



Convention on  
Biological Diversity



## Innovative financing and resource mobilization under the CBD

*Workshop on Forest Financing in Low Forest Cover Countries,  
Tehran, Iran, 14 November 2011*

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# Outline



- I. Scale of biodiversity finance
- II. CBD Forest Programme of Work
- III. Strategic Plan for Biodiversity 2011-2020
- IV. CBD resource mobilization strategy

# Scale of biodiversity finance

Enabling activities

Core Biodiversity

Mainstreaming Biodiversity

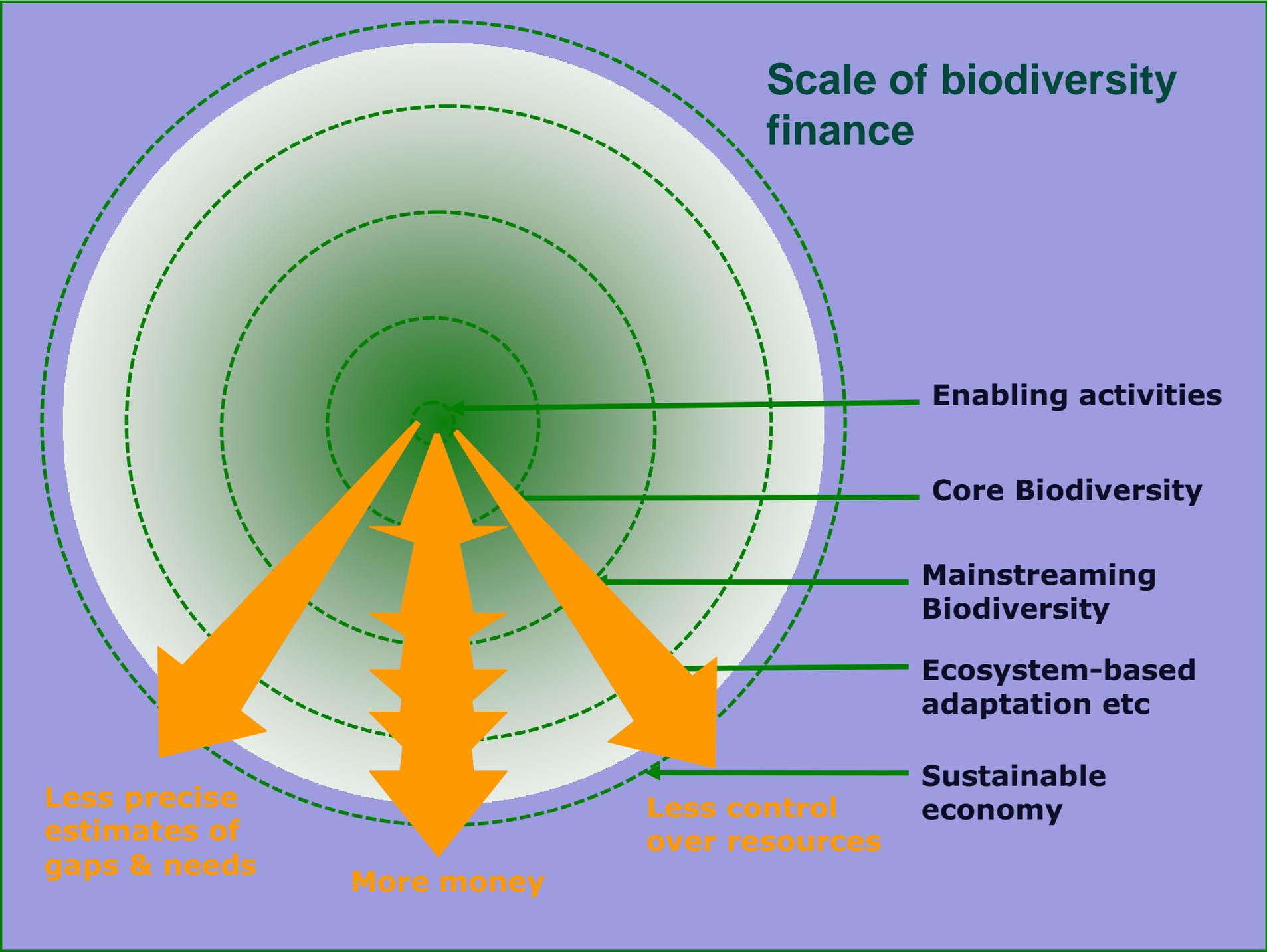
Ecosystem-based adaptation etc

Sustainable economy

Less precise estimates of gaps & needs

Less control over resources

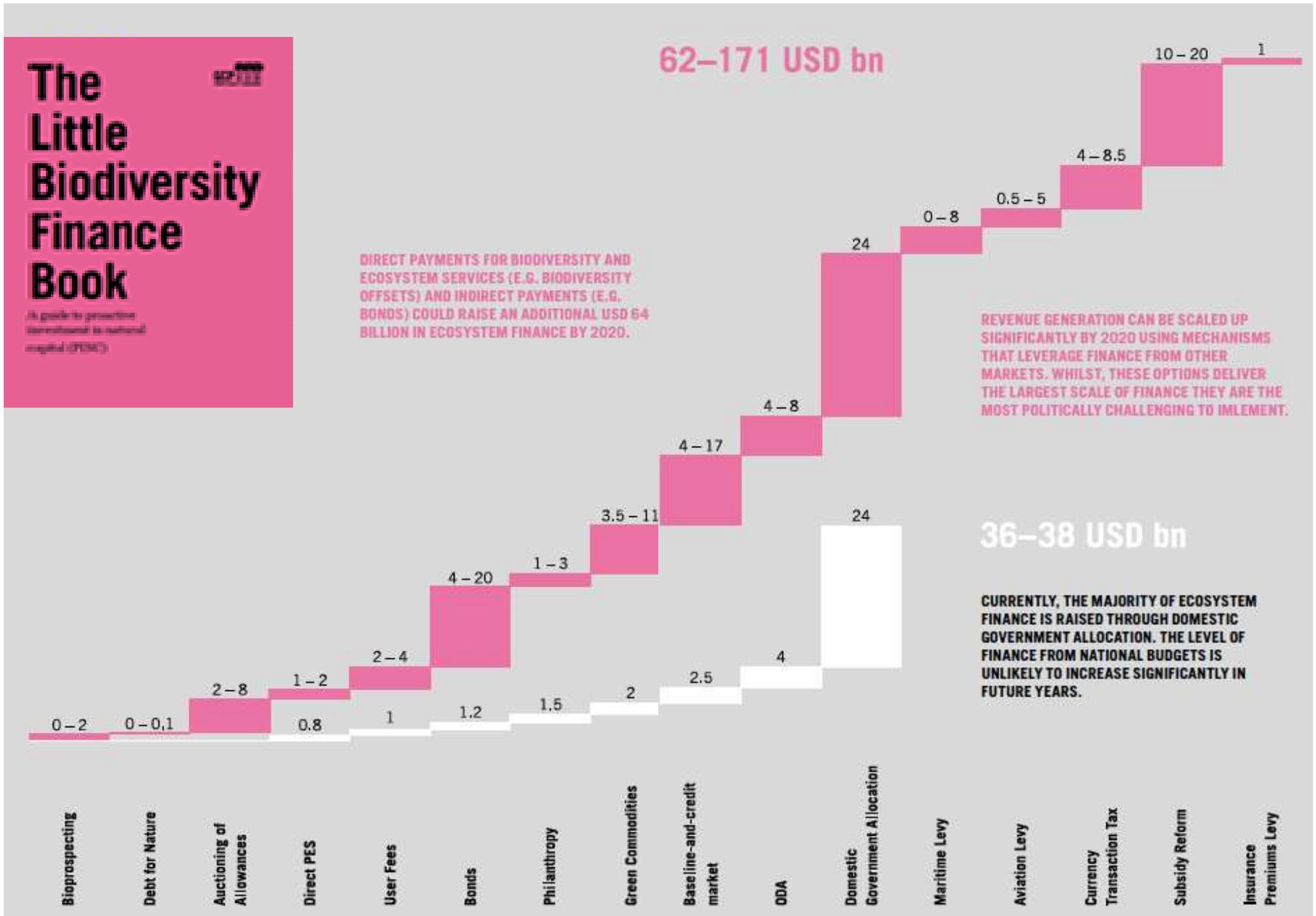
More money



# Recent estimates of current spending on biodiversity

- US\$ 6 billion/year (James et al. 1999)
- US\$ 6.5 billion/year (James et al. 2001)
- US\$ 10 billion/year (Pearce 2007)
- US\$ 4-5 billion/year (Gutman & Davidson 2008)
- US\$ 36-38 billion/year (Parker & Cranford 2010)

