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Item 11 of the provisional agenda**
Digital sequence information on genetic resources

Outcomes of the work of the Ad Hoc Technical Expert Group on Allocation Methodology on the Disbursement of Funds from the Cali Fund

Note by the Secretariat

1. In decision [16/2](#), the Conference of the Parties to the Convention on Biological Diversity at its sixteenth meeting established the Ad Hoc Technical Expert Group on Allocation Methodology to work on the allocation methodology of the Cali Fund for the Fair and Equitable Sharing of Benefits from the Use of Digital Sequence Information on Genetic Resources, with terms of reference provided in enclosure III of the annex to the same decision. The Expert Group was tasked with providing technical advice and guidance on remaining and unresolved issues relating to the disbursement of funds from the Cali Fund, on the basis of paragraph 20 of the annex to decision [16/2](#), which addresses the issue of direct allocations to Parties. In particular, the Expert Group was tasked with developing an allocation methodology for disbursing funding from the Cali Fund on the basis of the criteria set out in enclosure II of the annex to decision [16/2](#), for consideration by the Conference of the Parties at its seventeenth meeting.
2. According to paragraph 19 of the modalities for operationalizing 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, as provided in the annex to decision [16/2](#), the Conference of the Parties at its seventeenth meeting is expected to determine an allocation formula on the basis of the work of the Expert Group. Accordingly, language to this effect was included in the elements of a draft decision provided in document CBD/COP/17/6, for consideration by the Conference of the Parties at its seventeenth meeting.

* Reissued for technical reasons on 14 September 2026.

** [CBD/COP/17/1/Rev.1](#).

3. The allocation methodology developed by the Expert Group is provided in the annex to the present document.¹ The reports and associated documents of the two meetings of the Expert Group are available online.²

¹ The allocation methodology was originally issued without formal editing in annex II to the report of the second meeting of the Expert Group ([CBD/DSI/AHTEG/2026/2/3](#)).

² [www.cbd.int/meetings/DSI-AHTEG-2026-01](#) and [www.cbd.int/meetings/DSI-AHTEG-2026-02](#).

Annex

Allocation methodology for disbursing funds from the Cali Fund

I. Design principles

1. The design principles summarized below are intended to be applied holistically to support the development of an allocation methodology, recognizing the variety of disbursement pathways and their linkages to the potential funding scales for the Cali Fund for the Fair and Equitable Sharing of Benefits from the Use of Digital Sequence Information on Genetic Resources.

2. The principles are designed within the context of the modalities and objectives of the Cali Fund, as established in decisions [15/9](#) and [16/2](#). Moreover, they are designed to support the realization of the objectives of the Convention on Biological Diversity in developing country Parties, including through the delivery of activities described in national biodiversity strategies and action plans, and are based on the premise that at least half of the funding should support the self-identified needs of indigenous peoples and local communities. Finally, they are also designed to take into account decision [16/4](#) on the programme of work on Article 8(j) and other provisions of the Convention related to indigenous peoples and local communities to 2030, and other relevant current and future decisions of the Conference of the Parties.

A. Equity, fairness and impact

3. The methodology should ensure that its substantive outcomes are fair and equitable in allocations to developing country Parties, in particular the least developed countries and small island developing States, and Parties with economies in transition, and in allocations to indigenous peoples and local communities, including women and youth within those communities.

B. Efficiency

4. It is preferable to use available data sets and indicators as appropriate and applicable for each criterion, in particular those already adopted by the Conference of the Parties, with due regard to sustainability and custodianship. The development of new data sets would need to be adequately resourced.

C. Transparency and confidence

5. The methodology should be easy to communicate and made publicly available, thereby contributing to the transparency of the funding mechanism. It should also aim to be understandable to contributors to the Cali Fund in the private sector, as well as to Parties to the Convention, indigenous peoples and local communities, including women and youth within those communities, and all other stakeholders relevant to the multilateral mechanism and its Cali Fund.

D. Scalability and longevity

6. The methodology should take into account the growth and adaptation of the Cali Fund over time, recognizing that it is innovative and evolving and may require the reconsideration of criterion, weights, floors and ceilings, and other potential amendments and adjustments in due course, including the inclusion of relevant data as they become suitable for use.

II. Allocation methodology

7. The present allocation methodology takes into consideration the design principles as agreed upon by the Ad Hoc Technical Expert Group on Allocation Methodology and the criteria provided by the Conference of the Parties. Considering the context of the establishment of the Cali Fund and its goals, the Expert Group decided to add a fourth criterion to recognize the contribution of traditional knowledge and indigenous peoples and local communities to biodiversity conservation

and sustainable use. The strongest consideration was given to the goals of the Cali Fund as well as to the availability of data when building the methodology.

