



**CONVENTION ON
BIOLOGICAL
DIVERSITY**

Distr.
GENERAL

UNEP/CBD/COP/6/INF/34
24 March 2002

ENGLISH ONLY

CONFERENCE OF THE PARTIES TO THE
CONVENTION ON BIOLOGICAL DIVERSITY
Sixth meeting
The Hague, 7-19 April 2002
Item 8 of the provisional agenda *

REPORTS OF REGIONAL MEETINGS

Report of the Second Intergovernmental Conference “Biodiversity in Europe”

Note by the Executive Secretary

1. At the request of the Minister of the Environment of Hungary, the Executive Secretary is circulating herewith, for the information of participants in the sixth meeting of the Conference of the Parties to the Convention on Biological Diversity, the report of the Second Intergovernmental Conference “Biodiversity in Europe”, which was held in Budapest from 24 to 28 February 2002.
2. The report is being circulated in the form and language in which it was received by the Secretariat of the Convention on Biological Diversity.

* UNEP/CBD/COP/6/1 and Rev.1/Corr.1.

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REPORT OF THE SECOND INTERGOVERNMENTAL CONFERENCE “BIODIVERSITY IN EUROPE”

1. The Second Intergovernmental Conference “Biodiversity in Europe” was convened from 24 to 28 February 2002 in Budapest, Hungary. It was organised by the Government of Hungary in cooperation with the Regional Office for Europe of the United Nations Environment Programme (UNEP) and the Council of Europe. The Conference was financially supported by the Governments of Austria, Belgium, the Czech Republic, Denmark, Hungary, Latvia, Norway, the Netherlands, Spain, Switzerland and the United Kingdom as well as the European Commission, UNEP and the Council of Europe.

2. The Conference was attended by the Governments of Albania, Andorra, Armenia, Austria, Belarus, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Finland, France, Georgia, Germany, Greece, Hungary, Ireland, Italy, Kazakhstan, Kyrgyzstan, Latvia, Lichtenstein, Lithuania, The Former Yugoslav Republic of Macedonia, Malta, Moldova, Netherlands, Norway, Poland, Portugal, Romania, Russian Federation, Slovakia, Slovenia, Spain, Sweden, Switzerland, Tajikistan, Turkmenistan, Ukraine, United Kingdom, Uzbekistan, Federal Republic of Yugoslavia. It was also attended by representatives of the European Community.

3. The following organisations sent observers: Bern Convention, Convention on Migratory Species, Convention on Biological Diversity, Food and Agricultural Organisation (FAO), Ramsar Convention, UNESCO, World Bank, World Wide Fund for Nature (WWF), Ministerial Conference on the Protection of Forests in Europe (MCPFE), European Environment Agency (EEA), Congress of Local and Regional Authorities of Europe, European Centre for Nature Conservation (ECNC), European Eco-Forum, IUCN, Regional Environmental Centre (REC).

4. Association for Promoting of Biological and Habitat Diversity in Crimea-Gurzuf-97, Biodiversity Conservation Center, BIOTICA Ecological Society, CEEWEB, Foundation for the Eastern Carpathians Biodiversity Conservation, Greenpeace, International Institute of Landscape Ecology of the Slovak Academy of Sciences, Latvian Fund for Nature, Legal Aid Center "Rodnik", National Ecological Centre of Ukraine, National Society of Conservationist, OIKOS, Plantlife, Planta Europa, Regional Environmental Centre Moldova, Siberian Environmental Center, Young Researchers of Serbia also attended.

5. A list of participants to the Conference is contained in Annex IX.

6. Back-to-back with the Conference, the Committee for the activities of the Council of Europe in the field of biological and landscape diversity (CO-DBP) and the Sofia Biodiversity Initiative held meetings on 24 February 2002.

ITEM 1. OPENING, ADOPTION OF THE AGENDA AND ELECTION OF OFFICERS

7. The Joint Secretariat for the Pan-European Biological and landscape Diversity Strategy (PEBLDS) opened the Conference at 9.30 on Monday, 25 February 2002, and called for the election of H.E. Mr. Béla Turi Kovács, Minister of Environment of Hungary as Chairman of the Conference.

8. Mr. Turi Kovács, who was unanimously elected the Chairman of the Conference, welcomed participants on behalf of the Government of Hungary. He said that Hungary was honoured to host this important event and wished the Conference success in its deliberations. The Chairman addressed a special word of welcome to representatives of non-governmental organisations and major groups and stressed the importance of stakeholders' involvement in decision making and taking concrete action on the conservation and sustainable use of biodiversity.

9. The participants adopted the agenda, as contained in Annex II, and organisations of work proposed in the document STRA-CO (2002) 2 “Annotated draft agenda”. They also adopted, on a provisional basis pending the consideration of item 5.2, an amendment of the Terms of Reference of the Council for PEBLDS to allow for a full participation of the European Community in deliberations at the Conference. Following a proposal by the Chairman, Mr. Peter Skoberne, Slovenia, was elected Vice-Chair of the Conference.

10. The Chairman announced that he intended to prepare conclusions of the Conference and proposed to establish an open-ended contact group to assist him in preparing and seeking consensus on the text.

11. Introductory statements at the Opening Plenary were delivered by Mr. Vladimirs Makarovs, Minister of Environment of Latvia; Ms. Geke Faber, State Secretary of the Ministry of Agriculture, Nature Management and Fisheries of The Netherlands; Ms. Carmen Martorell, General Secretary, Ministry of Environment of Spain; Mr. László Miklós, Minister of Environment of the Slovak Republic; Mr. Sergii Kurykin, Minister of Ecology and Natural Resources of Ukraine; Mr. André Stoylen, Undersecretary of State, Ministry of Environment of Norway; Sir Brian Unwin, President of ECNC/Former President of the European Investment Bank; Mr. Piotr Gorbunenko, Biodiversity Issue Group Coordinator, European Eco-Forum; Mr. Hamdallah Zedan, Executive Secretary of the Convention on Biological Diversity; Mr. Werner Wutscher, Secretary General, Federal Ministry for Agriculture, Forestry, Environment and Water Management of Austria; Mr. János Tardy, Deputy Secretary of State, Ministry of Environment of Hungary; Mr. Beat Nobs, Ambassador, Swiss Agency of Environment, Forests And Landscapes; and Mr. Domingo Jimenez-Beltran, Executive Director of the European Environment Agency.

12. The Conference was also addressed by representatives of the Joint Secretariat for PEBLDS Mr. Bendik Rugaas, Director General of Education, Culture and Heritage, Youth and Sport of the Council of Europe, and Mr. Frits Schlingemann, Director and Regional Representative, Regional Office for Europe of the United Nations Environment Programme.

13. A summary of welcome addresses and introductory statements is contained in Annex III.

ITEM 2. PREPARATIONS FOR THE SIXTH MEETING OF THE CONFERENCE OF THE PARTIES TO THE CONVENTION ON BIOLOGICAL DIVERSITY (CBD/COP-6).

ITEM 2.1 Forest Biological Diversity

14. The session was chaired by Mr. Peter Mayer, Head of the Liaison Unit Vienna, Ministerial Conference on the Protection of Forests in Europe.

15. A discussion paper “Forest Biological Diversity” (Annex IV), prepared by the Government of Austria in cooperation with the Liaison Unit Vienna of MCPFE, was introduced by Ms. Gabriele Obermayr, Federal Ministry for Agriculture, Forestry, Environment and Water Management of Austria.

16. Statements under the agenda item were made by the representatives of Albania, Bulgaria, Czech Republic, Finland, Norway, the Netherlands, Spain (on behalf of the European Union), Russian Federation, Yugoslavia, IUCN, ECO-Forum, WWF and Greenpeace.

17. A summary of recommendations made on forest biological diversity is presented in the Chairman’s Conclusions (See Annex I).

ITEM 2.2. Invasive Alien Species

18. The session was chaired by Mr. Veit Koester, Director, Forest and Nature Agency, Ministry of Environment and Energy, Denmark.

19. A discussion paper “Invasive Alien Species” (Annex V) was prepared by the Government of Hungary in cooperation with the Government of the United Kingdom and the Bern Convention. It was presented by Mr. András Demeter, Head of Nature Conservation Department of the Ministry for Environment, Hungary.

20. The following representatives participated in the discussion of the issue: Bulgaria, Malta, Norway, Spain (on behalf of the European Union), Switzerland, Turkmenistan, United Kingdom, the European Community, the Council of Europe and ECO-Forum.

21. A summary of recommendations made on invasive alien species is presented in the Chairman’s Conclusions (See Annex I).

ITEM 2.3 Financing Biodiversity

22. The session was chaired by Sir Brian Unwin, President of ECNC/Former President of the European Investment Bank.

23. A discussion paper “Financial Resources and Mechanisms for Biodiversity in Europe” (Annex VI), prepared by the Government of Switzerland in cooperation with the European Centre for Nature Conservation and the Government of the United Kingdom, was presented by Mr. Robert Lamb, Senior Policy Advisor, Swiss Agency for Environment, Forests and Landscape.

24. Statements under this item were made by the representatives of Bulgaria, Czech Republic, the Netherlands, Russian Federation, Spain (on behalf of the European Union), Tajikistan, the European Community, WWF, Plantlife, ECO-Forum and REC.

25. A summary of recommendations made on financial resources and mechanisms for biodiversity is presented in the Chairman’s Conclusions (See Annex I).

ITEM 2.4 Indicators, Monitoring and the Clearing House Mechanism

26. The session was chaired by Mr. Carlos Martin-Novella, Principal Administrator, Directorate General Environment, European Commission.

27. A discussion paper “Indicators, monitoring and the CHM: tools for policy makers” (Annex VII), prepared by the European Commission in cooperation with the European Environment Agency and the European Centre for Nature Conservation, was presented by Ms. Ulla Pinborg, Project Manager for Nature and Forest, European Environment Agency.

28. Statements under this item were made by the representatives of Albania, Bulgaria, Czech Republic, Hungary, Norway, Slovenia, Spain (on behalf of the European Union), the United Kingdom, Yugoslavia, the Council of Europe, MCPFE, FAO and ECO-Forum.

29. A summary of recommendations made on indicators, monitoring and the CHM is presented in the Chairman’s Conclusions (See Annex I).

ITEM 2.5 Strategic Plan for the Convention on Biological Diversity

30. The session was chaired by Mr. Jan Plesnik, Chairman of SBSTTA-7, Deputy Director, Agency for Nature Conservation and Landscape Protection, Czech Republic.

31. A discussion paper "Strategic Plan for the CBD" (Annex VIII), prepared by the Government of the United Kingdom in cooperation with UNEP, was presented by Mr. Jonathan Tillson, DEFRA, United Kingdom.

32. Statements under this item were made by the representatives of Hungary, Germany, Moldova, Norway, Spain (on behalf of the European Union), Tadjikistan, the European Community, the Council of Europe and Greenpeace.

33. A summary of recommendations made on the Strategic Plan for the CBD and the implementation of the Convention is presented in the Chairman's Conclusions (See Annex I).

34. Mr. Tobias Salathe, Ramsar Bureau, made a presentation on the new Joint Work Plan between the CBD and the Ramsar Convention.

35. Ms. Beatriz Torres, Secretariat of the Convention on Migratory Species, introduced the Joint Work Programme between the CBD and the CMS.

36. Ms. Jane Smart, Executive Director, Plantlife, made a presentation on the Global Strategy for Plant Conservation and European Plant Conservation Strategy.

ITEM 3. ROLLING WORK PROGRAMME OF THE PEBLDS AND PROGRESS REPORTS

37. The session was chaired by Mr. Peter Skoberne, Chairman of the Council for PEBLDS, Slovenia.

38. The Chairman introduced an updated Rolling Work Programme of the PEBLDS as prepared by the Joint Secretariat on the basis of comments from members and observers of the Council for PEBLDS.

39. France briefed the participants on the status of preparations for the High-level Pan-European Conference on Agriculture and Biodiversity to be held from 5 to 7 June 2002 in Paris.

40. Tadjikistan, supported by Belarus and Uzbekistan, expressed concerns that so far no funds were made available to cover travel and subsistence expenses of representatives of Belarus and Central Asian countries, except for Kazakhstan, to attend the Pan-European Conference.

41. Interventions on the issue were also made by Switzerland, the Council of Europe and UNEP.

42. UNEP reported on the development of a framework for cooperation between the PEBLDS and the Ministerial Conference on the Protection of Forests in Europe. Statements were also made by Denmark and MCPFE.

43. ECNC presented a progress report on the European framework and Action Plan for integration of globalisation, ecology and economy as a follow-up of the Tilburg Conference held in 1999.

44. UNEP briefed the participants on the progress in the implementation of the UNEP/IUCN/ECNC/REC Biodiversity Service in 2001. Representatives of Albania and Uzbekistan informed of the activities

undertaken in these countries in the framework of the project. Interventions were also made by Belarus, Denmark and Tadjikistan.

45. EEA informed of the progress in the development of the European Biodiversity Monitoring and Indicator Framework.

46. ECNC reported on the establishment of the Pan-European Ecological Network (PEEN), including an indicative map of PEEN in Central and Eastern Europe. Statements on the issue were made by Belarus, France, Malta, Moldova, Russian Federation, the Council of Europe and UNESCO.

47. The following representatives participated in the discussion of the Rolling Work Programme: Albania, Austria, Moldova, the Netherlands, Norway, Switzerland, Tadjikistan, the United Kingdom, the European Community, UNEP, Ramsar Bureau and ECNC.

Decisions:

VI.1 Members and observers of the Council for PEBLDS are invited to submit their comments and recommendations concerning the inclusion of new activities in the Rolling Work Programme to the Joint Secretariat.

VI.2 The Bureau of the Council for PEBLDS will review and discuss in detail the Rolling Work Programme in light of decisions taken at the CBD/COP-6 at its next meeting.

ITEM 4. PREPARATIONS FOR THE KYIV CONFERENCE

48. The Chairman of the Council for PEBLDS, who chaired the session, informed of the process of organisation of the Fifth Ministerial Conference "Environment for Europe" to be held in Kyiv, Ukraine, in May 2003. He presented a number of proposals as to main topic(s) for debate at the biodiversity session, subject(s) for endorsement, options for presentation of subjects for endorsement, reports and other documents, possible side events, profiling of biodiversity under other agenda items and timetable for the preparations.

49. Statements in relation to the preparation of a biodiversity agenda for the Kyiv Conference were made by Czech Republic, Denmark, Hungary, the Netherlands, Norway, Switzerland, the United Kingdom, UNEP, World Bank, Ramsar Bureau, ECNC and ECO-Forum.

Decisions:

VI.3 The Chairman will submit and present the outcome of the discussions concerning the biodiversity session at the Kyiv Conference to the EXECOM meeting (1-2 March 2002, Kyiv).

VI.4 The seventh meeting of the Council for PEBLDS will serve, *inter alia*, as a special meeting to prepare the biodiversity related outputs of the Kyiv Conference.

VI.5 The Bureau of the Council for PEBLDS will further discuss and elaborate the proposal for the biodiversity session and its outcomes at its next meeting.

VI.6 The Chairman of the Council, supported as appropriate by the Joint Secretariat, will present and promote biodiversity issues at the forthcoming meetings of EXECOM and the Ad Hoc Working Group of Senior Officials preparing for the Kyiv Conference in July 2002 in Geneva.

ITEM 5. ADMINISTRATIVE AND FINANCIAL ISSUES.

50. The session was chaired by Mr. Peter Skoberne, Chairman of the Council for PEBLDS, Slovenia.

ITEM 5.1. Organisation of work and financing of the Joint Secretariat for PEBLDS

51. UNEP presented a Statement on the organisation of work at the Joint Secretariat and a proposal on a system for its stable and predictable funding, including a tentative budget for 2003.

52. Denmark, Norway, Spain, Switzerland, Russian Federation and the European Community expressed their support to the proposed Riga/Budapest approach to financing of the Joint Secretariat, based on principles of voluntary participation and burden-sharing. A number of questions of a technical nature were raised. Germany expressed its principle objection against any additional financial commitment, e.g. any scale of contributions, and announced further support to the PEBLDS process on a voluntary basis.

Decision:

VI.7 The Joint Secretariat will approach potential donors with a request to contribute to the budget of the Council for PEBLDS and its Secretariat and will hold bilateral consultations as to modalities, timing and amounts of contributions, as well as to their contributions for building the financial reserve.

ITEM 5.2 Terms of Reference of the Council for PEBLDS and its Bureau

53. The Council of Europe presented an amended Terms of Reference and Rules of Procedures of the bodies responsible for the implementation of the PEBLDS. The proposed amendments were intended, *inter alia*, to

- enlarge the membership of the Council for PEBLDS to include the European Community and the Federal Republic of Yugoslavia;
- amend the composition of the Bureau of the Council for PEBLDS to include European members of the Bureau of CBD/COP and representatives of main Pan-European sub-regions;
- allow for convening of meeting of the Council and its Bureau outside the seat of the Secretariat.

54. Statements of the issue were made by Albania, Bulgaria, Hungary, Latvia, Moldova, Norway, Russian Federation, Switzerland, Yugoslavia, the European Community and UNEP.

Decisions:

VI.8 The Council adopted the amended Terms of Reference and Rules of Procedures of the bodies responsible for the implementation of the PEBLDS with account of comments expressed in the meeting. Pro forma, the document will be submitted for approval to the Committee of Ministers of the Council of Europe and to UNEP.

VI.9 The term of office of the Enlarged Bureau in its current composition will be extended till the seventh meeting of the Council, when the election of a new Bureau will take place.

VI.10 The possibility of inviting a representative of the Bureau of SBSTTA will be explored.

ITEM 5.3 Dates and venues of the next meeting of the Council and Bureau.**Decisions:**

VI.11 The next meeting of the Bureau will be held in May or June 2002 to discuss, *inter alia*, the outcome of the CBD/COP-6 and the preparations for the Kyiv Conference.

VI.12 The dates for the seventh meeting of the Council will be set in consultation with the UN/ECE Secretariat and EXECOM to ensure timely preparation of documents to be submitted to the Kyiv Conference.

ITEM 6. PRESENTATION AND ADOPTION OF THE CHAIRMAN'S CONCLUSIONS

55. The session was chaired by Mr. János Tardy, Deputy Secretary of State, Ministry of Environment of Hungary. He presented draft Chairman's Conclusions prepared by the Chairman of the Conference, Mr. Béla Turi Kovács, with assistance from the open-ended contact group.

Decisions:

VI.13 The Chairman's Conclusions were endorsed as contained in Annex IV.

VI.14 The Government of Hungary will submit a report of the Budapest Conference to the Secretariat of the CBD for inclusion in the documentation of the CBD/COP-6 and present the Chairman's Conclusions under the item "Reports of regional preparatory meetings" and other relevant agenda items at the CBD/COP-6.

ITEM 7. OTHER BUSINESS

56. No issues were raised under this agenda item.

CLOSURE OF THE CONFERENCE

57. Participants of the Budapest Conference expressed their deep gratitude to the Government of Hungary for its hospitality and to the Joint Secretariat for PEBLDS for the excellent organisation of the event. They also acknowledged with appreciation generous financial support and substantive inputs provided by a number of Governments and organisations.

58. Mr. János Tardy declared the Conference closed at 13.00 on Thursday, 28 February 2002.

CHAIRMAN'S CONCLUSIONS

INTRODUCTION

1. In 1999, a group of European Governments took the initiative of organising a Pan-European regional preparatory meeting for the Fifth meeting of the Conference of the Parties to the Convention on Biological Diversity (CBD/COP-5). The resulting Intergovernmental Conference "Biodiversity in Europe", held from 20 to 23 March 2000 in Riga, became the first forum at the Pan-European level, where global and regional biodiversity policies were discussed by Governments, international and non-governmental organisations.
2. Building on the success of the Riga Conference, the Government of Hungary offered to host the Second Intergovernmental Conference "Biodiversity in Europe" from 24 to 28 February 2002 in Budapest. This Conference was held under the overall umbrella of the Pan-European Biological and Landscape Diversity Strategy (PEBLDS), thus providing an interface between the CBD, as the global instrument for the conservation and sustainable use of biodiversity, and "Environment for Europe", as the Ministerial process addressing biodiversity related developments in the Pan-European region.
3. The Conference benefited from advice and experience of several Ministers and other high-level officials and attracted a broad participation of European Governments, intergovernmental and non-governmental organisations.
4. The Conference had two main objectives:
 - to facilitate the preparations for the CBD/COP-6 in the region, and
 - to strengthen the cooperation on biodiversity in Europe.
5. The Conference resulted in a clearer vision of how to advance the European biodiversity agenda. It reviewed relevant ongoing Pan-European processes, identified priorities and made a number of recommendations for action at the regional level. It also took decisions regarding the implementation of the PEBLDS.
6. The Conference thoroughly discussed most of the main items of the CBD/COP-6 agenda, which were of special European concern, with a view to developing a regional input in the forthcoming negotiations at The Hague.
7. The main message from Budapest to the global biodiversity community is that European countries are committed to work jointly for attaining common goals of the conservation and sustainable use of biodiversity. Europe is keen to learn from a wide range of experiences of other regions with a view to enriching the Pan-European biodiversity processes, and ready to share its achievements and innovations with other regions of the world.
8. Europe is convinced of the importance of integrating biodiversity issues into sustainable development and, to that end, encourages the promotion of cooperation between the CBD and other Multilateral Environmental Agreements (MEAs) and relevant agencies and organisations within and outside the United Nations system.

THE MESSAGE FROM EUROPE TO THE CBD/COP-6

9. The CBD should, at its highest level, deliver a strong message for transmission to the World Summit on Sustainable Development emphasizing the fundamental role of biodiversity as a cornerstone for sustainable development and the importance of the full implementation of the CBD and its provisions.

10. This message should be introduced as soon as possible in the preparatory process for the World Summit on Sustainable Development and translated in Johannesburg into concrete activities reflecting renewed political commitment to the CBD as main instrument to protect biodiversity.

11. As regards the main topics of the CBD/COP-6, the Conference made the following recommendations:

Forest biological diversity

12. Given the crucial role of all types of forests, *inter alia* primary forests, the Convention on Biological Diversity should assume a leading role on issues related to forest biodiversity. In this regard the following requires attention:

- Mutual supportiveness and increased synergy between the CBD and international instruments related to forests, in particular the United Nations Forum on Forests (UNFF) and member organizations of the Collaborative Partnership on Forests (CPF) such as the United Nations Framework Convention on Climate Change (UNFCCC) and its Kyoto Protocol, and the United Nations Convention to Combat Desertification (UNCCD), should be ensured.
- The Accra-workshop, which has identified important areas for collaboration between UNFF and CBD. In this respect the links between the CBD work programme on forest biological diversity and the Intergovernmental Panel on Forests/Intergovernmental Forum on Forests (IPF/IFF) proposals for action, the UNFF's Multi Year Programme of Work and the Plan of Action, should be enhanced.
- Climate change as well as measures under the Kyoto Protocol might have serious impact on biodiversity. Focused work by the CBD and closer co-operation between the UNFCCC and the CBD, e.g. by joint activities, organising joint workshops and integrating biodiversity concerns into the work under the UNFCCC, should be developed.
- The role of the Secretariat of the CBD as lead agency on forest biological diversity within the CPF should be enhanced.
- The cooperation between the Environment for Europe /Pan-European Biological and Landscape Diversity Strategy and the Ministerial Conference on the Protection of Forests in Europe (MCPFE) at the regional level should be highlighted with a view to developing models for the co-operation between forest and biodiversity related processes worldwide.

13. While considering an expanded work programme on forest biological diversity, the CBD/COP-6 should address the following issues:

- An action oriented work programme should be adopted identifying priorities, respective actors, targets and timeframes, indicators of progress, and possible ways and means for the implementation of the activities. Among the respective actors, a main actor for each activity should be clearly defined. Taking into account needs of developing countries and countries with economies in transition (capacity building, financing, technology transfer), the priorities should

emphasise the most urgent activities to be carried out as the first step in a phased approach to implement all elements of the expanded work programme.

