





Convention on Biological Diversity



Distr. GENERAL

UNEP/CBD/RW-BF/1/3 10 November 2010 **Unedited**

ORIGINAL: ENGLISH

REGIONAL WORKSHOP ON BIODIVERSITY AND FINANCE IN SUPPORT OF THE NAGOYA OUTCOME First meeting Cairo, 29-30 November 2010

Agenda item 3

INDICATIVE GUIDELINES FOR COUNTRY-SPECIFIC RESOURCE MOBILIZATION STRATEGIES

Note by the Executive Secretary

- 1. In decision IX/11, the Conference of the Parties decided that national implementation of the strategy for resource mobilization should include, as appropriate, the design and dissemination of a country-specific resource mobilization strategy, with the involvement of key stakeholders, in the frame of updated national biodiversity strategy and action plans. The tenth meeting of the Conference of the Parties requested the Global Environment Facility to provide timely and adequate financial support to updating national biodiversity strategies and action plans, which may include the development of country-specific resource mobilization strategies.
- 2. The Secretariat of the Convention, the Global Environment Facility and the Global Mechanism of the United Nations Convention to Combat Desertification, have collaborated to prepare the draft note "Indicative Guidelines for Country-Specific Resource Mobilization Strategies", in order to assist Parties in their efforts to develop country-specific resource mobilization strategies. Participants of the workshop are invited to review and comment on the draft Indicative Guidelines for Country-Specific Resource Mobilization Strategies with a view to finalizing the Indicative Guidelines in a timely manner.

Indicative Guidelines for Country-Specific Resource Mobilization Strategies

II. OBJECTIVES III. PROCESS OF DEVELOPING A COUNTRY RESOURCE MOBILIZATION STRATEGY A. Resource mobilization focal point B. Participatory process C. Global Environment Facility	4 4
A. Resource mobilization focal point	4
B. Participatory process	
B. Participatory process	
C. Global Environment Facility	ว
C. C	6
D. Relevant key partners	6
E. The Secretariat	
IV. ELEMENTS OF A COUNTRY RESOURCE MOBILIZATION STRATEGY	6
A. Introduction	7
B. 2011-2020 Priorities for Funding	7
C. 2011-14 Financing Plan	7
D. 2015-18 Funding Estimation	8
E. Country Resource Mobilization Strategies	8
E1. National budgets	8
E2. Tax measures or surcharges	9
E3. Environmental funds	9
E4. Global Environment Facility	0
E ii Giocal Environment i acinty	9
E5. Multilateral financial institutions and development banks and United Nation	
	ons
E5. Multilateral financial institutions and development banks and United National	ons 10
E5. Multilateral financial institutions and development banks and United National development system	ons 10 10
E5. Multilateral financial institutions and development banks and United Nation development system	ons 10 10
E5. Multilateral financial institutions and development banks and United National development system E6. Bilateral donor organizations	ons 10 10 11
E5. Multilateral financial institutions and development banks and United National development system E6. Bilateral donor organizations	ons 10 10 11 11
E5. Multilateral financial institutions and development banks and United National development system	ons 10 10 11 11 11
E5. Multilateral financial institutions and development banks and United National development system	ons 10 10 11 11 11
E5. Multilateral financial institutions and development banks and United National development system E6. Bilateral donor organizations E7. Business and private sector partnership E8. Non-governmental organizations E9. Payment for ecosystem services E10. Biodiversity offsets E11. Climate change funding schemes	ons 10 10 11 11 11 11 11
E5. Multilateral financial institutions and development banks and United National development system E6. Bilateral donor organizations	ons 10 10 11 11 11 11 12 12
E5. Multilateral financial institutions and development banks and United National development system E6. Bilateral donor organizations E7. Business and private sector partnership E8. Non-governmental organizations E9. Payment for ecosystem services E10. Biodiversity offsets E11. Climate change funding schemes E12. Markets for green products E13. Debt for nature swaps	ons 10 10 11 11 11 11 12 12
E5. Multilateral financial institutions and development banks and United National development system E6. Bilateral donor organizations E7. Business and private sector partnership E8. Non-governmental organizations E9. Payment for ecosystem services E10. Biodiversity offsets E11. Climate change funding schemes E12. Markets for green products E13. Debt for nature swaps E14. Grant-making charities	ons 10 11 11 11 11 12 12 12
E5. Multilateral financial institutions and development banks and United National development system E6. Bilateral donor organizations E7. Business and private sector partnership E8. Non-governmental organizations E9. Payment for ecosystem services E10. Biodiversity offsets E11. Climate change funding schemes E12. Markets for green products E13. Debt for nature swaps E14. Grant-making charities E15. Benefit-sharing	ons 10 10 11 11 11 11 12 12 12 12
E5. Multilateral financial institutions and development banks and United National development system	ons 10 10 11 11 11 11 12 12 12 12
E5. Multilateral financial institutions and development banks and United National development system	ons 10 10 11 11 11 11 12 12 12 12 13 13
E5. Multilateral financial institutions and development banks and United National development system. E6. Bilateral donor organizations E7. Business and private sector partnership E8. Non-governmental organizations E9. Payment for ecosystem services E10. Biodiversity offsets. E11. Climate change funding schemes E12. Markets for green products. E13. Debt for nature swaps E14. Grant-making charities E15. Benefit-sharing E16. South-South cooperation E17. Regional and subregional collaboration E18. Innovative sources of development finances	ons 10 10 11 11 11 11 12 12 12 12 13 13
E5. Multilateral financial institutions and development banks and United National development system	ons 10 10 11 11 11 11 12 12 12 12 13 13 13

