



Convention on
Biological Diversity

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CALI FUND

FOR OUR BIODIVERSE FUTURE

**GUIDE TO THE CALI FUND:
SHARING THE BENEFITS OF GENETIC
DATA FROM NATURE**

INTRODUCTION

Unlocking innovative potential and sharing value: introducing the Cali Fund

In today's rapidly evolving bioeconomy, data from nature, the Digital Sequence Information on Genetic resources, is powering scientific breakthroughs, driving innovation in pharmaceuticals, agriculture, biotechnology, and others, and shaping the future of sustainable development. But with great opportunity comes responsibility—and a chance to lead in protecting the continuation of these benefits.

The Cali Fund offers a new way forward: **a collaborative global mechanism that enables companies and other users of Nature's genetic data to share benefits fairly and transparently with the countries and communities where our world's biodiversity needs most protection for its conservation.** It reflects a consensus—as reached by 196 governments under the Convention on Biological Diversity (CBD)—that the commercial success derived from Nature's genetic data should translate into real, tangible benefits for biodiversity conservation and its sustainable use around the world.

At COP16 in Cali, Colombia (November 2024), governments adopted a historic agreement to operationalize a multilateral mechanism for the fair and equitable sharing of benefits from the use of digital sequence information on genetic resources. The Cali Fund is the financial arm of this mechanism. It is not a donor fund nor an aid initiative—it is a forward-looking solution designed to work with the private sector to equitably share a proportion of the significant wealth and benefits that have been derived from our shared natural heritage and play a role in protecting it for generations to come.

Participation in the Cali Fund offers a practical and credible way for companies to:

- Demonstrate leadership in responsible, innovative ways to halt alarming biodiversity loss;
- Future-proof access to genetic data around the world;
- Manage their reputation with consumers, regulators, investors and their current and potential workforce;
- Support global biodiversity goals and targets of the Kunming-Montreal Global Biodiversity Framework.

This guide, prepared by the Secretariat of the CBD, the United Nations Development Programme and the United Nations Environment Programme, serves as an introduction to the Cali Fund and the Multilateral Mechanism. It provides a snapshot of how the fund works, who it serves, and how your organization can engage.

Together, as partners of this trailblazing example of multilateral collaboration for a financial mechanism for biodiversity, recognizing the private sector's potential for leadership in supporting biodiversity conservation, we welcome you to begin your organization's engagement with the Cali Fund.



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FREQUENTLY ASKED QUESTIONS

What is Digital Sequence Information (DSI)?

Digital Sequence Information on Genetic Resources or ‘DSI’ is the digital representation of genetic material, such as DNA and RNA sequences, and potentially other linked data like amino acid sequences and molecular structures. It is the digital coding of an organism's genetic blueprint, enabling rapid analysis and comparison of genetic data, facilitating the identification of potential drug targets, the development of new therapies, and other commercial and research applications. Digital Sequence Information is crucial for research across various fields, including medicine, conservation, cosmetics, agriculture, and biotechnology. The free and open access to digital sequence information and the promotion of international collaboration to continue that access is vital for scientific advancement and innovation, especially in emerging and developing countries.¹

What is the Multilateral Mechanism?

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, 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
- Ensure access to digital sequence information on genetic resources remains open and efficient
- Provide a predictable, transparent structure for equitable and fair benefit-sharing across sectors and geographies

What is the Cali Fund?

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, the Cali Fund will receive payments from businesses and institutions that rely on digital sequence information 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. These funds are intended to advance the objectives of the convention on Biological Diversity, primarily the conservation and sustainable use of biodiversity, so the funds will support biodiversity projects that the countries see as those with maximum conservation impact on the ground. In addition, the Fund may support global capacity building efforts in areas such as data generation, analysis, use and storage—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 value of digital sequence information on genetic resources and offering a credible path for companies to share benefits responsibly, efficiently and for impact.*

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

1. Note: the term ‘Digital Sequence Information on Genetic Resources’ is not yet officially defined under the Convention on Biological Diversity (CBD) but Parties agreed that a benefit sharing solution does not need to wait for this definition to be finalized and adopted by the CBD before it is operational.

What kind of Digital Sequence Information is covered?

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.

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

Who is expected to pay into the Cali Fund?

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 significantly 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)
- 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 under 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 companies 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 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 companies to plan, report and communicate.

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
- Public research organizations

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 companies 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/cali00> .

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.



Long Kerebangan women. Long Kerebangan is located in the Malaysian state of Sarawak on the island of Borneo where indigenous communities harvest a local plant, *Litsea cubeba*, for its essential oil to make locally produced, sustainable soap.

IMPACT: A FUND FOR OUR BIODIVERSE FUTURE

Why Contribute: The Impact and Unique Value of the Cali Fund

A Transformational Investment in Biodiversity, Science, and Communities

The Cali Fund enables companies to align their operations with a globally endorsed, science-driven, and socially inclusive mechanism for the conservation and sustainable use of biodiversity.