- Priority in the efforts to conserve biodiversity should be given to the most endangered and environmentally significant forest ecosystems and species, in particular primary forests.
- The following criteria could guide the selection of issues in the expanded work programme for the first phase:
 - Having a clear and immediate potential for reducing the loss of forest biological diversity
 - Covered both in the draft work programme of the CBD and in the plan of action of the UNFF
 - Not covered by other workplans and programmes of the CBD.
- Based on the criteria listed above, the following issues (indicated with a key term) of the expanded work programme as proposed by the Seventh meeting of the Subsidiary Body for Scientific, Technical and Technological Advice (SBSTTA-7) could be prioritised for the first phase of the work programme:

PROGRAMME ELEMENT 1:

- ecosystem approach and sustainable forest management (Goal 1, Objective 1)
- threatening processes to forest biological diversity (Goal 2)
- conversion and fragmentation (Goal 2, Objective 6)
- restoration of forest ecosystem (Goal 3, Objective 1)
- protected forest areas (Goal 3, Objective 3)
- sustainable use enhancing the conservation of forest biodiversity (Goal 4, Objective 1)
- voluntary third party credible forest certification schemes (Goal 4, Objective 1)

PROGRAMME ELEMENT 2:

- integration of forest biological diversity into forest and other sectors and programmes (Goal 1, Objective 2)
- good governance (Goal 1, Objective 3)
- combating illegal logging and related trade (Goal 1, Objective 4)
- economic distortions and failures (Goal 2, Objective 1)
- increase of public awareness (Goal 3)
- valuation of forest biodiversity and its goods and services (Goal 3, Objective 1)

PROGRAMME ELEMENT 3:

- forest classification systems (Goal 1, Objective 1)
- criteria and indicators within the framework of sustainable forest management (Goal 2, Objective 1)
- Implementation of the work programme on the ground should be ensured by, *inter alia*, capacity building, awareness raising, stakeholder involvement and communication activities, taking also into account indigenous and local communities rights and interests. National and international forest industries should be encouraged to support the implementation of the work programme through adopting and implementing adequate ecological policies.
- A mechanism for reviewing and monitoring the implementation should be included into the work programme.

- The Parties and other actors addressed in the work programme should be invited to report at the CBD/COP-7 on respective measures they have taken and progress achieved in the implementation of the work programme.
- The work programme should make use of the work and experiences of regional level processes, such as the MCPFE and Environment for Europe/PEBLDS. In this regard, the Pan-European work on national forest programmes, criteria and indicators and protected forest areas should be taken into account .

14. Adequate consideration of the elements and provisions of the expanded work programme on forest biological diversity, in relevant regional instruments and processes as well as in national biodiversity strategies, plans or programmes, national forest programmes and national sustainable development strategies in a coherent and synergistic manner, will be of vital importance for its implementation.

Invasive alien species

15. Clear definitions and terminology with regard to “invasive alien species” should be agreed upon.

16. SBSTTA guiding principles for the prevention, introduction and mitigation of impacts of invasive alien species (IAS) should be adopted, focusing, *inter alia*, on the need:

- for adequate assessment of the real and potential threats to biodiversity and for the application of the Precautionary Principle set forth in Principle 15 of the 92 Rio Declaration on Environment and Development, further elaborated in, *inter alia*, the Preamble of the CBD and Article 10 of the Cartagena Protocol, including within a risk analysis framework.
- to take into account that, in cases of intentional introductions of invasive alien species, the burden of proof that a proposed introduction is unlikely to cause harm to ecosystems, habitats or species, should be with the proposer of the introduction.
- for States to ensure that activities within their jurisdiction or control do not cause damage to the environment of other States or of areas beyond the limits of national jurisdiction. In the context of invasive alien species, activities that could be a risk for another State include:
 - (a) the intentional or unintentional transfer of an invasive alien species to another State (even if it is harmless in the State of origin); and
 - (b) the intentional or unintentional introduction of an alien species into their own State if there is a risk of that species subsequently spreading (with or without a human vector) into another State and becoming invasive.

17. Practical application of these guiding principles should, *inter alia*, be promoted through existing instruments, mechanisms and programmes, and, on the basis of the outcomes of the SBSTTA analysis of options, new arrangements should be developed, if appropriate. International cooperation should be reinforced *inter alia* by means of collaborative arrangements with relevant instruments and organisations.

18. The effectiveness of a regional approach to the issue of invasive alien species should be acknowledged.

19. All Parties to the CBD should be encouraged to ratify and implement the Cartagena Protocol on Biosafety.

20. Support should be given to research and development of methods to predict and prevent invasive behaviour of alien species and genetically modified organisms (GMOs), before they are released into the environment.

21. Adequate global communication structures should be elaborated, such as the tailoring of the Clearing House Mechanism (CHM) for IAS purpose and the establishment and maintenance of an “Early Warning System”.

22. Experiences of prevention, control and eradication of IAS should be collated and supplemented by new pilot projects to improve the scientific, technical and technological basis, as well as to further capacity building with regard to prediction, prevention, control, eradication, restoration, and mitigation. Results should be communicated e.g. through the CHM.

23. Awareness raising initiatives should be launched and supported to address widespread lack of understanding of IAS and the need for strengthening preventative measures.

Financial resources and mechanisms for biodiversity

24. While discussing the item “Financial instruments and mechanism”, the CBD/COP-6 may address the following points, and entrust their further consideration to its subsidiary bodies as appropriate:

- Partnerships between financial institutions and the biodiversity community, which will support the mainstreaming of biodiversity into banking policy and operations, should be promoted. The European Biodiversity Resourcing Initiative (EBRI) should be highlighted as a positive innovative example of regional cooperation for the global community.
- A global biodiversity private venture capital or private investment funds for bankable biodiversity related programmes and projects should be established, to act as a catalyst along with the Global Environment Facility (GEF).
- Awareness of governmental and non-governmental biodiversity stakeholders regarding investment opportunities should be enhanced. Integration of biodiversity concerns in rural and urban development projects should be promoted.
- The importance of economic valuation for biodiversity related decision making should be acknowledged.
- Tax and other financial incentives should be introduced at the appropriate governmental levels to facilitate investments in biodiversity and allow for a normal financial return from investment.
- Activities aiming at full assessment of both market and non-market values of ecological services provided by biodiversity and the conservation of biodiversity, for inclusion into economic and financial relations and policies should be promoted.
- Perverse financial incentives should be identified, such as environmentally damaging subsidies, tax breaks, export credits, and financial investment, and should be reformed to support financial incentives contributing to the prevention of biodiversity loss.
- Options for better coordination between existing financial institutions, mechanisms and financiers should be explored. The issue of forest biological diversity could be an important test case.
- The sharing of knowledge and experience should be promoted. The Clearing House Mechanism of the CBD could include a thematic Banking/ Business and Biodiversity focus, containing

information of interest and relevance to financial institutions and the private sector, including a banking/biodiversity portfolio for financiers and recipients, and examples of good “business and biodiversity” practice, thereby building on the existing CBD “Database on biodiversity related funding information”.

- Ways and means, including alternative predictions of the future of biodiversity, to stimulate the banking/business sector to support the development and implementation of bankable projects with a substantial biodiversity component, should be explored.
- GEF funding and implementation procedures must be made more effective and efficient.

Indicators, monitoring and the Clearing House Mechanism

25. In response to Decision V/7 of the Conference of the Parties and SBSTTA Recommendation VII/11, regional cooperation and synergy between national, regional and global indicator developments should be promoted, with a view to enhancing comparability and efficiency of biodiversity monitoring programmes. In this respect the European Biodiversity Monitoring and Indicator Framework (EBMI-F) can serve as an example of a regional coordination effort.

26. Support for increased scientific and technical cooperation through CHM worldwide should be ensured. The Pan-European workshop on “Building the CHM partnership: facilitating scientific and technical cooperation” is a good step in this direction.

27. The use of CHMs for exchanging indicator-based monitoring information and on-line reporting should be stimulated at the national, regional and international levels.

28. In line with Recommendation VII/11 of SBSTTA, the CBD/COP-6 should invite the Parties and relevant organisations and processes to report to the CBD/COP-7 on the development of national-level monitoring systems and sets of indicators for biodiversity; and in line with Recommendation VII/2 of SBSTTA, the Parties should welcome the development of improved biodiversity assessment methods and processes.

Strategic Plan for the CBD and the implementation of the Convention

29. The decline in global biodiversity is continuing at an alarming rate. A renewed and increased political commitment is highly needed to change this situation. The CBD must be implemented much more efficiently and a Strategic Plan to this end is needed. It should:

- focus on priorities for the coming years;
- provide guidance to the Parties and assist them in implementing the obligations of the CBD and decisions adopted by the Conference of Parties;
- support the ecosystem approach in biodiversity conservation and management and sustainable use of its components;
- promote synergies between various biodiversity-related multilateral treaties;
- guide the Multi-year Programme of Work for the period 2002-2010 as an essential part of the Strategic Plan, and facilitate a critical review of the existing programmes and decisions and the way they were made.

30. From a European perspective, the integration of biodiversity considerations into the relevant sectors at various levels and the development of interconnected ecological networks of areas important for biodiversity, should form essential elements of the Strategic Plan.

31. The importance of regional collaboration and region-to-region cooperation should be emphasised.

32. With regard to synergies between the CBD and other biodiversity related treaties and programmes, practical collaboration should be pursued, for example through adoption and implementation of the third joint work plan of the CBD and the Ramsar Convention as well as the new joint work programme of the CBD and the Convention on Migratory Species (CMS).

33. Given the vital importance of national biodiversity strategies and action plans (NBSAP) for the implementation of the Convention, effective means and mechanisms to support priority actions in NBSAPs should be explored. In this respect, appropriate capacity building is needed.

34. The Global Initiative on Education and Public Awareness developed by a CBD, UNESCO, IUCN, UNEP expert group to the CBD/COP-6 should be actively used as a tool by the Parties to reach the objectives of the Convention and the COP decisions.

RECOMMENDATIONS FOR EUROPE

35. Acknowledging the effectiveness of the regional approach to addressing various aspects of biodiversity conservation, the Conference reviewed relevant ongoing Pan-European processes, identified priorities for action and made the following recommendations:

Forest biological diversity

36. The MCPFE and Environment for Europe/PEBLDS should continue working towards the development of a framework for cooperation on forest biological diversity between the two processes with a view to its endorsement by the Vienna Ministerial Conference on the Protection of Forests in Europe and the Kyiv Ministerial “Environment for Europe” Conference, both in 2003.

37. This framework should be built on recent work and strongly connected to the expanded programme of work on forest biodiversity of the CBD, to be adopted at the CBD/COP-6 taking into account the relevant work of UNFF. In addition, the relevant work of other initiatives (eg. of NGOs) should be recognised.

Invasive alien species

38. A European Strategy on Invasive Alien Species, fully compatible with the CBD guiding principles and based on the work being undertaken in the framework of the Bern Convention and other existing instruments, should be developed and agreed upon.

39. Trade, transport, travel and tourism regulations and instruments should be used to the extent possible to contribute to preventing unwanted introductions. This should include increased co-operation between the various authorities controlling borders, such as veterinary, phytosanitary, the International Plant Protection Convention (Rome 1951) and CITES authorities.

40. Other elements to be considered for the development of the European Strategy on IAS may include:

- voluntary codes of conduct for important sectors e.g. trade, transport, travel and tourism, as well as for the use of alien species in urban environment management;
- a regional list of IAS based on a biogeographical approach;
- harmonisation of national policies and structures;
- a regional system for monitoring and communication;
- wide stakeholder participation;
- education, training and awareness raising of IAS issues;
- scientific and research programmes on various aspects of IAS, including e.g. genetic introgression;
- consolidation and coordination at the national level involving authorities responsible for environment, agriculture, trade, health etc.

41. Sensibilization and capacity of border control authorities should be enhanced in order to improve the present situation of impact of decreased border controls, *inter alia*, on the introduction and spread of invasive alien species

Financial resources and mechanisms for biodiversity in Europe

42. The further development and implementation of the European Biodiversity Resourcing Initiative, should be encouraged and supported by involving existing financial mechanisms like the Project Preparation Committee (PPC). The results should be reported and discussed at the Fifth “Environment for Europe” Conference (Kyiv, 2003).

43. The special needs of the Newly Independent States (NIS) and non-EU candidates should be recognized as they face challenges such as:

- the need to balance conservation priorities with declining public funding for protected areas management;
- restitution/privatization of land, in particular forest land;
- the move from a "strict reserve" system to a participatory approach.

44. To this aim, bilateral and multilateral aid agencies and international financial institutions (IFIs) should be encouraged to strengthen their analytical work on how biodiversity conservation fits into their corporate agenda of poverty reduction and economic growth as well as in sustainable management of global public goods. Further, bilateral aid agencies should be encouraged to co-finance preparation and implementation of investment projects, which address the above mentioned linkages.

45. Financial sectors and other relevant stakeholders, including governments, should establish operational partnerships on banking, business and biodiversity, including an Ad Hoc European Task Force on Banking/Business and Biodiversity.

46. Priorities for action should include:

- the provision of adequate and realistic resources to implement the PEBLDS, the EU Biodiversity Strategy and its Action Plans;
- exploration of public-private partnerships for increasing investments in biodiversity relevant projects and programmes;
- mainstreaming of biodiversity concerns into financial policies and investment programmes of financial institutions, in particular the European banks, while using instruments such as Environment Impact Assessment (EIA) biodiversity guidelines, the biodiversity assessment toolkit, focused training and workshops, and biodiversity and banking handbooks, and pooling expertise on banking and biodiversity;
- integration of biodiversity concerns in public procurement policies;
- the mobilisation of resources or the development of new funds for biodiversity investments, leading to increased opportunities for biodiversity investment;
- an increased and targeted information flow between the biodiversity sector and financial institutions, *inter alia*, via the establishment of a European "Banking/Business and Biodiversity" information network integrated into existing CHMs, including the CBD Clearing House Mechanism;
- the need for the integration of biodiversity in the NIS resourcing under OECD Environmental Action Plan (EAP) Task Force and also EU TACIS Programme;
- the development of project portfolios to be prepared jointly by financiers and recipients. Financiers should consider transparent working mechanisms to allow and support the engagement of all stakeholders, and help build capacity as appropriate.
- identification and elimination of perverse incentives, such as subsidies, tax breaks and export credits with a negative environmental impact, and channelling of the resources to promote positive incentives.

47. The development of bankable biodiversity programmes and projects, for specific banks or for inclusion into European lists and portfolios of bankable biodiversity projects, should be promoted. The introduction of appropriate financial incentives, including fiscal measures such as tax deduction, should be encouraged.

48. Examples of good “business and biodiversity” practice should be more widely disseminated across Europe. Consideration should be given to the possibility of scenario modelling as a useful means of communicating biodiversity concerns to the business community.

Indicators, monitoring and the Clearing House Mechanism

49. European countries should make a collective effort to include biodiversity indicators in international, European and national monitoring systems involving all stakeholder groups and to harmonise approaches on indicators and monitoring programmes. Tools to achieve this include capacity building, information exchange, test cases, and best practices. The European Biodiversity Monitoring and Indicator Framework and CHMs are helpful platforms for this purpose.

50. Indicators should be credible, scientifically sound, reflect local and biogeographical characteristics and be understandable to stakeholders and the general public. A gradual simple approach for developing indicators is recommended to national and European organisations and authorities: 1) begin by implementing indicators that are ready for use and are relevant for the CBD ; 2) continue concept development, and improve indicators for sectorial integration; and 3) challenge policymakers to identify for which measurable objectives they want indicators to be developed and monitored.

51. A report with European experience and recommendations with regard to indicators should be produced to feed into the CBD/COP-7.

52. The CHM is a key tool in the implementation of the CBD and a mechanism to enhance communication among stakeholders within and between countries. The CHM should therefore be used to make available information regarding indicators, monitoring and reporting. To this end, the further development and maintenance, with adequate funding, of national CHMs throughout Europe should be strongly encouraged. Adequate support should be provided to European CHMs and to those countries that are yet to start the CHM development, including, *inter alia*, through enhanced Pan-European CHM cooperation .

53. A common set of Europe-wide indicators should be agreed upon before the CBD/COP-7 building on the CBD work in this field. Such a set should also build on results of the work carried out by the European Environment Agency (EEA) as well as on existing sets of indicators at national, regional and international level, e.g. work on criteria and indicators on sustainable forest management under the MCPFE, and agrobiodiversity indicators work of OECD. The identified sets of indicators should also serve to streamline the dataflow from monitoring to reporting.

Strategic Plan for the CBD and the implementation of the Convention

54. All European Parties to the CBD should actively use the Strategic Plan, once adopted, to improve the implementation of the CBD through national actions as well as existing mechanisms for regional and sub-regional cooperation such as the PEBLDS and the EU Biodiversity Strategy.

55. The effectiveness of CBD provisions will be considerably enhanced through regional and sub-regional implementation. The PEBLDS as a Pan-European regional instrument to support the CBD implementation as well as other relevant European instruments and tools should be further strengthened. The Work Programme of the PEBLDS should be harmonised with the CBD and its programme of work, as to its goals, priorities for action, and expected outcomes. The Strategic Plan will be a guiding instrument here.

56. Referring to the International Environment Governance (IEG) process and the need for increased synergies between biodiversity and related instruments, the PEBLDS could be developed into a main strategy and forum for promoting collaboration and coherence of activities under these instruments.

57. Support for the implementation of national biodiversity strategies and action plans in countries of Central and Eastern Europe and the Newly Independent States should be increased, in particular through bilateral cooperation and the Biodiversity Service operated by UNEP, IUCN – the World Conservation Union, the European Centre for Nature Conservation (ECNC) and the Regional Environmental Centre for Central and Eastern Europe (REC).

58. The European Plant Conservation Strategy, prepared by the Council of Europe and Planta Europa, is a good example of the implementation of the CBD activities, namely of the Global Strategy for Plant Conservation, at the regional level.

NEXT STEPS

59. In order to keep the momentum of the Budapest Conference and its excellent spirit, and to build upon its results, the participating Governments, supported by other stakeholders, have agreed:

- To present the message from the Budapest Conference to the CBD/COP-6 for consideration under relevant agenda items;
- To incorporate the recommendations made in their plans and programmes and the Pan-European biodiversity process as appropriate;
- To use and integrate the outcomes and experience of the Budapest Conference in the preparation of biodiversity related agenda items of the Fifth “Environment for Europe” Conference (Kyiv, 2003);
- To mobilise the Pan-European Biodiversity CHM partnership to support the implementation of the recommendations, and widely disseminate the results of the Budapest Conference.

AGENDA

1. Opening, adoption of the agenda and election of officers
2. Preparations for the CBD/COP-6:
 - 2.1 Forest biological diversity
 - 2.2 Invasive alien species
 - 2.3 Financing biodiversity
 - 2.4 Indicators, monitoring and CHM
 - 2.5 Strategic Plan for the CBD
3. Rolling Work Programme of the PEBLDS and progress reports
4. Preparations for the Kyiv Conference
5. Administrative and financial issues:
 - 5.1 Organisation of work and financing of the Joint Secretariat
 - 5.2 Terms of Reference of the PEBLDS Council and its Bureau
 - 5.3 Dates and venues of next meetings of Council and Bureau
6. Consideration of Chairman's conclusions
7. Other business

FOREST BIOLOGICAL DIVERSITY

**Prepared by the Government of Austria
in co-operation with the Liaison Unit of the MCPFE**

EXECUTIVE SUMMARY

Forest biological diversity (FBD) is one of the major topics on the agenda of the Sixth Conference of the Parties to the Convention on Biological Diversity (COP 6 – CBD). COP 6 will focus on the finalization and adoption of an expanded, action-oriented work programme on FBD, building on the recommendations of the seventh meeting of the Subsidiary Body on Scientific, Technical and Technological Advice (SBSTTA 7).

The paper surveys pan-European and global aspects, policies and instruments relevant to FBD and proposes elements for a regional input to COP 6. On pan-European level the Ministerial Conference on the Protection of Forests in Europe (MCPFE) and the Pan-European Biological and Landscape Diversity Strategy (PEBLDS) and their co-operation play an important role also in contributing to the implementation of global provisions related to forests and biological diversity. Therefore the continuation and strengthening of their co-operative work and the integration of regional-level experiences and work on FBD also in the expanded work programme on FBD of the CBD, especially with regard to national forest programmes, criteria and indicators of biological diversity and protected forest areas, is highlighted. The regional model could also serve as an example for the global co-operation between the United Nations Forum on Forests (UNFF) and the CBD. Close co-operation and co-ordination between these processes is needed to enhance their mutual supportiveness and to maximise synergies. This could be ensured e.g. by developing a joint work plan.

European countries are strongly committed to the overall objective to promote the conservation, sustainable management and development of the world's forests. The adoption of an expanded work programme on FBD at COP 6 should be strongly supported by European countries, as it will be a crucial step forward to ensure an effective implementation of the CBD and to contribute to the halt of global loss of FBD. The draft expanded work programme developed by SBSTTA 7 addresses FBD in a comprehensive and adequate manner. In order to ensure effective implementation on the ground the work programme on FBD needs to be action-oriented and therefore also actors, targets, timeframes, progress indicators and ways and means of implementation need to be identified. A focus on priorities will be needed, also taking into account specific national and regional circumstances, conditions and requirements. Consequently, this paper also figures out elements contained in the work programme, which should be highlighted from the pan-European perspective. The work programme should be implemented in the work of existing regional processes, in particular the MCPFE and PEBLDS. The incorporation of the work programme in national biodiversity strategies, plans or programmes and national forest programmes in a coherent and synergistic manner is of vital importance to ensure actions on the ground.

1. INTRODUCTION

1.1. OBJECTIVES OF THE PAPER

1. 2002 could be the year for major political decisions on safeguarding the future of the world's forests: The second session of the United Nations Forum on Forests (UNFF) in March 2002 will focus on environmental aspects of sustainable forest management (SFM) and forest biological diversity (FBD) is

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one of the major topics on the agenda of the Sixth Conference of the Parties to the Convention on Biological Diversity (COP 6 - CBD). COP 6 provides an opportunity to give a new impetus to the global policy dialogue on forests and biological diversity, to provide the ground for a cohesive approach to FBD at the global level, and also to stimulate national implementation. The focus of COP 6 with regard to forests and biodiversity will be the adoption of a revised work programme on FBD. Due to various common interests on pan-European level, the Second Pan-European Conference "Biodiversity in Europe" offers an excellent occasion to discuss these issues.

2. The paper surveys pan-European and global aspects, policies and instruments relevant to FBD and intends to provide suggestions for discussion, with the objectives to strengthen the pan-European and global processes related to forests and biodiversity and to further their co-operation as well as to provide a pan-European input to COP 6.

1.2. CHARACTERISTICS OF EUROPEAN FORESTS

3. Characteristics of European forests and the preconditions for their management vary inside Europe and also differ considerably from other regions of the world. Forests cover 1,039 mio. ha¹ in Europe, that is 46% of the land area. With regard to the world's forest area, European forests hold a share of 26%. The forest cover in Europe is expanding about 880,000 ha/year. The six major European biogeographic regions², the boreal, continental, atlantic, alpine, macaronesia and mediterranean region, indicate a huge variety of forest ecosystems. The number of tree species is low in the northern and boreal regions and increases towards the south and east; species diversity also decreases with latitude.

4. Ownership patterns as well as density and distribution of the population play an important role for European forests. There are about 10.7 mill. forest holdings with an average size of 10.6 ha. Looking at Europe - excluding the very eastern countries³, where nearly all forests are owned by the state - 53 % of the total area of forest and other wooded land are under private, mainly small-scaled ownership, 47% are owned by the public. As the ownership pattern is still changing in many of the countries with economies in transition, where the process of privatisation or restitution is continuing, the share of privately owned forests is still growing.

