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**GUIDE FOR DATABASES:
THE MULTILATERAL MECHANISM
FOR THE FAIR AND EQUITABLE
SHARING OF BENEFITS FROM THE
USE OF DSM, AND THE CALI FUND**

INTRODUCTION

Digital sequence information on genetic resources (DSI) within the context of the Convention on Biological Diversity (CBD) arose at the thirteenth Conference of the Parties (COP) in 2016 after several years of discussions that considered how to address challenges related to the Convention's third objective: the fair and equitable sharing of benefits arising from the use of genetic resources.

In November 2024, at COP16 in Cali, Colombia, Parties agreed on [Decision 16/2](#), which sets out modalities for the operationalization of the multilateral benefit-sharing mechanism for DSI, including a global fund, which had been established two years earlier at COP15 (see [Decision 15/9](#)). The multilateral mechanism is known as the Multilateral Mechanism for the Fair and Equitable Sharing of Benefits from the Use of Digital Sequence Information on Genetic Resources, including the Cali Fund.

This guide is a preliminary version provided for information and is written by staff of the Secretariat of the Convention on Biological Diversity (CBD), serving as the interim Secretariat to the Multilateral Mechanism for the Fair and Equitable Sharing of Benefits from the Use of Digital Sequence Information on Genetic Resources, including the Cali Fund. It provides an introduction and overview of the basics of the multilateral mechanism and the Cali Fund.

This is a living document and does not constitute an official interpretation of Decision 16/2, nor does it prejudge any future decisions of the Conference of the Parties.



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FREQUENTLY ASKED QUESTIONS

The Multilateral Mechanism (MLM) – What is it?

As global demand for nature-derived genetic information grows—from biotechnology to pharmaceuticals to cosmetics and sustainable agriculture—so does the need for a fair, equitable and transparent way to share the benefits derived from it. In response, 196 governments under the Convention on Biological Diversity created the multilateral mechanism for the Fair and Equitable Sharing of Benefits from the Use of Digital Sequence Information on Genetic Resources. Established at Biodiversity COP15 in 2022 and operationalized through COP16 Decision 16/2 in 2024, this mechanism allows for the equitable sharing of benefits—monetary and non-monetary—arising from the use of digital sequence information. The monetary benefit-sharing is operationalized through the Cali Fund.

The overarching goals of the mechanism are to:

- Support the conservation and sustainable use of biodiversity
- Benefit indigenous peoples and local communities
- Respect the rights of indigenous peoples and local communities
- Ensure access to digital sequence information on genetic resources remains open, free and efficient, and
- Provide a predictable, transparent structure for equitable and fair benefit-sharing across sectors and geographies.

For detailed guidance and governance documents, visit: <https://mptf.undp.org/fund/cali00>

The Cali Fund – What is it?

The Cali Fund is the enabling financial engine of the multilateral mechanism for the Fair and Equitable Sharing of Benefits from the Use of Digital Sequence Information on Genetic Resources.

Administered by the United Nations **Multi-Partner Trust Fund Office (MPTFO)**, the Cali Fund will receive payments from entities and institutions which benefit from the use of DSI in their commercial activities and distribute these funds to developing countries and those with economies in transition, as well as indigenous peoples and local communities in both developing and, where appropriate, developed countries. Funds are intended to advance the objectives of the Convention on Biological Diversity, primarily the conservation and sustainable use of biodiversity.

Multi-Partner Trust Fund

The Cali Fund is a Multi-Partner Trust Fund. This type of Fund is an UN inter-agency pooled fund and has a mechanism that has three distinct functional areas: Design and administration, Governance, and Implementation.

More information can be found here: [What is an inter-agency pooled fund? | MPTF Office](#).

Therefore, the funds will support biodiversity actions that the countries see as those with maximum conservation impact on the ground. In addition, the Fund will also support the self-identified needs of indigenous peoples and local communities, including women and youth within those communities. Further, the Fund should support the building of capacity to generate, access, use, analyse and store digital sequence information on genetic resources—laying the groundwork for more inclusive, sustainable and future-ready economies.