8. Where appropriate, and subject to national circumstances, at least half of the funding of the Cali Fund should support the self-identified needs of indigenous peoples and local communities, as stated in paragraph 21 of the annex to decision [16/2](#). The present allocation methodology was built with the consideration of paragraph 20 of the annex to decision [16/2](#) relating to allocations to Parties, but with the flexibility to be considered for a more extended application, as applicable.

9. The formula is as follows:

$$B + w1 \cdot C_A + w2 \cdot C_B + w3 \cdot C_C + w4 \cdot C_D^1$$

10. The equality base, or B, is to be applied as a first step in the calculation of the allocation. The calculation of the equality base or B is dependent on the option chosen for the data set for criterion (c), as explained below. After the equality base calculation, the below data sets are applied with equal weightings. The two amounts for each half are then added together to form each recipient country's allocation.

11. The data sets for the criteria are as follows:

(a) Criterion (a): the Benefits Index for Biodiversity of the Global Environment Facility (data from the eighth replenishment period of the Global Environment Facility Trust Fund, at the global level);

(b) Criterion (b): currently null and included as a placeholder until such time as data become applicable. The formula will then be adjusted to maintain equal weighting;

(c) Criterion (c): two options regarding the sources of data are presented to the Conference of the Parties for its consideration and decision, noting the difference in equality base calculations:

- (i) Option 1: normalized, inverted gross national income per capita, with the base allocation considering a corrective measure for least developed countries and small island developing States;
- (ii) Option 2: the inverted United Nations scale of assessments formula using a banded approach as set out in a working paper² and as presented in table 1;

Table 1

Six-band configuration from the inverted United Nations scale of assessments formula

<i>Band</i>	<i>United Nations assessed share range (percentage)</i>	<i>Weight</i>	<i>Ratio to band 1</i>
1	≤ 0.001	1.50	1.00
2	0.001–0.010	1.30	0.87
3	0.01–0.100	1.10	0.73
4	0.1–1.000	0.95	0.63
5	1.0–10.000	0.75	0.50
6	> 10.000	0.40	0.27

¹ Where B = equality base, w1 = weight one, C_A = criterion (a) on biodiversity richness and other biodiversity-related criteria, w2 = weight two, C_B = criterion (b) on the geographic origin of the genetic resources, w3 = weight three, C_C = criterion (c) on capacity needs for the conservation and sustainable use of biodiversity, w4 = weight four, and C_D = criterion (d) on measures related to traditional knowledge and indigenous peoples and local communities.

² Paul Oldham, "Inverted UN scale of assessments formula (IUSAF): working paper on option A", 7 May 2026. Available at <https://ssrn.com/abstract=6809586>.

- (d) The different approaches for the equality base are as follows:
- (i) For option 1: if the methodology uses normalized, inverted gross national income per capita, then the equality base has a specific consideration for small island developing States and least developed countries. Using the gross national income for criterion (c) yields results that are biased against least developed countries and small island developing States, and thus a correction factor is introduced into the calculation of the equality base. For this calculation, the equality base calculation is split into two: B = half of the funds available are split equally among all recipient country Parties, as standard. Then, least developed countries and small island developing States are given 25 per cent additional value of this base value;³
 - (ii) For option 2: if the methodology uses the inverted scale of assessments formula, the total amount of funds available is to be divided in half, and the first half of the funds is to be divided equally among all recipient country Parties, representing the equality base or B = half of the funds available/total number of recipient country Parties.⁴

12. After either calculation of the equality base, the remainder of the funds are then subjected to the rest of the formula. The two amounts for each part are then added together to form each recipient country's allocation:

(a) Criterion (d):⁵ indicator 21.CT.3 (data underlying the Index of Linguistic Diversity); equal weightings will be applied to all criteria;

(b) The result of the formula, added to the equality base allocation, is considered the total allocation for each recipient country Party, as illustrated in table 2;

(c) Further work is indicated in the section below.

13. The results of both options in the model are illustrated in table 2.

Table 2

Results of the formula for a level of funds to Governments of \$200 million, using option 1 or option 2 for criterion (c), with criteria (a), (b) and (c) being equal

<i>Country^a</i>		<i>Characteristic</i>		<i>Formula with option 1^b</i>		<i>Formula with option 2^b</i>	
				<i>United States dollars</i>	<i>Percentage</i>	<i>United States dollars</i>	<i>Percentage</i>
Country A	High income/high biodiversity			3 172 049	1.59	1 743 925	0.87
Country B	High income/low biodiversity			873 850	0.44	1 119 371	0.56
Country C	Medium income/high biodiversity			2 526 282	1.26	1 663 419	0.83
Country D	Medium income/low biodiversity			1 042 737	0.52	1 317 650	0.66
Country E	Low income/high biodiversity			2 735 509	1.37	1 667 462	0.83
Country F	Low income/low biodiversity			1 666 411	0.83	1 379 423	0.69

³ Or $B = F/2 (N+0.25M)$, where F is the total funds available, N is the total number of recipient country Parties and M is least developed countries and small island developing States.