# Estimates of the current and future scale of biodiversity finance



# Programme of Work on Forest Biodiversity

## **1. Conservation, Sustainable Use, Benefit-sharing**

- increase sustainable management of forests
- implement ecosystem approach
- designate a comprehensive system of forest protected areas
- restore degraded forests
- fight against forest fires
- invasive alien species

## **2. Institutional, Socio-economic Enabling Environment**

- provide incentives for the use of sustainable practices (e.g., certification)
- develop good practices in forest law enforcement and governance (FLEG)
- ensure equitable ABS with indigenous and local communities
- clarify land tenure and resource rights

## **3. Knowledge, Assessment, Monitoring**

- advance assessment methods
- research forest ecosystem functioning
- develop a global forest classification system
- improve the infrastructure for data and information management

# **Work with Low Forest Cover Countries Secretariat (decision X/36)**

*The Conference of the Parties,*

*Requests the Executive Secretary to explore, together with the Low Forest Cover Countries (LFCC) Secretariat, the possibility for developing a workplan, including identification, development and implementation of targeted joint activities to support Parties, in particular developing countries with low forest cover, in the implementation of the expanded programme of work on forest biodiversity;*

# Strategic Plan for Biodiversity 2011-2020

**Framework:** for all Conventions and stakeholders

**Vision:** Living in harmony with nature. By 2050, biodiversity is valued, conserved, restored and wisely used, maintaining ecosystem services, sustaining a healthy planet and delivering benefits essential for all people.

**Mission:** Take effective and urgent action to halt the loss of biodiversity in order to ensure that by 2020 ecosystems are resilient and continue to provide essential services, thereby securing the planet's variety of life, and contributing to human well-being, and poverty eradication

# Aichi Biodiversity Targets

*By 2020...*

- **Target 5:** “...the rate of loss of all natural habitats, including forests, is at least halved and where feasible brought close to zero, and degradation and fragmentation is significantly reduced.”
- **Target 7:** “... areas under agriculture, aquaculture and forestry are managed sustainably, ensuring conservation of biodiversity.”
- **Target 11:** “... at least 17 per cent of terrestrial and inland water, and 10 per cent of coastal and marine areas...are conserved ....”
- **Target 15:** “... ecosystem resilience and the contribution of biodiversity to carbon stocks has been enhanced, through conservation and restoration, including restoration of at least 15 per cent of degraded ecosystems....”
- **Target 20:** “...the mobilization of financial resources for effectively implementing the Strategic Plan ... should increase substantially from the current levels. This target will be subject to changes contingent to resources needs assessments to be developed and reported by Parties.”

# Strategy for Resource Mobilization

- adopted by COP-9 in 2008 to assist Parties in establishing national targets, goals as well as action for enhancing international financial flows and domestic funding for biodiversity (decision IX/11)
- In 2010, COP-10 decided to adopt targets for resource mobilization at COP-11 - provided that robust baselines have been identified and endorsed and that an effective reporting framework has been adopted.

# Strategy for Resource Mobilization - Baselines

- The Secretariat is expected to propose a baseline period
- Suitable periods could be the year 2010, the period 2006-2010, or the period 2001-2010. Alternative baselines, referring back to the origin of the Convention, could be the year 1992 or the period 1991-1995.
- In order to avoid the results being overly influenced by conditions that may exist in any one year, an average of five or ten years might be more appropriate

# Strategy for Resource Mobilization – Reporting Framework

- COP X decided to adopt an effective reporting framework at COP-11 to allow Parties at that meeting to review baseline information and establish targets for the Strategy for Resource Mobilization
- COP X also adopted fifteen indicators for monitoring the implementation of the strategy for resource mobilization
- COP X set the steps in a process to be carried out prior to COP-11, making use of these indicators

# Indicators for Strategy for Resource Mobilization

## **Indicator 1:**

*Aggregated financial flows, in the amount and where relevant percentage, of biodiversity related funding, per annum, for achieving the Convention's three objectives, in a manner that avoids double counting, both in total and in, inter alia, the following categories:*

