



Convention on Biological Diversity

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**Meeting of the Advisory Committee
on Resource Mobilization**
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Scoping the exploration of the biodiversity finance landscape

Note by the Secretariat

1. In decision 15/7, the Conference of the Parties decided to explore the current biodiversity finance landscape with a view to assessing gaps and overlaps, and to identifying opportunities to strengthen, simplify and reform existing instruments, and tasked the Advisory Committee on Resource Mobilization to undertake this task (paras. 41 and 43).
2. The terms of reference of the Advisory Committee, provided in annex I to the same decision, give further guidance on the scope and objectives of this exploration. It should:
 - (a) Provide an overview of the global biodiversity funding landscape and identify which **institutions, including global, regional and national, are funding activities** related to addressing biodiversity loss, and ways in which coherence, coordination and synergies among them can be enhanced;
 - (b) Assess how existing instruments, funds, and frameworks and **their interaction could be further improved, and successful ones promoted**, replicated or scaled up, so that they fully align with, and provide immediate support to the implementation of the Kunming-Montreal Global Biodiversity Framework;
 - (c) Take into consideration the progress of the reform to the Global Environment Facility to support the **quick start mobilization of resources** for the implementation of the Kunming-Montreal Global Biodiversity Framework, and in particular the process for the establishment of the Global Biodiversity Framework Fund and its implementation;
 - (d) **Identify the gaps** within the current financing landscape, including the types of gaps, such as relating to speed, eligibility, adequacy and access to finance, the priority gaps for which solutions should be explored, as well as the most effective ways to address those gaps.
3. The Secretariat presented a draft table of contents for this exploration at the preparatory meeting of the Advisory Committee, held online on 5 September 2023 (annex II to document CBD/RM/AC/2023/PM/1/2). The following list, which is not exhaustive, summarizes the observations and recommendations made by members of the Committee:¹

¹ The Secretariat acknowledges with thanks written comments on the document CBD/RM/AC/2023/PM/1/2 received from the Governments of Canada, Netherlands (Kingdom of the), Norway, and Switzerland; as well as from IUCN, UBC and TWN.

- (a) The work will continue to evolve in its structure and content;
- (b) Be technical, practical and pragmatic and focus on what is happening, what is going well and what needs improvement;
- (c) Establish connections and draw insights from successful initiatives that can serve as replicable models, while also identifying lessons learned and opportunities for improvement;
- (d) Explore the interconnection between biodiversity finance instruments and other finance instruments, including for climate change;
- (e) Highlight the importance of aligning financial flows with biodiversity outcomes and the goals of the Framework;
- (f) Reflect the critical role of indigenous peoples and local communities and other stakeholders as biodiversity investors;
- (g) Examine structural and macroeconomic factors affecting the capacity of governments to fund biodiversity-related projects;
- (h) Highlight the importance of mainstreaming;
- (i) There is a need to take a human rights-based approach, and to reflect gender considerations (see section C of the Framework);
- (j) Address also on how to ensure the equitable disbursement of resources;
- (k) Put more emphasis on private sector finance;
- (l) Emphasize the principle of do no harm;
- (m) Include concepts like blended finance.

4. In the light of the discussions at the preparatory meeting of the Advisory Committee, the Secretariat has developed scoping elements for the exploration, taking into account the comments and feedback from the preparatory meeting. At its first in-person meeting, which will be held in Kinshasa from 25 to 29 September 2023, the Advisory Committee may wish to consider the present document, as a basis for its further work on the exploration.

5. It is anticipated that the Secretariat, with the guidance of the Committee, will continue to develop the elements provided in the annex. Please note that there are overlapping themes in the current draft. Efforts will be made to appropriate cross reference sections within the document to reduce redundancy as the Advisory Committee advances its draft.

Annex

Scoping elements for the exploration of the biodiversity finance landscape

Introduction

1. Context and purpose of the study, approach taken, key assumptions and limitations:
 - (a) Recall the mandate and the scope as mentioned in the terms of reference of the Advisory Committee on Resource Mobilization;
 - (b) Reference will also be made to:
 - (i) Section C of the Kunming-Montreal Global Biodiversity Framework;
 - (ii) Articles 20, 21 and 11 of the Convention;
 - (b) The study will cover funding from a broad scope of sources, including public, private, philanthropies, IFIs, banks, etc., and innovative sources of funding (including blended finance).

Section 1. Global policy context

- (a) Overall macroeconomic context;
- (b) The importance of aligning financial flows (harmful subsidies, greening finance);
- (c) The importance of biodiversity mainstreaming overall.

Section 2. International biodiversity related finance

- (a) Providing an overview on which international organizations, including global, regional and national, are funding activities related to addressing biodiversity loss (including climate, etc.)
- (b) Discussing the financial instruments being used to fund activities related to addressing biodiversity loss:
 - (i) Brief overview of the instruments, including: grants; debt-loans, bonds; guarantees; equity investment; debt conversions; carbon credits / biodiversity credits, blended finance, and others;
 - (ii) Ranking of most used public financial instruments and relative contribution to global biodiversity finance;
- (c) Identifying and eliminating, phasing out, or reforming international public and private financial resource flows causing harm (development cooperation portfolios; FDI);
- (d) The role of international public and private finance for non-monetary contributions made by indigenous peoples, women, and local communities.
- (e) Summary: towards identifying gaps and overlaps in the current international biodiversity financing landscape (to be taken up further in section 5).

Section 3. Domestic biodiversity related finance

- (a) Providing an overview of domestic institutions which are funding activities related to addressing biodiversity loss;
- (b) Discuss the role of international finance in mobilizing domestic public and private finance;

(c) Overview of the instruments used to mobilize domestic financial resources, including localized financial instruments (bonds; guarantees; equity investment; subsidies and incentives; payment for ecosystem services; regulated offset mechanisms; carbon/biodiversity credits, blended finance, role of nature-based solutions, conservation trust funds, etc.);

(d) Overview of collective actions, including by indigenous peoples and local communities, Mother Earth centric actions and non-market-based approaches;

(e) The role of taking actions to address harmful financial resource flows, including subsidies, and to mainstreaming biodiversity;

(f) Summary: towards identifying gaps and overlaps in the current domestic biodiversity financing landscape (to be taken up further in section 5).

Section 4. Role of business and private finance in resource mobilization

Note: The issue of “Role of private sector in resource mobilization” was emphasized by committee members during the preparatory meeting. The Advisory Committee may wish to decide whether this aspect should be embedded in the sections above and/or whether to have it as a separate section.

(a) How will the implementation of the Framework by the private finance sector look like? It should include both reducing harmful flows (Goal D, Targets 14 and 15) and increasing positive impact (contributing to target 19);

(b) TNFD;

(c) Risks and how to address them (safeguards).

Section 5. Role of indigenous peoples and local communities in resource mobilization

Note: Similar to suggested section 5, the issue of “role of indigenous peoples and local communities in resource mobilization” was emphasized by committee members during the preparatory meeting. The Advisory Committee may wish to guide whether should be embedded in the sections above and/or whether to have it as a separate section.

Section 6. Identifying gaps and overlaps within the current biodiversity financing landscape

(a) Taking up the summaries in the above sections and developing them further;

(b) Provide an agreed list of global gaps and overlaps identified.

Section 7. Opportunities for improving existing instruments, funds, and frameworks, as well as their coherence, coordination and synergies.

(a) Assess against list of identified gaps and overlaps how existing instruments, funds, and frameworks and their interaction could be further improved, and successful ones promoted;

(b) Opportunities to scale innovative initiatives and solutions.

Section 8. Conclusions and summary
