



Convention on Biological Diversity

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CONFERENCE OF THE PARTIES TO THE CONVENTION ON BIOLOGICAL DIVERSITY

Ninth meeting

Bonn, 19–30 May 2008

Item 3.8 of the provisional agenda*

FINANCIAL RESOURCES AND THE FINANCIAL MECHANISM

Revised draft strategy for resource mobilization in support of the achievement of the Convention's objectives

Note by the Executive Secretary

1. In decision VIII/13, paragraph 4, the Conference of the Parties requested the Executive Secretary, in consultation with Parties, Governments and relevant partners, to explore all options for resource mobilization, including innovative financial mechanisms, and to develop a draft strategy for resource mobilization, taking into account the elements of the in-depth review, and to present a report on these options and the draft strategy to its ninth meeting through the Ad Hoc Open Ended Working Group on Review of Implementation.
2. In recommendation 2/2, the Ad Hoc Open-ended Working Group on Review of Implementation recommended the adoption of a strategy for resource mobilization to support implementation, and requested the Executive Secretary in preparation for the ninth meeting of the Conference of the Parties to:
 - (a) Seek views and further suggestions from Parties, other Governments, regional economic integration groups, partner organizations, donors and observers on a strategy for resource mobilization, and compile the information received;
 - (b) Undertake informal consultations on the development of the strategy for resource mobilization in conjunction with the Convention's inter-sessional meetings;
 - (c) Submit a draft strategy for consideration of the Conference of the Parties at its ninth meeting.
3. Three informal consultations on the development of a strategy for resource mobilization were organized—in Montreal, on 13 October 2007, in Geneva, on 20 January 2008, and in Rome, on 16 February 2008. Written submissions and comments have been received from Canada, Mexico, Portugal and the European Commission on behalf of the European Community and its member States. The Global

* UNEP/CBD/COP/9/1.

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Environment Facility (GEF) also provided written inputs on elements of a strategy for resource mobilization.

4. Following the outcomes of the consultations and taking into account all submissions and inputs, the Executive Secretary has prepared the draft strategy for resource mobilization, which is annexed hereto. Section I of the strategy provides convincing evidence from submissions to highlight the urgency of increasing funding efforts to support the achievement of the Convention's objectives. Section II suggests a common vision for collective efforts to be made in the coming years based on a study conducted by the Global Environment Facility, which is available as an information document (UNEP/CBD/COP/9/INF/14). Guiding principles are suggested in section III. Section IV outlines goals and objectives of the strategy for resource mobilization that can be used to guide the implementation of the funding provisions of the Convention. Section V deals with implementation arrangements.

5. During the informal consultations on the development of a draft strategy for resource mobilization in support of the achievement of the Convention's objectives, Governments suggested that the Executive Secretary develop suggested activities/initiatives/timeframes for implementing the draft goals and objectives. In response, the Executive Secretary has compiled suggested activities and initiatives from national biodiversity strategies and action plans and related sources, which is available as an information document (UNEP/CBD/COP/9/INF/19).

6. The following draft decision is proposed for consideration:

“The Conference of the Parties

“*Recalling* the financial provisions of Articles 20 and 21 and related provisions of other articles of the Convention,

“*Recalling also* that, in its decision VIII/13, the Conference of the Parties decided to request the Executive Secretary to prepare a draft strategy for resource mobilization in support of the achievement of the objectives of the Convention,

“*Noting* with appreciation the inputs on the development of the strategy for resource mobilization provided by the Global Environment Facility (UNEP/CBD/COP/9/INF/14),

“*Taking note* of the draft strategy for resource mobilization prepared by the Executive Secretary after informal consultations with the Parties and relevant organizations (UNEP/CBD/COP/9/16/Add.1, annex),

“*Having considered* recommendation 2/2 of the second meeting of the Ad Hoc Open-ended Working Group on Review of Implementation, regarding options and a draft strategy for resource mobilization in support of the implementation of the Convention on Biological Diversity (UNEP/CBD/COP/9/4, annex I),

“1. *Adopts* the strategy for resource mobilization in support of the achievement of the objectives of the Convention on Biological Diversity annexed to the present decision;

“2. *Invites* the Parties and relevant organizations, including United Nations development system, the World Bank, the International Monetary Fund, regional development banks and all other relevant international and regional bodies, as well as non-governmental organizations and business sector entities to take prompt actions to implement the strategy for resource mobilization of the Convention with a view to mobilizing adequate financial resources to support the implementation of the Convention at all levels;

“3. *Decides* to review the implementation of goals 1, 3 and 7 of the strategy for resource mobilization at its tenth meeting, and that the Executive Secretary shall prepare necessary documentation pertinent to these goals for consideration by the Conference of the Parties.”