5. Forest and other wooded land per capita varies from <0.25 ha in Central Europe to >2 ha per capita in Northern Europe. Due to the density of the population and a long history of forest management, most of European forests are influenced by man and are of semi-natural character, primary forests are very rare. The very eastern part differs, as the amount of undisturbed forests is considerably higher. The percentage of plantations is generally low in Europe (3%) compared to 17% worldwide. However, the main parts of the forest area are under a high multifunctional pressure of economic, protective and recreational demands and are managed at small scales.

2. NATIONAL LEVEL IMPLEMENTATION OF INTERNATIONAL POLICIES

This section emphasises national instruments, also important for the implementation of global provisions, and points out some lessons learnt in Austria, which might be useful for other countries too. In this context an exchange of information and experiences between European countries on their respective national instruments would be very valuable.

¹ Data according to the FAO Forest Resource Assessment (FRA 2001), which integrate the results of the Temperate and Boreal Forest Resource Assessment (TBFRA 2000) of UNECE. The figures for Europe include the whole area of the Russian Federation.

² Classification of regions as used in the majority of scientific and political approaches.

³ Belarus, Republic of Moldova, the Russian Federation and Ukraine

6. **National forest programmes** (nfps) are considered to be important tools for forest policy formulation and to promote the management, conservation and sustainable development of forests. Nfps should provide a wide-ranging, coherent approach for SFM and they should be based on a number of agreed principles⁴. Several European countries have started a process to develop nfps and some countries already adopted such a programme⁵. Austria has started an nfp-process with the objective to achieve a broad consensus within society regarding forests. The Austrian nfp should create a framework for cross-sectoral co-ordination of forest-relevant policies and instruments on federal and provincial level. It is perceived as an instrument to create synergies, as well as to achieve consensus on conflicting interests and to identify deficiencies in national policies or instruments relevant to forests. Furthermore, the nfp is seen as a possibility to better integrate forest policy issues in the overall national strategy for sustainable development and to stimulate and intensify a broad dialogue with the public. Designed as conceptual framework for policy development, the nfp should provide guidance in various policy areas, which in the short-, medium- or longer term will shape Austria's forest policy.

7. Responding to one of the key obligations for contracting parties of the CBD, many European and CIS countries have developed national strategies, plans or programmes for the conservation and sustainable use of biological diversity: Armenia, Belarus, Czech Republic, Denmark, Estonia, Finland, Kazakhstan, Kyrgyzstan, Lithuania, Portugal, Republic of Moldova, Romania, the Russian Federation, Spain, the United Kingdom, Uzbekistan, and the European Community⁶. Austria has developed a **National Strategy on Biological Diversity** to guide the implementation of the CBD. Elaborated by the National Biodiversity Commission and endorsed by the Austrian Government in 1998, this strategy sets out objectives and actions at all levels and for all relevant sectors that will enhance the ability to ensure the productivity, diversity and integrity of natural systems. By now an evaluation of the strategy⁷ is in process, looking at the accuracy of its elements themselves but also assessing the status of implementation. Preliminary results show the need for addressing specific actors responsible for implementation, timetables, benchmarks for evaluation, as well as the need for looking at and enhancing synergies between activities and the need for checking possible contradictions between them. The establishment of a **National Biodiversity Commission** has proved to be an effective way to coordinate actions at the national level and to involve all stakeholders concerned in the implementation of the CBD.

8. Important international processes for the protection of forest ecosystems, including the Ministerial Conference on the Protection of Forests in Europe (MCPFE) and the CBD, show an increasing demand for accurate data on protected forest areas. The Austrian Federal Environment Agency, on behalf of the Ministry for Agriculture and Forestry, Environment and Water Management, is currently carrying out a **case study to assess the quantity and quality of protected forest areas** in Austria. The project in a first step estimates the quantitative extent of the protected forest areas. In a further step the protected areas will be analysed with regard to their relevance for forest biodiversity. For this purpose the draft MCPFE Classification of Protected and Protective Forests and Other Wooded Land in Europe, which is linked to the IUCN Categories, is used. As the majority of the protected areas in Austria is subject to specific ordinances based on nature conservation laws of the Federal Provinces, approximately 1,100 protection areas have to be evaluated with regard to their respective legal provisions and assigned to the appropriate category of protection according to MCPFE. Preliminary lessons learnt from the case study, which is to be finalized in spring 2002, can be summarized as follows:

⁴ According to the IPF/IFF proposals for action these principles are: consistency with national, sub-national or local policies and strategies as well as appropriate international agreements; partnership and participatory mechanism to involve interested parties; recognition and respect for customary and traditional rights; secure land tenure arrangements; ecosystem approaches, integrating the conservation of biological diversity and the sustainable use of biological resources; holistic, intersectoral and iterative approaches; adequate provision and valuation of forest goods and services.

⁵ Information can be found e.g. in "Forest policies and institutions in Europe 1998-2000" (ECE/TIM/SP/19)

⁶ Information is taken from <http://www.biodiv.org>.

⁷ Information on the strategy and its evaluation can be found at <http://www.biodiv.at/>

- Regional level categories for protected and protective forests and other wooded land developed within the MCPFE prove to be practical at national level, as they allow to address the specific national situations;
- Due to varying national circumstances in European countries interpretations of categories should be similar to avoid problems regarding comparability;
- Therefore an exchange of experiences in applying the draft MCPFE categories would be very helpful.

3. REGIONAL LEVEL

9. At the pan-European level, policies related to FBD are developed through various fora and instruments. In the following the Ministerial Conference on the Protection of Forests in Europe (MCPFE), building the main platform for forest policy dialogue at the pan-European level, and the Pan-European Biological and Landscape Diversity Strategy (PEBLDS), conceived as a framework to contribute to a common European response to the CBD, are described. Particular emphasis is given to the co-operation between the MCPFE and PEBLDS. Furthermore an overview on EU regulations and instruments referring also to FBD, is given.

10. The Pan-European Biological and Landscape Diversity Strategy (PEBLDS) was endorsed by the pan-European ministers responsible for the environment in Sofia in 1995 on the occasion of the Third Ministerial Conference Environment for Europe (EfE). Originally its implementation was structured according to five year Action Plans, identifying actions towards the realisation of its goals.

- The first Action Plan of the PEBLDS covers the period from 1996 to 2000 and addresses forest biodiversity mainly in Action Theme 9 "Forest Ecosystems". It aims at assuring the maintenance of forests with a high conservation value and focuses also on species requiring large undisturbed forest ecosystems, particularly those of high profile. It puts an emphasis on the relationship between forest planning/management and biodiversity, the use of renewable forest products, and the encouragement of national forest policies that favour afforestation with native species. In addition, it supports research and development activities aiming at the initiation of studies on the adjustment of European forest management systems.
- The Rolling Work Programme of the PEBLDS addresses forest biodiversity through the integration of biological and landscape diversity into sectoral policies and through contributing to the implementation of thematic work programmes of the CBD. The Work Programme specifies these respective considerations by proposing a framework for co-operation between PEBLDS and MCPFE and by trying to create synergies between the MCPFE work on protected forest areas and the Pan-European Ecological Network (PEEN).

11. The purpose of the Ministerial Conference on the Protection of Forests in Europe (MCPFE) is to address common opportunities and threats related to forests and forestry. A chain of Ministerial Conferences and mechanisms for the follow-up work constitutes this initiative for co-operation between the European countries.

The First Ministerial Conference (1990, Strasbourg) focused on technical and scientific co-operation in order to provide necessary data for common measures concerning the protection and sustainable management of European forests. In the follow-up of this conference, the MCPFE succeeded in establishing various collaborative networks of research on forest ecosystems as well as on specific thematic areas (genetics, tree physiology). In addition, collaborative programmes, which regularly monitor the health and vitality of European forests and observe forests susceptible to fire, were initiated.

The Second Ministerial Conference (1993, Helsinki) responded to the forest-related decisions of the UNCED in Rio de Janeiro 1992. Resolution H1 comprises Guidelines for the Sustainable Management of Forests in Europe and refers to biodiversity by recognising that the conservation and enhancement of biodiversity constitutes an essential element in the sustainable management of all types of forests. Resolution H2 specifically defines General Guidelines for the Conservation of the Biodiversity of European Forests. With H2 the pan-European ministers responsible for forests also address provisions of the CBD, set out guidelines and commit themselves to future actions. In order to assess and, as far as possible, measure progress towards SFM and conservation of biodiversity as described in resolutions H1 and H2, the **Pan-European Criteria and Indicators for SFM** were developed in the follow-up process of the Helsinki Conference. The fulfilment of the 6 criteria is evaluated by means of 27 quantitative

indicators and 101 descriptive indicators. Criterion 4 focuses on the Maintenance, Conservation and Appropriate Enhancement of Biological Diversity in Forest Ecosystems.

At the Third Ministerial Conference in Lisbon in 1998 the ministers responsible for forests in Europe confirmed the significance of this framework by adopting the Pan-European Criteria for SFM and by endorsing the associated indicators in Resolution L2. Furthermore they committed themselves to continuously review and improve the indicators. In addition, the ministers endorsed the Pan-European Operational Level Guidelines (PEOLG) as a common framework of recommendations for reference at the field level. The PEOLG are composed of the Guidelines for Forest Management Planning and the Guidelines for Forest Management Practices.

The implementation of ministerial decisions through an overall **MCPFE Work Programme** is a key element of the MCPFE efforts and gives a picture on the achievements and further steps for the protection and sustainable management of forests in the pan-European region. The structure of the MCPFE Work Programme follows the three aspects of SFM – the ecological, economic and socio-cultural dimensions – and deals with them in a comprehensive way.

12. In addition to the efforts described above, the **co-operation between the MCPFE and the Efe/PEBLDS** plays an important role on pan-European level. Based on commitments of the MCPFE, actions of the PEBLDS, and also provisions of the CBD and the IPF⁸, the joint Work Programme on the Conservation and Enhancement of Biological and Landscape Diversity in Forest Ecosystems 1997-2000 was elaborated in 1997. It was endorsed by the ministers responsible for forests in Europe at the third Ministerial Conference in Lisbon 1998, and by ministers responsible for the environment at the fourth Ministerial Conference in Århus/Denmark in June 1998.

The **joint Biodiversity Work Programme** defines 4 objectives and 8 actions focusing on conservation of biodiversity within SFM, protected forest areas, the role of forests in landscape diversity and impacts from other sectors. Its effectiveness is mirrored in an implementation report, where both national implementation activities and international projects and efforts are outlined⁹. This report shows that almost 200 activities contribute to the national implementation of the actions contained in the Programme. Some are joint initiatives involving several countries. Most activities were carried out at national and sub-national levels. The development of knowledge on the impact of forest management practices on biodiversity got most attention and was implemented in 146 national and sub-national projects including research, technical work, policy instruments, and field operations. The review of information to clarify the role of forests in enhancing landscape diversity was undertaken in 32 projects, focusing mostly on research, technical level and policy measures. The countries also contributed to the clarification of impacts of activities from other sectors on forest biodiversity by identifying them in 18 projects through data collection, monitoring and further investigation of various aspects. The ad hoc working group on “Biodiversity, Protected Areas and Related Issues” was established within the MCPFE to co-ordinate and discuss the implementation of the joint Biodiversity Work Programme and to evaluate it. Referring to the implementation report and its evaluation, it was proposed within the MCPFE process to focus further work on protected forest areas, biodiversity indicators and to consider the relationship between biodiversity and climate change. Additionally, the enhancement of co-operation of the MCPFE with the CBD, further collaboration with the Efe and a stronger focus on action on the ground was emphasised by the working group.

13. Although there is no common forest policy within the **European Union (EU)**¹⁰, FBD is addressed in its legislative and strategic framework concerning nature and biodiversity, forests, rural development, development co-operation and research. The Habitats and the Birds Directives are key tools also to ensure

⁸ Intergovernmental Panel on Forests, see chapter 4

⁹ A detailed implementation report and the complete list of projects can be found at <http://www.mcpfe.org>

¹⁰ The European Community itself is signatory to the MCPFE and PEBLDS commitments.

the protection of forests and their biodiversity in the EU. They are aiming at the maintenance of biodiversity through the conservation of natural habitats, most notably also forest ecosystems, and at the establishment of a coherent ecological network of representative sites, the Natura 2000 Network¹¹. The EU Biodiversity Strategy acknowledges the importance of forest biodiversity and defines a framework for actions to integrate biodiversity concerns in relevant Community policies. The adoption of four Biodiversity Actions Plans¹² are a response to this aim of the strategy and include forest issues in the Action Plan for Natural Resources. The Forest Strategy for the EU emphasises the implementation of MCPFE and IPF/IFF commitments and recommends actions for the conservation of forest biodiversity. The Regulations on the Protection of Community Forests against Fires and on the Protection of the Community's forests against Atmospheric Pollution address these specific needs. The forestry chapter of the Rural Development Regulation supports the multi-functional role of forests including biodiversity-related activities. Furthermore, forest conservation issues are referred to in the Sixth Environment Action Programme, the Eco-label Regulation, the Regulation on the European Forestry Information and Communication System (EFICS), the EU approach to forests and development and the Fifth Framework Programme for Research and Technological Development.

4. GLOBAL LEVEL

14. In failing to adopt a legally binding agreement at UNCED in 1992 the global forest policy dialogue continued through the **Intergovernmental Panel on Forests** (IPF) and its successor, the **Intergovernmental Forum on Forests** (IFF). Their work resulted in the adoption of more than 280 proposals for action reflecting the consensus achieved on the sustainable management, conservation and sustainable development of all types of forests. They are meant to complement, supplement and elaborate upon the forest-related UNCED decisions¹³ in a holistic and comprehensive way. The proposals address a broad range of issues related to FBD and propose measures to be taken at national, regional and international levels.

15. A key result of the IPF/IPF process was the decision to create an international arrangement on forests, the **United Nations Forum on Forests** (UNFF) and the Collaborative Partnership on Forests (CPF). The UNFF provides an annual forum for policy discussions and it will work on the basis of a Multi-Year Programme of Work (MYPOW) and a Plan of Action (PoA) for the implementation of the IPF/IFF proposals for action, both adopted at its first meeting in June 2001 (UNFF 1). Provisions include also that the UNFF will consider, within five years, the parameters of a mandate for developing a legal framework on all types of forests. UNFF 2 is to take place in March 2002 in Costa Rica and its agenda will focus on environmental aspects of SFM, including topics such as deforestation and forest degradation, forest conservation and protection of unique types of forests and fragile ecosystems, rehabilitation and conservation strategies for countries with low forest cover, rehabilitation and restoration of degraded lands, and the promotion of natural and planted forests.

16. The **Collaborative Partnership on Forests** (CPF) was formed on the basis of the high-level, informal Interagency Task Force on Forests (ITFF) and includes about a dozen members in total¹⁴, including the Secretariat of the CBD. The objectives of the CPF in supporting the work of the UNFF are to enhance co-operation and co-ordination among members, to strengthen political commitment to SFM, to facilitate the implementation of IPF/IFF proposals for action and other relevant internationally agreed actions on forests, particularly through the UNFF Plan of Action, and to assist the UNFF in monitoring and reporting on progress towards attaining UNFF's objectives, particularly on the progress in the

¹¹ At pan-European level, the Emerald Network, which is based on the Bern Convention, resembles the Natura 2000 Network in non-EU countries.

¹² These are the Action Plans for Natural Resources, Agriculture, Fisheries and Economic and Development Co-operation.

¹³ The so-called "Forest Principles" and the Chapter 11 of Agenda 21 "Combating Deforestation"

¹⁴ CPF members: CBD, CCD, CIFOR, FAO, GEF, ITTO, UN/DESA, UNDP, UNEP, WB

implementation of the IPF/IFF proposals for action. In addition, a CPF Network is being established to facilitate the co-operation and the interface between CPF and other partners.

17. The **Convention on Biological Diversity (CBD)** sets forth a framework seeking to achieve three main objectives: the conservation of biological diversity, the sustainable use of its components, and the fair and equitable sharing of the benefits from the use of genetic resources. Although there are no provisions that explicitly mention forests, it is nonetheless apparent that the subject matter of many of the provisions also apply to forests.

Forests are directly addressed by the CBD through its **first Work Programme on FBD**, adopted at COP 4 in 1998. It is mainly research-oriented and does neither provide an institutional framework nor clear timetables. The four elements of the work programme address the ecosystem approach, human activities influencing biological diversity, criteria and indicators for FBD, underlying causes of forest biodiversity loss, protected areas networks, rehabilitation of degraded and deforested ecosystems, and biodiversity in forest plantations. COP 5 expressed concerns regarding its implementation in order to deal effectively with the challenges. Therefore, COP 5 called for the implementation of the work programme to be advanced and for Parties to consider at **COP 6 an expansion of the focus of the work programme from research to practical action**. Furthermore, COP 5 decided to establish an ad hoc technical expert group on FBD, given the task to provide advice on status and trends of and major threats to FBD. It should also identify options and priority actions for the conservation and sustainable use of FBD. Several other decisions taken at COP 5 have an impact on FBD, among which the ecosystem approach is one of the most significant. The ecosystem approach was identified as the primary framework for action to be taken under the CBD. COP 5 provided considerable guidance to Parties on applying this approach, while recognising that it will require further conceptual elaboration and practical verification. It is also emphasised that the ecosystem approach is meant to complement, not to replace other management techniques. Based on 12 principles the ecosystem approach is defined as *“a strategy for the integrated management of land, water and living resources that promotes conservation and sustainable use in an equitable way. Thus, the application of the ecosystem approach will help to reach a balance of the three objectives [of the CBD]”*.

The **Subsidiary Body on Scientific, Technical and Technological Advise (SBSTTA)** of the CBD addressed FBD as a major topic in its seventh meeting (November 2001), focusing on the development of a revised, action-oriented work programme on FBD. The main basis for work has been the report of the technical expert group. Although challenged by the huge mandate given to SBSTTA 7, it resulted in substantial progress in developing an expanded draft work programme on FBD. However, important parameters for the work programme in order to become reality on the ground remained unsolved and will have to be tackled in the period before COP 6: the respective actors, targets, timeframes, indicators of process, and possible ways and means for the implementation of the activities. Beyond that SBSTTA 7 also recognised the need for co-operation and synergy between the CBD and the UNFF and referred to CBD's leading role with regard to FBD issues within the CPF. It also welcomed the Ghana-Workshop to explore opportunities for collaboration among the CBD, the UNFF and the CPF.

The **revised work programme on FBD**, as recommended by SBSTTA 7 to COP 6, figures out goals, objectives and activities grouped under three elements: element I on conservation, sustainable use and benefit sharing; element II on institutional and socio-economic enabling environment; and element III on knowledge, assessment and monitoring. It is introduced by a chapeau calling for consideration of, inter alia: a focus on priorities; participation of indigenous and local communities; the need to achieve synergies between the work of forest-relevant bodies; capacity building and financial, technical and human resources; and the need to incorporate activities in national or sub-national strategies and programmes. Within the three elements a huge number of activities is identified for the implementation of the respective goals and objectives.

18. Numerous provisions of both the **United Nations Framework Convention on Climate Change (UNFCCC) and its Kyoto Protocol** either refer directly to forests and forestry or are indirectly relevant to forest policies. It is the ultimate objective of the UNFCCC to stabilise greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic (man-made) interference with the climate system. The Kyoto Protocol commits Annex I countries¹⁵ to promote sustainable development in the course of reducing greenhouse gas emission, including through the protection and enhancement of sinks and reservoirs of greenhouse gases. Net changes in greenhouse gas emissions by sources and removals by sinks resulting from certain direct human-induced land-use change and forestry activities can be used to meet these commitments. Relevant activities are afforestation, reforestation, and deforestation as well as additional land use, land-use change, and forestry (LULUCF) activities, among them forest management.

Goals of biodiversity protection and maximising carbon storage may conflict. Therefore the identification of appropriate sites for afforestation and reforestation and related practices need careful consideration. In this context the use of native species for afforestation should be emphasized. The complex and multifold interactions between FBD and climate change clearly show the need for collaboration and **co-ordinated actions between the CBD and the UNFCCC and its Kyoto Protocol** in order to integrate biodiversity concerns into climate policies and to ensure the environmental integrity of the Kyoto Protocol. Furthermore, the potential for the conservation and sustainable use of biological diversity to contribute to adaptation measures taken under the UNFCCC and its Kyoto Protocol needs to be ensured. Better co-ordination of policy and programme development especially also at national and regional level is important. The ecosystem approach of the CBD provides useful guidance for the integration of biodiversity considerations into climate change adaptation programmes and policies. CBD-SBSTTA 6 dealt with the interactions between biological diversity and climate change, including the co-operation with the UNFCCC. SBSTTA 6 also recognised the need to promote a wider assessment of the interlinkages between biological diversity and climate change in order to develop sufficient scientific advice. For this an ad hoc technical expert group should prepare a pilot assessment. For the purpose of enhancing co-ordination between the two conventions, SBSTTA 6 also proposed to explore the development of a joint work plan to address the interlinkages between climate change and biodiversity, as well as the organisation of a joint workshop to further co-operation and collaborative action between the conventions.

5. ONGOING WORK IN EUROPE AND PERSPECTIVES FOR THE FUTURE

19. The MCPFE and the EfE, through PEBLDS, put on track a number of activities, which might also shape the future policies on forests and biological diversity in Europe:

- The importance of forest biodiversity with a view to the **Fourth Ministerial Conference on the Protection of Forests in Europe** (28-30 April 2003, Vienna) has recently been confirmed at the MCPFE Expert Level Meeting (October 2001, Vienna). Within the preparatory work for the conference, protected forests, biodiversity indicators as well as the co-operation with EfE and CBD constitute priorities related to forest biodiversity. In addition, the relevance of the crosscutting issue nfps has been highlighted.
- **The work on protected and protective forest areas in the pan-European region is a follow-up of the implementation of the joint Biodiversity Work Programme of MCPFE and PEBLDS with the intention to facilitate a common understanding among European countries. A draft MCPFE Classification of Protected and Protective Forests and Other Wooded Land in Europe has been elaborated in a series of working group sessions and related preparatory groups. This classification was seen as a prerequisite for a comparable set of data, which serves as a basis for further decisions and could be presented at the Ministerial Conference in Vienna 2003. The**

¹⁵ These are developed countries and countries that are undergoing the process of transition to a market economy.

MCPFE Classification is based on an analysis of national data on protected and protective forests and other wooded land in the European countries, which were collected in the frame of a supplementary TBFRA enquiry in 2000. It aims at giving a comprehensive picture of protected and protective forests and other wooded land in Europe, while keeping links to other international classification systems used for all kinds of protected areas, especially the IUCN categories. The last MCPFE workshop on protected forest areas in November 2001 also dealt with networks of protected forest areas and the related selection criteria. The outcomes will be fed in the preparation process for the biodiversity agenda of the next Ministerial Conference in Vienna 2003.

- **The improvement of biodiversity indicators** – as a part of the overall MCPFE work on the improvement of indicators for SFM - is currently underway. This is done by taking into account existing knowledge and experience made in the formulation of as well as reporting on criteria and indicators. Furthermore, it is seen as essential to consider linkages and contributions to the global forest-related processes and reporting obligations, especially also to the CBD. Following a technical and political evaluation of the existing pan-European indicators, an Advisory Group¹⁶ was established in 2000 to elaborate recommendations for an improved set of pan-European indicators for SFM and to present these recommendations to the MCPFE. Substantial input to the work of the Advisory Group is obtained from the discussion in a series of four workshops, which are open to all interested participants. The second workshop focused on the improvement of biodiversity, health and protection related indicators, and contributed significantly to elaborating recommendations for an improved set of biodiversity indicators.
- **National forest programmes (nfps)** have become a central topic on the agenda of the MCPFE, which initiated a process to explore the relevance and to further clarify conceptual components of nfps as a policy instrument to promote SFM in Europe. Within two MCPFE workshops the concept of nfps, its elements and principles for Europe have been discussed, taking into account the related global commitments. A preparatory group will be convened in 2002 to prepare the issue of nfps for the Fourth Ministerial Conference in Vienna 2003. On EU-level the concept of nfps is also taken up in forest-related legislation, including the Council Regulation on Rural Development and the Council Resolution on a Forest Strategy for the European Union.