- (a) Official Development Assistance (ODA);*
- (b) Domestic budgets at all levels;*
- (c) Private sector;*
- (d) Non-governmental organizations, foundations, and academia;*
- (e) International financial institutions;*
- (f) United Nations organizations, funds and programmes;*
- (g) Non-ODA public funding;*
- (h) South-South cooperation initiatives; and*
- (i) Technical cooperation.*

## **Indicator 2:** *Number of countries that have:*

- (j) Assessed values of biodiversity, in accordance with the Convention;*
- (k) Identified and reported funding needs, gaps and priorities;*
- (l) Developed national financial plans for biodiversity; and*
- (m) Been provided with the necessary funding and capacity building to undertake the above activities.*

# Indicators for Strategy for Resource Mobilization

- Indicator 3: Amount of domestic financial support, per annum, in respect of those domestic activities which are intended to achieve the objectives of this Convention;*
- Indicator 4: Amount of funding provided through the Global Environment Facility and allocated to biodiversity focal area;*
- Indicator 5: Level of CBD and Parties' support to other financial institutions that promote replication and scaling-up of relevant successful financial mechanisms and instruments;*
- Indicator 6: Number of international financing institutions, United Nations organizations, funds and programmes, and the development agencies that report to the Development Assistance Committee of Organisation for Economic Co-operation and Development (OECD/DAC), with biodiversity and associated ecosystem services as a cross-cutting policy;*
- Indicator 7: Number of Parties that integrate considerations on biological diversity and its associated ecosystem services in development plans, strategies and budgets;*
- Indicator 8: Number of South-South cooperation initiatives conducted by developing country Parties and those that may be supported by other Parties and relevant partners, as a complement to necessary North- South cooperation;*
- Indicator 9: Amount and number of South-South and North-South technical cooperation and capacity building initiatives that support biodiversity;*
- Indicator 10: Number of global initiatives that heighten awareness on the need for resource mobilization for biodiversity;*
- Indicator 11: Amount of financial resources from all sources from developed countries to developing countries to contribute to achieving the Convention's objectives;*
- Indicator 12: Amount of financial resources from all sources from developed countries to developing countries towards the implementation of the Strategic Plan for Biodiversity 2011-2020;*
- Indicator 13: Resources mobilized from the removal, reform or phase-out of incentives, including subsidies, harmful to biodiversity, which could be used for the promotion of positive incentives, including but not limited to innovative financial mechanisms, that are consistent and in harmony with the Convention and other international obligations, taking into account national social and economic conditions;*
- Indicator 14: Number of initiatives, and respective amounts, supplementary to the financial mechanism established under Article 21, that engage Parties and relevant organizations in new and innovative financial mechanisms, which consider intrinsic values and all other values of biodiversity, in accordance with the objectives of the Convention and the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of the Benefits Arising out of Their Utilization;*
- Indicator 15: Number of access and benefit sharing initiatives and mechanisms, consistent with the Convention and, when in effect, with the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of the Benefits Arising out of Their Utilization, including awareness-raising, that enhance resource mobilization;*

**Decision X/3: <http://www.cbd.int/decisions>**

# Preliminary Reporting Framework

- Divided into 4 sections:
  1. International flows of financial resources, including for biodiversity conservation and sustainable use and management;
  2. Financial resources available for biodiversity in each country;
  3. Steps countries are taking to implement the strategy for resource mobilization; and
  4. Specific initiatives including those relating to innovative financing mechanism
- 4 overarching issues to be consider in completing the framework:
  - All relevant information is considered
  - The need to avoid double counting
  - Efficiency in information collection
  - Ensuring data quality
- Framework and guidance available online:  
<http://www.cbd.int/financial/doc/srm-indicators-guidance-en.pdf>