Key distinction: The Cali Fund is not a traditional donor or aid fund. It is the first mechanism of its kind to recognize and rely on private sector contributions—acknowledging the commercial benefit of digital sequence information on genetic resources and offering a credible path for entities to share benefits responsibly and efficiently, ensuring maximum impact.

What DSI is in Scope of the Mechanism?

The multilateral mechanism applies to digital sequence information on genetic resources that meets all the following criteria:

- It has been made publicly available;
- It is not subject to **mutually agreed terms**, unless those terms explicitly allow public sharing;
- It is not already governed by another international agreement on access and benefit-sharing, unless that agreement opts to use this mechanism.

Mutually agreed terms:

As is described in the Nagoya Protocol, the bilateral terms and conditions of access and use of a genetic resource through the establishment of mutually agreed terms.

By focusing on publicly available digital sequence information not otherwise regulated, the mechanism offers legal and operational clarity for entities using digital sequence information in research, development, and commercial products.

FREQUENTLY ASKED QUESTIONS

Who is Expected to Share Benefits?

All users of DSI that is covered by the mechanism are expected to share the benefits arising from its use in a fair and equitable manner. These benefits can be monetary or non-monetary.

The Cali Fund is designed to be targeted, fair, and practical. Not all users of digital sequence information are expected to contribute. Only large entities operating in specific commercial sectors-where digital sequence information plays a key role in product development and innovation-are anticipated to make monetary contributions.

Sectors in Scope:

The following indicative sectors have been identified as likely to be benefiting commercially from the use of digital sequence information:

- Pharmaceuticals
- Nutraceuticals (e.g., food and health supplements)
- Cosmetics
- Animal and plant breeding
- Biotechnology
- Laboratory equipment and supplies used for sequencing and DSI applications (e.g., reagents, kits), and
- Information, scientific and technical services related to DSI-including those using artificial intelligence

What Defines a 'Large Entity'?

To ensure proportionality, only large entities - as defined by clear financial thresholds-are expected to contribute. An entity is considered "large" if it meets two out of the following three criteria, averaged over the past three years:

- Total assets of at least USD 20 million
- Annual sales/revenue of at least USD 50 million
- Annual profit of at least USD 5 million

This ensures that contributions come from entities with the capacity to pay, and that smaller players, including start-ups and research-based innovators, are not unduly burdened.

How Much Are Large Entities Expected to Contribute to the Fund?

Large entities have the flexibility to choose the indicative contribution model that works best for their business:

- 1% of annual profit or
- 0.1% of annual revenue

These are considered to be predictable, low-burden models, aiming to make it straightforward for entities to plan, report and communicate.

What Can Users Receive for their Payments?

Every payment into the Cali Fund will receive a receipt from the Multi-Partner Trust Fund Office, confirming the contribution. For each year that users make monetary contributions to the fund in line with the modalities of the multilateral mechanism, they will be considered as having fairly and equitably shared monetary benefits arising from the use of digital sequence information on genetic resources under the multilateral mechanism and will receive a certificate accordingly.

Such a certificate excludes the user from any expectation to share further monetary benefits from the use of such information within the scope of the multilateral mechanism for that year.

FREQUENTLY ASKED QUESTIONS

Who Is Not Expected to Contribute to the Fund?

Entities and institutions that are not commercially profiting from Digital Sequence Information are currently exempt from making financial contributions. These include:

- Public databases
- Academic institutions, and
- Public research organisations

The mechanism is designed to support open science while ensuring that commercial beneficiaries contribute to the future conservation and sustainable use of the biodiversity from which they benefit.

How Does the Contribution Mechanism Work?

It is expected that entities will submit their contributions directly to the Cali Fund host, the Multi-Partner Trust Fund Office (MPTFO). Further guidance can be found at <https://mptf.undp.org/fund/calo0>.