20. Following the experience gained so far, the co-operation between the MCPFE and the Efe, especially regarding the PEBLDS, proved to be a useful tool for creating synergies, for mutual supportiveness of the respective processes and in striving towards the protection and sustainable management of forests and their biodiversity. Furthermore the regional processes can be given an important role in contributing to the implementation of global provisions at pan-European and subsequently also at national level.

- The importance of the **co-operation between the Efe/PEBLDS and the MCPFE** has been confirmed by both, the PEBLDS Council and the participants of the MCPFE. A clear commitment has been expressed by both fora to develop a framework for future co-operation to be launched at the Ministerial Conferences in Vienna and Kiev, both to take place in the year 2003. This framework should build on recent work and should strongly be connected to the revised programme of work on forest biodiversity of the CBD, to be adopted at COP 6. This regional co-operation also aims at contributing to the implementation of global commitments and could be seen as a role model also for the co-operation between forest- and biodiversity-related processes at global level, namely the UNFF and the CBD.

¹⁶The Advisory Group is constituted by persons representing UNECE/FAO, the Inter-secretariat Working Group on Forest Statistics of UNECE, EUROSTAT and ITTO, the UNECE Team of Specialists on the TBFRA and IUFRO, the European Forest Institute (EFI), ICP Forests and the European Environment Agency (EEA).

- **Linkages between the recent work at the pan-European level and the revised Work-Programme on FBD of the CBD** are evident. To mention only the most important topics: protected forest area networks contained in element I (conservation, sustainable use and benefit sharing of FBD); nfps addressed within the objective to integrate biodiversity conservation and sustainable use in sector policies in element II (institutional and socio-economic enabling environment) and criteria and indicators referred to in element III (knowledge, assessment, monitoring).
- The **linkages between the MCPFE and the IPF/IFF proposals for action** have been assessed in 2001. The results of this assessment show that the MCPFE addresses a number of priority issues covered by the proposals for action and therefore plays an important role as a regional platform for enhanced co-ordination between the global and national levels. The assessment visualises several strong linkages between the MCPFE Work Programme and the IPF/IFF proposals for action, especially in the following thematic areas: nfps, criteria and indicators for SFM as well as impacts of airborne pollution on forests. Linkages of a considerable degree have also been established in a number of other issues, including conservation and protected areas, deforestation and forest degradation, fragile ecosystems, and others.

6. CONCLUSIONS AND RECOMMENDATIONS FOR CBD – COP 6

As regards co-operation at global level:

21. The following **conclusions** might be drawn:

Forests might be regarded as the epitome of a cross-sectorial issue, transcending various policy fields, such as biodiversity, land and atmosphere. Forests and their biodiversity impact on, and are affected by, a wide range of social, economic and environmental factors, which underlines the importance of cross-sectoral and co-operative approaches in forest biodiversity policy. Existing international processes and instruments address several aspects of forests and FBD. Therefore the need for policy coherence and co-ordinated actions is evident to ensure mutual supportiveness and synergy between international forest- and biodiversity-related policies. This will also strengthen the respective instruments and processes, will avoid duplication and will subsequently also enhance implementation at the national and regional levels.

22. Also drawing upon SBSTTA 7, the following **recommendations for a regional input to COP 6** are given:

- a) Close co-operation and co-ordination between processes relevant for FBD, especially the CBD and the UNFF, are needed to enhance their mutual supportiveness and to maximise synergies. This could be ensured by the establishment of an appropriate procedural and structural basis for co-operation, e.g. by elaborating a joint working plan by the respective secretariats, taking also into account the expanded work programme on FBD of the CBD as well as the MYPOW and the PoA of the UNFF.
- b) The workshop to explore opportunities for collaboration among the CBD and the UNFF and the CPF hosted by Ghana in January 2002 could also contribute to the enhancement of and the furthering of global biodiversity- and forest-related policies and its outcome might therefore be brought forward to COP 6 of the CBD and UNFF 2.
- c) The CPF should strengthen the co-ordination and the co-operation regarding forest biodiversity issues between all its members. The role of the Secretariat of the CBD as lead agency on FBD within the CPF should be explored.
- d) Close co-operation between the UNFCCC and the CBD, e.g. by joint activities or organising joint workshops, is needed in order to ensure that the implementation of the UNFCCC and its Kyoto Protocol does not contradict the work under the CBD and contributes to the conservation and sustainable use of FBD.

As regards the draft revised CBD work programme on FBD:

23. The following **conclusions** might be drawn:

The recommendations on FBD and the related work programme prepared by SBSTTA 7 will allow considerable progress on the practical implementation of the CBD. They therefore provide the ground for decisions to be taken at COP 6 to fulfil the overall commitments to safeguard the global biological diversity, and hence to sustainable development. Due to specific regional circumstances, conditions and requirements but also due to common problems to be addressed, regional level activities and processes can contribute to the implementation of global provisions. Both the CBD and the UNFF call for regional co-operation to be pursued. European experiences, from which other regions could benefit, confirm the usefulness of the regional level for co-operating in and facilitating the implementation of FBD-related global commitments. Ideally the global and the national/regional level feed into each other in the way that lessons learnt at the implementation level provide inputs in the international policy development, and vice versa.

24. Drawing upon SBSTTA 7, the following **recommendations for a regional input to COP 6** are given:

- a) The adoption of a revised work programme on FBD at COP 6 will be a crucial step forward to ensure the effective implementation of the CBD. The three proposed elements (conservation, sustainable use and benefit sharing; institutional and socio-economic enabling environment; and knowledge, assessment and monitoring) address FBD in a comprehensive manner. The goals, objectives and activities identified under the elements are adequate to meet the overall commitments and will contribute to the halt of global biodiversity loss. However, a focus on priorities will be needed, while ensuring a balance in addressing the objectives of the CBD.
- b) In order to ensure effective implementation on the ground the work programme on FBD needs to be action-oriented and therefore should identify the respective actors, targets and timeframes, indicators of process, and possible ways and means for the implementation of the activities. In order to contribute to the work of the UNFF, also the links between the CBD work programme on FBD and the IPF/IFF proposals for action have to be clarified. Capacity building will be of vital importance to provide for its implementation.
- c) A mechanism for reviewing and monitoring its implementation should be included in the revised work programme in order to assess its effects on the ground and to identify possible factors hampering its implementation at the earliest stage. In this context the sharing of experiences and an exchange of information on its implementation, also regarding the co-operative work between the UNFF and the CBD, might be useful, e.g. via the CHM. COP 6 should invite parties and relevant organisations and processes to report at COP 7 on respective measures they have taken and progress achieved in the implementation of the work programme.
- d) Regarding the elements of the revised work programme the following issues could be highlighted from the pan-European perspective both as priorities for regional work and at global level: Element I: ecosystem approach and its relationship to SFM, reduction and mitigation of impacts of threatening processes to FBD, restoration of native forest ecosystems, protected forest areas; Element II: integration of biodiversity conservation and sustainable use into relevant sectoral policies and nfps, combating illegal logging, valuation of FBD and its goods and services at all levels, enhancement of public awareness concerning FBD; Element III: global to regional forest classification system for forest types, criteria and indicators for SFM. Referring to element I, the promotion of natural regeneration and regeneration with native tree species and varieties could also be included, as these are important tools for the conservation of biodiversity in forest management in Europe.
- e) Adequate incorporation of the work programme in existing regional instruments and processes on forests and biodiversity, in the pan-European context the MCPFE and the PEBLDS, would also contribute to the implementation of the work programme on FBD at national level.
- f) The work programme should make use of the work and experiences of regional level processes. As regards the pan-European level the work on FBD carried out by the MCPFE and the PEBLDS,

e.g. with regard to nfps, criteria and indicators and protected areas should be fed into the work programme.

As regards the realisation of our global level commitments at national level:

25. European countries are strongly committed to the overall objective to promote the conservation, sustainable management and development of the world's forests and to ensure an effective implementation of the CBD, for which national level activities are the key. The incorporation of global provisions or programmes in national biodiversity strategies, plans or programmes and nfps in a coherent and synergistic manner is therefore of vital importance. This requires close coordination between relevant actors at national level as well as a participatory process ensuring the involvement of all stakeholders concerned.

Abbreviations and Acronyms:

CBD	Convention on Biological Diversity
CCD	Convention to Combat Desertification
CHM	Clearing House Mechanism
CIFOR	Centre of International Forestry Research
CIS	Commonwealth of Independent States
COP	Conference of the Parties
CPF	Collaborative Partnership on Forests
DESA	Department of Economic and Social Affairs
EC	European Community
EfE	Ministerial Conference “Environment for Europe”
EFICS	European Forestry Information and Communication System
EU	European Union
EUROSTAT	European Statistical Office
FAO	Food and Agricultural Organisation of the United Nations
UNDP	United Nations Development Programme
FBD	forest biological diversity
FRA	Forest Resource Assessment of the FAO
GEF	Global Environment Facility
GIS	Global Information System
ICP Forests	International Co-operative Programme on Assessment and Monitoring of Air Pollution Effects on Forests <i>and</i> European Union Scheme on the Protection of Forests against Atmospheric Pollution
IFF	Intergovernmental Forum on Forests
IPF	Intergovernmental Panel on Forests
ITFF	Interagency Task Force on Forests
ITTO	International Tropical Timber Organisation
IUFRO	International Union of Forest Research Organisations
LULUCF	Land use, land-use change, and forestry
MCPFE	Ministerial Conference on the Protection of Forests in Europe
MYPOW	Multi-Year Programme of Work of the UNFF
nfp	national forest programme
PEBLDS	Pan-European Biological and Landscape Diversity Strategy
PEEN	Pan-European Ecological Network
PEOLG	Pan-European Operational Level Guidelines
PoA	Plan of Action of the UNFF
SBSTTA	Subsidiary Body on Scientific, Technical and Technological Advice
SFM	sustainable forest management
TBFR	Temperate and Boreal Forest Resource Assessment
UNCED	United Nations Conference on Environment and Development
UNECE	United Nations Economic Commission for Europe
UNEP	United Nations Environmental Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNFF	United Nations Forum on Forests
WB	World Bank
WSSD	World Summit on Sustainable Development

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INVASIVE ALIEN SPECIES

**Prepared by the Government of Hungary
in co-operation with the Government of the United Kingdom
and the Bern Convention**

EXECUTIVE SUMMARY

The invasion of mainly exotic plant and animal species has become increasingly important during the last decade and raised public attention. Damage to building property, damage to forestry, congestion to navigable waterways, allergenic effect and impacts of certain species tend to highlight problems of invasive alien species to the public. However, alien species invasion does not merely influence the society and economic sector but has major impacts on biological diversity and nature conservation.

Biological invasions operate now on global as well as regional and sub-regional scale and will undergo rapid increase in the near future due to interactions with other global changes such as increasing globalisation of markets, explosive rises in global trade, travel, tourism, and exchange of goods.

Invasive alien species are species introduced deliberately or unintentionally outside their natural habitats where they have the ability to establish themselves, invade, outcompete natives and take over the new environments. They are widespread in the world and are found in all categories of living organisms and all types of ecosystems. They are known to affect biological diversity whether within or outside protected areas and influence ecosystems, natural habitats and surrounding populations. Invasive alien species can cause significant irreversible environmental and socio-economic damages at the genetic, species and ecosystem levels.

In consequence, the planning of more effective strategies to deal with biological invasions is a conservation priority on global scale. For this purpose, new actions at national, trans-border, regional and international level are required, based on a proactive rather than reactive approach.

INTRODUCTION

Different terms are used for alien species generally (non-indigenous, non-native, exotic, foreign, new) and for the subset that cause damage (pest, weed, harmful, injurious, invasive, environmentally dangerous). There are marked differences in use of terms in different sectors. Sanitary and phytosanitary instruments use “pest” and “weed” terminology, backed by clear definitions, and do not distinguish by source or origin: this means they also cover native pests. The International Plant Protection Convention (IPPC) uses the term ‘quarantine pest’ to distinguish by source and by level of damage. Multilateral environmental agreement (MEA) requirements usually refer to “alien” or “exotic” species (almost never defined) in combination with harm/invasiveness criteria to identify those species that should be subject to controls. This generally excludes native species that become invasive.

The IUCN Species Survival Commission (SSC) - ISSG (Invasive Species Specialist Group) published the „IUCN Guidelines for the Prevention of Biodiversity Loss Caused by Alien Invasive Species”. It was approved by the 51st Meeting of the IUCN Council, Gland Switzerland, February 2000. We can find the followings in its „Definition of Terms”:

"Alien invasive species" (IAS) means an alien species, which becomes established in natural or semi-natural ecosystems or habitat, is an agent of change, and threatens native biological diversity.

"Alien species" (non-native, non-indigenous, foreign, exotic) means a species, subspecies, or lower taxon occurring outside of its natural range (past or present) and dispersal potential (i.e. outside the range it occupies naturally or could not occupy without direct or indirect introduction or care by humans) and includes any part, gametes or propagule of such species that might survive and subsequently reproduce.

Working definitions used by the Global Invasive Species Programme (GISP) (UNEP/CBD/SBSTTA/6/INF/5 Annex II.)

„Invasive alien species“: an alien species whose establishment and spread threaten ecosystems, habitats or species with economic or environmental harm. These are addressed under Article 8(h) of the Convention on Biological Diversity (CBD).

„Alien species“ (synonyms: non-native, non-indigenous, foreign, exotic): a species, subspecies, or lower taxon introduced outside its normal past or present distribution; includes any part, gametes, seeds, eggs, or propagules of such species that might survive and subsequently reproduce.

There are several other definitions produced by other organisations, but we think these are the most acceptable and overall ones this time.

Invasive alien species are now acknowledged as one of the major threats to biodiversity, together with habitat loss and fragmentation. Furthermore, it is predicted that biological invasions will become the major engines of ecological disintegration in the future; this is because of the increased spread of alien species, due to the greater mobility of human population, rapidly growing transport technology, expanding tourism and travel activities, and world-wide free trade (Cox 1999, Ruesink et al. 1995).

In addition to the threats to biodiversity, the direct costs of IAS are immense. It is difficult to estimate precisely the economic losses caused by biological invasions. They include the impact of weeds on crop production, the increased costs of control, the decreased water supply, the management costs of reducing the alterations of protected areas, the impact of introduced pathogens affecting wildlife and public health, and the impact of marine organisms transported by ships (mainly ballast water and hull-fouling).

The need to prevent unwanted introductions of alien species and to mitigate the impacts of biological invasions have been repeatedly addressed at international and regional levels. However, widespread concern about the threats posed by biological invasions, and general recognition of the urgent need to define and implement actions to reduce these threats, are faced with several obstacles.

The complex scientific, technical and political aspects are posed main difficulties. These include the very diverse sources of invasions, pathways and modes of entry, the economic importance of many intentional introductions, the human dimension of alien species introductions, the inadequate methods to detect and control new invasions, and their public acceptability.

In order to deal with biological invasions, it is fundamental to address very different aspects, including international trade regulations, control during transport, border controls and quarantine, detection of new propagules and public perception of control methods. A holistic approach is this needed, based on greater awareness of the public and decision-makers, prevention of unwanted introductions and, where prevention fails, eradication when feasible and desirable or containment and effective control of new IAS.

This approach requires a framework of biosecurity policies, actions and clear allocation of roles and responsibilities. IAS are a cross-cutting issue, which requires co-ordination and commitment of several different sectors, close co-operation between ministries with different mandates and international co-ordination of relevant efforts and strategies. In practice, however, the generally limited public and political awareness of the IAS threat often leads to inadequate participation and political commitment.

To address the biological invasion, some countries (notably New Zealand, Australia, USA, Hungary and several island states) and some regions have begun to implement comprehensive bio-security policies,

managing in some cases markedly to reduce threats posed by IAS. In contrast, Europe lacks a regional strategy and common policy on IAS. European States are required to address the invasive alien species issue under several international instruments. The main aim is to prevent or minimise biological diversity loss caused by invasive alien species in Europe through the development and implementation of a co-ordinated European strategy.

INTERNATIONAL ACTIONS: GLOBAL LEVEL

Recognising the problem several international conventions, governmental and non-governmental organisations deal in some sort with the biodiversity loss caused by alien species.

According to the CBD: Article 8. (h) *"Each Contracting Party shall, as far as possible and as appropriate prevent the introduction of, control or eradicate those alien species, which threaten ecosystems, habitats or species"*.

Answers to the pre-formulated questions 86-102 of the Second National Reports on the implementation of the CBD focus on the impacts of biological invasion and alien species. Decisions of the Conference of the Parties (COP) and recommendations of the Subsidiary Body on Scientific, Technical and Technological Advice (SBSTTA) call on Parties to take action to monitor and prevent invasions, and to rehabilitate ecosystems that have been invaded.

In its decision IV/1 C entitled "Alien species that threaten ecosystems, habitats or species", the COP requested SBSTTA to develop guiding principles for the prevention, introduction and mitigation of impacts of alien species. SBSTTA 6 references to the discussion of the "Guiding Principles" and explanation of the controversial points: GP1 – Precautionary approach; GP4 – State rights and responsibilities; GP10 – Intentional introduction (UNEP/CBD/COP/6/3 Annex).

In its work, SBSTTA in co-operation with the GISP has reiterated that the introduction of invasive alien species is a major threat to biological diversity (UNEP/CBD/SBSTTA/5/5). The threat to biodiversity due to invasive alien species is considered second only to that of habitat loss.

The 5th meeting of the CBD COP urged Parties, other governments, and other relevant bodies to give priority to the development and implementation of invasive alien species strategies and action plans.

At the 7th meeting of the Conference of the Contracting Parties to the Convention on Wetlands (Ramsar Convention) in San José, Costa Rica between 10-18 May 1999, invasive species and their impacts on wetlands were among the most important questions.

At the 17th meeting of the Animals Committee of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) held in Hanoi (Viet Nam) between 30 July and 3 August 2001, it was noted that few CITES listed species were actually invasive, but there remained general support for maintaining contact with the IUCN/SSC Invasive Species Specialist Group (ISSG) and the CBD on this issue. ISSG agreed to collaborate in the production of a list of potentially invasive CITES species.

The IUCN Species Survival Commission (SSC) - ISSG has developed a Global Invasive Species Database (and Early Warning System). Key features of this database include its accessibility (it is available on Internet) and ease of use. A simple habitat-matching model is used to predict which other global regions are potentially at risk of invasion. These developments are carried out as part of the GISP, co-ordinated by the Scientific Committee on Problems of the Environment (SCOPE). IUCN, CAB International and UNEP are partners in GISP. The 100 of the World's Worst Invasive Alien Species list and database are an integrated subset of the Global Invasive Species Database.

This list focuses mainly on American and Australian circumstances, so a European regional list is needed. In 2002 a Nordic/Baltic regional workshop will be held in Estonia to develop a network of interoperable

databases on invasive or invasive alien species of the Nordic/Baltic region. During this workshop participants will work towards the development of a regional database network to facilitate information exchange on invasive alien species both within the region and globally.

The 6th meeting of SBSTTA of the CBD (Montreal, 12-16 March 2001) was mainly devoted to discussion of Invasive Alien Species.

A “side-event” was organised during SBSTTA-6 to present in more details the actions of the Bern Convention on IAS and discuss with participants Document T-PVS (2001) 12. At SBSTTA-6, a draft recommendation was adopted that “*welcome(d) the initiative of Council of Europe (Bern Convention) to help the implementation of Article 8(h), including the development of a European Strategy on Invasive Alien Species*”. That draft recommendation includes options for future work.

The Bern Convention Secretariat and the European Section of IUCN-ISSG presented 3 documents:

- T-PVS (2001) 10 – Bern Convention action on invasive alien species in Europe
- T-PVS (2000) 65 rev.2 Guidelines for eradication of terrestrial vertebrates
- T-PVS (2001) 12 – Contribution to a European Strategy on Invasive Alien Species

INTERNATIONAL ACTIONS: REGIONAL LEVEL

Several international, regional and sub-regional instruments ratified or adopted by a large number of European countries address various aspects of the IAS issue. The earliest instruments aim to control the introduction and spread of pests and diseases to protect human, animal and plant health. Conservation treaties reference alien species for their possible impacts on native species and ecosystems. Technical guidelines have been developed for some transport and production sectors that present risks of unintentional introductions or escapes from containment. These instruments indicate actions that States need to take: several generally urge States to improve working programmes, avoid duplication of efforts, promote co-operative actions and explore synergies among actors.

In addition, because alien species use transport and trade pathways, regional and national measures to prevent or minimise unwanted introductions have implications for the multilateral trading system. The World Trade Organisation (WTO), mainly through the Agreement on the Application of Sanitary and Phytosanitary Measures, sets out binding principles and rules and recognises sources of international standards that should, where available, be followed in national measures.

In Europe, at the political level, two main institutions are responsible for regional conservation policies: the Council of Europe, which with 42 member States represents a large proportion of the entire European region, and the European Union (EU), which currently has 15 member States and the accession of further states is on the agenda.

Council of Europe

Within the Council of Europe, the Convention on the Conservation of European Wildlife and Natural Habitats (Bern Convention, 1979) is the main legal instrument for the development and implementation of conservation policies. In Article 11 paragraph 2.b, the Convention specifically requires “*each Contracting Party...to undertake to strictly control the introduction of non-native species*”.

The Bern Convention is one of the very few international instruments that has developed specific technical references for addressing IAS. Since 1989, the Bern Convention has carried out a wide range of relevant activities to strengthen implementation by its Parties, including the adoption of recommendations on general IAS issues and on specific problems posed by IAS, the production of technical reports, the organisation of workshops and the establishment of a group of experts on alien species.

European Union

Within the EU, conservation policies are defined through the EU Biodiversity Strategy and implemented through regulations or directives that are binding instruments for member States. With regards to IAS, member States must take measures to ensure that any introduction of an alien bird species does not prejudice the native fauna and flora (Council Directive 79/409/EEC on the Conservation of Wild Birds). They must also regulate the deliberate introduction in the wild of any alien species so as not to prejudice

natural habitats and wild native fauna and flora (Council Directive 92/43/EEC on the Conservation of Natural habitats and of Wild Fauna and Flora).

The EC regulation for the implementation of CITES within the EU provides a basis for controlling imports of certain species that may become invasive (Regulation 338/97, Article 4.6(d)). More recently, the EU Biodiversity Strategy states that: *“The presence or introduction of alien species or sub-species can potentially cause imbalances and changes to ecosystems. It can have potentially irreversible impacts, by hybridisation or competition, on native components of biodiversity. Applying the precautionary principle, the Community should take measures to prevent that alien species cause detrimental effects on ecosystems, priority species or the habitats they depend on and establish measures to control, manage and wherever possible remove the risks that they pose”* (COM (1998)42).

NATIONAL ACTIONS

The current spectrum of national activities is diverse. For example Slovakia has some popularising publication about invasive trees and other vascular plant. Austrian experts prepared their own invasive list, which includes two major points. First of them is “Neozoa/Neophyta species that occur in selected areas of Austria only, but show tendencies to become invasive” and the second one is “Neozoa/Neophyta species that threaten directly or indirectly the biodiversity of natural or near-natural Austrian ecosystems”.

Example of national actions: the United Kingdom

The Environment Agency in England and Wales prepared a guideline collection called “Guidance for the control of invasive plants near watercourses”. Proposals for chemical and mechanical eradication are included in this issue.

The UK Government announced in the Rural White Paper for England that it will be carrying out a fundamental review of the policy on non-native species. At present there are a number of statutory and non-statutory options available to deal with the problems caused by non-native species, but these are uncoordinated and tend to focus on individual sectors, such as agriculture. The review is being carried out with the involvement of government, industry, conservation bodies and the general public.