Annex

**DRAFT STRATEGY FOR RESOURCE MOBILIZATION IN SUPPORT OF THE
ACHIEVEMENT OF THE CONVENTION'S OBJECTIVES FOR THE PERIOD 2008-2015**

I. THE URGENCY

1. The loss of biological diversity and the consequent decline in ecosystem services is increasing at an unprecedented rate, and the causes of this loss are mostly steady or even increasing in intensity in the coming decades.
2. The loss of biological diversity has led to far-reaching environmental, social, economic and cultural impacts, exacerbated by the negative effects of climate change, and its consequences are harshest for the poor.
3. The loss of biological diversity poses a significant barrier to achieving sustainable development and the Millennium Development Goals.
4. The Convention on Biological Diversity is the foremost international legal instrument to address the loss of biological diversity and ensure attendant ecosystem services. The lack of financial resources is a major impediment to achieve the Convention's objectives.
5. To achieve the Convention's objectives can be financially affordable and feasible. In a multitude of decisions, the Parties have acknowledged the urgent need for adequate financing.
6. The resource mobilization strategy aims to assist the Parties to the Convention and relevant organizations to mobilize adequate and predictable financial resources to support the achievement of the Convention's objectives and effectively reduce and halt the loss of biological diversity at the national, regional and global levels.
7. The strategy considers the full range of possible national, regional and international funding sources, both public and private. It is geared towards implementation during an initial period up to 2015, coinciding with the international development planning cycle, including the Millennium Development Goals.

II. MISSION

8. The target of the strategy for resource mobilization is to double by 2015 annual international financial flows for biological diversity, and increase by 50 per cent annual domestic funding (measured against 2005 funding levels) in order to achieve a substantial reduction of the current funding gaps in support of the achievement of the Convention's objectives.

III. GUIDING PRINCIPLES

9. The strategy calls for special consideration to the following guiding principles during its implementation:

Promote efficiency and effectiveness;

Build synergies;

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- Support innovation;
- Strengthen capacity;
- Raise awareness.

IV. STRATEGIC GOALS AND OBJECTIVES

10. Concrete activities, initiatives and indicators within appropriate timeframes should be developed to achieve the following strategic goals and objectives:

Goal 1: Improve information base on funding needs, gaps and priorities

- 1.1. To improve a financial information base including funding needs and shortfalls for the Convention's three objectives, in particular sustainable use and fair and equitable sharing of benefits.
- 1.2. To assess economic costs of biodiversity loss and benefits of early action to reduce loss of biological diversity.
- 1.3. To improve priority-setting for guiding resource allocation to biological diversity.

Goal 2: Mobilize domestic financial resources for the Convention's objectives

- 2.1. To prepare national financial plans that can be implemented by local, national, regional and international stakeholders.
- 2.2. To promote budgetary allocations for biological diversity, including for development assistance, in national budgets and all relevant sectoral and regional budgets.
- 2.3. To consider economic incentives that are supportive of the Convention's objectives at local and national levels, such as non-trade distortionary tax systems.
- 2.4. To establish enabling conditions for private sector involvement in supporting the Convention's objectives, including the financial sector.

Goal 3: Strengthen existing financial institutions and establish new and additional funding programmes to support the Convention's objectives

- 3.1. To mobilize co-financing, associated financing and other modes of project financing for biological diversity.
- 3.2. To establish new and additional funding programmes to support the Convention's objectives.
- 3.3. To mobilize international private and public sector investments in biological diversity.

Goal 4: Mainstream biological diversity in development cooperation plans and priorities including the linkage between Convention's work programmes and Millennium Development Goals

- 4.1. To integrate biological diversity into sectoral development cooperation and assistance programmes.

