

MODULE 5 - TERRAFRICA LEVERAGING FUND (TLF) PRESENTATION NOTE

This note presents the TerrAfrica Leveraging Fund (TLF), its objectives and focus, its value added to existing mechanisms for funding Sustainable Land Management (SLM), and the way this multi-donor trust fund is administered and the conditions under which it is established.

Background--TerrAfrica

TerrAfrica is a regional platform to enable governments of sub-Saharan Africa (SSA), the international development community and other global, SSA and national stakeholders to better work together to scale-up the financing and mainstreaming of effective and efficient country driven sustainable land management. It is a special collective and inclusive effort for SSA which aims to foster long-term integrated and harmonized strategies, policy dialogue and actions and builds on comparative advantages of partners (see TerrAfrica Strategy Note).

To achieve the platform's goals, three interrelated activity lines will be implemented:

- Activity line 1: Coalition Building
- Activity line 2: Knowledge Management
- Activity line 3: Investments

The TerrAfrica Leveraging Fund (TLF)

To facilitate the implementation of TerrAfrica's objectives, a TerrAfrica Leveraging Fund (TLF) is established. The TLF is a multi-donor trust fund administered by the World Bank. It provides a flexible financing mechanism to address targeted needs that are not already adequately covered by existing funding mechanisms. By pulling together some donor resources, the TLF helps harmonize priorities, allows economies of scale, and facilitates partnerships and coalition building among donors and partners. The TLF helps to increase the efficiency and effectiveness of financial support to SLM scale-up, fills gaps and includes the provision of resources to support inclusive approaches, including civil society involvement.¹

Specific Objectives and Themes of the TLF

The TLF provides targeted support to key products from activity lines 1 (Coalition Building)--including global and SSA policy dialogue--and 2 (Knowledge Management), as well as targeted catalytic and seed funding for country activities under activity line 3.

¹ The TLF will be available to support civil society organizations that are active in SLM in SSA in the framework of TerrAfrica Work Program.

This note is part of a set of five basic documents for TerrAfrica: a Background Note provides a description of challenges being faced to promote Sustainable Land Management in Sub-Saharan Africa and justifies the concept of TerrAfrica; a Strategy Note explains the nature of the partnership, how it works and how it cooperates with and complements existing initiatives; a Business Planning Framework lays out the detailed objectives and concrete steps to be taken to achieve TerrAfrica's vision; a Governance Note establishes the governance principles of TerrAfrica and the mechanisms to facilitate partners to interactions; and a Presentation Note for the TerrAfrica Leveraging Fund, details the multi-donor trust fund set up to support the partnership and its activities. Each of the basic documents occasionally refers to the others, however, it is highly recommended to consult the whole set of document for a complete understanding of the TerrAfrica approach and its coherence with ongoing efforts. See Annex 3 for key to documents.

The objectives of the TLF initially include the provision of strategically targeted and flexible financial support to: 1) strengthen awareness, harmonization, strategic directions on opportunities and modalities for improved SLM scale-up and effectiveness; 2) improve and share analytical underpinnings to support policy dialogue and decision making; and 3) catalyze additional and complementary financing at country level.

To achieve these objectives, the TLF supports three main groups of activities:

- Strengthening coalitions, advocacy and knowledge based partnerships
This includes targeted and result-oriented information sharing, coordination, harmonization and other efforts in support of the strengthening of a collective ability of all stakeholders to address barriers to SLM scale-up. Under this group of activity, the TLF may, notably, finance, selective joint reviews of partners' portfolio and shared stocktaking from existing activities and partnerships that would feed into the knowledge networks and benchmarking, specific monitoring and evaluation work, targeted technical assistance to NEPAD/AU in support of political mobilization and improved SLM governance, analysis of enabling conditions for good practices and success stories, benchmarking among partners, constituency building and strengthening of coalition of SSA countries, including through the various elements of the TerrAfrica governance. It also includes a priority on the valorization and dissemination of local knowledge, and the participation of civil society at various levels in order to build and strengthen transparent and inclusive result-oriented knowledge based partnerships.
- Improving analytical underpinnings to support SLM up-scaling
This group of activity aims at pooling resources and efforts to identify and

generate stronger analytical and technical underpinnings in support of larger scale SLM in SSA which will feed into coalition building, harmonization and benchmarking. It will include the development of action-oriented tool boxes and guidelines for pressing issues such as SLM mainstreaming in PRSPs, integration of SLM into large scale decentralized community driven investments, enhanced SLM governance, and for capacity building for cross-sector SLM programs. Pilot reviews of public expenditures against SLM objectives, the development and implementation of a comprehensive framework to assess the cost of land degradation and the benefits of SLM practices, and the adoption of a common set of result-oriented indicators for SLM as a basis for harmonized SLM M&E will also be part of this theme.