If you are interested in contributing through your government but are unsure whether such a system has been or will be set up, you can contact the National Focal Point of your government: www.cbd.int/information/nfp.shtml

What will the Money in the Cali Fund be Used For?

The Conference of the Parties has decided that the funding should be used to:

1. Support the objectives of the CBD, in particular the conservation and sustainable use of biodiversity, including through the delivery of activities described in **National Biodiversity Strategy and Action Plans (NBSAPs)** in developing countries, in particular the least developed countries and small island developing States, and Parties with economies in transition;
2. Contribute to scientific research on biodiversity;
3. Benefit indigenous peoples and local communities, including women and youth within those communities, in all countries;
4. Support the building of capacity to generate, access, use, analyze and store DSI according to capacity needs.

National Biodiversity Strategy and Action Plan (NBSAP)

CBD Parties are required to develop and implement NBSAPs, including national targets, and integrate them into relevant sectoral and cross-sectoral plans, programmes and policies, and submit national reports on the effectiveness of measures taken to implement the NBSAP.

In order to support those objectives, the modalities foresee that:

- At least half of the funds should be given directly to indigenous peoples and local communities, as custodians of biodiversity, through government institutions or their choice of a certified institution, to support their self-identified needs.
- Funds will be disbursed directly to eligible countries to support the activities referenced in 1-4 above. The country may need to designate a national entity (such as a biodiversity fund) or an international entity to receive the funds.

The Conference of the Parties may also decide to set aside a proportion of the Funds to support capacity-building and capacity development in developing countries to close the scientific capacity gap to fully participate and benefit from DSI.

Funding to Parties will be disbursed through direct allocations to countries. An Ad Hoc Technical Expert Group on Allocation Methodology will develop an allocation methodology for disbursing funding from the global fund for consideration by the Conference of the Parties at its seventeenth meeting in 2026.

REPORTING ON THE USE OF FUNDS

Recipients of funds are responsible to ensure the money is used for the goals of the Cali Fund, and report back annually. More information can be found within the Parties' and indigenous peoples and local communities' guides.

Non-Monetary Benefit Sharing

Non-monetary benefit-sharing includes a wide set of actions and activities. Decision 16/2 describes non-monetary benefits as supporting the self-identified capacity and technical development needs and priorities of Parties, including on the generation of, access to and use and storage of DSI, as well as the self-identified needs of indigenous peoples and local communities. Additionally, the sharing of non-monetary benefits will build on existing activities through the [long-term strategic framework for capacity-building and development of the CBD](#) and its mechanism to strengthen technical and scientific cooperation in support of the KMGBF. Finally, the sharing of non-monetary benefits will be facilitated through an existing clearing house under the CBD.

Databases are also an important element of the multilateral mechanism and its Cali Fund. They are relevant both in terms of the governance of the data as well as a form of non-monetary benefit sharing.

Governance

The multilateral mechanism, including the Cali Fund, is intended to be agile. A Steering Committee was created to provide strategic oversight and guidance for the operations of the mechanism and the Cali Fund. Whilst in other funds, a governing body may generally be referred to as the executive committee or the board of directors, the governing body of the Multilateral Mechanism and Cali Fund is known as the 'Steering Committee'. The Conference of the Parties to the CBD will continue to consider the various aspects of the multilateral mechanism and Cali Fund at its meetings held once every two years. The Steering Committee reports to the COP.

Additionally, a review of the effectiveness of the mechanism will take place and be presented at every second COP meeting (every four years).

Other Elements of the Multilateral Mechanism in Decision 16/2:

- The role of Parties and non-Parties in incentivizing contributions to the Cali Fund, is covered in the Parties' specific guide which provides some broad considerations on the creation of incentives for industry to participate and contribute to the fund.