The review process will:

- evaluate the effectiveness of current statutory or non-statutory procedures for dealing with the introduction and establishment of non-native species and identify examples of current best practice within the United Kingdom and abroad;
- identify the main vectors for the introduction and spread of non-native species;
- put forward practical and proportionate costed proposals for improving measures to limit the ecological and economic impact of non-native species in the UK and recommend measures to limit the impact of the introduction of native species beyond their natural range. These could include proposals for statutory or non-statutory measures in areas of research and monitoring, trade, and control of non-native species;
- identify appropriate organisations to take forward any measures recommended.

The review will:

- be carried out on a UK basis for terrestrial, freshwater and marine environments;
- cover all species of fauna and flora except agricultural crops and genetically modified organisms;
- take account of the appropriate international and European agreements related to the introduction of non-native species;
- involve all appropriate stakeholders.

Reporting Arrangements

The review has a working group that meets every two months to steer the work of three sub-groups. The sub-groups are covering the specific issues of prevention, monitoring and risk assessment, and remedy and control. The sub-groups will produce reports that will feed into the final report of the review group. The Review is due to report to the UK Government in summer 2002.

Case study: Control of the North American Ruddy Duck in the UK

Introduced North American ruddy ducks are considered to be the main threat to the survival of the globally threatened white-headed duck as a distinct species. The white-headed duck is the only European species of stiff tail duck. The UK holds the largest population of this introduced species.

The UK Government decided in 1999 to carry out a 3-year control trial of the North American ruddy duck to test the feasibility of eradicating the UK's population of ruddy duck within ten years; determine the financial cost of such a programme; identify the factors which will impact on any national programme and test different methods of humane control.

The results of the first two years of the control trial have been encouraging, with over 2000 ducks controlled – which could represent 30% of the UK population. Operations were interrupted in February 2001 due to the foot and mouth disease outbreak, as most sites holding ducks were located within infected areas. Control has now resumed, but the trial will now not be completed until July 2002.

The UK Government will decide in the summer of 2002 whether to pursue an eradication strategy – taking account of the results of the trial and the efforts of our European partners in controlling ruddy ducks that occur in their countries.

Example of national actions: Hungary

Biological invasion in Hungary deserves the attention of researchers, decision-makers and the public as well. Public interest focuses mainly on human health impacts of some allergenic species, but the society is also sensitive to the degradation of natural values of protected and urban areas. However, the awareness of personal responsibility for the state of invaders and its relation to land use practice is very low. Two main acts consider the problem of biological invasion in Hungary, one is the ratification of the Convention on Biological Diversity (Act No. LXXXI of 1995), and the other is the Act No. LIII of 1996 on the Conservation of Nature. The agricultural administration has long developed legal measures against pests, diseases and weeds.

Invasive plant species

The most dangerous invasive plant species of Hungarian habitats were listed by a scientific symposium in 1998. Researchers and nature conservation experts selected about 35 invasive plant species. The most susceptible habitats in Hungary are mismanaged agricultural and rural areas and water-determined ecosystems. Dry grasslands and semi-natural forests resist better plant invasions, but disturbance can greatly increase the probability of their mass occurrence.

In several cases, invading species do not only degrade the habitat but also outcompete certain valuable, protected species occupying similar niches in the community. According to the most recent information about 45 000 hectares of grassland are affected with invasive plants (like *Solidago* species, *Ailanthus altissima*, *Elaeagnus angustifolia* and *Asclepias syriaca*) in nationally designated sites. State nature conservation organisation has initiated several programmes for the mechanical control of invasive plant species in protected areas with only locally apparent results so far. Plans for mechanical and nature-friendly chemical control are under development, but recent calculations indicate that these projects would cost more than 4,2 million Euro. The government and also non-governmental organisations yearly launch programmes for ragweed (*Ambrosia artemisiifolia*) control, with substantial public participation, but the results are not detectable so far in the pollen levels.

Invasive animal species

Long standing forestry and agricultural light-trap or other forecasting network has a potentially important role in the early detection of invasive insect species (e.g. *Helicoverpa armigera*).

The horse chestnut leaf-miner (*Cameraria ohridella*) is a member of the lepidopteran family Gracillariidae and was recorded for the first time from Macedonia in 1985 attacking horse chestnut (*Aesculus hippocastanum*). This moth was described as a new species of the genus *Cameraria* in 1986. Up to now the origin of the moth is totally unknown. There has been some discussion that this species was carried to Macedonia from America, and then it spread. However, nowadays it is quite certain that the origin is not American. There has been discussion for a long time about the possibility of conveyance by human beings. Affects of global climate changing have been mentioned. Totally unexpected, *C. ohridella* appeared in Austria in 1989 from then on, it rapidly spread east and west so that, by 2000, it had colonised major parts of Central and Eastern Europe. First sighting in Hungary was made in 1993, and serious damage caused by it has been detectable throughout the country since 1994.

A recent American invasive pest on arable land in Europe is the Western Corn Rootworm (WCR, *Diabrotica virgifera virgifera*). It is likely to have arrived in Yugoslavia in the early to mid-1980s. By the end of 2001 it had spread over 182,000 km² in Europe (Bulgaria, Bosnia-Herzegovina, Croatia, Hungary, Romania, Slovakia and Yugoslavia). WCR beetles were trapped in 1998 and 1999 in Italy, near Venice airport and in 2000 in Switzerland, near Lugano. WCR spread in Europe has continued in all directions from the original infestation point (Figure 1). It has become an economic pest of corn in Yugoslavia (yield losses up to 70%). Several research projects focus on the potential of biological control of these pests.

In the last few years a locally problematical new mollusc species with invasive tendency called Iberian black slug (*Arion lusitanicus*) was noted. This species causes remarkable damage in gardens in the south-western part of Hungary, just as in some other parts of Europe.

Some fish species have been introduced for consumption and to limit algae production during the 1960s, like the grass carp (*Ctenopharyngodon idella*) and the silver carp (*Hypophthalmichthys molitrix*) that became abundant and threatens the native fish fauna despite intensive fishing. A recent invader of watercourses is the bighead goby (*Neogobius kessleri*) that has arrived from the brackish waters of the Danube Delta and feeds on fish fry.

The situation of mammals is similar to that of fishes, as the population of game animals and non-protected carnivores is regulated. Two introduced species seem to have the potential of becoming invasive, the racoon dog (*Nyctereutes procyonides*) and the racoon (*Procyon lotor*).

Monitoring

Recognising the importance of invasion in the survival of the native biota, the Hungarian Biodiversity Monitoring System (HBMS) has included the repeated survey of invaders in its programme. The HBMS monitors 5 invasive plant species at the landscape, community and population levels since 1998. The first results have described the present conditions and serve as baseline data. Further nature conservation

programmes for monitoring invasive terrestrial and aquatic snails and insect species are absolute necessary and scheduled for the near future.

The Hungarian Invasive Plant Survey and Control Programme is under development by the Ministry for Environment. The first task is to provide a national assessment of occurrence of the selected 35 invasive species. The objective of the programme is to develop an environmentally friendly control strategy of invasive plants that can be applied at nature reserves.

RECOMMENDATIONS FOR EUROPE

Regional approach

The development and implementation of a regional approach to IAS issues is one of the actions that could offer significant benefits at the European level. In addition, further actions towards a European policy need to be undertaken.

The potential for trade and transport regulations to contribute to preventing unwanted introductions should be explored, including:

1. The active involvement of sanitary and phytosanitary authorities in a European biosecurity policy, including national authorities for plant protection established pursuant to the International Plant Protection Convention (Rome, 1951).
2. The co-operation of existing bodies of official national organisations for CITES implementation in order to develop a more effective system of border controls specifically aimed at IAS;
3. The active commitment of the CITES European scientific groups to address IAS issue;

Other critical actions at a regional level are: strengthening and promoting harmonisation of legal frameworks and prevention procedures; raising awareness of IAS issues; identification of priority IAS (e.g. elaboration of comprehensive lists of alien species introduced into each country and a “black list” for prevention); and implementation of key projects requiring common efforts and co-operative expertise.

Sub-regional approaches

Although Europe is characterised by territorial continuity, there are marked biogeographical differences in terms of species, subspecies, populations and ecosystems. A biogeographic approach can be particularly useful for the elaboration of “black lists” and for the development of methods and measures to control or eradicate IAS, including the definition and implementation of specific action plans (e.g. Mediterranean action plan to deal with biological invasions on islands, an Alpine action plan on the grey squirrel, a Baltic policy on the treatment of ballast water). A sub-regional approach is also critical to address monitoring and mitigation for transboundary problematic IAS.

National and sub-national approaches

States need to devote adequate resources to IAS issues; implement international instruments and, when necessary, adopt or revise national legal frameworks to remove obstacles to the actions necessary to deal with biological invasions; identify national biosecurity agencies or co-ordination mechanism to handle collection and circulation of information, authorisation processes and the implementation of mitigation measures, including eradication projects; raise awareness of the IAS issue; and cooperate to develop and apply a comprehensive European policy on this issue.

Sub-national policies for the insular territories (e.g. Portugal: Madeira and Azores Islands; Spain: Canary and Balearic Islands; Italy: Sardinia and Tuscany archipelago) and for ecosystem units (e.g. river catchment areas) can also be implemented.

During its presidency of the European Union, France hosted a high-level scientific meeting in Montpellier, France between 4th-6th December 2000 with the theme „Biology of Invasions: strategic issues for European biodiversity research”, called BIM 2000.

The delegates of the Montpellier meeting of the European Platform for Biodiversity Research Strategy agreed that:

- the factors favouring the invasion are often regional or global, although the most acute impact of invasions may be felt locally rather than nationally or internationally;
- island ecosystems, and other ecosystems that are historically or geographically isolated, are particularly susceptible to damage from invasion;
- the free movement of people and goods in the internal market favours the movement of potentially invasive organisms, and the expansion of the EU will add many new biological provinces to and from which organisms will be transferred;
- legislation to control invasion must be based on a correct balance between the needs of trade on the one hand, and on the other, prevention, the precautionary principle, and the support of sound scientific understanding of the mechanisms of invasions, including biology, vectors and socio-economic drivers, and of procedures of impact assessment.

The participants decided that the following three key issues have high priority for European research:

1. Develop methods and techniques to recognise and characterise organisms that may be invasive and ecosystems that may be particularly vulnerable to invasion; and develop predictions of invasive behaviour and ecosystem vulnerability to invasion.
2. Improve monitoring methodology to detect potentially invasive organisms early; to track invasions; and to evaluate their ecological and socio-economic impacts, and, where appropriate, to control them.
3. Develop multi-disciplinary scientific support for appropriate policy on prevention, management for control, and legislation, public awareness and information.

The participants of this workshop also agreed that:

- In some circumstances, the advantage given to GMOs by virtue of resistance to ecological constraints may encourage invasive behaviour in the organism itself or in organisms that acquire the genetically modified trait.

POINTS RECOMMENDED TO BE CONSIDERED AT THE BUDAPEST CONFERENCE

Discussion should concentrate on following up existing recommendations:

- the use of the term “Invasive Alien Species” in coherence with the GISP reports,
- a clear support to the adoption of the SBSTTA Guiding Principles on Invasive Alien Species,
- the precautionary principle should be properly reflected (version 2),
- the state responsibility for introduction (intentional or non-intentional) implies measures in prevention, mitigation and control (version 1),
- giving importance to the preparation of a regional strategy and the establishment of a common policy on IAS in Europe, which would contribute to the implementation of article 8(h), based in the adopted Guiding Principles,
- underlining the potential role of Bern Convention, the IUCN and other fora, in particular the IPPC, and the European Plant Science Organisation and in synergy with actions in EU and other relevant organisations (FAO, CITES, Ramsar Convention, WTO, GISP),
- recognising the need of a comprehensive European list of invasive alien species, communication structure (through, inter alia, the Clearing-House Mechanism) and/or “Early Warning System”,
- a local or regional update of the worst invasive species list is inevitable,
- support for the establishment of an European list of Invasive Alien Species, as an instrument for promoting more effective prevention measures,
- support for the need of identification and exploration of specific gaps in the regulatory framework and the feasibility of adopting a specific binding instrument on alien species,
- harmonisation of policies,

- improving the technical and scientific knowledge on IAS,
- building capacity for addressing IAS,
- effective control of problematic IAS species is inconceivable without permanent international collaboration,
- maintenance and development of regional or national monitoring systems has a high importance,
- collection and processing of national and regional data on spreading IAS at the global level,
- starting up new mapping projects, harmonisation of national mapping systems,
- after the preparation of an overall strategy on invasive species eradication pilot-projects are needed,
- the burden of proof that a proposed introduction is unlikely to cause harm should be with the proposer of the introduction (version 1),
- more attention should be paid to natural enemies or other nature friendly controlling methods in restoration projects,
- calling in of non-governmental organisation into the local monitoring system or restoration projects could be useful,
- support to research and development of methods to predict and prevent invasive behaviour of GMOs released into the environment.

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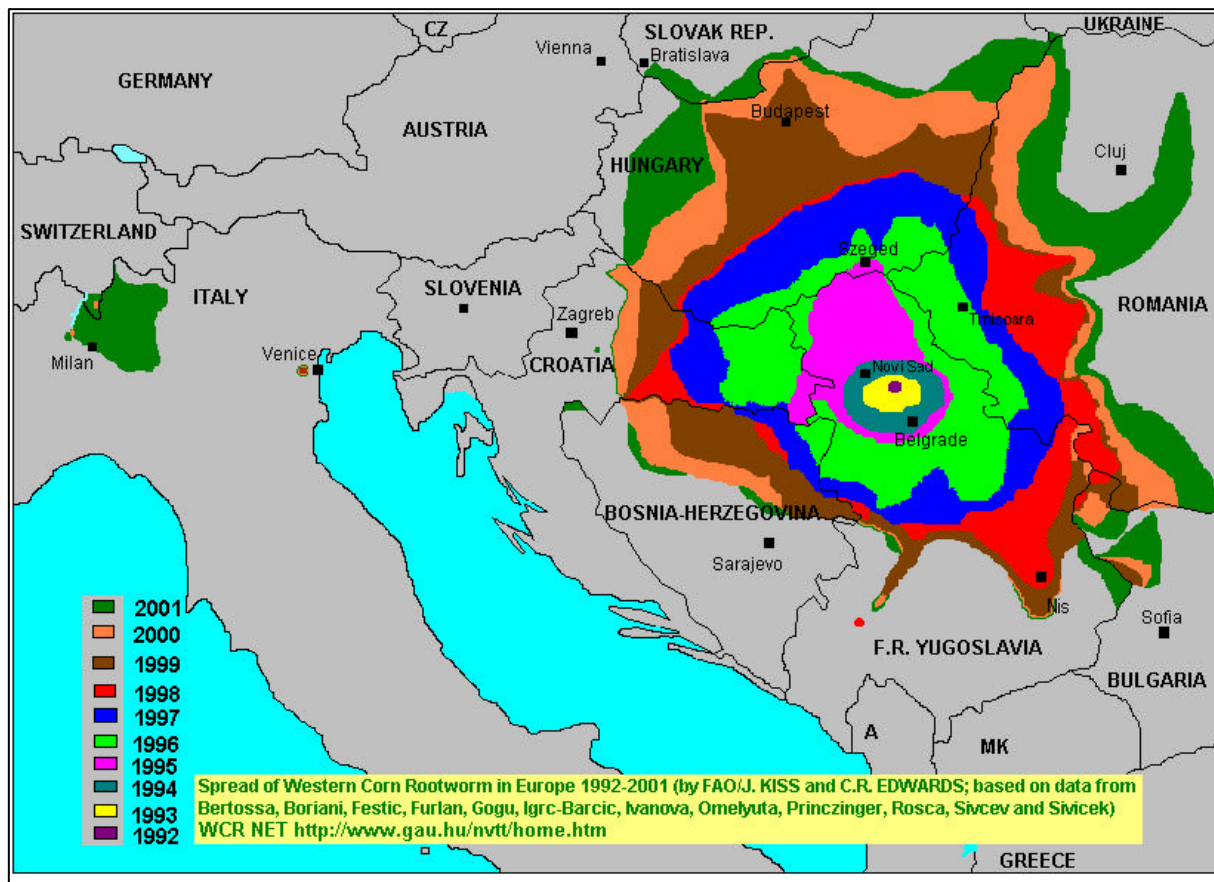


Figure 1. Spread the Western Corn Rootworm (*Diabrotica virgifera virgifera*) in Europe
From C.R. Edwards and J. Kiss (2001) FAO WCR Network (preliminary map)

FINANCIAL RESOURCES AND MECHANISMS FOR BIODIVERSITY IN EUROPE

**Prepared by the Government of Switzerland
in cooperation with the European Centre for Nature Conservation
and the Government of the United Kingdom**

EXECUTIVE SUMMARY

This paper highlights opportunities to increase the financial investments by financial institutions and mechanism in biodiversity relevant programmes and projects. It identifies approaches, mechanisms and instruments to increase these investments, in public-private partnerships between banks, governments, corporate sectors, NGO's and expert institutions. The paper also touches upon the relationship between business and biodiversity.

It ends with the recommendation to the Second Intergovernmental Conference "Biodiversity in Europe" and the PEBLDS Council to support the process set in place by the European Biodiversity Resourcing Initiative (EBRI) in the framework of PEBLDS, and in particular to welcome the conclusions of the EBRI-Workshop (4 December 2001, Geneva) with representatives of the financial and economic community, governments and intergovernmental institutions, NGO's and experts institutions.

1. INTRODUCTION

This discussion paper suggests both a vision and concrete ways to increase the level of resourcing for biodiversity conservation and sustainable use in Europe, in particular by promoting the benefits of increased synergy between the Convention on Biological Diversity (CBD), Pan-European Biological and Landscape Diversity Strategy (PEBLDS) and the EC Biodiversity Strategy on the one hand, and programmes of financial institutions and mechanisms on the other hand. The paper also reflects on the relationship between business and biodiversity as an important issue for increasing investments in biodiversity.

The paper builds on the outcome of the European Biodiversity Resourcing Initiative (EBRI), which included bilateral consultations and a meeting with representatives of financial and economic sectors, governments, international governmental and non-governmental organisations, and expertise centres held at Geneva on 4 December 2001.

The EBRI-vision or conviction for biodiversity resourcing is that there are many opportunities to substantially increase in Europe the financial investments in biodiversity relevant programmes and projects on the basis of investments programmes of financial institution and mechanism, and that the time is ripe **to turn vision into concrete action** by:

- developing an operational European partnership on banking and biodiversity involving all interested financial institutions and mechanisms and other stakeholders, including the co-operative sector;
- mobilising the conservation sector, both GO and NGO, to prioritise the efforts in increasing the interaction with financial sectors and to develop experience and expertise in developing biodiversity relevant programmes and projects that meet the main stream investments criteria and requirements;
- developing or mobilising concrete and effective European and national mechanisms and approaches, in particular funds and financial and fiscal incentives, that would aim at increasing the investments in biodiversity relevant activities with a sufficient return from investment;

It became clear from consultations with relevant stakeholders that there is currently interest with financial institutions and mechanisms in increasing investments in biodiversity, making this the right time for exploring opportunities for increasing biodiversity relevant investments. Also it became clear that financial institutions are not, and perhaps never will be, the main source of funding for biodiversity relevant projects. Biodiversity is a public asset, and its maintenance and restoration in Europe will continue to need lots of public money. However, a combination of these public funds with bankable investments, loans and grants could considerably increase the scope for biodiversity resourcing. It may even reverse the pattern of decline of Europe's nature, biodiversity and landscapes. (Bankable investments are defined as investments by financial institutions which have a certain financial return from investment and an acceptable risk rate. They can take the form of risk funds, grants, loans, credits, etc).

This paper addresses the global and European policy framework for biodiversity resourcing and presents an analysis resulting from main recommendation of past studies and initiatives and from recent consultations with stakeholders in financial sectors. However, the most important part of the paper is the paragraph with recommendation for practical action.

2. THE POLICY AND OPERATIONAL FRAMEWORK FOR RESOURCING EUROPE'S BIODIVERSITY

The key policy frameworks relevant to resourcing biodiversity are 1) the Convention on Biological Diversity and COP V decisions V/11 on additional Financial Resources (Nairobi, Kenya, 2000), and 2) the section on "Financial resources and mechanisms for biodiversity in Europe" of the Chairman's conclusions of the "Intergovernmental Conference « Biodiversity in Europe », Riga, Latvia, 20-23 March 2000.

THE GLOBAL LEVEL

At the Global level, the Convention on Biological Diversity acknowledges that substantial investments are required to conserve biological diversity, and that the provision of new and additional financial resources and appropriate access to relevant technologies can be expected to make a substantial difference in world's ability to address the loss of biological diversity. Article 20 and Article 21 of the Convention contain the provisions on financial resources. The CBD COP V provided detailed guidance on additional financial resources for biodiversity (see annex 1). The Parties invited the Global Environment Facility to assist the CBD Secretariat, in collaboration with the relevant international organisations and institutions, to convene a workshop on financing for biodiversity with a view to sharing knowledge and experience among funding institutions. The 'Workshop on Financing for Biodiversity' was held at Havana between 16-17 July 2001. The workshop considered the implementation of the provisions contained in decision V/11 and it was agreed that the following points would be reported on at COP6:

- a) sharing knowledge and experience among funding institutions;
- b) reviewing the potential of the global environment facility as a funding catalyst;
- c) Exploring opportunities for information sharing and data exchange on financing for biodiversity.

THE EUROPEAN LEVEL

The Conclusions on Financial Resources and Mechanism at the Riga Conference focused on three points (see annex 2 for a full list):

- Efforts should be increased to mobilise resources such as through incentive measures and greening taxes, integration of biodiversity into policies, programmes and actions of socio-economic and financial sectors; in this field there should be increase co-ordination amongst European nations,
- There is a need for joint funding on the basis of joint actions with the private sector, which should receive a more coherent message from the biodiversity community;

- Attention should be given to the preparation of a better overview of biodiversity projects in Europe for investment, to be developed in a joint effort between all stakeholders;
- There is a need for full synergy and co-operation between the various existing national, European and global funding mechanisms and institutions, and for a clearer profile and communication towards biodiversity resourcing by transparent information and awareness involving the Clearing House Mechanism.

The outcome of the Riga decisions fed directly into the CBD COP discussions which contributed to the CBD COP V decision V/11, as well as provided the opportunity in Europe to go ahead with promoting co-ordinated action based on in-depth analysis of the current situation.

The outcome of this analyses and consultations with Financial Institutions has led to the elaboration of the European Biodiversity Resource Initiative in the framework of the Pan-European Biological and Landscape Diversity Strategy, which received full support by the PEBLDS Council. This initiative speeded up the discussion on how to turn principles into action, and marked the start of a comprehensive dialogue between the financial sectors and the biodiversity sector in Europe.

THE NATIONAL LEVEL

Various countries prioritise the issue of biodiversity resourcing and have developed national and international programmes to enhance the conservation status of nature, biodiversity and landscapes. Overall, the conservation of biodiversity depends heavily on these national, regional and local funds. The biodiversity resourcing on a national and sub-national level take the form of subsidy, grants, public green funds and tax incentives that increase the financial and commercial investments in “green projects”. In various countries of CEE and NIS the conservation of biodiversity depends heavily as well on international governmental programmes and bilateral support programmes.