- Catalyzing funding at country level
The TLF provides targeted resources and seed funding to catalyze upstream dialogues, national platform and coalition, preparation of sector wide programs, and fund pre-identification work at country level as relevant. It may, on a selective and gap analysis basis, contribute to the implementation of parts of programs that mobilize resources at the country or sub-regional level (i.e. for priority trans-boundary issues). In such instances, the TLF may provide financing to enable pilots to establish a track record that would assist in leveraging longer-term support and facilitate scaling-up.

Value Added through the TLF

The TLF adds critical value to the implementation of TerrAfrica and of ongoing SLM efforts by:

- Providing a flexible and just-in-time financing mechanism to support key activities, such as knowledge gap

filling,² which are generally not adequately covered by existing funding mechanisms, and thereby complementing other SLM activities already financed by donors;

- Facilitating cost effective mobilization of partners' financial support for the achievement of specific deliverables;
- Providing an effective and flexible framework to manage a pool of resources allocated under the TerrAfrica effort and thereby avoiding the fragmentation of funding vehicles;
- Acknowledging thematic preferences and earmarking resources for thematic priorities through a common pool of resources;
- Enhancing trust between multilaterals and beneficiary countries;
- Promoting political visibility of SLM and catalyzing coalition building and vision sharing;
- Providing funding to build and maintain momentum for stable, long-term, and large-scale commitments for SLM in SSA, through co-financing, the implementation of pilot/demonstration initiatives for subsequent scaling up of successful approaches;
- Facilitating national, sub-regional and SSA actions to methodically remove barriers. That removal will, in turn, accelerate country-driven actions and domestic financing of SLM; and
- Helping strengthen the enabling environment and build stronger linkages across sectors, ministries, policy makers, organizations, local and national governments, and stakeholders.

existing rules and best practices for trust fund administration. The World Bank will act as a fiduciary agent of the donors contributing to the TLF. Allocation from the TLF will be administered by the TerrAfrica Secretariat under the guidance of TerrAfrica Executive Committee (see TerrAfrica Governance Note). At the end of the two-year period, donors contributing to the TLF will decide whether the administration of the TLF should move to another organization or stay with the World Bank.

The TLF is initially established for an expected cumulative amount of US\$15 million. Extension of the TLF duration will be subject to recommendation by the Executive Committee and agreement with participating donors.

TerrAfrica partners and other stakeholders may propose projects to be carried out under the TerrAfrica annual Work Program. The Secretariat (hosted by the World Bank) will review and assess these projects under a due diligence process and transmit them with recommendations to the EC for endorsement. Once these projects are endorsed and become part of the annual Work Program, the Secretariat will select the projects to be supported by the TLF. Grant agreements will then be entered into between the World Bank and the grantee to execute the projects and corresponding funds are disbursed from the TLF under the Secretariat's supervision.³

Administration, Structure, Size and Term of the TLF

As a multi-donor trust fund, the TLF will be administered by the World Bank for an initial period of two years under the Bank's