More detailed explanations are provided for the above in specialized guides. For further clarifications and if you have any questions, please contact the interim Secretariat at califund@un.org

THE ROLE OF DSI DATABASES

The Multilateral Mechanism, as outlined in decision 16/2, contains provisions that relate specifically to databases.

The decision makes it explicit that entities which host public databases are not expected to make monetary contributions to the Cali Fund.

Provisions on Data Governance:

The entities operating databases should ensure that their data is consistent with general principles of open access to data, taking into consideration the:

1. FAIR principles (findability, accessibility, interoperability and reusability)
2. CARE principles (collective benefits, authority and control, responsibility and ethics)
3. TRUST principles (transparency, responsibility, user-focus, sustainability and technology); and
4. Section III of the United Nations Educational, Scientific and Cultural Organisation Recommendation on Open Science. The full provision relating to this can be found [here](#).

Provisions for Databases:

Those operating databases are expected to make the following information publicly available:

Information to users accessing their databases:

1. Information on the existence of the multilateral mechanism for the fair and equitable sharing of benefits from the use of DSI, and that using digital sequence information within the database and generating monetary benefits may result in the expectation of sharing those benefits as defined in the multilateral mechanism.

Information to those submitting data:

1. Information on the requirement to comply with applicable national and international access and benefit-sharing obligations.
2. Request to indicate that data submitted is not subject to any restrictions that would prohibit its sharing.
3. Requirement to provide information on the country of origin (i.e. where biological materials were collected or sampled) of the genetic resource, where known, from which the DSI was derived, and, when appropriate, any associated metadata that is known in relation to the DSI, such as an indication of the use of traditional knowledge associated with the genetic resource and its origin or source.

Provisions for Party and non-Party Database Supporters:

The modalities of the Multilateral Mechanism state that Parties who host DSI databases within their jurisdiction, or who fund DSI databases should ensure that these databases implement the provisions described above. Non-Parties are encouraged to do the same.

The Steering Committee

There are several observer spaces within the Steering Committee, including two seats that are dedicated to scientific institutions representatives.

The Steering Committee meets in person and online, as necessary.

More information on the Steering Committee, including the scientific institutions representatives, can be found here: Notification [2025-091](#).

Next Steps: How Database Managers Can Support the MLM and the Cali Fund

- **Inform users and submitters:** Update terms of use to include guidance, as outlined above on the DSI obligations under the Cali Fund and CBD ABS frameworks.
- **Promote transparency:** Link to CBD guidance and the Cali Fund in your database portals to increase awareness of responsible DSI use.
- **Highlight impact:** Share anonymised DSI data to showcase research, capacity-building, and global collaboration benefits.

Contributing to the Cali Fund isn't just good for biodiversity, it is smart risk management, a credible complement to existing ESG strategies, and a tangible contribution to the leadership of global stability, science, and sustainability.

Further Resources:

- Additional information and administrative documents on the Cali Fund and its operations: mptf.undp.org/fund/cali00
- Information about the Convention on Biological Diversity (CBD) and the Kunming-Montreal Global Biodiversity Framework: <https://www.cbd.int/gbf/targets>

Please get in touch to find out more:

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Convention on Biological Diversity (CBD)

Established in 1992, the Convention on Biological Diversity is an international treaty for the conservation of biodiversity, the sustainable use of biodiversity components, and the fair and equitable sharing of benefits arising from the use of genetic resources. With 196 signatory Parties, the Convention enjoys almost universal participation by countries. The Convention contributes to eliminating all threats to biodiversity and ecosystem services through scientific assessments, the development of tools, measures, and incentives, the transfer of technologies and best practices, and the active participation of stakeholders, including indigenous peoples and local communities, youth, women, NGOs, subnational actors, and the business community.



United Nations Environment Programme (UNEP)

UNEP is the world's leading authority on the environment, setting the global environmental agenda, promoting the coherent implementation of the environmental dimension of sustainable development within the United Nations system, and advocating for the global environment.



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