc., on a concessionary basis. The discussion on borrowing from world capital markets will deal, in addition to the profitability criteria, with such considerations as standards of creditworthiness, prevailing interest rates and other factors which affect the capital market;

(e) Feasibility of creating a public international corporation

This section would constitute a brief but self-contained financial feasibility study of the creation of such an institution. The difficulties in the creation of the proposed corporation, and means of overcoming them, will also be highlighted;

(f) Foundations

This section will contain a discussion of and recommendations on possible ways of encouraging the participation of foundations in anti-desertification training and research programmes.

Proposed Action by the Governing Council

The Governing Council may wish to note and endorse the above outline, for the study requested by the General Assembly in its resolution 34/185.