⁴ Or $B = F/2N$, where F is the total funds available and N is the total number of recipient country Parties.

⁵ Indicators 22.1, on land-use change and land tenure in the traditional territories of indigenous peoples and local communities; 9.2, on the percentage of the population in traditional occupations; and 22.b, on the participation and rights of indigenous peoples and local communities in decision-making, are currently placeholders and their source data will be included as they become available. All subcomponents are weighted equally.

^a In order to visualize the outcomes of the formulas considered for a direct allocation to country Parties, taking into account the overall hypothetical amount of \$200 million, synthetic countries were created as an average of five real countries fitting the characteristics as outlined in column two.

^b The results are shown as absolute value in United States dollars and as a percentage of the total funds available.

III. Recommendations for further work

14. The Expert Group recommends that further work be conducted on the allocation methodology in order to refine the current approach, adopt sources of data that become available in the near future and revise the approach on a regular basis to include new sources of data, increased understanding of the goals and impacts of the methodology and lessons learned from the implementation of the current methodology.

15. Future work should keep in mind specific assumptions under which the current methodology is being recommended:

(a) While a criterion on measures related to indigenous peoples and local communities and associated traditional knowledge was specifically added to the three criteria proposed in enclosure II of the annex to decision [16/2](#), aspects relating to indigenous peoples and local communities and traditional knowledge in all other criteria should be included, as they are considered a higher-level matter. Those aspects should therefore be considered in all present and future criteria of the methodology;

(b) The allocation methodology should be guided by good faith, and potential risks can be addressed through appropriate safeguards, transparency and periodic review mechanisms. Risks associated with the creation of perverse incentives, for example, should be considered on the basis of this assumption.

16. Future work specific to each criterion that the Expert Group recommends to the Conference of the Parties is described below.

A. Criterion (a): biodiversity criterion

17. It is recommended that short-term work include the following:

(a) The criteria-based methodology uses the Benefits Index for Biodiversity of the Global Environment Facility on an interim basis for criterion (a). The updated data set from the ninth replenishment period of the Global Environment Facility Trust Fund, which will include freshwater species, should replace the current data provided from the eighth replenishment. The Secretariat should use the agreement with the United Nations Environment Programme World Conservation Monitoring Centre to update the data when they become available;

(b) Data from the ninth replenishment should be reviewed for:

(i) Robustness;

(ii) Transparency of the decision-making process, in particular on the weight allocation within the Benefits Index for Biodiversity.

18. It is recommended that medium-term work include the following:

(a) Creation of a new data set for biodiversity richness based on measures of biodiversity under the Convention:

(i) Ecosystem diversity;

(ii) Species diversity;

(iii) Genetic diversity;

(b) Inclusion of ecosystem degradation as a measure of a country's performance in protecting its biodiversity;

- (c) Inclusion of land and territories of indigenous peoples and local communities;
- (d) Exploration of other sources of data newly available;
- (e) Testing of any new sources of data or indices for:
 - (i) Robustness;
 - (ii) Transparency of the decision-making process for any existing index adopted as part of this new indicator.

19. Some additional potential new sources of data or indices related to the criterion on biodiversity to explore are data sets on species- and ecosystem-level diversity from the International Union for Conservation of Nature, the LandMark data set on indigenous lands, the Biodiversity Habitat Index of the Group on Earth Observations Biodiversity Observation Network, the proportion of populations within species with an effective population size greater than 500, and measures of country biodiversity conservation responsibility in the Map of Life, among others.

B. Criterion (b): geographical origin

20. This criterion was included in the formula as a placeholder owing to the lack of currently applicable and unbiased data.