I. GENERAL PROVISIONS

- 1. In decision IX/11 B, the Conference of the Parties adopted the strategy for resource mobilization (SRM) in support of the achievement of the convention's three objectives, which "is intended to assist Parties in establishing national targets, goals and objectives as well as actions and timeframes, and in considering the establishment of financial mechanisms and other options, to implement the financial provisions of the Convention at all levels, based on success stories and good practices. Each Party should consider appointing a "resource mobilization focal point" to facilitate national implementation of the strategy for resource mobilization. National implementation should include, as appropriate, the design and dissemination of a country-specific resource mobilization strategy, with the involvement of key stakeholders such as the full range of relevant ministries, non-governmental organizations, indigenous peoples and local communities, environmental funds, businesses and donors, in the frame of updated national biodiversity strategies and action plans."
- 2. Building on national information and experience, the present Guidelines are intended to assist Parties in developing a country resource mobilization strategy, and should serve as inputs for developing country Parties and Parties with economies in transition when developing and drafting country resource mobilization strategies to implement Articles 20 and 21 and the related provisions of other Articles of the Convention. Developed country Parties may also use the Guidelines as reference.
- 3. The guidelines should be applied in a manner that is coherent and mutually supportive of national biodiversity strategies and action plans and other relevant processes. As much as possible, development of country resource mobilization strategies should be integrated with the development, revision and adaptation of national biodiversity strategies and action plans. Final country resource mobilization strategies should be considered as part of national biodiversity strategies and action plans, if country resource mobilization strategies are developed separately.

II. OBJECTIVES

- 4. The objectives of the Guidelines are the following:
- (a) To promote, in accordance with Articles 20 and 21 of the Convention, adequacy, predictability and timeliness of financing for the implementation of the Convention and the 2011-2020 Strategic Plan;
- (b) To enhance understanding of funding needs and opportunities and improve biodiversity planning at the national, regional and international levels;
- (c) To facilitate integration of biodiversity into relevant sectoral and cross-sectoral development planning and budgets and development cooperation programmes;
- (d) To rationalize and improve coherence and coordination between funding sources and mechanisms;
- (e) To contribute towards synergetic financing of implementation of biodiversity-related conventions with efforts to combat climate change and desertification;
 - (f) To catalyze on opportunities for innovation;
 - (g) To improve effectiveness and efficiency in accessing to external funding;
- (h) To provide a transparent framework to facilitate dialogue with and engagement of all relevant stakeholders in designing, preparing and subsequently implementing country-specific resource mobilization strategies;

- (i) To provide capacity-building to enhance the mobilization and utilization of domestic and international resources for aid effectiveness and development impact, both private and public, especially by developing countries, in particular least developed countries and small island developing States among them:
- (j) To promote awareness on implementation of Articles 20 and 21 and other related provisions of the Convention on Biological Diversity;
- (k) To strengthen the clearing-house mechanism as a mechanism for cooperation among Parties in financing for biological diversity;
- (l) To maximize the contribution of financing for biodiversity to broad socio-economic objectives, including poverty reduction and Millennium Development Goals.