## Next Steps and Related Initiatives

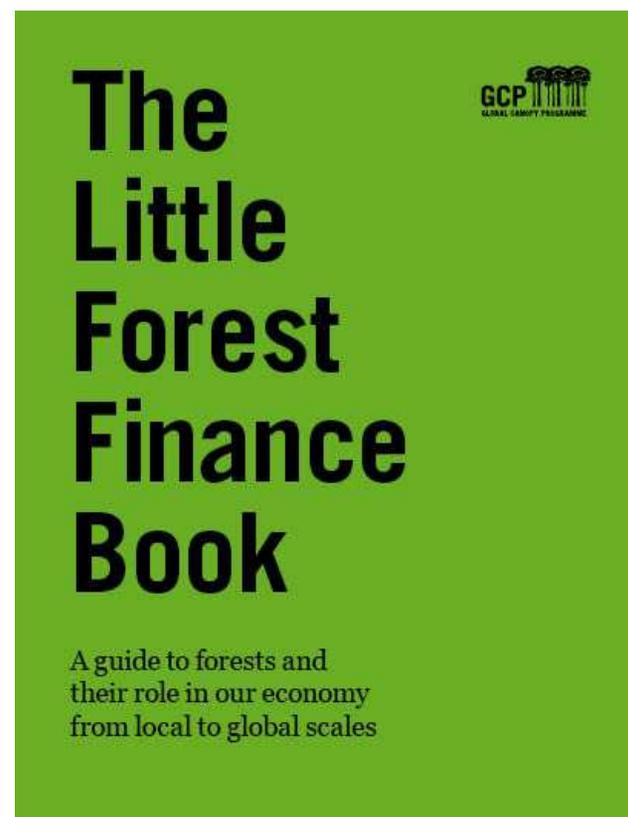
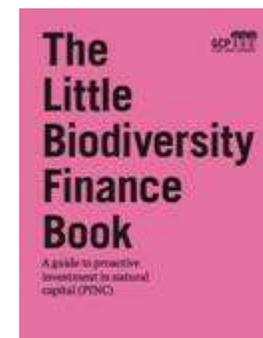
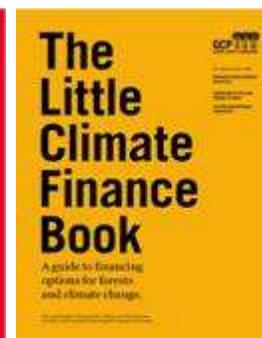
- Parties are invited to make use of the Preliminary Reporting Framework and to report this information to the Secretariat
- Secretariat will compile and consolidate information and prepare a report for consideration by Parties
- Drafts of the report will be made available by February 2012 for review by experts and Parties. Subject to the availability of resources, workshops will be organized to facilitate further review by Parties and experts.
- The final report will be provided for the consideration of WGRI-4 (Montreal, Mai 2012). If necessary the report will be revised for COP-11.
- The aims of the report will be to provide the context for the setting of targets for the Strategy for Resource Mobilization at COP XI

# Conclusion

- COP X agreed that financial resources for biodiversity should increase substantially compared to current levels
- COP X decided to adopt concrete targets for this increase COP-11
- CBD is in the process to establish robust baselines and adopt an effective reporting framework

# The Little Forest Finance Book

- Complement work on innovative financing and resource mobilization strategies
- Disseminate clear and concise information on funding options for the implementation of the CBD FPOW and Strategic Plan
- Contribute to capacity building with regard to the generation of necessary financial resources for the conservation and sustainable use of forest biodiversity;
- Contribute to fulfilling COP requests to the Executive Secretary to provide input to the discussion on forest financing in preparation for UNFF-10 (decisions IX/5 and X/36)
- To be published prior to COP 10





