

Agenda item 8

**The Ramsar Small Grants Fund – report on operation and ideas  
for future funding of Contracting Party activities**

**Action requested:** The Standing Committee is invited to consider and advise on the options for further development of future funding for Contracting Party activities.

**Background**

1. In Resolution IX.13 of the 9<sup>th</sup> meeting of the Conference of the Parties (COP9), the Contracting Parties urged the Standing Committee, with the assistance of the Ramsar Secretariat, to actively pursue alternative funding mechanisms to resource the Ramsar Small Grants Fund (SGF) and specifically instructed the Secretary General to propose to Standing Committee at its 34<sup>th</sup> meeting strategies for improving the status and resourcing of the SGF, with a particular focus on ensuring that dedicated sources of funding similar to “Wetlands for the Future” are identified for developing countries and countries with economies in transition.
2. COP9 also requested the Standing Committee to bring to COP10 new proposals for establishing a more vigorous mechanism to support the SGF, including the possible development of regional support funds.
3. These matters were discussed at the 34<sup>th</sup> meeting of the Standing Committee in 2005 (see agenda paper DOC. SC34-19), and the Standing Committee made the following Decision:

Decision SC34-19: Considering the need to further explore and find innovative mechanisms for better resourcing the SGF (DOC. SC34-19), the Standing Committee decided to:

- 1) express thanks to those countries which have provided, and continue to provide, support to the Ramsar SGF through their voluntary contributions;
- 2) urge the Secretary General to continue as a matter of priority to find innovative ways and means of securing continuing and additional funding for the Ramsar SGF, including working with key partners, especially the Convention’s International Organization Partners (IOPs), to consider establishment of collaborative SGF initiatives; and
- 3) request the Secretary General to undertake intersessional discussions on this matter, and report on progress to the 35<sup>th</sup> meeting of the Standing Committee.

4. Since SC34's discussions, the Secretariat has been looking at various possible options to propose to SC and COP10, in discussion with *inter alia* the Standing Committee chairs, IOPs and others. This paper summarises these ideas and possible options, following a brief assessment of the recent status of the current formulation and approach under the Small Grants Fund itself, and of other funding programmes operated through the Convention.

### Recent status of the SGF

5. Since its inception in 1990 (then called the Wetland Conservation Fund), the Ramsar Small Grants Fund has provided a valuable mechanism for supporting Contracting Parties in increasing their capacity for a wide range of different aspect of implementation, and for assisting other countries preparing their accession processes.
6. Nevertheless, many of the findings of the critical evaluation of the SGF (prepared for COP7 in 1999) still stand, notably that it has not proved possible under the SGF's current construct to achieve the perhaps over-optimistic target of CHF 1 million annually (except for one year – 1997), and the number of donors contributing to the programme continues to be small in each year.
7. In major part this is likely to be because not all donor countries and organizations are in a position within their own mechanisms to provide unrestricted grant funds, rather than funds targeted at specific projects and/or countries for which they have priority for supporting.
8. A consequence is that not all submitted projects recognized by the Standing Committee as worthy of funding can receive SGF funds. However, it should be noted that this is by no means an unusual situation, since for most donor funding programmes whatever their size there is also fierce competition for the available funds, and not all high quality project submissions are successful.
9. However, despite its recognized limitations, the SGF has continued to provide a significant tool for the Convention to help provide support to Parties, focused on where they request it, thanks to the generosity of its donors. The table below summarises the funds available, their donors and the range of projects funded for each of the last five years.
10. In summary, since 2002, we have been able to provide support to Parties of over 1.75 million Swiss francs. The funds have been provided by 14 donor governments and organizations, and have led to 48 projects being funded in 46 countries during this most recent five-year period.

SGF year cycle	Total funds available for projects (CHF)	Donor countries & organizations	No. of projects funded	Countries receiving project funding
2002	574,854	Austria Japan Spain Sweden United Kingdom	15	Armenia Bulgaria Chile Congo Croatia

		USA		Cuba Fiji Kenya Mauritius Mexico Palau Sierra Leone Sri Lanka Thailand Uruguay
2003	341,885	Austria Belgium Denmark Germany Iran Italy Japan Sweden United Kingdom WWF Living Waters Prog.	9	Bahamas Guatemala Kenya Kyrgyz Republic Lao PDR Marshall Islands Nigeria Republic of Moldova Tonga
2004	281,040	Austria Japan Sweden United Kingdom	8	India Jamaica Kazakhstan Lesotho Liberia Malaysia Nicaragua Thailand Slovenia Samoa
2005	196,602	Japan Sweden United Kingdom	6	Bosnia & Herzegovina Brazil Ghana Jordan Suriname Tajikstan
2006	357,595	Czech Republic Norway Sweden UK	6(10)*	Antigua & Barbuda Benin & Togo Kiribati Kyrgyz Republic Vietnam Republic of Moldova
TOTAL	1,751,946	14	44 (48*)	

\* for the 2006 cycle, the six projects are those already approved as the A1 project list by the Standing Committee. Subsequent to this approval, Japan is currently considering potential funding for three of the A2-approved 2006 projects, and the Secretariat has recently received additional generous donor funds which will cover a further four A2 projects. Thus for 2006 the

anticipated total number of projects which can be funded is a minimum of 10 and maximum of 13.