III. PROCESS OF DEVELOPING A COUNTRY RESOURCE MOBILIZATION STRATEGY

5. The focus of a country resource mobilization strategy should not be only on producing a document with an accompanying suite of projects but also follow a process-oriented approach that contributes towards policy changes by establishing frameworks or enabling activities, such as designing the necessary policy mechanisms for ensuring sustainable financing and investments into biodiversity in the long term. The country resource mobilization strategy will be most effective when it is coordinated with the country's overarching development framework as well as annual and medium-term budgeting cycles.

A. Resource mobilization focal point

- 6. Each Party should consider appointing a "resource mobilization focal point" to facilitate national implementation of the strategy for resource mobilization (SRM paragraph 12). Depending on national circumstances, the resource mobilization focal point may be appointed from more finance-related segment of national government, or may be part of a national focal point of the Convention.
- 7. Parties should determine the specific responsibilities of their resource mobilization focal points. As a general guidance, the primary function of resource mobilization focal points is responsible for organizing the design and dissemination of a country-specific resource mobilization strategy, with the involvement of key stakeholders such as non-governmental organizations, indigenous peoples and local communities, environmental funds, businesses and donors, in the framework of updated national biodiversity strategies and action plans.
- 8. In addition, resource mobilization focal points should act as liaisons with the Secretariat on behalf of their Parties and in so doing, they are responsible for:
 - (a) Receiving and disseminating funding information related to the Convention;
- (b) Ensuring that Parties are represented at finance-related capacity building and awareness raising workshops under the Convention;
- (c) Identifying experts to assist with the implementation of the Strategy for Resource Mobilization of the Convention;
- (d) Building on or ensuring coherence with ongoing processes closely linked to financing biodiversity, including integrated financing strategies and investment frameworks for UNCCD implementation;

- (e) Responding to other requests for input by Parties from the Conference of the Parties and the Secretariat:
- (f) Collaborating with resource mobilization focal points in other countries to facilitate implementation of Articles 20 and 21 and other related provisions of the Convention, particularly at the regional and subregional level;
- (g) Monitoring, promoting and/or facilitating national implementation of the Strategy for Resource Mobilization of the Convention.

B. Participatory process

- 9. Resource mobilization focal points should initiate the process of preparing country-specific resource mobilization strategies by collecting necessary funding information and preparing initial draft of their country resource mobilization strategies. Sources of information may include:
 - (a) National biodiversity strategies and action plans;
 - (b) OECD DAC Rio markers on biodiversity;
 - (c) National reports of Parties;
 - (d) Government budget allocations in relevant sectors;
 - (e) Funding from Global Environment Facility;
- (f) Funding flows through a selected number of the international and regional organizations as well as civil society organizations.
- 10. To facilitate the involvement of relevant key stakeholders, including indigenous and local communities, appropriate consultative arrangements, such as national consultative committees, comprising relevant stakeholder representatives, should be made. The consultative arrangement, such as a country team, should have a clear mandate endorsed by the relevant government institutions at the appropriate level, and be composed of different ministries, chef de file of the development partners, civil society organizations and private sector representatives. Information on the process should be communicated to the range of relevant stakeholders to promote understanding, ownership and engagement.
- 11. Initial drafts of country resource mobilization strategies should be sent for comments by all relevant key stakeholders, including various sectors of governments, non-governmental organizations, indigenous peoples and local communities, environmental funds, businesses and donors. Their views and interests should be taken into consideration in the revision of draft country resource mobilization strategies.
- 12. When necessary and feasible, national workshops should be organized to finalize the draft country resource mobilization strategies, with participation of all relevant key stakeholders. When necessary and feasible, regional or subregional workshops may be organized to facilitate consideration of country resource mobilization strategies by regional and subregional partners and international donors.
- 13. There should be a review of implementation of country resource mobilization strategies every two years, coinciding with the frequency of meetings of the Conference of the Parties. Based on the outcomes of review, country resource mobilization strategies may be revised or updated to take into account any new developments of domestic and external circumstances and available new opportunities, experiences and lessons.