3. ANALYSIS AND RESULTS OF CONSULTATIONS WITH FINANCIAL INSTITUTIONS AND MECHANISM

The analysis of the main recommendations and findings of past studies and initiatives in the field of biodiversity resourcing and the consultations with financial stakeholders in the framework of the EBRI (see Annex 3) led to the following conclusions:

Existing biodiversity funding in the Pan-Europe region

1. To date, only limited funds, in the order of 9 million Euro's, have been raised directly for international actions for PEBLDS implementation, primarily from European Union (EU), the Western Europe and Others Group (WEOG), National Governments, the Council of Europe, UNEP-ROE, European Commission (EC) and some international NGO's, such as the European Centre for Nature Conservation (ECNC) and IUCN; (see annex 4) (this does not include other national funds for national activities in support of PEBLDS and the CBD).
2. Many countries have allocated substantial national and regional budgets to the conservation, restoration and development of nature and biodiversity, especially for habitats and species projects and activities, including agro-environmental measures and site management;
3. The European conservation sector has not yet fully met the challenge of promoting bankable biodiversity projects to the IFI community; Analysis indicates that only a few International Financial Institutions and other Mechanisms working in Europe have currently integrated biodiversity into their banking policy and operational activities, notable examples include the Global Environment Facility, the World Bank group (including the International Bank for Reconstruction and Development (IBRD), International Development Assistance (IDA) and International Finance Corporation (IFC), the European Commission (EC), and the European Bank for Reconstruction and Development (EBRD)) ;

/...

4. A number of European regional banks have included biodiversity components into their infrastructure or other projects, although currently have had limited direct biodiversity related projects including the Council of Europe Development Bank and the European Investment Bank;
5. Recent feasibility studies for mainstreaming biodiversity into Banking policy and operations have been undertaken notably by the EBRD and the European Investment Bank,
6. Many of the IFI's, regional banks and national banks working in Europe have existing environmental policy and operational assessment procedures although few have specific existing biodiversity policies or operations, the single notable example of elaborated biodiversity programmes exists for the World Bank;
7. Analysis and consultations indicate that interest for future action in the field of biodiversity resourcing by Financial Institutions and other Mechanisms number about a dozen. Among them are: the Council of Europe Development Bank, European Investment Bank, European Bank for Reconstruction and Development, EC, Global Environment Facility (GEF), and International Finance Corporation (IFC). Project Preparation Committee for East and Central Europe (PPC), UNDP, OECD and the World Bank;
8. Main existing resources for biodiversity focus on development assistance, loans, co-funding financing, grants and aid to middle-income countries of CEE and the NIS and creditworthy poorer countries;
9. Funding mechanisms such as venture capital and other risk funds are not yet used by IFI's for favouring biodiversity.

Existing Co-operation by IFI's and other Mechanism

1. At the global level, co-operation has only just started to occur under the framework of the Convention on Biological Diversity Secretariat and GEF following requests by the Conference of the Parties signatory to the Convention in 2000. Focus is on sharing knowledge and experience among global funding institutions, reviewing the potential of the GEF as a funding catalyst, and exploring opportunities for information sharing and data exchange on financing for biodiversity;
2. At the European level, co-operation mechanisms, and or harmonisation processes do exist for IFI's and regional banks in Europe although not for biodiversity, notable examples include for the PPC and also for the EU co-operation with IFI's in the Accession process;
3. Notable models for co-operation includes the currently ongoing harmonisation initiatives by the European Regional Banks in the field of the Environment, involving amongst others the EIB and EBRD;
4. Notable existing platforms for co-operation and matching of funds by the donors community, (both bilateral national funders as well as the International Financial Institutions) includes the Project Preparation Committee of the Environmental Action Programme of Central and Eastern Europe, whose secretariat is with the EBRD. However, biodiversity is not on the agenda but consultations indicate potential exists for incorporating biodiversity in the future;
5. Consultations indicate that practical working platforms of co-operation also exist at the level of EU Accession, with co-ordination between the Commission and IFI's in Accession countries of Europe, both at the strategic level and at the practical national office level;
6. Primary objectives of another potential model is the UNEP Financial Institutions Initiative:

Practical applications and existing processes to meet supply and demand

1. Environmental Assessment procedures exist in all the Regional banks consulted, however biodiversity rarely plays an important role notably since little information is readily available to the banks concerned;
2. The bridge between supply and demand is not yet met in the field of biodiversity linking the resources of IFI's and the needs of the biodiversity stakeholders. There is no easily accessible portfolio of bankable projects, or even necessarily expertise to draft such projects, from the biodiversity sector. The nearest case examples are found with the PPC on devising a mechanism to match donors with

needs in CEE for general environmental considerations, and of the portfolio of achieved biodiversity projects by the World Bank;

3. The Biodiversity sector, including NGO's, are not sufficiently equipped and experienced yet to develop a strong portfolio of bankable biodiversity projects. This is effectively leading to one of the biggest bottlenecks to increasing investment in biodiversity;
4. Existing Environmental portfolios exist within the framework of the PPC activities, and the World Bank maintains an inventory of World Bank Biodiversity related projects, 1988-2000.

Existing valuations of biodiversity

1. Monetary valuation studies of environmental resources have been undertaken by numerous sources however, biodiversity valuation is in its infancy. Notable work has been undertaken by the OECD, on cost benefit analysis, life cycle analysis, environmental impact assessment, policy designs, appraisal and review, training on environmental and biodiversity economics. Driving forces include the valuation and restoration of biodiversity damage for the purpose of environmental liability
2. Case studies include the work of the European Commission to explore the role of economic valuation in determining the total value of environmental damage and comparing and evaluating restoration options, studies having been used in preparing the draft Directive on Environmental Liability.

Existing financial tools and innovative approaches for biodiversity resourcing

1. A wide range of tools are being employed by Financial Institutions and Mechanisms working in European, whether that be Tools for Raising Revenue, Tools for Acquiring Capital, Tools for Enhancing Credit, Tools for Building Public-Private Partnership, or Targeted Financial Tools specifically focused on biodiversity;
2. Biodiversity and Environmental Toolkits are starting to be developed at the global level, most notably by the World Bank group, which uses its toolkit to review of world bank policy and procedures, profile costs and benefits, and provide guidance and methodologies (on identification of impacts, cost-effectiveness in baseline studies, evaluation of impact), and provide implications for the bank; as well as the United States Environment Protection Agency with its guidebook for financial tools;
3. European Regional Banks are in the process of devising their own European focused Biodiversity Tool Boxes, notable examples include the EIB whose tool box provides an introduction to the policy framework for the protection and enhancement of biodiversity and the relevant project content where biodiversity may be adversely impacted.
4. Studies for mainstreaming biodiversity into banking policy and operations have indicated opportunities for exploring Venture and Equity Capital funds, however, explorations by the OECD on venture capital for environment has indicated that high rates of loan return may make the process difficult for biodiversity;
5. Potential opportunities exist for creating Biodiversity investment funds, with interest being mooted by the European Association of Co-operative Banks consisting of national banks working in Europe.

Existing information exchange and awareness raising

1. The consultations indicated that capacity building and information exchange is regarded as a fundamental requirement to any Biodiversity Resourcing Initiative in Europe. In Europe the majority of the financial institutions and mechanisms currently use various approaches towards information exchange, which is largely focused through workshops or meetings; Perceived information types required include European policy, national legislation, vulnerable sites, species and habitats, investment indicators and sources of expertise;
2. The majority of Financial Institutions and Mechanisms have internal website networks available for operational staff, however only the World Bank and GEF currently have dedicated sections devoted to biodiversity information and exchange;

3. Potential models include the Environmental Financing Information Network – EFIN of the United States Environment Protection Agency;
4. Analysis and consultations indicate that the banking concept of a Clearing House or Clearing House Mechanism (CHM) is considered to be a suitable tool to assist in raising awareness and assist in the exchange of information about banking and biodiversity.

4. RECOMMENDATIONS FOR PRACTICAL ACTIONS ON INCREASING BIODIVERSITY RESOURCING FOR EUROPE'S BIODIVERSITY

1. Recommendations on biodiversity resourcing

The implementation of the European Biodiversity Resource Initiative, which included an analyses phase and a consultation phase, led to the following recommendations for action, which are supported by main financial sectors and mechanism:

The participants of the Budapest Conference are invited to review and where appropriate prioritise and endorse these recommendations.

- a) The financial sector and other relevant stakeholder, including governments and NGOs, should establish operational partnerships on banking and biodiversity, including an operational ad hoc European Task Force on Banking and Biodiversity which would oversee and promote the practical implementation and elaboration of the conclusions of the EBRI-workshop, which was held on 4 December 2001 in Geneva (**Annex 5: Conclusions from the EBRI workshop**); Operational ad hoc structure where agreed up in the workshop and reflected in the conclusions of the workshop;
- b) Priority actions include:
 - Exploration in concrete forms and pilots of public-private partnerships for increasing investments in sufficiently large and integrated biodiversity relevant project and programmes;
 - mainstreaming of biodiversity into existing financial policies and investment programmes of financial institutions, with special focus on the European banks, while using instruments such as EIA biodiversity guidelines, biodiversity assessment toolkit, focused training and workshops, and biodiversity and banking handbooks, and establishing the necessary pool of expertise on banking and biodiversity;
 - The mainstreaming of biodiversity into 5 key existing financial mechanisms as recognised by the EBRI workshop, namely the MFI environment sub-group, the MOU collaboration of the EU and IFI's, the PPC, the UNEP H on banking, and through the GEF/CBD activities for COP. The PEBLDS Council is invited to assist by informing through the national delegates in the Council the national Government Departments and Ministries which are Members of these processes to help assure the integration of biodiversity into these financial processes;
 - The mobilisation of relevant existing financial funds or the development of new investment or capital funds for biodiversity investments, leading to substantial increased availability of investments for biodiversity;
 - An increased, but targeted information flow between the conservation sector and financial institutions, inter alia, via the establishment of a European "Banking and Biodiversity" Clearing House Mechanism.
- c) The PEBLDS Council could strongly promote with governments, NGO and other stakeholder the need to develop bankable biodiversity relevant programmes and projects, which can be addressed to specific banks, or can become integrated into a European portfolio of bankable biodiversity projects. Actions to achieve this include promoting the development of more integrated rural or urban development projects with a large biodiversity aspect, combining small projects into financial larger

and bankable projects, defining criteria and guidelines and assisting in training the conservation's sector's (both GO and NGO) expertise towards developing bankable projects;

- d) The PEBLDS Council could welcome the introduction of appropriate financial incentives, including fiscal measures such as tax deduction, which would increase the bankability of biodiversity. Also the Council could welcome the need to harmonise national rules and regulations which are relevant for, or stand in the way, of increasing investments in biodiversity relevant projects by financial institutions and mechanisms;
- e) The PEBLDS Council is invited to explore increasing its co-operation with the PPC, European Commission and GEF on biodiversity investments. More in particular the following was proposed by participants of the EBRI-Workshop:
 - **MoU between the PPC and the PEBLDS Council:** the formal links between these two mechanisms should be strengthened by means of a MoU aimed at ensuring that biodiversity gets an increasing role;
 - **MoU between the European Commission and IFIs;** biodiversity should be included to play a greater role in MoUs between the EC and IFIs and harmonisation of procedures and toolkits could be helpful in this respect;
 - **Environment sub-group in Multilateral Financial Institutions meetings:** This is an important existing mechanism and biodiversity should be more systematically added to its agenda of discussion;
 - **UNEP-Commercial Bank Operations group:** the topic of biodiversity should be included on the agenda of one of the next meetings of this group, and the results should be reported back to PEBLDS process.

2. Recommendations on Business and Biodiversity

- That examples of good business and biodiversity practice be more widely disseminated across Europe and globally, through use of the Clearing House Mechanism ;
- That consideration is given to the possibility of scenario modelling, looking at the state of our biodiversity in 20-25 years time. These modelled scenarios could provide a useful means of capturing the imagination of the business community, enabling them to see how their activities might be affected in the future if the state of our biodiversity were to change. It could be that these models might demonstrate to business that they should be more concerned about biodiversity, leading to more businesses becoming involved in biodiversity conservation than is the case at present.

The Council of PEBLDS could recommend the following to the CBD-COP6:

- a) To promote within the CBD framework at international and national levels the need for increased concrete forms of banking-biodiversity partnerships of financial institutions and the biodiversity community which will support the mainstreaming of biodiversity into banking policy and operations and to develop operational investment partnerships between financial institutions themselves, and between the financial sectors and governments, NGO's and economic sectors. The work in the framework of the EBRI could be a means of inspiration for the global community;
- b) To promote with financial sector and mechanism the establishment of global biodiversity venture capital or investment funds, which should be fed with bankable programmes and projects that are relevant for biodiversity;
- c) To step up the efforts to increase the awareness, experience and expertise with the governmental and non-governmental biodiversity sectors about mobilising the opportunities of increased biodiversity investments of financial institutions and mechanisms to its full potential, especially by increasing the number of large, integrated rural and urban development projects with a substantial biodiversity element;

- d) To introduce tax and other financial incentives in all European countries and in relevant international policies which would facilitate consumers and investors to invest in biodiversity while allowing for a normal financial return from investment;
- e) To mobilise the CBD CHM to pull together information, technical co-operation and networking opportunities through the involvement of Financial Institutions and the private sector – namely by giving due priority to a thematic Banking and Biodiversity CHM;
- f) To stimulate the business sector to provide full support to the development and implementation of integrated and large bankable projects with a substantial biodiversity component.

ANNEXES

Annex 1 Relevant CBD COP5 decisions

Decision V/11 of CBD COP5 specifically refers to “Additional financial resources” and notably or selected points include:

1. Requests the Executive Secretary to further develop a database on biodiversity-related funding information, and make it available through the clearing-house mechanism and other means of communications, as appropriate;
2. Invites the Global Environment Facility to assist the Executive Secretary, in collaboration with the relevant international organisations and institutions, to convene a workshop on financing for biodiversity with a view to sharing knowledge and experience among funding institutions, and to explore the potential of the Global Environment Facility to act as a funding catalyst;
3. Urges developed country Parties and encourages developing country Parties to establish a process to monitor financial support to biodiversity, and to provide further information in their national reports on financial support to biodiversity to the Conference of the Parties at its sixth meeting;
4. Invites, inter alia, funding institutions, United Nations bodies, intergovernmental organisations and non-governmental organisations to designate focal points, to develop a reporting relationship with the Convention, and to provide information to the Executive Secretary on their activities in support of the objectives of the Convention;
5. Recognises that more complete information concerning the financial support, from all relevant sources, for the implementation of the objectives of the Convention, including the work programmes established by the Conference of the Parties, will assist it to develop further guidance to the financial mechanism and to better co-ordinate with other funding institutions;
6. Also requests the Executive Secretary to further develop collaboration with funding mechanisms of relevant conventions and agreements, and with relevant biodiversity-related programmes of international and regional organisations, and, as appropriate and upon request, to assist these in defining their funding strategies and programmes and in the promotion of capacity-building;
7. Urges developed country Parties to promote support for the implementation of the objectives of the Convention on Biological Diversity in the funding policy of their bilateral funding institutions and those of regional and multilateral funding institutions;
8. Emphasises the importance of financial support for the implementation of national biodiversity strategies and action plans and for capacity-building for implementation of the Cartagena Protocol;

9. Notes the cross-cutting nature of the involvement of the private sector, and resolves that the involvement of the private sector shall be included, as appropriate, on the agenda of the Conference of the Parties at its regular meetings and be integrated into the sectoral and thematic items under its programme of work;
10. Invites the United Nations Environment Programme, through its financial-sector initiatives, the World Bank and other financial institutions, to promote consideration of biological diversity by the financial sector;
11. Requests the Executive Secretary to prepare a report on the implementation of the present decision for the consideration of the Conference of the Parties at its sixth meeting

Annex 2 Relevant Chairman's conclusions of Riga Conference

Chairman's conclusions: Biodiversity in Europe Intergovernmental Conference, Riga, 2000

Financial resources and mechanisms

1. Efforts should be increased to mobilise existing and innovative resources, including through incentive measures and greening taxes for conservation and sustainable use of biodiversity; better co-ordination amongst European nations and organisations as appropriate; and integration into the policies, programmes and actions of socio-economic and financial sectors, and financial institutions. There is a need for joint funding on the basis of joint actions with the private sector, which should receive a more coherent message from the biodiversity community in order to be more involved in supporting conservation and sustainable use of biodiversity.
2. Attention should be given to the preparation of a better overview of biodiversity projects in Europe for investment, to be developed in a joint effort between all stakeholders. NGO's have a vital role to Contribute. Projects should notably promote the integration of biodiversity considerations into economic and commercial activities, and support the ecological services provided by nature.
3. There is a recognised need both for full synergy and co-operation between the various existing national, European and global funding mechanisms and institutions, and for a clearer profile and communication towards biodiversity resourcing. Transparent information and awareness on integrated biodiversity resourcing, including bilateral, national, EC and international resourcing, should become available. This may include best practises and lessons learned. The Clearing House Mechanism has an important role to play in this respect and can assist in effective monitoring of national and international reporting. These lessons learnt from Europe should be brought to the attention of the CBD COP and the PEBLDS Council.

Annex 3 List of financial institutions, mechanism and economic institutions consulted

- Council of Europe Development Bank
- European Investment Bank
- European Bank for Reconstruction and Development
- European Commission (DG Environment/DG Accession/TACIS)
- Global Environment Facility (GEF)
- International Finance Corporation (IFC)
- Project Preparation Committee for East and Central Europe (PPC)

- UNDP-CEE Office
- EAP Task Force Secretariat
- Rabobank-The Netherlands
- World Bank;
- Nordic Banks
- Raiffaisen Bank Austria, DEXIA

Other institutions:

- OECD
- UNEP
- CoE
- ECNC
- CBD Secretariat
- IUCN
- EcoForum
- Globe-Europe
- Avalon

Annex 4 Overview funds raised in PEBLDS framework

Pan-European Biological and Landscape Diversity Strategy Funding overview 1996-2001	Total raised over 8.93 million Euro's
Funding from 11 National Governments	Funding from 5 NGO's and Institutions
Funding from 2 Inter-Governmental Agencies	Funding from 3 Convention Secretariats
Funding from 3 International Financing Institutions	

**Annex 5 Conclusions from the Workshop on the European Biodiversity Resourcing Initiative,
4 December 2001, Geneva, Switzerland**

This paper presents the conclusions of the Workshop on “the European Biodiversity Resourcing Initiative – Making it Work”, which was held in Geneva on 4 December 2001 at UNEP-ROE Headquarters. The meeting was organised by the Swiss Agency for Environment, Forests and Landscape and the European Centre for Nature Conservation (ECNC).

The purpose of European Biodiversity Resourcing Initiative (EBRI) is to establish an operational framework that will bring the needs for biodiversity resourcing in Europe together with the interests of the Banking Community and International Financial Institutions (IFI's), and so providing opportunities for co-operation and synergy, for mainstreaming biodiversity in existing banking policies and operations, and for sharing information and raising awareness of conservation of Europe's biodiversity with the ultimate aim to increase the investments in bankable biodiversity activities in Europe. The EBRI is initiated in the framework of the Pan-European Biological and Landscape Diversity Strategy (PEBLDS) and will build on the work of the Convention on Biological Diversity (CBD) and the first Intergovernmental Conference “Biodiversity in Europe” (Riga, March 2000) on biodiversity resourcing.

The workshop was attended by 40 representatives with 15 International, regional and national banks and other mechanisms, (the World Bank, Asian Development Bank, Council of Europe Development Bank, European Investment Bank, European Bank on Reconstruction and Development, International Finance Corporation (IFC), Project Preparation Committee, Environmental Action Programme Task Force, Rabobank); Ministries in charge of biodiversity issues (Switzerland, Hungary, Slovenia, and the Netherlands); and international governmental organisations (The European Commission, UNEP, Council of Europe, OECD and UNDP); and the Bureau of the Convention on Biodiversity Diversity, Bureau of the Ramsar Convention, NGO's and expertise centres (ECNC, IUCN, Globe, Avalon, EcoForum and Eftec).

Both the Executive Secretary of the Convention on Biological Diversity, Mr. Hamdallah Zedan and the President of the Council of the Pan-European Biological and Landscape Diversity Strategy, Mr Peter Skoberne, sent a written message to the workshop in which they strongly welcomed the initiative and indicated their willingness to promote the results in the framework of PEBLDS and CBD respectively.

Main findings and general conclusions

1. There are promising prospects in Europe that financial institutions and mechanisms would go beyond the current focus on mitigation measures for biodiversity and would increase the investments in biodiversity relevant activities via partnerships with other relevant stakeholders in Europe, in particular the biodiversity community, governments, NGO's and the business sector;
2. Public money remains vital to biodiversity conservation and management, however public-private partnerships between banks and other sectors will be essential to increase the number and volume of bankable biodiversity projects with an acceptable financial return and risk rate;
3. The development of demand driven, more integrated and larger rural and urban development projects with a significant biodiversity element might allow biodiversity to be mainstreamed in existing programmes of financial institutions and mechanisms, and the development of a portfolio of bankable biodiversity projects would be such a practical tool;

4. Harmonisation of rules and regulations between European countries, and the introduction of government incentives, such as fiscal incentives and public green funds, would assist financial institutions to further increase their investments in biodiversity relevant projects and programmes;
5. The communication between financial sectors and the biodiversity conservation sector should increase in order to solve the interface problem that currently exists between supply and demand in the field of biodiversity, namely:
 - **Supply side:** There is a clear lack of understanding and expertise as regards the opportunities biodiversity investments may offer to financial institutions. Sometimes internal rewarding systems also stand in the way of addressing new fields especially if projects are small and/or appear complex;
 - **Demand side:** There is a clear lack of expertise and experience in developing bankable biodiversity relevant projects which comply with banks investments criteria and programmes and which would also comply with internal procedures in financial institutions.

Addressing the communication challenge will be greatly assisted by the harmonisation of concepts and procedures for valuation of biodiversity resources, the strengthening of formal and informal networks, the establishment of operational pools of expertise, training courses, bio-tools kits and operational guidelines, accessible information data bases and the development of a project portfolio which might inter alia combine smaller projects into larger bankable ones.

6. The scope of biodiversity investments could increase by various partnerships, for example by bank-bank co-operation, and the enhanced co-operation of banks with European policy fora, including PEBLDS and the EC Biodiversity Strategy/6th EU Environmental Action Plan. Representatives of financial institutions should be invited to attend relevant inter-governmental meetings of PEBLDS, CBD and the EU.

Further specific findings and conclusions

Co-operation partnership

There is no need to set up new bodies echoing the PPC or UNEP FI. The general consensus was towards working within existing fora, also for developing common criteria and terminology. In terms of work with formal existing mechanisms, the following was proposed:

- **MoU between the PPC and the PEBLD's Council:** the formal links between these two mechanisms should be strengthened by means of a MoU aimed at ensuring that biodiversity gets an increasing role;
- **MoU between the European Commission and IFIs;** the representatives of the EC circulated copies of an existing MoU (C-operation for pre-accession preparation of Central and East European countries) and the participants felt that harmonisation of procedures and toolkits between these institutions is needed and that biodiversity should be included to play a greater role;
- **Environment sub-group in Multilateral Financial Institutions meetings:** This is an important existing mechanism and biodiversity should be more systematically added to its agenda of discussion;
- **UNEP-Commercial Bank Operations group:** Include the topic of biodiversity in its next meeting, and that the Rabobank would report back to the participants.

Information availability and pools of expertise

- As regards the increase of information exchange practical ways forward include the development of a European website dedicated to banking and biodiversity offset against costs, as well as informal networks such as email groupings. Any such information ought to recognise confidentiality, but should include information which is relevant for all banks and other stakeholders involved, such as best practical case studies, project development information, and should also provide a glossary of terms (to avoid confusion on terms and concepts);
- “Pools of expertise” should be created, which could assist both the banking and the recipient countries and the conservation community in their efforts to further increase biodiversity relevant investments.
- It is important to involve international and national NGOs in the information exchange and the development of pools of expertise.

Funding structures

- The best practical way forward for increasing the number and volume of biodiversity relevant investment activities is through (i) mainstreaming biodiversity into regular banking programmes and operations, making the bankable case for biodiversity; (ii) making biodiversity projects more financially attractive to investors; and (iii) increasing the importance of biodiversity in the work of IFIs, including their work with financial intermediaries in recipient countries;
- It maybe worthwhile to explore the need to set up new funding structures with separate banks or with a coalition of banks and other stakeholders, where relevant and linked to the development of a projects portfolio of bankable projects.

