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DIRECTORATE-GENERAL ENVIRONMENT Directorate B - Natural Capital ENV.D.2 - Biodiversity

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Mr. Braulio Ferreira de Souza Dias Executive Secretary CBD Secretariat 413, Saint Jacques Street, suite 800 Montreal QC H2Y 1N9 CANADA

Secretariat@cbd.int

Subject: Notification 2016-078 concerning biodiversity and development

Dear Mr Ferreira de Souza Dias,

Thank you for inviting us and other Parties to comment on the follow-up given to Decision XII/5. Please find in the annex the European Commission's reply.

Yours sincerely,

Stefan Leiner Head of Unit

Annex

European Commission reply to CBD Notification 2016-078: Identifying best practices and lessons learned on how to integrate biodiversity, poverty eradication, and sustainable development

The European Commission attaches great importance to integrating biodiversity, poverty eradication and sustainable development. This has been reflected in its own policies, including development cooperation and biodiversity policy, as well as in the discussions with the Secretariat of the CBD, other Parties to the CBD and other relevant institutions and organisations. E.g., we strongly supported the theme of CBD COP12 and welcomed its results, notably the Gangwon Declaration and the Chennai Guidance.

For the way in which the Commission integrates biodiversity and ecosystems in policies for poverty eradication and development cooperation, I would like to refer to various existing documents and webpages, notably:

- B4Life brochure
- B4Life main webpage: http://capacity4dev.ec.europa.eu/b4life/minisite/biodiversity-life-b4life
 - o subpage on governance: http://capacity4dev.ec.europa.eu/b4life/minisite/biodiversity-life-b4life/governance
 - o subpage on food security: http://capacity4dev.ec.europa.eu/b4life/minisite/biodiversity-life-b4life/food-security-and-rural-development
 - o subpage on green economy: http://capacity4dev.ec.europa.eu/b4life/minisite/biodiversity-life-b4life/green-economy
 - o subpage on the wildlife crisis: http://capacity4dev.ec.europa.eu/b4life/minisite/biodiversity-life-b4life/wildlife-crisis
 - o subpage on the African Wildlife Strategy: http://capacity4dev.ec.europa.eu/b4life/minisite/biodiversity-life-b4life/african-wildlife-conservation-strategy. Note that similar Strategies are being developed for Asia, Latin America and the marine and coastal areas of Africa.
- The <u>EU Biodiversity Strategy to 2020</u>, notably Target 6 on the EU's contribution to halt global biodiversity loss, which includes Action 19 to systematically screen EU action for development cooperation to reduce any negative impacts on biodiversity.

I would also like to refer to the valuable work on biodiversity and development carried out by the OECD, part of which has been done with the Commission's financial support. http://www.oecd.org/dac/environment-development/green-growth-See: development.htm#Biodiversity. As discussed at the CBD Round Table on biodiversity and development, Brussels, 28 October 2015, the Commission also finances follow-up work with the overall objective to provide concrete, practical recommendations for effectively mainstreaming biodiversity and development, including development cooperation. The OECD will systematically examine the methods, approaches and tools for mainstreaming biodiversity and development at different levels and entry points; derive insights on experiences, challenges and lessons learned; and develop good practice insights to help address barriers and harness synergies for more effective mainstreaming in practice. The three areas of focus will be on mainstreaming at the national level, mainstreaming at the sectoral level, and on how to monitor and evaluate mainstreaming efforts and performance (including indicators). First results of this work are intended to be ready by CBD COP13 and we count on the OECD being provided with the opportunity to present these results and discuss the findings during the COP.

Please find some specific replies as regards the various elements of COP Decision XII/5:

• How to integrate biodiversity and nature's benefits to people, including ecosystem services and functions, into poverty eradication and development strategies, initiatives and processes at all levels and vice versa, to integrate poverty eradication and development concerns and priorities into national biodiversity strategies and action plans and other appropriate plans, policies and programmes, and to monitor, evaluate and report on these integration efforts through appropriate indicators and tools (see paragraph 3 of decision XII/5);

As regards the first part, integrating biodiversity into poverty eradication and development, please refer to the weblinks mentioned above. In addition, the Commission sees the Sustainable Development Goals as an important tool for integrating environment and development concerns. Appropriate indicators, including indicators for biodiversity for all SDGs where biodiversity is relevant, are important to monitor integration and thereby help ensuring effective integration.

As regards the second part, integrating poverty eradication and development concerns and priorities in NBSAPs, many actions under the EU Biodiversity Strategy to 2020 are expected to indirectly address poverty eradication and development within the EU and globally, through fostering growth and jobs, including for lower-income population and in particular in rural areas.

• How to integrate biodiversity and ecosystem benefits, including services and functions, into national budgeting processes in order to capture the value of biodiversity in national development planning across all sectors (see paragraph 4 of decision XII/5);

Tracking of biodiversity spending, including through the use of Rio Markers, is a key tool for making a reliable estimate of the extent of biodiversity integration in several key

development sectors (e.g. agriculture, fisheries and forestry,). A review of the tool is currently ongoing.