14. Country resource mobilization strategies should be made available widely, including through the clearing house mechanism of the Convention, in order to facilitate exchange of information with donors and partner countries.

C. Global Environment Facility

- 15. As part of the recommendations of GEF-5 replenishment, Global Environment Facility may provide resources to recipient countries if they wish to undertake a voluntary national GEF portfolio identification exercise to provide a framework for programming GEF resources. Country resource mobilization strategies, coinciding with the GEF planning cycles, are designed as a platform for effective country dialogues with the financial mechanism.
- 16. The financial mechanism may provide funding and other assistance to build capacity for resource mobilization and utilization in accordance with their country-specific resource mobilization strategies.

D. Relevant key partners

- 17. Various donors, non-governmental organizations, indigenous peoples and local communities, environmental funds, and businesses are expected to actively participate in the development, implementation, review and update of country-specific resource mobilization strategies. In particular, international and regional organizations that are in a position to finance biodiversity projects and provide relevant expertise should be involved in the participatory process.
- 18. Country resource mobilization strategies should be used as the basis for dialogue with international funding partners with respect to their expected roles in supporting country-specific priority projects and activities. International donors and development agencies are encouraged to use country resource mobilization strategies in designing their support programme to finance biodiversity projects.

E. The Secretariat

- 19. The Convention Secretariat should provide global technical support to the development and implementation of country-specific resource mobilization strategies by:
- (a) Facilitating sharing of information, experience and good practice through the Clearing House Mechanism;
- (b) Providing technical assistance to Parties to assist with their efforts in developing country resource mobilization strategies;
- (c) Convening regional and subregional capacity building and awareness raising workshops, and promoting collaboration and coordination among existing country resource mobilization strategies;
- (d) Undertaking synthesis and analysis of the identified needs of Parties for resource mobilization and utilization, and available means for assistance and information exchange, for consideration by the Conference of the Parties.

IV. ELEMENTS OF A COUNTRY RESOURCE MOBILIZATION STRATEGY

20. Country resource mobilization strategy documents should establish national baselines, targets, goals and objectives as well as actions and timeframes, and consider the establishment of financial mechanisms and other options, to implement the financial provisions of the Convention at all levels, based on success stories and good practices (SRM paragraph 12). A country resource mobilization strategy may contain: introduction and national baselines, priorities for funding, near-term financing plan,

medium-term funding estimates, country resource mobilization strategies, monitoring, evaluation, reporting and improvement.

A. Introduction and national baselines

- 21. The introductory section can describe why biodiversity is important to the country and its local communities, and explain the nation's commitment to the Convention's objectives as an integral part of national development goals.
- 22. The section may describe the national institutions involved in financing biodiversity, and the role of national resource mobilization focal point.
- 23. The section may summarize 2000-2010 achievements in biodiversity financing and shortages.
- 24. The section should provide a brief summary of the country's vision for biodiversity conservation as formalized in national biodiversity strategies and action plans, and planned 2011-2020 funding activities as illustrated in sections B-D.

B. 2011-2020 priorities for funding

- 25. The section may first describe the status of national biodiversity strategies and action plans, and their update or revision.
- 26. The section should be focused on goals and objectives identified in national biodiversity strategies and action plans.
- 27. The section should aim to assess economic costs of the loss of biodiversity and its associated ecosystem services, of the failure to take measures to fulfill the three objectives of the Convention, and benefits of early action to reduce loss of biological diversity and its associated ecosystem services. (SRM, SO 1.2)
- 28. The section should seek to improve priority-setting for guiding resource allocation to biological diversity and its associated ecosystem services. (SRM, SO 1.3)
- 29. In determining national funding priorities, Parties should take into account the 2011-2020 Strategic Plan of the Convention, the Strategy for Resource Mobilization and relevant programmes of work and work under the cross-cutting initiatives of the Convention.

C. 2011-14 Financing Plan

- 30. This section will prepare national financial plans in the context of national biodiversity strategies and action plans that can be implemented by local, national, regional and international stakeholders. (SRM, SO 2.2)
- 31. The section should provide a full list of programmes, projects and activities already planned/developed or under advanced preparation, with four-year outcomes, targets, implementation partners and funding partners.
- 32. The section may give detailed description of each programme, project and activity, showing funding requirements, funds already mobilized and additional funds that can be expected. The near-term financing plan should only contain those programmes, projects and activities for which adequate national capacities (expertise, knowledge and know-how as well as infrastructure) are already available or may be acquired in a short period of time.

