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DESERT LOCUST CONTROL COMMITTEE

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Future directions and improvements for sustainability (Financial governance)
(Agenda item 9)

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1. **Objectives of the study.** The Food and Agriculture Organization of the United Nations (FAO) and the Commission for Controlling the Desert Locust in the Western Region (CLCPRO) commissioned a study with the aim of improving the roles and responsibilities of the desert locust control commissions created under Article XIV of the FAO Constitution, and preparing a global framework for the governance and sustainable financing of desert locust control. The study was divided between two consultants, one dealing with institutional issues and the other with financing issues. This report relates to the latter.

2. **Current financing system.** The current financing system is not explicitly aligned with the dynamics of the desert locust's development, but distinguishes two basic phases: a routine situation, corresponding to the recession phase, and an emergency situation, encompassing the outbreak, resurgence and plague phases. The system builds on a wide range of financing sources involving multiple accounts, which makes it hard to obtain an overall picture of all the available resources and of expenditure within a given region. Moreover, resources tend to be unpredictable, which affects planning both by national locust control units (NLCUs) and by regional commissions.

3. **Routine situation.** Projects financing FAO's EMPRES¹ Programme and other contributions from donors have helped to establish sustainable locust control systems. However, year-to-year variations in the level of financial resource allocations to NLCUs and regional commissions (through member states' contributions) hamper the development of regular prevention programmes that can cover all needs. This irregularity in finance reflects a real lack of resources in the poorest countries, and also the difficulty of making budget allocations in favour of prevention activities when the effects cannot be seen. In these countries, complementary resources are needed to ensure prevention during recession periods.

4. **Emergency situation.** In emergency situations, NLCUs can no longer meet the requirements of locust control with their usual financial instruments, and appeal to regional and international solidarity. Regional solidarity is facilitated by the regional commissions, but there is no mechanism organizing this, so that it happens in a fairly *ad hoc* fashion. Moreover, past emergencies have shown that there is a time lag of several months between the time an emergency is confirmed and the time international funds are made available. Locust contingency plans should be a key instrument in managing locust emergencies, but they are currently available in only a few countries and there is no consolidated regional plan, whereas regional management should constitute a crucial element in coping with a transboundary outbreak or plague.

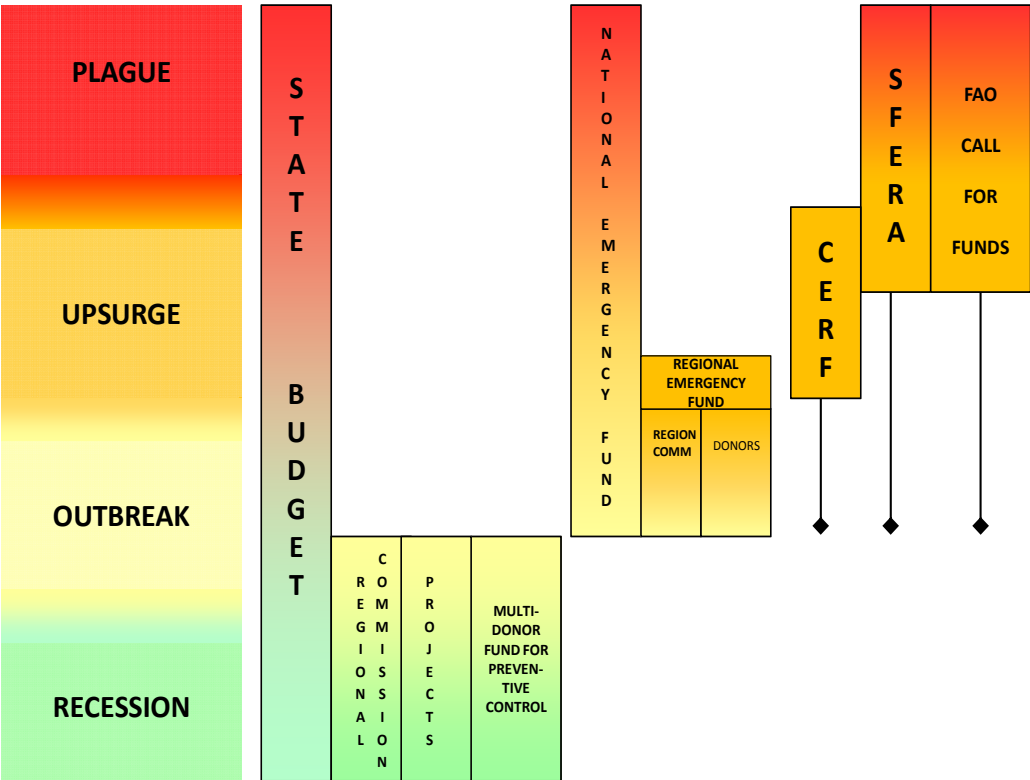
5. **Towards a stronger financing system.** The proposed financing system is aligned with the dynamics of the desert locust's development, with an organized, progressive process to launch alerts and mobilize resources. It rests on a global control system based on transnational structures (regional commissions and the Desert Locust Control Committee [DLCC]), information sharing at national, regional and international levels (national networks, regional commissions and the Desert Locust Information Service [DLIS]), national and regional locust contingency plans and the sharing of financial responsibilities. It is also more transparent, spelling out the conditions for use of resources at every financing level and clarifying the levels of responsibility and their assumption by the various stakeholders. Lastly, it brings new emergency funds into play, such as the Central Emergency Response Fund (CERF) and the Special Fund for