Furthermore, we would like to refer to the excellent work done by BIOFIN in 29 partner developing countries and our strong support for a natural capital accounting (NCA) approach, e.g. as fostered by the World Bank's WAVES project and a recent EU commitment through its Partnership Instrument with emerging economies such as Brazil, China, India, Mexico and South Africa.

• How to enhance contribution of biodiversity to sustainable development and poverty reduction through the fair and equitable sharing of benefits arising from the utilisation of genetic resources and associated traditional knowledge, the conservation of biological diversity and sustainable use of its components (see paragraph 5 of decision XII/5):

The European Commission is strongly committed to the implementation of the 3rd objective of the Convention. EU adopted Regulation (EU) 511/2014, implementing the compliance measures of the Nagoya Protocol. This is expected to contribute to trust-building between the Parties and facilitating access to genetic resources. Clear and simple access measures will generate benefit-sharing, thereby contributing to the biodiversity preservation and poverty eradication.

The European Commission also supports the activities of the ABS Initiative (http://www.abs-initiative.info/), whose objective is to build capacity for implementation of the Protocol in developing countries, assisting them in setting up institutional and legal frameworks.

• How to build resilience of ecosystem functions and services to climate-change risks and to natural hazards, and other anthropogenic pressures, as well as for adaptation to environmental stress for consideration in strategies and national development/sectoral plans (see paragraph 6 of decision XII/5);

When promoting nature based solutions and ecosystem based approaches, we generally emphasise the importance of resilience for biodiversity, climate change adaptation and disaster risk reduction. All these objectives are strongly interlinked. Mitigating climate change is of key importance for mitigating the negative impacts of global warming on biodiversity. Investing in biodiversity and ecosystems and halting biodiversity-loss is an essential element for climate change mitigation. Moreover, healthy ecosystems offer protection against disasters, such as flooding, landslides, tsunamis, droughts, etc. and a large diversity of habitats and species allow greater recovery ability.

• How to raise awareness on best practices of sustainable use, including agroecological approaches with positive impacts on the conservation of biodiversity, and to promote actions compatible with biodiversity conservation to strengthen food security and nutrition as mechanisms for poverty eradication in rural areas (see paragraphs 7 and 8 of decision XII/5);

See the webpage http://capacity4dev.ec.europa.eu/b4life/minisite/biodiversity-life-b4life/food-security-and-rural-development referred to above. Mainstreaming biodiversity and agriculture, and its importance for food security and nutrition, will be further discussed at COP13. This is increasingly encompassed in international cooperation programmes, through a 'sustainable landscape approach' which covers biodiversity conservation (protected areas) as well as sustainable use of natural resources (land, water, forests) and sustainable economic activities among which mostly agriculture.

• How to recognize and take into account the diverse and holistic intrinsic values of biodiversity, including its spiritual and cultural values, and to use appropriate and effective non-market-based, market-based and rights-based approaches, taking into account national circumstances, visions and approaches (see paragraph 9 of decision XII/5);

Given the need for mobilising resources for biodiversity protection, the Commission has systematically promoted the development of market-based instruments, such as payment-for-ecosystem schemes (PES) and biodiversity-offsets, whilst emphasising the importance of an effective regulatory framework and full respect of the mitigation hierarchy. I.e. regulation and market-based approaches are viewed as complementary and one cannot replace the other. An example is the Natural Capital Financing Facility, see http://ec.europa.eu/environment/life/funding/financial instruments/ncff.htm.

- How to identify and promote, policies, activities, projects and mechanisms on biodiversity and development that consider traditional knowledge related to biodiversity and that empower indigenous and local communities, the poor, marginalized and vulnerable, who depend directly on biodiversity and ecosystem services and functions for their livelihoods, recognizing the role of collective action in the conservation of biodiversity and the sustainable use of its components (see paragraphs 10 and 13 of decision XII/5);
- How to support indigenous and community conserved areas and territories, community-based management, customary sustainable use and community governance of biodiversity, and ensure the full and effective participation of indigenous and local communities in decision-making processes, taking into account international instruments and law related to human rights in accordance with national legislation and to consider traditional knowledge related to biodiversity conservation in their national policies and initiatives (see paragraph 11 of decision XII/5);

Please refer to the work of the ABS Initiative, http://www.abs-initiative.info/stakeholders-and-topics/ilcs/.

• How to take steps to identify and overcome barriers to the implementation of decisions of the Conference of the Parties, such as lack of cross-sector coordination, resources and political prioritization, in order to effectively integrate biodiversity, poverty eradication and development, and to share lessons learned and the approaches

or methods used to overcome barriers using the clearing-house mechanism (see paragraph 14 of decision XII/5);

Please refer to the ongoing work by the OECD.

• How to develop or strengthen the enabling environment and the capacity of Parties, communities, organizations and individuals, to effectively integrate the interlinkages between biodiversity and poverty eradication and sustainable development, and relevant cross-cutting issues by providing the necessary technical, scientific support and financial resources (see paragraph 15 of decision XII/5).

Please refer to the ongoing work by the OECD.