D. 2015-18 funding estimation

- 33. This section should build on the 2011-2014 financing plan as many programmes, projects and activities may continue into the new phase 2015-2018. However, with enhanced national capacities and awareness, additional programmes, projects and activities may become possible and feasible in the new period.
- 34. The period 2015-2018 will be critical for the implementation of the 2020 Strategic Plan of the Convention as well as for revised national biodiversity strategies and action plans since there will be more flexibility for financial adjustments at the national and international levels in the medium term.
- 35. The section should be realistic as well as ambitious. The aggregated national information on funding needs will be used by the Conference of the Parties in conducting an assessment of the amount of funds that are necessary to assist developing countries, in accordance with the guidance provided by the Conference of the Parties, in fulfilling their commitments under the Convention over the next GEF replenishment cycle.

E. Country Resource Mobilization Strategies

- 36. Based on sections B, C and D, this section should establish national targets, goals and objectives as well as actions and timeframes, and consider the establishment of financial mechanisms and other options, to implement the financial provisions of the Convention at all levels, based on success stories and good practices (SRM paragraph 12).
- 37. In doing so, country resource mobilization strategies should contribute to the implementation of the target of the strategy for resource mobilization of the Convention, which is to substantially enhance international financial flows and domestic funding for biological diversity in order to achieve a substantial reduction of the current funding gaps in support of the effective implementation of the Convention's three objectives and the 2010 target. (SRM paragraph 8)
- 38. Country resource mobilization strategies should seek to fulfil the implementation of the provisions of the Monterrey Consensus on mobilizing international and domestic funding as related to biodiversity. (SRM SO 3.5)

E1. National budgets

- 39. Country resource mobilization strategies should seek to integrate considerations on biological diversity and its associated ecosystem services in economic and development plans, strategies and budgets of developing country Parties. (SRM SO 5.2)
- 40. National biodiversity budgets may include:
 - (i) Biodiversity budgets for ministries of general environmental protection;
- (ii) Biodiversity-related budgets for ministries of forestry, agriculture, fisheries and aquaculture, water resources, and tourism;
- (iii) Biodiversity budgets for other ministries such as energy, education, industry, health, banking and financial services, transport, mining, business, trade, science and technology, pharmaceuticals, defense, manufacture/retail, culture, land planning, waste management;
- (iv) Budgets of biodiversity agencies or institutions, such as wildlife services/commissions, national parks/nature reserves, herbarium and botanic gardens, museum;

- (v) Budgets allocated to national environmental funds/biodiversity funds;
- (vi) Special national environmental/biodiversity programmes;
- (vii) Budgets allocated to non-governmental organizations;
- (viii) Biodiversity budgets for line departments at regional/provincial and local levels.
- 41. Removal of water and fishery subsidies can help ease strains on the public budget.
- 42. Up-scaling green public procurement can lead to noticeable increase in revenue generation for biodiversity.
- 43. Intergovernmental fiscal transfer can be used to mobilize state/provincial and local governments to increase financial support to biodiversity projects and activities.

E2. Tax measures or surcharges

- 44. Country resource mobilization strategies should explore opportunities presented by environmental fiscal reforms including removal of perverse incentives, innovative taxation models and fiscal incentives for achieving the three objectives of the Convention. (SRM SO 4.3)
- 45. Country resource mobilization strategies should develop and implement economic incentives that are supportive of the Convention's three objectives at local and national levels, consistent and in harmony with the other relevant international obligations. (SRM SO 2.4)
- 46. Tax revenues may be raised on commercial-scale agricultural, fishery and forest products, for instance, stumpage taxes levied on timber harvested or on timber exported, taxes on corporate profits or income taxes, charges per hectare of concession, auctions of timber concessions combined with deposit-refunding systems, as well as state participation in the industry.
- 47. Full cost recovery pricing or user charges or fees compulsory payment to recover the cost of providing specific services can be introduced or reassessed if feasible.
- 48. Biodiversity-related tax exemptions, such as income tax deductions, land tax exemptions, value added tax exemptions, custom duty exemption, tax exemptions on international cooperation, charitable organizations and foundations, are important in mobilizing financial resources from various sectors, both public and private.