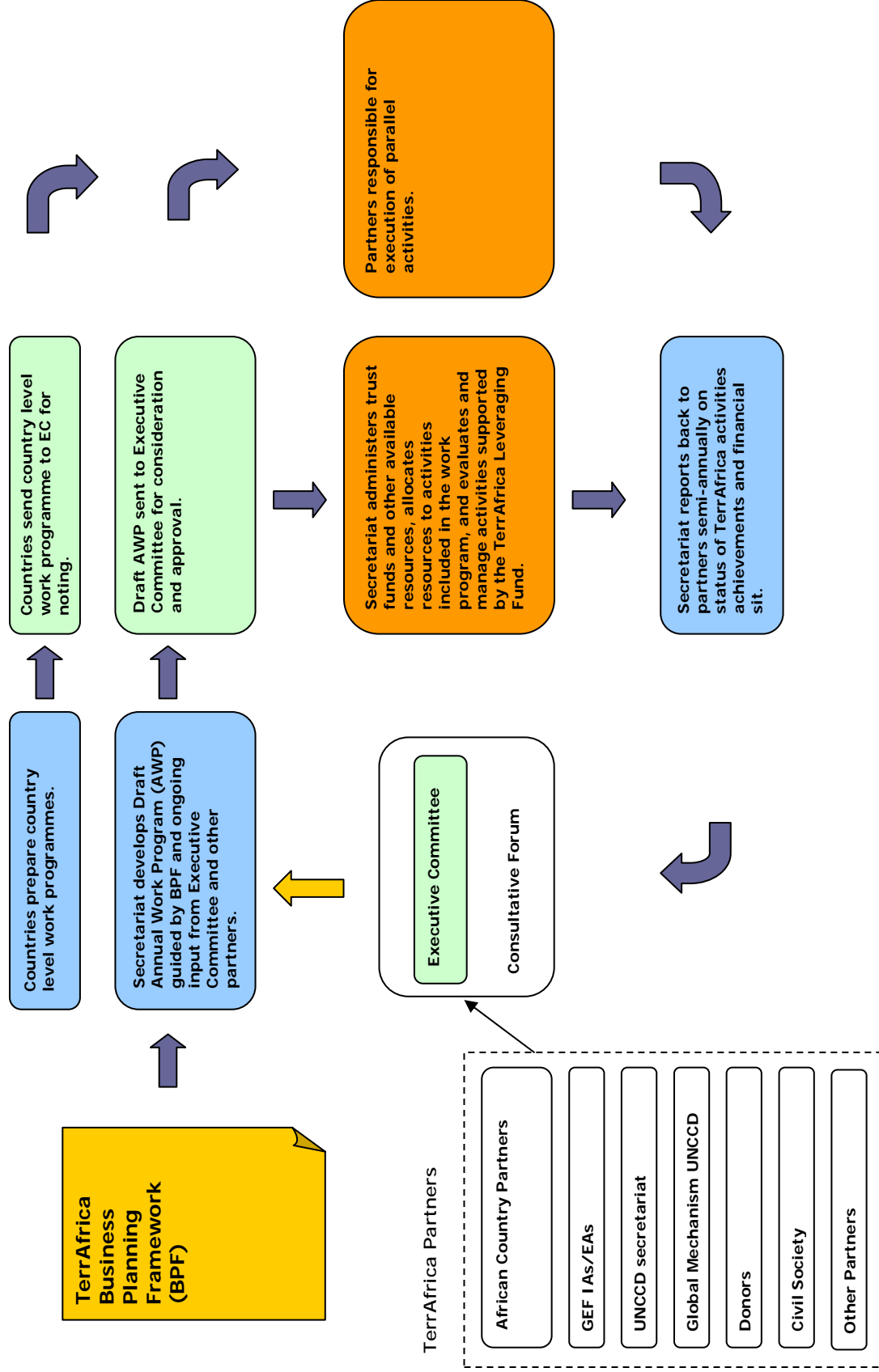
² This would include stocktaking of past and on-going SLM investment projects, research, and policy initiatives to identify gaps in available information and conducting research to fill that knowledge gap.

³ For more information on the governance structure, please see the TerrAfrica Governance Note.

Annex 1 - Table of Acronyms

AAPP	African Agricultural Productivity Programme
AL	Activity Lines
BPF	Business Planning Framework
CAADP	Comprehensive Africa Agriculture Development Programme
CAS	Country Assistance Strategy
CF	Consultative Forum
COP	Conference of the Parties
CRIC	Committee for the Review of the Implementation of the Convention
CSO	Civil Society Organization
EC	Executive Committee
FAO	United Nations Food and Agriculture Organization
GEF	Global Environment Facility
GM	Global Mechanism of the United Nations Convention to Combat Desertification
GPP	Global Public Partnership
IFAD	International Fund for Agricultural Development
LD	Land degradation
M&E	Monitoring and evaluation
MDGs	Millennium Development Goals
NAP	National Action Programme
NEPAD	New Partnership for Africa's Development
NGO	Non-governmental organization
PRSP	Poverty Reduction Strategy Papers
SADC	Southern African Development Community
SAGs	Special Advisory Groups
SIP	GEF Strategic Investment Program for SLM in SSA
SLM	Sustainable Land Management
SSA	Sub-Saharan Africa
TLF	TerrAfrica Leveraging Fund
UNCBD	United Nations Convention on Biodiversity
UNCCD	United Nations Convention to Combat Desertification
UNFCCC	United Nations Framework Convention on Climate Change
UNDP	United Nations Development Programme
WAAPP	West Africa Agricultural Productivity Program

Annex 2 - Development of TerrAfrica Annual Work Program (AWP)



Annex 3 TerrAfrica: Regional Sustainable Land Management Key Documentation