While many companies are making direct investments through their own Environmental Social and Governance (ESG) frameworks and sustainability programs, the Cali Fund provides organizations with the means to:

- **Scale Nature-positive impact** globally through an internationally agreed mechanism supported by 196 governments;
- **Strengthen environmental and social responsibility credibility** by aligning with the Convention on Biological Diversity—the main international legal instrument dedicated to biodiversity with the fund's implementing partners, United Nations Development Programme and the United Nations Environment Programme;
- **Directly share financial benefits** from Nature's genetic diversity with indigenous peoples and local communities, who steward significant areas of the world's remaining biodiversity including through traditional knowledge, innovations and practices relevant to the conservation of biological diversity;
- **Enable the next generation of breakthroughs** in science, medicine, and biotechnology by sustaining the ecosystems that provide raw data for discovery.

The Cali Fund's Impact

Contributions to the Fund will be used to support four clear, strategic priorities:

1. **Implementing National Biodiversity Strategies and Action Plans (NBSAPs):** Allocations to developing countries, especially Least Developed Countries (LDCs) and Small Island Developing States (SIDS), to implement their nationally determined biodiversity priorities ensures the money goes to those projects with the most impact on the ground.

2. **Catalyzing Scientific Research and Innovation:** Investment in the Fund supports open, global access to digital sequence information (DSI), which has been instrumental in scientific breakthroughs ranging from life-saving drugs to climate-resilient crops. Example: Open-access DSI enabled the rapid development of COVID-19 vaccines and therapeutics by over 100 institutions worldwide.

3. **Empowering Indigenous Peoples and Local Communities (IPLCs):** At least 50% of funds are earmarked for direct disbursement to IPLCs—often through their own certified organizations—enabling self-determined projects that address both conservation and community needs, including women and youth empowerment. Studies suggest that when IPLCs manage their own biodiversity-related funds, impact per dollar can be up to three times higher due to local knowledge, cost-efficiency, and fostering long-term stewardship.

4. **Closing the Global Capacity Gap in Biodiversity Science:** Funds will also support training, technology transfer, and infrastructure development to help countries and communities fully participate in the digital bioeconomy—a key step in creating equitable access to the benefits of science and innovation.

ACCOUNTABILITY AND INTEGRITY

How Funds Will Be Disbursed

- To indigenous peoples and local communities: Through self-selected certified entities or government channels, to support their self-identified priorities.
- To eligible countries: through allocations to designated national or international organizations to support conservation national priorities to ensure maximum on-the-ground impact.
- Guided by Impact: A technical formula to allocate funds fairly, equitably and effectively is being developed and will be adopted by the Conference of Parties to the Convention of Biological Diversity in 2026.

Maximum efficiency is ensured by the Multi-Partner Trust Fund's low administrative fees and capped implementing partner fees, leading to over 90% of contributions directly supporting on-the-ground activities.

Accountability & Transparency

Ensuring integrity, effectiveness, and public trust is central to the Cali Fund's design. All recipients of funding are required to submit **annual reports detailing measurable outcomes**, including biodiversity impacts, alignment with national targets, and progress against the goals of the Convention on Biological Diversity (CBD). These reports are reviewed through a **robust UN monitoring and evaluation framework** to guarantee transparency and consistency with the Kunming-Montreal Global Biodiversity Framework.

Oversight of the Cali Fund is provided by a multi-stakeholder **Steering Committee**, composed of representatives from governments, indigenous peoples and local communities, civil society, and the private sector. This committee plays a pivotal role in guiding funding decisions, setting priorities, and upholding fiduciary standards. It also ensures alignment with the CBD's principles of equity, effectiveness, and inclusive governance.

In addition, the Fund draws on technical guidance from the **CBD's subsidiary expert bodies**, such as the Subsidiary Body for Implementation (SBI), to assess the scientific validity and strategic relevance of funded activities.

For companies seeking clarity on accountability mechanisms, the Fund provides a **transparent operational framework** that includes clear eligibility criteria, safeguards, and disclosure requirements abiding by strict UN standards. Businesses participating in or contributing to the Fund can engage directly through the Steering Committee or advisory committees of the fund, giving them a voice in shaping priorities and enhancing the Fund's responsiveness to emerging private sector innovations and standards.

Through this architecture, the Cali Fund aims not only to deliver high-impact biodiversity outcomes but to serve as a model of **trust-based, accountable climate and nature finance**.

Receipts and Certificates Received by Contributors

There are two types of documentation that contributors to the Cali Fund can receive.

- The Multi-Partner Trust Fund will generate receipts for every payment made to the Cali Fund with the information available on the [MPTF website for the Cali Fund](#) and reflected in the annual financial report.
- Certificates are issued by the Secretariat of the Cali Fund once the contribution meets the current criteria of the Cali Fund. The current criteria are 0.1% of annual revenue, or 1% of annual profits, whichever the company chooses to follow. This certificate is documentation that the user is not expected to share further monetary benefits from the use of Digital Sequence Information on Genetic Resources under the multilateral mechanism for that year.

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: www.cbd.int/gbf

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.

United Nations Development Programme (UNDP)

UNDP is the United Nations' leading agency fighting the injustice of poverty, inequality, and climate change. Working with a wide network of experts and partners in 170 countries, we help countries develop integrated and sustainable solutions for people and the planet. For more information: undp.org or follow @UNDP and @UNDP Nature.

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