E3. Environmental funds

- 49. Country resource mobilization strategies should seek to continue to support, as appropriate, domestic environmental funds as essential complements to the national biodiversity resource base. (SRM SO 3.6)
- 50. Environmental funds encompass capacities, expertise, experience and proved tools to raise revenues and manage funds. A well endowed environmental fund can be a source of sustainable, predictable and complementary financing for biodiversity objectives.

E4. Global Environment Facility

51. Funding availability to each country from the Global Environment Facility is set out in the GEF's System for Transparent Allocation of Resources. For the period 2011-2014, country resource mobilization strategies should make full use of allocated resources through well-designed priority projects

that can deliver maximum global environmental benefits. For the period 2011-2014, country resource mobilization strategies should assess priority needs, using the 2011-2014 allocations as a start point, and provide well elaborated justifications for any suggested increase or decrease in funding needs.

- 52. The Global Environment Facility, in collaboration with the Executive Secretary, was invited to consider how it can contribute to the implementation of the strategy for resource mobilization, including consideration of a plan to address the strategy for resource mobilization, in consultation with the GEF implementing agencies. (SRM paragraph 13)
- 53. Country resource mobilization strategies should seek to enhance efforts in mobilizing cofinancing and other modes of project financing for biological diversity. (SRM SO 3.1)
- E5. Multilateral financial institutions and development banks and United Nations development system
- 54. Country resource mobilization strategies should seek to integrate considerations on biological diversity and its associated ecosystem services into the priorities, strategies and programmes of multilateral donor organizations, including sectoral and regional priorities, taking into account the Paris Declaration on Aid Effectiveness. (SRM SO 5.1)
- 55. Country resource mobilization strategies should seek to integrate effectively the three objectives of the Convention into the United Nations development system, as well as international financial institutions and development banks. (SRM SO 5.3)
- 56. International financial institutions and development banks and United Nations development system organization, that also act as an agency of the Global Environment Facility and thus often link their biodiversity projects to the GEF funding.1

E6. Bilateral donor organizations

- 57. Country resource mobilization strategies should strive to increase official development assistance associated with biological diversity, where biodiversity is identified as a priority by developing country Parties in poverty reduction strategies, national development strategies, United Nations development assistance frameworks and other development assistance strategies and in accordance with priorities identified in national biodiversity strategies and action plans. (SRM SO 3.2)
- 58. Country resource mobilization strategies should seek to integrate considerations on biological diversity and its associated ecosystem services into the priorities, strategies and programmes of bilateral donor organizations, including sectoral and regional priorities, taking into account the Paris Declaration on Aid Effectiveness. (SRM SO 5.1)
- 59. Country resource mobilization strategies should seek to mobilize public sector investments in biological diversity and its associated ecosystem services. (SRM SO 3.3)
- 60. Bilateral agencies2 often finance biodiversity objectives with their sectoral or cross-sectoral programmes and projects. Major sectors with funding for biodiversity include: general environmental protection, forestry, agriculture, water resources, fisheries and aquaculture, tourism, energy, education, industry, health, banking and financial services, transport, mining, business, and trade, etc.

¹ Further information is available at: http://www.cbd.int/financial/

² For a list please refer to http://www.oecd.org/linklist/0,3435.en 2649 33721 1797105 1 1 1 1,00.html. Further information is available at http://www.cbd.int/financial/

E7. Business and private sector partnership

- 61. Country resource mobilization strategies should seek to establish enabling conditions for private sector involvement in supporting the Convention's three objectives, including the financial sector. (SRM SO 2.6)
- 62. Country resource mobilization strategies should explore opportunities presented by promising innovative financial mechanisms such as business-biodiversity partnerships. (SRM SO 4.4)
- 63. Business-biodiversity partnerships are mostly found in, but not limited to, the following sectors: agribusiness, cement, chemicals, forestry, mining, oil and gas, power, retail, tourism and hospitality, water and sanitation utilities.