Portfolio of bankable projects

- There is a clear advantage in developing and maintaining a European portfolio of bankable biodiversity projects. In developing a pipeline of projects, there is a need to ensure that these remain demand driven, that is, projects are in line with the priorities of client countries and beneficiaries;
- This European portfolio should in principle cover projects in all European countries, but priority should be with EU accession countries and the NIS region;
- The process might start by setting up pilot projects by a few directly involved banks and stakeholders, in particular EIB, EBRD, Nordic Banks, and representatives of the biodiversity conservation community. This could well include some purely private sector financial institutions - in order that they are engaged in 'learning by doing' at the earliest opportunity;
- The work of the OECD on economic aspects of biodiversity is very useful for guidance on the development of bankable biodiversity relevant projects, and training and handbooks on this issue would increase the expertise on the economic valuation of biodiversity of all relevant stakeholders.

Follow-up

At the policy-making level the results of the meeting will be communicated by the Swiss government and ECNC to the Intergovernmental Conference “Biodiversity in Europe”, which will take place in Budapest, Hungary, in February 2002 and the sixth Conference of the Parties of the Convention on Biological Diversity, which will take place in The Hague, The Netherlands, in April 2002. The President of the Council of PEBLDS indicated that the issue of banking and biodiversity may also be a discussion item at the Ministerial “Environment for Europe” conference in Kiev, Ukraine, May 2003.

As regards practical action to follow-up on the workshop's recommendations, It was agreed that a focused follow-up meeting primarily of MFIs would be held in 2002. The European Bank for Reconstruction and Development was willing to hold this meeting in London, UK. This meeting would focus on one or two concrete follow-up issues, which were identified by the EBRI-Workshop, for instance a pipeline of bankable biodiversity projects and discussions on concrete roles of organisation.

ECNC was asked to act as the practical focal point for the follow up of the conference outputs and the organisation of follow-up meetings. The group proposed a small task force to be formed in charge of these objectives. UNDP with its regional office in Bratislava offered to host one of such follow up meetings.

Geneva, Tilburg, December 2001

Annex 6

BUSINESS AND BIODIVERSITY – THE UK EXPERIENCE

Paper prepared by the UK Government

1. Biodiversity provides the natural assets for all businesses and industries. Farming and food processing and retailing, distilling and brewing, petro-chemicals and pharmaceuticals, construction and engineering all derive economic benefits from the use of biodiversity. Wise and sustainable use of biodiversity is essential to the continued success and development of these industries. Businesses are increasingly recognising that conserving biodiversity should be an integral part of their business planning and policies.
2. As biodiversity is vital to many businesses, so the involvement of business should be an essential part of the work to conserve and enhance biodiversity. Even where businesses have no direct impact on biodiversity there are sound business reasons why it should be taken into account in their developing policies. These include the need to comply with environmental regulations on, for example, pollution control, water abstraction and protection of special sites; fiscal measures, such as landfill tax; public and peer pressure for more open and accountable environmental reporting; and opportunities for competitive advantage and enhanced consumer reputation.

Why business should engage

1. The risks to mismanaging biodiversity impacts are qualitative rather than quantitative, focussing around potential reputational damage and retaining/granting of licence to operate. Fines likely to be incurred as a result of infringing biodiversity related legislation are insignificant for most large companies, but the reputational damage incurred may be substantially greater. This is enhanced by the tendency for public opinion to respond more actively to species loss and habitat destruction than the more intangible environmental impacts such as climate change and acid pollution. For those companies with direct impacts on biodiversity, these risks are likely to be managed effectively. However, a large number of companies will impact biodiversity through their supply chains - ineffective management of supply chains can be a significant reputational risk. Continued access to resources may be at risk if companies fail to manage their impact effectively.
2. On the other hand, those companies that can demonstrate that they are taking an environmentally sustainable approach to their operations, supply chains, management of their own land and investment could enjoy a reputational advantage over their competitors at relatively low cost.
3. There has also been a growth of interest from the investment community. Existing requirements and proposed changes to Company Law are driving companies to consider how they are controlling their environmental and social risks, and the growth of socially responsible investment has resulted in an increase in investor focus on non-financial performance.

Business involvement in UK biodiversity

1. The UK Biodiversity Action Plan (UKBAP), published in 1994, has promoted the idea of private or voluntary sector 'champions' to co-ordinate action plans for certain species and stimulate the appropriate action. Species Action Plans have attracted support from corporate 'champions' with over £1.4millions being provided.

2. Several companies, including most of the major water companies, have developed company biodiversity action plans. But the majority of businesses need help in understanding why and how they should be involved in conserving biodiversity. For this reason the UK Round Table on Sustainable Development published 'Business and Biodiversity' - a guide to UK Business on how to understand and integrate biodiversity into environmental management systems. Building on this interest the Government commissioned a companion volume of case studies, providing practical examples of the measures companies have taken to integrate biodiversity into their business planning and operations. It also identifies features of best practice that can be used as broad indicators of a company's commitment to biodiversity and its successful integration into their environmental management systems. A version of the guidance has also been produced for use by small and medium sized companies (i.e less than 250 employees). Earthwatch and DEFRA will publish further guidance for companies operating outside the UK in 2002 when the original guidance will also be updated.

3. The Government has continued to promote the use of environmental management systems to encourage business to address its environmental performance, including action on biodiversity. The 'Making a Corporate Commitment' initiative was launched to help focus attention on performance in areas of national and international concern and can be pursued whether or not businesses have formal environmental management systems. The aim is to encourage businesses to publicly declare environmental performance targets- including biodiversity targets - and report annually on progress. Pressure from government through a naming and shaming campaign has also led to an increase in environmental reporting among leading companies, and whilst this has largely concentrated on management of wider social issues, recently it has begun to incorporate biodiversity. Business in Environment's Index of Corporate Environmental Engagement included a question on management of biodiversity, for the first time in 2000.

4. The quality and quantity of our biodiversity provides an important broad indicator of whether we are on a sustainable path. In 2000, the Energy and Natural Environment Panel of the UK Government's Foresight Programme identified loss of biodiversity as one of the current and future dangers to 'business as usual'. The Programme aims to develop visions for the future, looking at possible future needs, opportunities and threats and deciding what should be done now to make sure we are ready for these challenges. In doing so it builds bridges between business, science and government, bringing together players from all these sectors to look at the fundamental questions and develop a long-term strategy to increase national wealth and the quality of life. Biodiversity conservation and sustainable use is a clear case where the Foresight approach can begin to tackle the major issues, which lie beyond our immediate concerns.

5. The UK Government is also developing their response to the CBD through the Darwin Initiative which aims to promote technology transfer of biodiversity expertise through supporting related projects overseas. (Examples of International and UK business and biodiversity initiatives carried out or in progress follow at Appendices 1&2).

6. Fundamental to the whole process is the need to convince business of the need for its involvement, to make the case that it has a part to play, and that there are substantial benefits to be gained - in short to persuade business that their involvement represents something 'bankable', and therefore worthwhile in the longer term. As part of this endeavour, a Business and Biodiversity Resource Centre Website has been developed by Earthwatch with support from DEFRA and Innogy. The Website aims to provide all the information and practical advice that businesses need - whatever their size and activity - to engage with biodiversity issues. The Website (www.businessandbiodiversity.org) explains
 - what biodiversity is and why it matters to business
 - UK legislation relating to biodiversity
 - How the UK Government is meeting its obligations
 - How engaging with biodiversity can be of value to business, and

- How to formulate a company biodiversity action plan.
- The Website also offers a platform for companies to tell the business community what they are doing for biodiversity in the UK.

Recommendations on Business and Biodiversity

- That examples of good business and biodiversity practice be more widely disseminated across Europe and globally, through use of the Clearing House Mechanism ;
- That consideration is given to the possibility of scenario modelling, looking at the state of our biodiversity in 20-25 years time. These modelled scenarios could provide a useful means of capturing the imagination of the business community, enabling them to see how their activities might be affected in the future if the state of our biodiversity were to change. It could be that these models might demonstrate to business that they should be more concerned about biodiversity, leading to more businesses becoming involved in biodiversity conservation than is the case at present.

Appendix 1 to Business and Biodiversity paper of the UK Government: International business and biodiversity initiatives

Organisation	Overview	Partnerships
The Business & Biodiversity Initiative	To influence, encourage & assist business throughout the world to conserve the integrity & diversity of nature & to ensure that any use of natural resources is equitable & ecologically sustainable. Focusing on developing and financing biodiversity businesses, corporate strategic advice and biodiversity tools provided and the development of a biodiversity information system.	Shell, British American Tobacco, IUCN – The World Conservation Union
Flora & Fauna International	Programme to promote increased understanding of the relationship between biodiversity and business. Focus lies on developing models of sustainable economic development and corporate leadership. FFI is also working with corporates to perform biodiversity reviews and develop biodiversity action plans.	BP, Rio Tinto, British Gas and Vodafone
Kijani Initiative	Biodiversity focused fund which concentrates on providing finance for and advice to biodiversity projects in Africa. The Fund is under development.	IUCN/ IFC partnership
Terra Capita	South American private sector commercial investment fund focusing on biodiversity conserving businesses – eco-tourism, berry farming and aquaculture projects.	IFC and local investors
GRI Working Group on Biodiversity Indicators	Development of indicators on biodiversity for inclusion within the Global Reporting Initiative guidelines – part of a multi-stakeholder project to enhance the consistency and credibility of sustainability reporting. Three top indicators have been identified with a significant number of supporting indicators, which may go into a separate biodiversity protocol.	IUCN, Forum for the Future, multi-stakeholders
Critical Ecosystem Partnership Fund	The purpose of the Fund is to serve as a catalyst to create strategic working alliances among diverse groups and provide investment support into such projects as managing of protected, coordinating biodiversity corridors and facilitating partnerships between the private sector and protected areas. \$150 million funds allocate over the next three years.	Conservation International, Global Environment Facility, the World Bank's
Mining and Biodiversity	A multistakeholder process to discuss key issues pertaining to mining and biodiversity. The aim is to identify best-bet solutions on possible next steps on some of the critical issues identified. This is a sub-component of the Mining and Minerals and	Discussion paper and input into final MMSD findings

Organisation	Overview	Partnerships
	Sustainable Development (MMSD) project of IIED and the output will be a discussion paper that contributes to the MMSD findings.	

Appendix 2 to Business and Biodiversity paper of the UK Government:**UK based business and biodiversity initiatives**

Organisation	Overview	Partnerships
Business and Biodiversity (B&B) Resource	Provide one-stop shop for business and biodiversity which aims to increase awareness and understanding of biodiversity within industry and co-ordinate existing initiatives.	Earthwatch, DEFRA, Innogy, English Nature
Business and Biodiversity	Drafting of new edition of this paper (originally published in 1997) is to be completed by the Earth Summit in 2002.	IUCN, WBCSD, Earthwatch
Business and Biodiversity Guide; new edition	Update of previous edition (1999) – a UK business guide for integrating nature conservation and biodiversity into EMS.	Earthwatch, Rio Tinto
Case Studies in Business and Biodiversity	Companion volume to the above guide; features 10 best-practice indicators of companies engagement with biodiversity and 6 company case studies.	Earthwatch, DETR, Northumbrian Water
International Business and Biodiversity Guide	For UK-based companies operating globally.	Earthwatch, BP
BiE Index - Measuring biodiversity performance	Inclusion of questions on biodiversity in 2000 and 2001 Business in the Environment Index of Corporate Environmental Engagement questionnaire; produced leaflet giving guidelines on how to address the questions.	Earthwatch, English Nature, Business in the Environment
Putting a Bit Back	A guide to Nature Conservation for Small to Medium Sized Enterprises (SMEs).	Earthwatch, DETR, London Luton Airport
What is Sustainability?	A summary guide for companies to biodiversity, the environment and sustainable development.	Earthwatch, DETR, 3M,
Corporate Environmental Responsibility Group, Earthwatch	Earthwatch works with 38 corporate members to promote engagement on biodiversity issues. Initiatives include work to promote the company biodiversity strategy within the company, and raising internal awareness about biodiversity through Employee Fellowships. Earthwatch also runs an Employee Fellowships programme - an international programme to raise awareness of biodiversity in companies, recruiting employees from around the world and placing them on biodiversity projects globally, usually in the context of broader biodiversity initiatives in a company. Those with specific programmes related to biodiversity are BAT, Rio Tinto and Shell.	Examples include Rio Tinto, BP and Royal and SunAlliance
Forum for the Future	Strategic framework for the management of biodiversity. Alongside BT, Forum has looked at the impact of the telecomm sector on biodiversity, and best practice approaches to management of biodiversity in a range of different sectors.	BT
Mayor's Biodiversity Strategy	Strategy includes requiring land managers to take biodiversity into account in the management of their land and fostering working links and exchanges with international bodies and organisations in	Boroughs, other land managers, GLA, London Chamber of

Organisation	Overview	Partnerships
	other major cities, to give a lead in urban greening and biodiversity conservation. Initiatives will be put in place to strengthen the role which business can play in conserving London's biodiversity, including the development of corporate Biodiversity Action Plans. London First-led booklet to raise awareness and stimulate action among members. Production ongoing.	Commerce and Industry, CBI, London First
Making a Corporate Commitment 2	Reporting guidance including biodiversity criteria. Thirteen companies have signed up to this to date including BAA, ICI, Manchester Airport and Safeway.	DEFRA
Influencing criteria for ethical investment	Meeting with Fund Managers and research institutes to inform SRI criteria.	English Nature, EIRIS, Morley Fund Management, Jupiter, Henderson Global Investors
Sector analyses co-ordinated by English Nature	Maintenance of sector analyses to link economic sectors to nature conservation priorities, plus supporting research work.	Government departments, NGO's, NDPB's and the private sector
The UK Biodiversity Steering Group	One of the main outcomes of the UKBAP was the setting up of the UK Biodiversity Steering Group. This has produced costed action plans for key species and habitats, recommended an approach to improve the quality and accessibility of data and biological recording, and addressed ways to increase public awareness and involvement in conserving biodiversity. Details of their recommendations can be found in "Biodiversity: The UK Steering Group Report" (Volumes 1 & 2), published in December 1995 and endorsed by Government in May 1996.	Government
Supermarkets and Biodiversity, a sub-component of the IIED Race to the Top Project	The Race to the Top Project aims to identify social and environmental criteria against which the performance of UK supermarkets will be assessed, the Biodiversity and Landscapes Working Group is working towards identifying suitable biodiversity indicators.	IIED, RSPB
The Darwin Initiative, DEFRA	UK Government Initiative aimed at improving capacity of developing countries to meet their commitments under the Convention on Biological Diversity.	DEFRA, Various academic organisations, Biodiversity institutions & NGOs
Socially responsible investment	Work conducted with investment community to include biodiversity related considerations in FTSE4Good (not yet operational)	EIRIS, English Nature, Earthwatch

Organisation	Overview	Partnerships
Biodiversity reporting	Developing a Site of Special Scientific Interest (SSSI) reporting service that will help all companies that own or manage land in SSSIs in England The aggregate data for all companies with SSSIs will indicate how business is performing against the UK Sustainable Development strategy indicator on 'extent and condition of SSSIs' and the DEFRA PSA target to achieve 95% of SSSIs in good condition by 2010.	English Nature

**INDICATORS, MONITORING AND CLEARING-HOUSE MECHANISMS
tools for policymaking and awareness raising**

**Prepared by the European Commission with
the European Environment Agency and the European Centre for Nature Conservation**

EXECUTIVE SUMMARY

This paper has been prepared as a discussion paper for the second intergovernmental conference on 'Biodiversity in Europe' (Budapest, 2002). It follows from the Chairman's conclusions at the first 'Biodiversity in Europe' intergovernmental conference (Riga, 2000) and is based on progress since the Riga conference in developing a proposal for the Council of the Pan-European Biological and Landscape Diversity Strategy for a European Biodiversity Monitoring and Indicator Framework (EBMI-F). The current paper also follows from the Decisions taken at the fifth Conference of the Parties to the Convention on Biodiversity (Nairobi, 2000) on monitoring and indicators as well as on the Clearing-House Mechanism.

The paper reviews the state of affairs in Europe and globally as regarding development of indicators and monitoring programmes, as regards reporting and as regards developing and using Clearing-House Mechanisms as a tool for indicator-based monitoring and reporting.

On the basis of the review the paper contains seven recommendations for Europe on:

1. harmonisation of approaches on indicators and monitoring programmes. EBMI-F and CHMs are helpful platforms;
2. gradual simple development approach for indicators;
3. supporting use of existing data collection processes;
4. a report with European experience and recommendations for COP-7;
5. implementing the European Biodiversity Monitoring and Indicator Framework (EBMI-F);
6. implementing a pan-European CHM initiative and as a concrete input into the next 'Environment for Europe' conference.
7. adopting the CBD indicator principles and suggest strengthening on sectorial integration.

The paper also formulates four recommendations to be taken from the PEBLDS Council to CBD/COP-6:

1. increase regional cooperation and synergy (national, European, global);
2. promote EBMI-F as an example of a regional coordinating effort;
3. support greater CHM coordination world-wide and to promote the pan-European CHM initiative as a regional example;
4. to begin implementing a selection of indicators so as to report to COP-7.

INTRODUCTION

This paper has been prepared as a discussion paper for the second intergovernmental conference on 'Biodiversity in Europe' (Budapest, 2002). It presents an overview of the state of affairs in Europe as regards development of biodiversity indicators, monitoring programmes, reporting and Clearing-House Mechanisms (CHMs). It focuses on these elements as useful tools in the MDIAR chain (Monitoring, Data, Indicators, Assessment, Reporting) that interact with policy decisions and review by providing and receiving feedback on policy measures taken.

The paper follows from previous documents presented at the first 'Biodiversity in Europe' intergovernmental conference (Riga, 2000) and reinforces the importance of and interrelations between monitoring, indicators, reporting and clearing-house mechanisms (CHMs). More specifically the Chairman's conclusions in Riga specified that 'Europe should encourage further work on monitoring and indicators by SBSTTA' and that '... precise sets of indicators must be identified [in coordination with other initiatives and NGOs, as well as regional case studies]. Reporting should be streamlined, harmonised and coordinated. Any reporting system should respect the particular needs and priorities of the Parties [to the CBD].'

The current paper also follows from the Decisions taken at CBD/COP-5 (Nairobi, 2000), notably Decision V/7 on 'Identification, monitoring and assessment, and indicators' and Decision V/14 on 'Scientific and technical cooperation and the clearing-house mechanism'. It also follows from Recommendation VII/11 from SBSTTA7 on designing national-level monitoring programmes and indicators and leads towards CBD/COP-6 (The Hague, April 2002) and the intensive preparations foreseen on indicators for CBD/COP-7.

The document is based on progress made since the Riga conference in developing a proposal for the PEBLDS Council for a European Biodiversity Monitoring and Indicator Framework (EBMI-F), in increasing cooperation between pan-European CHMs and organisations developing biodiversity indicators, both at the national and regional level.

The EBMI-F proposal originated in the common realisation that an increasing number of monitoring and indicator initiatives are emerging, especially in Europe, creating an unstable and unclear situation concerning national and international data collection and information needs and hence also concerning needs for monitoring to support the data collection.

Policymakers need concise assessments and reports with objective messages that can help them take well-founded actions that will benefit biodiversity and show if the actions are indeed effective. Policymakers therefore call for indicators that tell in a clear way what is happening to Europe's biodiversity and how efficient the policy instruments are in reaching their objectives (see for example at EU level the EC 6th Environment Action Programme, the EC sectorial Biodiversity Action Plans and the EC Sustainable Development Strategy).

While there is an increasing need for such concise information and assessments that link the development of biodiversity in Europe to the political and societal decisions, there is still a lack of coordination and of possibilities for coordinated use and flow of data from the very many initiatives in European biodiversity monitoring, indicator development, reporting and CHMs. The need is for convergence instead of divergence, for simpler access to information and for strengthening the collaboration between organisations, both governmental and non-governmental.

This paper aims at translating these needs into recommendations for Europe and into points for negotiation at COP-6. The main points are:

- there is a need to analyse priority objectives for biodiversity conservation by national and international authorities in terms of measurability and suitability for monitoring. Those authorities that have no measurable biodiversity conservation objectives are urged to formulate them;
- the core set of biodiversity indicators, under development by the EEA, should form a basis for review by national and international organisations on their national and international feasibility on the basis of generally agreed upon criteria and policy questions. This should lead to a set of indicators that can be applied in the short term by many countries and organisations and a set that needs further development in terms of concept, data availability and flow coordination and consideration on policy-relevance;
- the proposed European Biodiversity Monitoring and Indicator Framework should act as the European regional forum on indicators and monitoring, herewith responding to point four of COP Decision V/7;
- the proposed pan-European CHM initiative should act as a European effort for enhanced cooperation between regional and national CHMs in Europe, in close cooperation with EBMI-F.

NATIONAL ACTION

The document 'Indicators and Environmental Impact Assessment', presented to SBSTTA-7, provided an analysis of the use of indicators by Parties to the CBD. Although only 32 countries had replied to a questionnaire by the CBD Secretariat by 10 August 2001 (less than one fifth of all CBD Parties) the document listed 238 indicators that are actually in use by one or more countries. These were grouped in five classes: general, forestry biodiversity, agricultural biodiversity, inland waters, and coastal and marine biodiversity.

Of the respondents fourteen are European Parties¹⁷. It is appreciated, however, that more countries in Europe, such as Belgium, Denmark, Lithuania, the Netherlands and Sweden, are in the process of developing and/or using biodiversity indicators. The conclusion of the SBSTTA document that no country has a complete list and that development is an ongoing process may nevertheless still be valid. In many countries, however, the biodiversity indicator sets are developed and published as part of broader environmental indicator sets and reports.

Criteria for selecting indicators are, however, generally accepted, with slight deviations between countries and between regions. The criteria (or principles) listed by SBSTTA are listed below:

- relevance to the objectives of the Convention;
- management and policy relevance;
- user-driven nature;
- relevance to target audience;
- technical features (such as scientific soundness, data availability, aggregation, financially affordable, sensitive to pressures, have a long life-span)

Criteria that may be added should relate to the possibility for country benchmarking and comparability and to include country-specific aspects of biodiversity, as well as on integration with sectors and data flows.

In terms of monitoring and reporting development has proceeded more swiftly. Although not always indicator-based, most countries have a regular reporting cycle in terms of State of the Environment reports or State of Biodiversity/Nature reports. An analysis of the CBD web site reveals that 40 and 26 out of the 55 Parties that have endorsed PEBLDS have submitted a First respectively Second National Report to the CBD by 18 December 2001.

In addition to the CBD reporting process countries have several biodiversity-related reporting obligations arising from the international or regional conventions, agreements, directives or regulations, which are in place or which will come into force in the next years (e.g. NATURA 2000). While the global UN conventions at the moment strive towards a common reporting format (not common reports), no such momentum exists for Europe itself. The EU Reporting Directive is concentrated on EU and is not part of the UN initiative.

As regards the development of national CHMs in Europe, one of the tools used for exchange of information on and resulting from indicators, an analysis carried out for a pan-European CHM meeting (Bonn, September 2001) revealed that Europe has the highest density of national CHMs. Over 70% of countries in Western Europe have a CHM web site. Eastern Europe, with only 20% of countries having a CHM web site, needs more support to catch up this development. Of the present national CHMs only few use the CHM for presentation and links to national biodiversity indicators in a simple manner.

When reviewing national action in Europe, the following observations can be made:

- countries work too much in a stand-alone mode as regards developing indicators, monitoring programmes and CHMs, without much coordination. This prevents national reporting to be used for comparison and regional and global aggregation;
- lack of data prevents use of certain indicators, and available indicators are often focused on specific instruments or initiatives and lack general policy relevance;

¹⁷ Austria, Bosnia and Herzegovina, Estonia, Finland, Hungary, Ireland, Latvia, Norway, Poland, Portugal, Spain, Switzerland, Turkey, and United Kingdom.