21. It is recommended that short-term work include the following:

- (a) Establish a work programme to create an indicator for the geographical origin of the genetic resources from which digital sequence information on genetic resources in the database was derived to be used in the allocation methodology, taking into account:
 - (i) Previously explored sources of data;
 - (ii) Amount of sequenced data in the Global Biodiversity Information Facility by country;
 - (iii) Number of sequences in public databases with geographical origin information;
- (b) Consider the linkages of criterion (b) with criterion (a) and criterion (c), being mindful of the creation of potential perverse incentives;
- (c) Consider the following with regard to data in databases:
 - (i) Issues of capacity: a map of interactions between sequence producers and publishers in a data set can reveal macro trends in capacity gaps. This could also make use of the national biodiversity strategies and action plans and national capacity-development plans;
 - (ii) Data governance and accountability: the accountability and transparency of relevant databases from which data for criterion (b) are taken could be improved through multilateral governance or contractual arrangements. A map of the coverage of the geographic distribution of metadata could provide relevant information;
 - (iii) Harmonization of standards: metadata contents, fields in the submission forms, and definitions or terms should be harmonized in a manner that identifies the country of origin of genetic resources from which digital sequence information on genetic resources is generated;
 - (iv) Inclusion of accurate geographical data, or geospatial data, including Global Positioning System coordinates: the inclusion of such data, in accordance with existing and emerging best practices in relevant databases, may help in ensuring data sovereignty;

- (v) Free, prior and informed consent: ensure respect for the free, prior and informed consent of indigenous peoples and local communities;
 - (vi) Traditional knowledge: in relation to the use of biocultural or similar labels in public databases, consider how best to recognize such data in future revisions of the methodology;
- (d) Evaluate the goal of criterion (b) in the methodology and consider capturing the use of digital sequences on genetic data in public databases from a country in lieu of the quantity of the data from the same country, including through information on patents linked to the use of digital sequence information on genetic resources;
- (e) Explore ways to recognize whether the genetic resource from which the digital sequence information came from maps to the land or territories of indigenous peoples and local communities, with the aim of including different scales of maps for different species, in accordance with local traditional knowledge.
22. Consider the possible inclusion of data from LandMark data sets to recognize the link between genetic data and culture.
23. Provide further clarity on criterion (b) in the indicative list in enclosure II of the annex to decision [16/2](#), in particular on the identification of “the database” mentioned in paragraph (b) of enclosure II.

C. Criterion (c): capacity needs

24. Future work on this criterion is based on the discrepancy between the economic capacity of a country as evaluated currently in the United Nations scale of assessments and the capacity of a country for the conservation and sustainable use of its biodiversity, as stated in decision [16/2](#). Accordingly, short-term future work should focus on:
- (a) Linkages of criterion (a) with criterion (b) and criterion (d), including the impact of capacity gaps on the use of digital sequence information on genetic resources and on the benefits resulting from such use;
 - (b) Exploring the use of national biodiversity strategies and actions plans and national capacity-development plans as an adapted source of data for capacity needs, noting the current inconsistencies in quality and objectivity and the potential to create perverse incentives.

D. Criterion (d): traditional knowledge

25. The Expert Group included the four traditional knowledge indicators from the monitoring framework for the Kunming-Montreal Global Biodiversity Framework. However, only indicator 21.C.T.3, on linguistic diversity, was deemed as globally available and ready for use. Therefore, the three remaining indicators are to be included as data become available:
- (a) Indicator 22.1 on land-use change and land tenure in the traditional territories of indigenous peoples and local communities;
 - (b) Indicator 9.2 on the percentage of the population in traditional occupations;
 - (c) Indicator 22.b on the participation and rights of indigenous peoples and local communities in decision-making.
26. It is recommended that further medium-term work include the following:
- (a) Evaluate the linguistic diversity indicator, given its evolving nature;
 - (b) Explore the potential to complement criterion (d) with measures of traditional governance and indigenous governance mechanisms;

(c) Explore other sources of data related to, among others, the diversity of traditional knowledge, the programme of work on Article 8(j) and other provisions of the Convention related to indigenous peoples and local communities to 2030, land-use change, land tenure of traditional territories, the work of the partnership between the Food and Agriculture Organization of the United Nations and LandMark to map indigenous and communal lands, the work of the International Union for Conservation of Nature on integrating indigenous and local knowledge into its Red List of Threatened Species, biocultural protocols and indigenous science and other biocultural, customary governance systems and human rights-based approaches.

E. Overarching recommendations for future work on the criteria data sources

27. Some recommendations apply across criteria and should be considered in all future work or revisions of the allocation methodology. These include:

- (a) Reviewing the weightage of the criterion once new or updated data have become available, as a factor of the importance of the criterion or the strength of the data;
- (b) Building standards for the assessment of robustness of all criteria;
- (c) Running sensitivity analyses on the formula to inform on the following:
 - (i) Influence of one parameter over the general outcome;
 - (ii) Influence of the weights on the outcome as a way to test a specific criterion;
- (d) Considering data governance and custody to reveal potential gaps in data sources and quality, which, in turn, should be considered for new data sources.

28. When further work has been conducted on criteria (a), (b) and (d), as noted in the present recommendations, the Expert Group proposes the creation of a biodiversity stewardship index, encompassing the above-mentioned criteria, which can be used in conjunction with the formula.