E8. Non-governmental organizations

- 64. Country resource mobilization strategies should seek to establish, as appropriate, new and additional funding programmes through voluntary contributions to support the three objectives of the Convention. (SRM SO 3.4)
- 65. Country resource mobilization strategies should seek to enhance financial, scientific, technical and technological cooperation with international organizations, non-governmental organizations, indigenous peoples' organizations and public institutions for biological diversity and its associated ecosystem services. (SRM SO 5.5)

E9. Payment for ecosystem services

- 66. Country resource mobilization strategies should seek to promote, where applicable, schemes for payment for ecosystem services, consistent and in harmony with the Convention and other relevant international obligations. (SRM SO 4.1)
- 67. Payment for ecosystem services involves water services (freshwarter, water regulation, water purification and waste treatment), climate services, agricultural services (erosion regulation, pollination, pest regulation), health services (disease regulation and air quality regulation), and natural hazard regulation services. Most cases of payment for ecosystem services occur in such sectors as water resources, forestry, and agriculture.

E10. Biodiversity offsets

- 68. Country resource mobilization strategies should consider biodiversity offset mechanisms where relevant and appropriate while ensuring that they are not used to undermine unique components of biodiversity. (SRM SO 4.2)
- 69. Biodiversity offsets may take different names in different countries, but the basic concept is to deliver measurable conservation outcomes resulting from actions designed to compensate for significant residual adverse biodiversity impacts arising from project development after appropriate prevention and mitigation measures have been taken, resulting in no net loss or a net gain of biodiversity. Development projects that will have a significant residual impact on biodiversity (for instance, those in sectors such as mining, coal, oil and gas and renewable energy, agriculture, road and rail development, housing, urban development and tourism) tend to be the main focus for biodiversity offset mechanisms.

E11. Climate change funding schemes

70. Country resource mobilization strategies should seek to take into account biodiversity in any funding mechanisms for climate change. (SRM SO 4.6)

71. Climate change funding architecture continues to evolve with the recent Copenhagen Accord in which some US\$ 30 billion will be provided for the period 2010-2012 and a sum of US\$ 10 billion a year is promised by 2020. Several mechanisms have already established, including the World Bank Climate Investment Fund and the Forest Carbon Partnership Facility (FCPF), and the United Nations Collaborative Programme on Reducing Emissions from Deforestation and Degradation in Developing Countries (UN-REDD).

E12. Markets for green products

- 72. Country resource mobilization strategies should explore opportunities presented by promising innovative financial mechanisms such as markets for green products. (SRM SO 4.4)
- 73. Green goods refer to both natural products and nature-based products that are produced in a sustainable manner. Natural products include wild plant and animal products used as food sources or used for biochemicals, new pharmaceuticals, cosmetics, personal care, bioremediation, biomonitoring, and ecological restoration. Nature-based products involve many industries, such as agriculture, fisheries, forestry, biotechnology based on genetic resources, recreation and ecotourism.

E13. Debt for nature swaps

- 74. Country resource mobilization strategies should seek to promote biological diversity in debt relief and conversion initiatives, including debt-for-nature swaps. (SRM SO 3.7)
- 75. Countries over-burdened with services of external debts may have opportunities to explore, through the Paris Club and the debt relief initiatives of the International Monetary Fund and the World Bank, nature swaps for certain debts with interested donors.

E14. Grant-making charities

- 76. Country resource mobilization strategies should explore opportunities presented by promising innovative financial mechanisms such as new forms of charity. (SRM SO 4.4)
- 77. Grant-making charities normally have strong but relatively stable geographical and thematic preferences. Traditional links with grant-making charities, both domestic and international, should be explored first.

E15. Benefit-sharing

- 78. Country resource mobilization strategies should seek to enhance implementation of access and benefit-sharing initiatives and mechanisms in support of resource mobilization (SRM Goal 7)
- 79. Available examples of benefit-sharing arrangements often offer certain percentage of benefits arising out of utilization of genetic resources to broach ranges of biodiversity activities and projects. The importance of the resources can grow over time.

E16. South-South cooperation

- 80. Country resource mobilization strategies should identify, engage and increase South-South cooperation as complement to North South cooperation to enhance technical, technological, scientific and financial cooperation. (SRM SO 6.2)
- 81. South-South cooperation for biodiversity is a growing area with increased number of countries, such as Brazil, China, India and South Africa, that have emerged as new donors. The Special Unit for

South-South Cooperation, hosted in UNDP, seeks to promote, coordinate and support South-South and triangular cooperation on a Global and United Nations system-wide basis.

