# CONVENTION ON BIOLOGICAL DIVERSITY

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SUBSIDIARY BODY ON SCIENTIFIC, TECHNICAL AND TECHNOLOGICAL ADVICE Sixteenth meeting Montreal, 30 April – 5 May 2012 **WORKING GROUP I** Agenda item 12

## INCENTIVE MEASURES: PROGRESS IN IMPLEMENTING DECISION X/44

#### Draft recommendation submitted by the Co-Chairs

The Subsidiary Body on Scientific, Technical and Technological Advice at its sixteenth meeting *recommends* that the Conference of the Parties at its eleventh meeting adopts a decision along the following lines:

#### The Conference of the Parties

1. *Takes note* of the progress reported by Parties and other Governments in implementing decision X/44 on incentive measures, thereby contributing to the implementation of the Strategic Plan for Biodiversity 2011-2020, and in particular Aichi Biodiversity Targets 2, 3 and 4 of, as well as to the Strategy for Resource Mobilization;

2. *Notes* existing efforts by a number of Parties to prepare national studies on the economics of ecosystems and biodiversity, and *encourages* other Parties and Governments to also consider, as appropriate, the preparation of such studies, making use of the findings of the international study on The Economics of Ecosystems and Biodiversity (TEEB) as well as of similar work at the national or regional levels, involving all relevant stakeholders, and to identify mechanisms and measures to integrate the values of biodiversity into relevant national and local policies, programmes and planning processes, as well as reporting systems, in a manner adapted to national circumstances;

3. *Cognizant* of the need to feed the results of these studies into national policy development and implementation in a systematic and coherent manner, *invites* Parties and other Governments that plan to undertake national studies on the economics of ecosystems and biodiversity, to ensure that these studies and the revised national biodiversity strategy and action plans are mutually supportive;

4. *Noting* the considerable analytical work that has already been undertaken on harmful incentives,

(a) *Encourages* Parties to develop and apply tools to identify incentives that are harmful for biodiversity, as well as methods to monitor progress towards Aichi Biodiversity Target 3, using the relevant indicator of the Strategy for Resource Mobilization (decision X/3, paragraph 7, indicator 13);

(b) *Emphasizes* that conducting studies for the identification of incentives, including subsidies, harmful for biodiversity need not delay immediate policy action in cases where candidates for

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elimination, phase out or reform are already known, taking into account national socio-economic conditions;

(c) *Encourages* Parties and other Governments to take appropriate action in these cases, in form of immediate elimination or initiation of phase out or reform, taking into account national socioeconomic conditions, including by seizing opportunities arising within the review cycles of existing sectoral policies, both at national and regional levels;

(d) *Invites* Parties, other Governments and relevant international organizations to submit to the Executive Secretary information on obstacles encountered in implementing identified options for eliminating, phasing out or reforming incentives that are harmful for biodiversity;

5. *Recognizing* that eliminating, phasing out, or reforming incentives, including subsidies, harmful for biodiversity will make positive incentive measures for the conservation and sustainable use of biodiversity more effective and/or less costly, *invites* Parties and other Governments to take into consideration in their policy planning, the linkages between the elimination, phase out, or reform of harmful incentives, including subsidies, and the promotion of positive incentive measures for the conservation and sustainable use of biodiversity, consistent and in harmony with the Convention and other relevant international obligations, including in revised national biodiversity strategies and action plans;

6. *Encourages* Parties and other Governments to consider, in accordance with the objectives of revised national biodiversity strategies and action plans, including specific criteria on biodiversity into national procurement plans, national strategies for sustainable consumption and production, and similar planning frameworks, as a contribution to implementing Aichi Biodiversity Target 4, and to strengthening the science base and methodologies to enable this to be done more effectively;

7. *Encourages* Parties to engage the private sector on ways and means to contribute to the national implementation of the Convention, such as through the establishment of business and biodiversity platforms/networks, the development of tools to promote the consideration of biodiversity in business activities, including guidance to assist business in reporting their environmental impacts, in particular impacts on biodiversity, and to support related international initiatives;

8. *Notes with appreciation* the support of international organizations and initiatives, including the Global Mechanism of the United Nations Convention to Combat Desertification (UNCCD GM), the United Nations Conference on Trade and Development (UNCTAD), the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP), the World Bank and its Global Partnership for Wealth Accounting and the Valuation of Ecosystem Services (WAVES), the Organisation for Economic Co-operation and Development (OECD), and the International Union for Conservation of Nature (IUCN) to the efforts at the global, regional and national levels in identifying and eliminating, phasing out or reforming incentives that are harmful to biodiversity, in promoting positive incentives for the conservation and sustainable use of biodiversity, and in assessing and mainstreaming the values of biodiversity and associated ecosystem services, and *invites* these and other relevant organizations and initiatives to continue and further intensify this work, including continued support for capacity building at the national level;

9. *Takes note* of the ongoing work of the United Nations Statistics Commission to include experimental ecosystem accounts into its revised System of Environmental-Economic Accounts (SEEA), thereby supporting the incorporation of biodiversity, as appropriate, in national accounting, as foreseen by Aichi Biodiversity Target 2;

10. *Requests* the Executive Secretary, with a view to supporting progress towards the achievement of the Aichi Biodiversity Targets, in particular targets 2, 3 and 4, and in mobilizing resources for biodiversity, to:

(a) Compile the submissions received pursuant to paragraph 4 (d) above, make them available through the clearing-house mechanism of the Convention, and prepare a synthesis report on obstacles encountered in implementing identified options for eliminating, phasing out or reforming incentives that are harmful for biodiversity, for consideration by the Subsidiary Body on Scientific, Technical and Technological Advice at a meeting prior to the twelfth meeting of the Conference of the Parties;

(b) Continue and further strengthen its cooperation with relevant organizations and initiatives, with a view to catalysing, supporting, and facilitating further work in identifying and removing or mitigating perverse incentives, in promoting positive incentives for the conservation and sustainable use of biodiversity, consistent and in harmony with the Convention and other relevant international obligations, and in assessing and mainstreaming the values of biodiversity and associated ecosystem services;

(c) Continue holding regional capacity-building workshops in cooperation with relevant organizations and initiatives, and, as appropriate, with the participation of relevant experts from finance and planning ministries, to support countries in making use of the findings of the TEEB studies as well as similar work at national or regional levels, and in integrating the values of biodiversity into relevant national and local policies, programmes and planning processes, in a manner adapted to national circumstances, and to support the sharing of pertinent experiences, good practices, and lessons learned;

(d) Explore with relevant organizations and initiatives, and bilateral and multilateral funding organizations, options for extending longer-term technical support and capacity-building on valuation methodologies and the integration of the values of biodiversity into relevant national and local policies, programmes and planning processes.