- 4.2. To promote effective integration of the Convention's objectives into the United Nations development system, as well as international financial institutions and development banks.
- 4.3. To strengthen cooperation and coordination among funding partners at the regional and subregional levels.
- 4.4. To enhance financial and technical cooperation with international organizations, in particular non-governmental organizations, for biological diversity.

Goal 5: Promote replication of successful financial mechanisms and instruments and explore innovative financial mechanisms

- 5.1. To support environmental funds at all levels as essential complements to national biodiversity resource base.
- 5.2. To promote valuation of ecosystem services to adequately reward environmental initiatives at all levels, while ensuring that these are not trade-distortionary.
- 5.3. To promote biological diversity in debt relief and cancellation initiatives, including debt-for-nature swaps.
- 5.4. To enhance revenue generation measures, in particular benefit-sharing arrangements and other thematic funding measures, as a contribution to sustainable resource mobilization.
- 5.5. To explore ways and means to integrate biological diversity in the development of new and innovative sources of international development finance

Goal 6: Build capacity for resource mobilization and utilization and promote South-South cooperation as a complement to necessary North-South cooperation

- 6.1. To build local capacity on resource mobilization skills and financial planning and support awareness raising activities.
- 6.2. To identify and intensify South-South Cooperation as a means of enhancing technical and financial cooperation.
- 6.3. To improve effectiveness of resource utilization for informing further resource mobilization, taking into account gender perspectives.

Goal 7: Raise public awareness and enhance the global engagement for resource mobilization in support of the achievement of the Convention's three objectives

- 7.1. To raise public awareness of the importance of biological diversity and the goods and services that it provides at all levels.
- 7.2. To promote exchange of experience and good practice in financing for biological diversity.
- 7.3. To monitor and review implementation of the strategy for resource mobilization.

V. IMPLEMENTATION

11. To effectively implement the strategy for resource mobilization will require an unremitting effort of all relevant stakeholders of the Convention at all levels. Political will and commitment to better recognize the importance of biological diversity in sustainable development must be reinforced in order to achieve the funding target.

12. The strategy for resource mobilization is intended to assist Parties in establishing national targets, goals and objectives as well as actions and timeframes to implement the financial provisions of the Convention at all levels, based on success stories and good practices. Each Party should appoint a “resource mobilization focal point” to facilitate national implementation of the strategy for resource mobilization, including design and dissemination of a country-specific strategy up to 2015, with the involvement of key stakeholders such as non-governmental organizations, businesses and donors.

13. The Global Environment Facility, in collaboration with the Executive Secretary, should consider the following roles in the implementation of the strategy for resource mobilization:

(a) Consider a plan to address the target of the strategy for resource mobilization through 2015, in consultation with the GEF Agencies;

(b) Review the need for additional resources and dedicated funds as required to address the funding target and needs at multiple levels;

(c) If requested, consider supporting the development and implementation of pilot national strategies for resource mobilization in a few select countries;

(d) Contribute to the design and implementation of adequate mechanisms for periodic tracking, reporting, reviewing, and updating on progress towards the goals and objectives of the strategy for resource mobilization;

(e) Consider participating in an inter-agency task force on resource mobilization to advise Parties and relevant stakeholders in the implementation of the strategy for resource mobilization, monitor progress in the implementation, and identify emerging funding opportunities and options.

14. The Conference of the Parties will review the implementation of the strategy for resource mobilization at its regular meetings, with the following focus:

	Focus issues	Standing issues
COP 9	Adoption of the strategy	Capacity building (Goal 6)
COP 10	1. Information base (Goal 1) 2. New and additional funding (Goal 3)	Awareness raising and constituency building (Goal 7)
COP 11	1. Domestic funding (Goal 2) 2. Development cooperation (Goal 4)	Capacity-building (Goal 6)
COP 12	1. Innovative funding (Goal 5) 2. Comprehensive review	Awareness-raising and constituency-building (Goal 7)

15. The Executive Secretary, with support from the inter-agency task force on resource mobilization, should prepare periodic global monitoring reports on the implementation of the strategy for resource mobilization, for consideration by the Conference of the Parties, and promote, in collaboration with the

Global Environment Facility, exchange of experience and good practice in financing for biological diversity.