E17. Regional and subregional collaboration

- 82. Country resource mobilization strategies should seek to strengthen cooperation and coordination among funding partners at the regional and subregional levels, taking into account the Paris Declaration on Aid Effectiveness. (SRM SO 5.4)
- 83. Country resource mobilization strategies may be used as a basis for identifying opportunities for regional and subregional collaboration and developing regional and subregional projects that will address common biodiversity challenges as well as issues of transboundary nature.
- 84. Many regional and subregional organizations may be in a position to support biodiversity objectives.3

E18. Innovative sources of development finances

- 85. Country resource mobilization strategies should seek to integrate biological diversity and its associated ecosystem services in the development of new and innovative sources of international development finance, taking into account conservation costs. (SRM SO 4.5)
- 86. Innovative sources of development finances under piloting or exploration include: international solidarity levy on air tickets, International Finance Facility for Immunization (IFFIm), Advanced Market Commitments (AMC), tax on international financial transactions, climate change funds, migrants' transfers, voluntary solidarity contributions, global lottery or "Humanitarian Lottery", and digital solidarity fund, etc.

F. Monitoring, evaluation, reporting and improvement

- 87. Country resource mobilization strategies should explain the measures to be used for tracking the results of the strategies and for monitoring environmental and social changes resulted from funding, including the indicators to be used.
- 88. Country resource mobilization strategies should be communicated regularly with relevant key stakeholders including international and regional donor organizations.
- 89. Country resource mobilization strategies should seek to raise public awareness of the importance of biological diversity and the goods and services that it provides at all levels in support of resource mobilization. (SRM SO 8.1)

V. EXCHANGE OF EXPERIENCE AND GOOD PRACTICE

- 90. Country resource mobilization strategies should be used to promote exchange of experience and good practice in financing for biological diversity. (SRM SO 6.3)
- 91. The Executive Secretary should promote, in collaboration with the Global Environment Facility, exchange of experience and good practice in financing for biological diversity. (SRM paragraph 15)

3Further information is available at: http://www.cbd.int/financial/

- 92. Regional and subregional workshops will be organized to promote sharing of national experience in developing and implementing country resource mobilization strategies, including best practice and lessons learned.
- 93. Country resource mobilization strategies should be made available to all stakeholders, including through the Clearing House Mechanism of the Convention.

VI. CAPACITY-BUILDING

- 94. Country resource mobilization strategies should be used to build local, national and regional capacities on resource mobilization skills, financial planning and effective resource utilization and management, and support awareness raising activities. (SRM SO 6.1)
- 95. Country resource mobilization strategies should be used to strengthen institutional capacities for effective resource mobilization and utilization, including strengthening capacities of relevant ministries and agencies to make the case for including biodiversity and its associated ecosystem services in discussions with donors and relevant financial institutions. (SRM SO 2.1)
- 96. Country resource mobilization strategies should be used to strengthen capacity for integration of biodiversity issues and its associated ecosystem services into national and sectoral planning, and promote budgetary allocations for biological diversity and its associated ecosystem services in national and relevant sectoral budgets. (SRM SO 2.3)
- 97. Country resource mobilization strategies should be used in considering the enhancement of existing, or the establishment of new, domestic funds and funding programmes through voluntary contributions, including for official development assistance, where biodiversity is identified as a priority by developing country Parties in poverty reduction strategies, national development strategies, United Nations development assistance frameworks and other development assistance strategies, that include innovative financing instruments to achieve the Convention's three objectives. (SRM SO 2.5)

VII. OTHER PROVISIONS

- 98. Development and implementation of country resource mobilization strategies should be used in preparing periodic global monitoring reports on the implementation of the strategy for resource mobilization, for consideration by the Conference of the Parties. (SRM paragraph 15)
- 99. Country resource mobilization strategies should also inform the provision by the Conference of the Parties of guidance to the financial mechanism, the assessment of the amount of funds that are necessary to assist developing countries in fulfilling their commitments under the Convention over the next GEF replenishment cycle as well as the review of the effectiveness of the financial mechanism.