¹ Emergency Prevention System for Transboundary Animal and Plant Pests and Diseases.

Emergency and Rehabilitation Activities (SFERA), which should facilitate faster access to financial resources in emergency situations.

6. **Organization.** The proposed system anticipates financial instruments that are designed to meet the requirements of every stage in the locust development dynamics, as shown in the figure below.

Figure 1. Financing system designed to address the various phases



The symbol indicates when the activation of the financial instrument needs to be prepared so that it can rapidly be activated in case of aggravation of locust development.

7. The system is designed so that there is no break in finance, unlike what happened during the 2003–2005 emergency. When a new phase starts or when the resources of one financial instrument are no longer sufficient, a new instrument must take over. To ensure this overlapping succession of instruments, the system also anticipates that, from the recession phase onwards, the activation of a financing instrument is preceded by its being placed on the alert. The aim is to launch the preparations required to activate the instrument (the preparation of documents, contacts etc.), so that when the situation on the ground confirms that activation is required, this can be done very quickly. If the system is to function well, it is vital that all countries have harmonized contingency plans that are regularly updated, validated by the regional commission and shared at national, regional and international levels. Lastly, the system involves regular dialogue between the donors contributing to locust control and the beneficiary countries, focusing on the

modalities for use of the allocated resources and, more generally, the conduct and performance of desert locust control, including preventive control.

8. **Recession.** During recession periods, the financing system must enable the financing of national control systems that have the technical capacities and the resources required to ensure monitoring and rapid intervention operations, and that can quickly adapt in case of any development towards subsequent stages of outbreak, upsurge and plague. It must also finance the regular budgets of the regional commissions. Financing must be primarily covered by the **national budgets** of the states concerned (Card 1). Additional support may be required, particularly in countries with few resources, and such support can come from the **budget of the regional commission in question** (Card 2) and from international aid in the context of **institution-building projects** or a **multi-donor fund for preventive control** (Card 3).

9. **Outbreak.** During outbreak periods, the financing system must enable NLCUs to finance increased numbers of survey and control teams and the corresponding equipment. Such operations target locust populations that are becoming gregarious and concern limited but scattered areas totalling between 10 000 and 50 000 hectares. The anticipated expenditure covers the costs of mobilizing these additional teams and the necessary pesticide. Financing should come from the national budgets of the states concerned, preferably in the form of **national emergency funds** (Card 4), together with complementary support from the **budgets of regional commissions** and international aid in the framework of **regional emergency funds** (Card 5).

10. **Upsurge.** During upsurge periods, the financing system must enable NLCUs to finance broader operations, boosted by aerial operations and larger quantities of pesticide. Such operations cover three countries on average, and if environmental conditions are favourable, two regions may be affected simultaneously. The anticipated expenditure covers the costs of mobilizing additional teams, pesticide and aircraft flying time. The **national emergency funds** mobilized for the outbreak phase will continue to be used for the upsurge phase and into the plague phase. **Regional emergency funds** will continue to provide bridging finance in the earlier stages of the upsurge phase, until the **CERF** is activated (Card 6). The CERF itself will in turn cover the transition until, if the situation worsens, FAO launches an **appeal for funds to the international community** (Card 8) and such funds become available. The **SFERA** (Card 7) will be mobilized to provide access to advances on amounts already pledged under a financing agreement with a donor.

11. **Plague.** During plague periods, the financing system must enable NLCUs to finance operations on an even broader scale. International aid, mobilized through **appeals for funds** launched by FAO, takes over from the CERF, and the SFERA continues to play its role of financing fund advances.

12. **Cards** briefly describing the eight financial instruments are presented separately.