- the wide range of individual indicators does not enhance simplicity in bringing over a message. Efforts for aggregated indices are scarce. An example of this includes the Natural Capital Index as developed by the Netherlands, which combines quality and quantity parameters and is scale-independent, but which does not allow direct comparison of countries or aggregations at regional or other levels directly;
- most indicators proposed and used so far are state indicators. Indicators reflecting political decisions and effectiveness or linking to sectorial pressures are limited;
- there is insufficient overview and insight into the state of affairs at national level as regards progress in national biodiversity monitoring, in this way preventing countries to learn from each other.

INTERNATIONAL ACTION: REGIONAL LEVEL

Regular European-wide reports on the state and trends of biodiversity do not exist per se. Biodiversity has so far been part of the reporting to the 'Environment for Europe' ministerial conferences (next in Kyiv 2003) and forest biodiversity issues are part of the Ministerial Conferences for the Protection of Forests in Europe (MCPFE) and will continue to be so. The Declaration of the latest 'Environment for Europe' ministerial conference (Aarhus, 1998) called for closer cooperation in the field of biodiversity monitoring. The regular EU report to the CBD is a partial report from Europe and only concerns the implementation by the Community institutions. Forest biodiversity issues form an increasing part of the FAO-led TBFRA (Temperate and Boreal Forest Resources Assessment) reports (10-year intervals). Biodiversity issues are also part of the regular Environmental Signals from EEA and they are the focus of ECNC's 'Facts & Figures' reporting.

A descriptive report on Europe's biodiversity by biogeographical regions is under way by EEA. For the high level conference on Agriculture and Biodiversity under PEBLDS (Paris, July 2002) several documents will be produced on the state of biodiversity and the relationship with agriculture.

Regions of Europe are or are foreseen to be presented in special reports (Mediterranean, Arctic, Nordic, Baltic) and in reports from conventions or secretariats concerning the seas around Europe (International Council for the Exploration of the Sea (ICES), Ospar, Helcom, Barcelona, Black Sea).

The next major global reports foreseen in which European biodiversity will be portrayed are UNEP's Global Environmental Outlook 3 and the Millennium Assessment report (2007?), based on ecosystem services.

Several of the international NGOs and networks have or have recently initiated European-wide coordinated efforts for specific monitoring and/or reports in their own region (e.g. BirdLife International, ECNC, IUCN, Wetlands International, Dutch Butterfly Conservation & The British Butterfly Conservation Society). A database on reporting obligations for EU countries exists at EEA.

Collaboration in the field of indicators and in monitoring is increasing and sees some converging, for example the work on agri-environmental indicators by OECD, CEC, EEA and ECNC, forest related indicators (several initiatives: existing TBFRA (FAO) and ongoing MCPFE), for fisheries and the core set of biodiversity indicators under development by EEA. An informal international working group for coordination and collaboration on Biodiversity Monitoring and Indicators (IWG Bio-MIN) is being set up by EEA in support of its work on the core set of indicators and on developing a European site-based monitoring network.

The existing organisational frames for coordination in Europe have no overall or pan-European direct mandates to create a common binding reporting mechanism (such as the Environment for Europe process and PEBLDS), but they and several other organisations or collaborative networks are in a position to agree on and enhance collaboration and coordination across Europe. These encompass both the conventions related directly to Europe, the UN bodies, Council of Europe, the European Commission and EEA and several governmental and non-governmental organisations and collaborative networks.

Following the Aarhus request and a Decision of the PEBLDS Council, ECNC and EEA developed a proposal for a coordinating framework in 2001 in consultation with key stakeholders in Europe. The

proposal is submitted to the PEBLDS Council for discussion, endorsement and funding (STRA-CO (2001) 29). It follows the key recommendations formulated in a discussion paper on 'Biodiversity indicators, monitoring and reporting' at the first 'Biodiversity in Europe' conference (Riga, 2000) and forms a basis for implementation of the Initiative, which is called the European Biodiversity Monitoring and Indicator Framework - EBMI-F. This Framework responds to the plea for increased regional cooperation as expressed in Decision V/7 of COP-5.

EBMI-F is a PEBLDS-initiated concept for promoting and facilitating collaboration in monitoring and indicators towards reporting on Europe's biodiversity, using the objectives of the CBD as guidance. EBMI-F aims to enhance the possibilities for creating more synergy among past, present and future biodiversity monitoring and indicator efforts at the European level in order to reach higher efficiency and effectiveness in communicating the state of, and trends in, Europe's biodiversity to the policymakers concerned. Essentially EBMI-F should thus be a coordinative and harmonising effort, not an executive undertaking, neither a reporting body.

As regards CHMs a lot of development has started in recent years. Regional CHMs and related information services in Europe include the Strategy Guide (PEBLDS web site), European Community CHM, Biodiversity Service for CEE/NIS (as part of the Strategy Guide), the EEA's Environment Information and Observation Network (EIONET), and the Global Biodiversity Information Facility (GBIF) and its European node ENBI (European Network for Biodiversity Information).

At the first 'Biodiversity in Europe' conference in Riga a discussion paper on 'Future work on scientific and technical cooperation and the Clearing-House Mechanism' recommended further steps to reach more cooperation and synergy between the various CHM developments in Europe, amongst others by developing a Pan-European CHM with involvement of PEBLDS members and EC CHM Steering Committee and by ensuring adequate financial and human resources. These recommendations were supported by an analysis report presented to the PEBLDS Council in May 2001. Coordination between the CBD-CHM, the Strategy Guide and the EC CHM and possibly also the ENBI and GBIF is currently under review by EEA, ECNC, UNEP and the Council of Europe.

At the Pan-European workshop 'Building the CHM Partnership', held in Bonn in September 2001 and attended by national CHM representatives from across Europe it was recommended to start a pan-European CHM coordinative initiative in order to optimise scientific and technical cooperation, information exchange and networking. This should focus on concrete 'face-to-face' cooperation, a feasibility study and a pan-European Steering Committee.

One major and fundamental problematic issue in moving ahead towards getting the best indicators and hence influencing monitoring and coordination of data flows so as to produce the necessary data concerns the difficulties in getting from science to practical policy implementation, e.g. to apply science in a policy world. This has recently been demonstrated by lively discussions during an electronic conference organised by the Belgian Presidency of the EU in support of the EC's work in this field ('Biodiversity conservation in theory & practice', November 2001).

INTERNATIONAL ACTION: GLOBAL LEVEL

On the global level the development of biodiversity indicators is led by the CBD process in response to its article 7 on Identification and Monitoring. The process of developing national indicator and monitoring programmes is guided by a work programme that has been endorsed at the third SBSTTA meeting (Montreal 1997) in recommendation III/5. The implementation of this work programme has received an impetus through Decision V/7 of the Conference of the Parties to the CBD. This decision specifically requested the Executive Secretary of the CBD to carry out the pending activities set out in the work programme on indicators of biological diversity and produce an interim progress report on these activities and on ongoing work on indicators in the thematic areas and other work programmes for consideration of SBSTTA before COP-6.

Document UNEP/CBD/SBSTTA/7/12 responds to this request by designing a set of principles and key questions for national-level monitoring programmes and indicators and by providing a synthesis of

responses to a questionnaire by the Executive Secretary on available and potential indicators used by Parties and other governments.

The same document also reports on the progress made in indicator development for various thematic and other work programmes. In summary the following information was provided:

- for **forests** nine regional and international processes have developed criteria and indicators. International coordination, development and implementation of these is with the UN's Food and Agriculture Organization (FAO);
- for **agricultural biodiversity** the Organisation for Economic Co-operation and Development (OECD) leads the indicator development, whereas FAO, in collaboration with the International Plant Genetic Resources Institute (IPGRI), leads on indicators for genetic resources;
- a work plan on physical degradation and destruction of coral reefs and one on coral bleaching is under development for **marine and coastal biodiversity**, including work on indicators. A Memorandum of Cooperation and joint work plan between the CBD Secretariat and the Global International Water Assessment (GIWA) is due to be finalised;
- indicators are one of the priorities in the joint work programme on **dry and sub-humid lands** by the SCBD and the Secretariat of the International Convention to Combat Desertification (ICCD);
- as regards **scientific assessments** the identification or development of criteria and indicators for those topics in assessment process will be included in a programme under development;
- the **Global Taxonomy Initiative** (GTI) plans to provide input for the development of a menu of indicators in thematic areas and to support the development of national monitoring and indicator programmes;
- in document UNEP/CBD/SBSTTA/7/13 the CBD Executive Secretary identified regional cooperation to develop criteria and indicators as an element necessary for the incorporation of biological diversity into **environmental impact assessment**;
- and finally, for **climate change** the development of recommendations on criteria and indicators are included in the terms of reference of an ad hoc technical expert group on climate change and biological diversity.

A multitude of other initiatives and processes is underway in terms of developing indicators and monitoring programmes. Examples include the work by the World Resources Institute, IUCN, the World Wide Fund for Nature, BirdLife International and Wetlands International.

Ongoing reporting efforts in the CBD framework include the third Global Environmental Outlook (GEO-3), the Millennium Assessment and the Global Biodiversity Outlook, of which the first report was published in November 2001.

Under the framework of the CBD and in response to article 17 and 18 of the Convention a Clearing-House Mechanism (CHM) has been developed for the global level. This CHM promotes and facilitates technical and scientific cooperation, within and between countries, develops a global mechanism for exchanging and integrating information on biodiversity, and develops the necessary human and technological network. In this light indicators and monitoring directly relate to the CHM as a vehicle for making information on biodiversity monitoring and indicators available as well as for promoting coordination of data collection and data flows.

RECOMMENDATIONS FOR EUROPE

Based on the review of national, regional and global level as regards development of indicators, monitoring programmes and CHMs the following recommendations are formulated to the conference

8. The countries of Europe should do a collective effort to harmonise approaches on indicators and monitoring programmes. Tools to achieve this include capacity building, information exchange, test cases, and best practices. EBMI-F and CHMs are helpful platforms to achieve this.

9. A gradual simple approach for applying indicators is recommended to national and European organisations and authorities: 1) begin by implementing indicators that are ready for use and fit the CBD criteria (section 3 above); 2) continue concept development, including better links to sectorial integration; and 3) challenge policymakers to identify which measurable objectives they want to see monitored.
10. For national and European authorities and organisations to support, use and coordinate existing national and international data collection and data flow initiatives and processes rather than developing new systems and procedures.
11. Move away from a process-oriented approach (work plans, meetings, expert groups, memoranda of understanding) and focus on implementation and testing of what is available, even if it is not perfect. A report with European experience and recommendations should be produced to feed in to COP-7. PEBLDS is a natural forum for this given adequate funding.
12. For the PEBLDS Council to establish and implement EBMI-F as a European coordinating and streamlining effort towards enhanced development of indicators and monitoring programmes under PEBLDS, in close relation to the pan-European CHM initiative and as a concrete input into the next 'Environment for Europe' conference.
13. For all countries to further develop CHMs and support those countries that are yet to start development, amongst others by enhancing synergy and coordination through a pan-European CHM initiative.
14. For the PEBLDS Council and European organisations to adopt the CBD principles as a basis to reach a common set of Europe-wide indicators to be agreed upon before CBD/COP-7, based on the work done by the EEA on developing a core set of biodiversity indicators.

INPUT INTO THE CBD/COP-6

The PEBLDS Council could consider the following recommendations for transmission to the CBD/COP-6 regarding harmonisation of initiatives relating to indicator development, monitoring and CHMs:

5. in response to COP Decision V/7 and to SBSTTA recommendation 7/11 to increase regional cooperation and greater synergy between national, European and global indicator developments so as to enhance comparability and efficiency of monitoring programmes;
6. in response to COP Decision V/7 to globally promote the implementation of the European Biodiversity Monitoring and Indicator Framework (EBMI-F) as an example of a regional coordinating effort and forum towards reaching the goal of greater synergy in monitoring and indicator development;
7. in support of COP Decision V/14 to provide support for greater CHM coordination world-wide and to stimulate the use of CHMs for exchanging indicator-based monitoring information and on-line reporting. In this light to promote the pan-European CHM initiative and coordination as a regional example that aims at enhancing efficiency and reducing overlapping activities, including using the cooperation to enhance coordination of work on indicators and monitoring.
8. for all Parties to the CBD to begin implementing a common selection of indicators so as to report to COP-7 the feasibility of using them for regional and global implementation and aggregation.

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STRATEGIC PLAN FOR THE CONVENTION ON BIOLOGICAL DIVERSITY

**Prepared by the Government of the United Kingdom
in co-operation with UNEP/ROE**

EXECUTIVE SUMMARY

The draft Strategic Plan for the Convention on Biological Diversity (CBD) will be among the main issues for discussion at the Sixth Conference of the Parties to the Convention on Biological Diversity to be held on 7-19 April 2002 in The Hague, the Netherlands. Once adopted, the Strategic Plan will set the agenda for the next decade of biodiversity action, both within and outside the framework of the CBD. All Parties will need to play their part in ensuring implementation of the Strategic Plan by ensuring it feeds into planning and activity at national and regional levels. It will also form part of the CBD input to the World Summit on Sustainable Development. (26 August - 4 September 2002, Johannesburg, South Africa).

This paper outlines relevant global and regional developments and processes as well as national actions and makes recommendations for the Pan-European input in deliberations at the CBD/COP-6. In particular, it suggests stressing the importance of regional cooperation for the implementation of the Convention on Biological Diversity and exploring the possibility of region-to-region co-operation.

INTRODUCTION

1. This paper deals primarily with the Strategic Plan for the Convention on Biological Diversity, due to be adopted at COP6 and to form part of the CBD input to the World Summit on Sustainable Development (WSSD). It also looks at experience in implementing the Convention, including lessons learnt at national and regional levels.
2. The CBD is maturing as an agreement, now that over 8 years have passed since it entered into force, and it has been ratified by over 180 Parties. After early attention on elaborating the Convention's requirements and preparing a range of work programmes, the emphasis of activity is increasingly shifting to implementation. A review of operations, concluded at COP5, has led to various improvements in the way the Convention conducts its affairs. For example agendas have been prioritised, SBSTTA's role and procedures have been progressed, and more activities are planned in support of implementation at both national and regional levels.
3. COP4 agreed a long-term programme of work until COP7 (2004), with for example alien species, forest biodiversity, and access and benefit-sharing chosen as the priority issues for COP6. But the Convention has not conducted any other, longer-term planning, and there is growing recognition that this situation is unsatisfactory. Parties and the many partners collaborating in CBD implementation, not to mention the CBD Secretariat itself, would all benefit from the ability to plan their work over a longer time scale. There has also been a recognition that such planning would benefit from the sort of prioritisation now brought to the COP agendas.
4. COP5 therefore decided on preparation of a Strategic Plan for the Convention, for adoption at COP6, covering 2002-2010. A workshop in the Seychelles, in May 2001, identified the main elements the plan might incorporate, and an open-ended inter-sessional meeting was held in November 2001 to work these up into a draft plan. This consists of a 6-page draft, comprising an introduction to the issue, a mission statement based on the Convention's 3 objectives, a long-term vision (with two alternative texts), a list of

constraints on implementation, and a number of operational goals. Sections are also planned on monitoring and reporting, periodic assessment and review, and communication. Some of the draft plan is in square brackets, and much requires further work (by the Executive Secretary, but drawing on input from Parties and others), particularly the fleshing out of the proposed operational goals (to encompass activities, products, timing, actors, mechanisms and resources) and preparation of a multi-year programme of work.

5. The November 2001 meeting also addressed issues concerning national reporting and implementation of the Convention, and made recommendations covering *inter alia* the format and preparation of the next round of national reports (due in 2005); various means of supporting national implementation; and several operational issues including “pruning” the CBD’s growing body of decisions and assessing SBSTTA’s recommendations.

6. A number of issues remain for resolution at COP6. In particular, much work is needed to flesh out the draft Strategic Plan, while at the same time preventing it becoming an un-prioritised shopping list of action plans as opposed to a real Strategic Planning tool. And one crucial issue remains unresolved: Parties have to decide whether the plan’s “vision” should be restricted to 2010 (and therefore be less ambitious), or not be time-limited (and therefore be more demanding and aspirational), or find some other compromise on this issue. In addition, it is essential for COP-6 to adopt a multi-year programme of work, preferably in conjunction with the Strategic Plan.

INTERNATIONAL ACTION: GLOBAL LEVEL

7. Notwithstanding the central role of the CBD, it is important to recognise fully that many relevant developments taking place outside the framework of the Convention itself offer excellent opportunities to assist in achieving the objectives of the Convention. A good example is the implementation of the vast majority of the elements of the work programme on agro-biodiversity by the FAO, which is fully in line with the conclusions of the previous Biodiversity for Europe meeting in Riga and of COP5 in Nairobi. It is a challenge for COP6 to reinforce such co-operation with other international processes, in particular on forest biodiversity (with UNFF), climate change (with UNFCCC), and last but not least on the inter-relationship between biodiversity and sustainable development in the run-up WSSD. While the agenda for the Summit is still being finalised, it is likely to include issues such as sustainable livelihoods and poverty reduction, and the way in which biodiversity conservation and sustainable use can both suffer from adverse economic and social pressures and help provide a means to escape them. The Summit’s outcome on these and related issues will be a major influence on the Convention’s implementation over the coming years.

8. Another area of debate in the preparations for the Summit concerns international environmental governance. This starts from the premise that it should be possible to make the international environmental institutional architecture more coherent and integrated, both to make it easier for all countries fully to participate and to help it address more effectively the wide range of environmental threats. Precise outcomes are as yet unclear, but some sort of “clustering” of related agreements seems likely to be attempted. For example better integration of the work of the CBD and the various other biodiversity-related agreements could improve their effectiveness and efficiency, and ultimately increase the chances of their being fully implemented.

9. Another relevant global activity is the recent publication of the Global Biodiversity Outlook, a comprehensive stock-taking of action to safeguard the world’s biodiversity, that will help guide activity under the Convention and beyond over the coming years.

10. In summary, the message for COP6 is that the CBD should strategically set an ambitious agenda for biodiversity priorities for the next decade, while at the same time being open to, and relying as much as

possible on, other international processes, which are increasingly willing to share the implementation of such an agenda.

INTERNATIONAL ACTION: REGIONAL LEVEL

11. Regional level activity is proving an increasingly important means of helping to implement the objectives of the Convention on Biological Diversity. Biodiversity does not recognise national boundaries, and many problems can only be truly overcome by means of collaboration across borders and geographic regions. The PEBLDS process, and the EU's various biodiversity activities, are two relevant examples of such approaches. As with national implementation, it remains important for any regional activity to be prioritised and focused in response to a region's needs and capacities.

12. The COP5 preparatory meeting, held in Riga in March 2000, reached agreement on a number of issues on the COP's agenda. This not only helped inform European participation at the COP, which undoubtedly helped achieve some productive outcomes, but also acted as a stimulus to further collaboration within Europe. Within the EU, the Biodiversity Strategy is now complemented by action plans, which set out the means of delivering the Strategy's objectives in four policy areas (development co-operation, fisheries, agriculture and natural resources). The EU action plans have been adopted in the course of 2001 and a new Biodiversity Expert Committee will meet in early February to give guidance on their implementation. Similar actions in other relevant fields (e.g. trade, transport) are foreseen in the future.

13. In its regional co-operation Europe can rely upon a number of advantages compared to other regions in the world. These include the long history of biodiversity conservation (and unfortunately an even longer history of biodiversity loss); the availability of sound institutions, resources and information mechanisms; and many civil society organisations committed to biodiversity. It is therefore essential that the Pan-European process is not only directed towards Europe itself: it should also contribute to the global process, by a clear message from Budapest to The Hague and by recognition of the importance of regional co-operation in other parts of the world. The Budapest meeting may also wish to consider possibilities to increase co-operation with regions adjacent to Europe, in particular the African region (eg via the African-Eurasian Waterbird Agreement) and North America (eg via OSPAR).

14. Other important European actions include the ongoing development of the Pan-European Ecological Network, the European Biodiversity Monitoring and Indicators Framework and the European Biodiversity Resourcing Initiative. These activities all have a broad Pan-European scope, and can be seen as tools to help make the CBD operational on a regional level. As such they can contribute to the co-operation between different regions (e.g. PEEN as part of any global ecological network) and give guidance to similar needs in other regions.

NATIONAL ACTION

15. Implementing an agreement as ambitious and wide-ranging as the CBD takes time and relies above all on sustained and concerted national action by each Party. The prime vehicle for this has tended to become national biodiversity strategies and action plans (NBSAPs), adopted under Article 6(a). Each Party's experience is different, but in many cases NBSAPs set a framework within which action can be planned and steered towards stated objectives, covering principally conservation and sustainable use. The implementation of NBSAPs in countries of Central and Eastern Europe and the Newly Independent States now benefits from the Biodiversity Implementation Service, jointly operated by UNEP Regional Office for Europe, IUCN, the European Centre for Nature Conservation and the Regional Environmental Centre. This Service brokers needs in CEE/NIS countries with expertise and resources to help meet them. National reports (now submitted every four years, with the second round due to be submitted in May

2001) catalogue progress in implementing all the Convention's obligations including progress with NBSAPs.

16. The growing emphasis on implementation of the Convention noted above is leading some Parties to consider setting targets and using indicators to measure trends in biodiversity, as well as the effectiveness of policy and measures put in place. Many European countries are well advanced in defining and using biodiversity indicators, and this offers a good basis for further exchange of views and co-operation in Budapest (see separate paper). This might also address obstacles to implementation and how they can be overcome, particularly via regional level action.

17. Another matter which may be discussed is the way in which European countries are involving civil society in the implementation of the CBD. Most European countries have already developed their national biodiversity strategies and plans and in this process most have actively engaged civil society organisations. The challenge is now to continue to work on the basis of public-private partnerships and other experiences with public involvement in the implementation phase of national policies. It may be useful to exchange views on this, preferably also by reference to national case studies.

RECOMMENDATIONS FOR EUROPE

18. Agreeing a focussed, prioritised Strategic Plan for the Convention would be a significant output from COP6, and all European Governments will wish to work closely together to ensure a successful outcome. It is important to keep in mind that the Strategic Plan will set the agenda for the next decade of biodiversity action, both within and outside the framework of the CBD. Such action is also dependent on making people aware that the conservation and sustainable use of biodiversity are essential for achieving sustainable development. Once adopted, all Parties will need to play their part in ensuring implementation of the Strategic Plan, by ensuring it feeds into planning and activity at national and regional levels.

19. Participants at the Budapest meeting may wish to consider drawing attention to the importance of regional co-operation, including in terms of its potential to add value to implementation of the Convention. Para 32 of COP decision V/20 recognises the role of regional level activity in relation to the CBD. This will be reinforced by sharing Parties' positive experiences, starting with a clear signal from Budapest to The Hague. Europe may furthermore consider possibilities for increasing region-to-region co-operation, in particular with our African colleagues.

INPUT TO THE CBD/COP-6

20. In addition to providing COP-6 with a clear message on the achievements and conclusions of Pan-European co-operation, the following suggestions are proposed:

- clearly urge COP-6 to finalise and adopt the Strategic Plan, and state our strong commitment to helping ensure its implementation;
- identify a coherent set of issues for the CBD multi-year programme of work 2002-2010. For each issue the meeting could indicate expected outcomes and partners;
- emphasise the importance of regional collaboration, including to other regions of the world, and raise the possibility of region-to-region co-operation.

REFERENCES

Documents:

- UNEP/CBD/MSP/2 Strategic Plan for the Convention on Biological Diversity
- UNEP/CBD/MSP/3 National reports
- UNEP/CBD/MSP/4 Implementation of the Convention, in particular, implementation of priority actions in national biodiversity strategies and action plans
- UNEP/CBD/MSP/5 Operations of the Convention
- UNEP/CBD/COP/6/5 Report of the open-ended inter-sessional meeting on the strategic plan, national reports and implementation of the convention on biological diversity

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