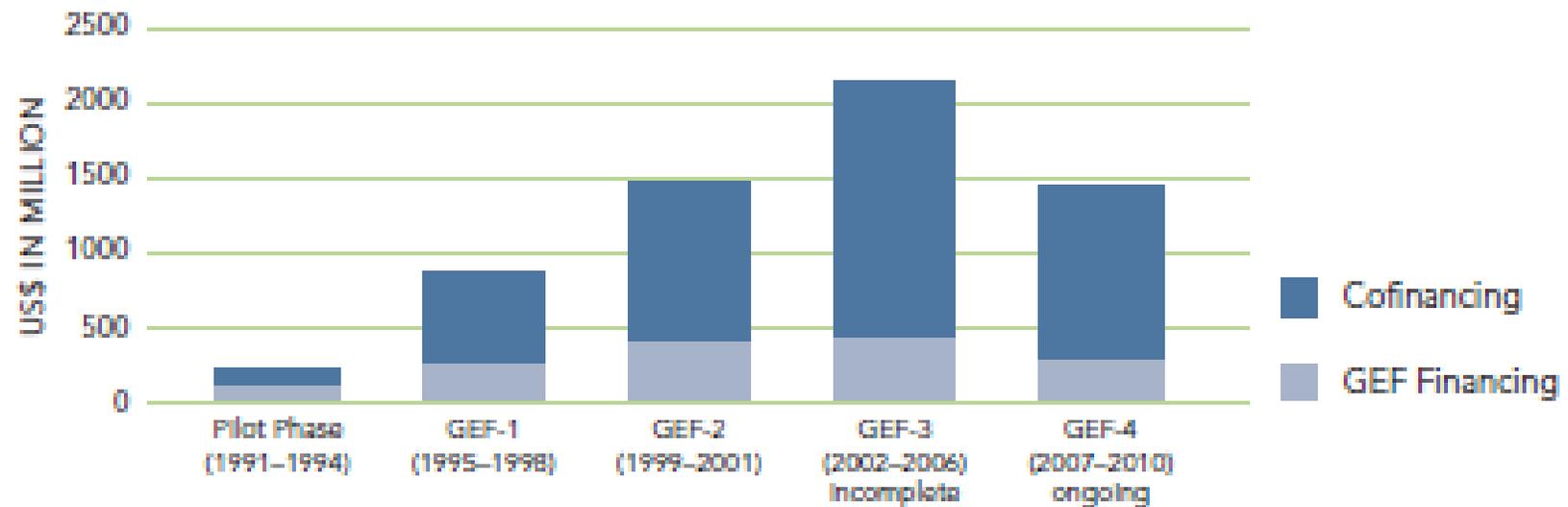
***thank you!***  
***merci!***

**[www.cbd.int/financial](http://www.cbd.int/financial)**

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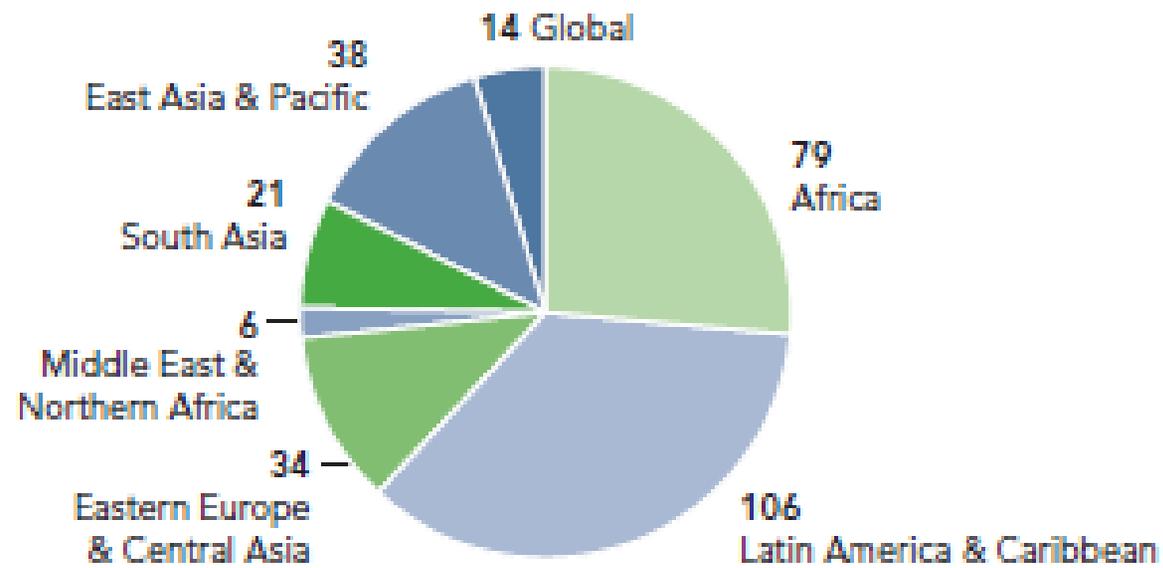
**FIGURE 4 GEF Support to Sustainable Forest Management**



Source: Source: GEF.

Note: The bars for GEF-4 include funding for 2007 and 2008 only.

**FIGURE 3** Number of GEF-Funded SFM Projects by Region 1991–2008



Source: GEF.