### **Recent status of other small grants programmes operated by the Convention**

11. All OECD DAC Listed countries and territories globally are eligible for SGF funding support. Two other small grant programmes implemented through the Secretariat focus on particular Ramsar regions: the Wetlands for the Future Fund (WFF) programme for the Neotropics, generously funded by the government of the USA since 1996, and the Swiss Grant for Africa (SGA), generously funded by the government of Switzerland since 1989. However, there are currently no such regionally-focused small grant programmes for Europe, Asia or Oceania.
12. Over the past five years the SGA has provided a total of CHF 634,640 to the implementation of 27 projects undertaken by 28 countries or organizations.
13. Likewise, in the five years since 2002, the WFF programme has supported projects in the Neotropics to the sum of just over CHF 1 million.
14. Therefore, over the past five years these three small grants programmes taken together have supported Ramsar implementation to a total of over CHF 3.4 million.
15. In addition, the provision of Ramsar small grants funding has permitted the projects funded to leverage significant amounts of matching funding from other sources. For example, the recent performance review of the ten years of the WFF programme reports that the WFF funding leveraged over 2.6 times more matching funding overall.

### **Approaches for the future**

16. The Secretariat considers that various options should be thought of as potentially complementary, rather than as alternatives, such that taken together they could build into a more flexible and effective way of increasing the resources and capacity available to Parties for implementing the Convention.
17. The overall objective of developing a more flexible approach should be to secure increased resources for allocating to a range of small grant projects against implementation priorities established at national and regional levels, through a broadening of the donor base of support.

### **Recommended approach**

18. One component of the future options should be to build on the past and present achievements of the current Small Grants Fund but to shift it to a more flexible and attractive-to-donors funding instrument through developing a **project portfolio** approach.
19. This would operate through Parties submitting proposals against their priority issues for increased implementation capacity and with these periodically assessed and approved by Standing Committee, as at present. The difference would be that the approvals would be made prior to the Secretariat seeking funding from donors, such that the Secretariat would maintain a 'rolling' portfolio of priority project proposals which would be made available

to potential donors. Donors would then be able to identify and match any projects in the portfolio against their priority issues and countries or regions for attention.

20. Such a portfolio would be regularly updated and issued by the Secretariat and would show those projects which have been successful in receiving allocation of funds.
21. One advantage of taking this portfolio approach would be that it would in no way preclude those countries and organizations who currently and recently have contributed unrestricted funds to the SGF from continuing to do so when they so wish.
22. A further advantage would be that any such funds becoming available could be immediately released to approved projects, rather than being released after a delay of some months awaiting Standing Committee approval in each SGF annual cycle, as under the present process
23. There has also been some initial exploration with a possible private sector donor in Switzerland who may be interested in supporting such a portfolio strategy for small grants under Ramsar.
24. The Secretariat has prepared an example of how promotional material for an SGF portfolio might be presented. This is attached in Annex 1 in PDF format.

#### **Additional opportunities**

25. An additional option related to the SGF itself would be to more clearly **recognize funding priorities** for either particular types of implementation topic (such as implementation of specific COP Resolutions and/or for particular Ramsar regions or countries).
26. Recognising and announcing such thematic priorities could assist Parties in focusing attention on project development against those priorities. Priority implementation topics might be annually or periodically agreed and changed by Standing Committee decision, so as to give a spread of thematic priorities over time to meet the needs of different Parties and regions. For example, DOC. SC35-13 on the implementation of Resolution IX.14 on wetlands and poverty reduction suggests that a priority for future SGF projects to be funded could be those which incorporate actions to address reduction of poverty.
27. Concerning prioritizing Ramsar regions for funding support through the SGF, a logical focus might be on those regions for which there are no other funding sources available through the Convention, i.e., Asia, Oceania and/or the increasingly small number of European countries on the OECD DAC List.
28. Such a regional prioritization would be likely to lead to a higher proportion of approved projects for Asia in particular receiving funding than is presently possible under the 'geographically-equitable' allocation of SGF project priorities.
29. Complementary to these suggestions would be the idea of developing more radically different styles of funding programmes, aimed at being attractive to other types of donors which at present generally do not support Ramsar implementation, notably private charitable environmental foundations and other parts of the private sector.

30. One idea for such an approach was aired by the Standing Committee Chairs and Secretariat when they met in September 2006. This was to develop a **regionally-focused thematic fellowship programme**, whereby a number of Parties in a region could receive technical implementation support for junior professional fellows for project implementation on a priority theme for a particular region. Such a fellowship programme or programmes would be mentored and coordinated overall by a more experienced professional expert.
31. It was suggested that as part of the design of such a programme or programmes, the Ramsar Regional Meetings due to take place later in 2007 could be invited to consider and agree on a priority issue or issues for their region which would then provide a focus for programme development agreed by the Parties to the Convention. One such example theme to consider might also, for Asia, be the theme adopted for COP10 (see DOC. SC35/SG COP10-3).
32. The various Ramsar Regional Initiatives, especially those concerning regional training centres, might also be well placed to contribute to, or facilitate, implementation of such programmes.
33. There would also need to be a next step in assessing the feasibility of such an innovative thematic programme approach, that is, to identify and consult with foundations and other donors whose areas of interest might encompass such programmes, to establish whether an appropriately focused programme would be interest to such donors.
34. In that context, it might be most effective to develop and trial such an innovative initiative in one Ramsar region to begin with. This in turn could be used to demonstrate the success and benefits of the mechanism, which in turn would assist leveraging resources for such initiatives in other regions.
35. However, it should be noted that with the current capacity of the Secretariat on such matters, such engagement and full development of this type of private sector-funded programme might also require the assistance of an expert professional fundraiser.

## Annex 1

### Draft SGF 'portfolio' brochure

[available as a separate PDF file, [http://ramsar.org/sc/35/key\\_sc35\\_docsgfinance-04\\_anx.pdf](http://ramsar.org/sc/35/key_sc35_docsgfinance-04_anx.pdf)]