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### SUBSIDIARY BODY ON IMPLEMENTATION

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Item 6 of the provisional agenda\*

### RESOURCE MOBILIZATION

*Note by the Executive Secretary*

#### I. INTRODUCTION

1. In decision [14/22](#), on resource mobilization, the Conference of the Parties at its fourteenth meeting affirmed that resource mobilization would be an integral part of the post-2020 global biodiversity framework and decided to initiate preparations of this resource mobilization component at an early stage, and in full coherence and coordination with the overall process of developing the post-2020 framework (para. 14). In paragraph 15 of the same decision, the Conference of the Parties requested the Executive Secretary to establish a panel of experts to support the development of such a resource mobilization component by preparing pertinent analyses and reports. Section II below provides more information on the mandate given to the panel of experts and the relevant activities undertaken to implement this decision, in particular on the different analyses and reports prepared by the expert panel that are now before the Subsidiary Body on Implementation for its consideration.

2. In the same decision, the Conference of the Parties also decided on a series of other operational activities, detailed below, to be undertaken by Parties, other Governments, relevant international organizations and initiatives, and the Executive Secretary. Section III provides updates on relevant activities being undertaken to implement these elements of decision 14/22. Section IV provides elements of a draft recommendation of the Subsidiary Body for its consideration. The reports of the expert panel are provided as addendums; the results of its work are reflected in section IV below.

#### II. RESOURCE MOBILIZATION COMPONENT OF THE POST-2020 GLOBAL BIODIVERSITY FRAMEWORK

3. In paragraph 15 of decision 14/22, the Executive Secretary was requested to contract a panel of experts, with equal representation from developing country Parties and developed country Parties and one from international non-governmental organizations, to undertake the activities listed below, and prepare reports, to contribute to the overall process for the post-2020 framework, and for the consideration of the Open-ended Working Group and of the Conference of the Parties at its fifteenth meeting. Accordingly, the Executive Secretary contracted, with financial resources gratefully received from the Government of Germany, a panel of three experts, based on a competitive process in accordance with United Nations rules, and taking into account the balance requested in the decision: Ms. Tracey Cumming (Republic of South Africa), Mr. Jeremy Eppel (United Kingdom of Great Britain and Northern Ireland), and Mr. Yasha Feferholtz (EcoHealth Alliance). The composition of the expert panel was communicated via notification [2019-101](#), sent on 7 November 2019.<sup>1</sup>

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\* CBD/SBI/3/1.

<sup>1</sup> Short biographies of the experts are provided under <https://www.cbd.int/financial/rm2020.shtml>.

4. According to the same paragraph, the panel of experts had the following tasks:

(a) To evaluate the structure, content and effectiveness of the strategy for resource mobilization indicating as much as possible the gaps in meeting the targets; and to review the experiences of achieving Aichi Biodiversity Target 20 and implementing the strategy for resource mobilization, and their adequacy, and build on these experiences to consider the need for appropriate action;

(b) To estimate the resources from all sources needed for different scenarios of the implementation of the post-2020 framework, taking into account the needs assessment of the Global Environment Facility, as well as costs and benefits arising from the implementation of the post-2020 framework;

(c) To contribute to the draft resource mobilization component of the post-2020 global biodiversity framework as a follow-up to the current strategy for resource mobilization, based on the existing strategy and the exercises described in the previous subparagraphs.

5. The tasks listed above were amenable to being packaged into specific reports, which are now before the Subsidiary Body on Implementation for its consideration, namely:

(a) An evaluation and review of the strategy for resource mobilization and Aichi Biodiversity Target 20, as per subparagraphs 15 (a) and (b) of decision 14/22, is being made available as an information document (CBD/SBI/3/INF/2), and CBD/SBI/3/5/Add.1 provides a synthesis of this evaluation and review;

(b) A preliminary report on estimating the resources needed from all sources for different scenarios of the implementation of the post-2020 framework, as per subparagraph 15 (c) of decision 14/22, is provided in document CBD/SBI/3/5/Add.2. Supplementary technical information is provided in an accompanying information document (CBD/SBI/3/INF/5). The report provides an overview of relevant analyses currently under way or recently completed, and their (emerging) results, as well as initial results of a complementary analysis based on information provided through the financial reporting framework. The final estimation will be provided to the Conference of the Parties at its fifteenth meeting;

(c) The contribution of the Panel of Experts to the draft resource mobilization component, as per subparagraph 15 (d) of decision 14/22, is provided in document CBD/SBI/3/5/Add.3.

6. As per the remaining subparagraphs 15 (e) to (h) of decision 14/22, the expert panel was to explore and consider various aspects of resource mobilization; namely, to:

(a) Explore options and approaches for mobilizing and providing additional resources from all sources;

(b) Consider ways to strengthen the engagement of a wider range of financial and private institutions, at all levels and from all sources, to support the implementation of the post-2020 framework;

(c) Consider ways to further mainstream biodiversity into national economic budgets and development plans, including key productive sectors;

(d) Consider ways to improve the readiness and capacity of Parties to access and utilize financial resources in support of the implementation of the post-2020 framework.

7. In the reports referred to above, these aspects of resource mobilization were considered in a cross-cutting manner. They were also used to structure the Thematic Workshop on Resource Mobilization for the Post-2020 Global Biodiversity Framework, which was held in Berlin from 14 to 16 January 2020, with financial and logistical support from the Government of Germany. In order to inform the discussions at the workshop, the expert panel prepared a preliminary evaluation and review of the strategy for resource mobilization and Aichi Biodiversity Target 20, including preliminary gaps and needs for action identified, and made it available to the workshop. They also presented, at the workshop, a scoping analysis of available methodologies for estimating the resources needed for implementing the post-2020 framework. The report of the workshop ([CBD/POST2020/WS/2020/3/3](#)) is available to the Subsidiary Body under information documents.

8. In order to support the work of the Panel of Experts, the Executive Secretary issued notification [2019-086](#), dated 8 October 2019, inviting Parties and relevant organizations to submit pertinent views and experiences on resource mobilization, and providing an indicative set of questions based on the elements of paragraph 15 of decision 14/22. At the time of preparation of the present note, submissions had been received from Benin, Bosnia and Herzegovina, Canada, Ethiopia, the European Union and its member States, Guinea, Iraq, Japan, Norway and Uganda. Submissions were also received from the following international organizations, indigenous peoples and local communities and relevant stakeholders: the Conservation Finance Alliance; the International Indigenous Forum on Biodiversity; the International Union for Conservation of Nature; The Nature Conservancy; the United Nations Conference on Trade and Development (UNCTAD) BioTrade Initiative and partners; a team of academic researchers from the University of British Columbia, Lancaster University and Duke University; the Biodiversity Finance Initiative of the United Nations Development Programme (BIOFIN); the World Bank, and the World Wide Fund for Nature.<sup>2</sup> These submissions, together with the discussions and material presented at the workshop, provided valuable input into the work of the Panel of Experts.

9. Resource mobilization has also been touched upon during the meetings of the Open-ended Working Group on the Post-2020 Global Biodiversity Framework. The first meeting (Nairobi, 27-30 August 2019) pointed to resource mobilization and the provision of financial resources as possible issues to reflect in the post-2020 global biodiversity framework as means of implementation and enabling conditions, and it was suggested that facilitating/enabling implementation could be reflected in the goals of the framework.<sup>3</sup> At the second meeting of the Open-ended Working Group (Rome, 24-29 February 2020), the availability of adequate financial resources, together with capacity and technical cooperation, was proposed as an additional goal. At its second meeting, the Open-ended Working Group also discussed resource mobilization under target 15 of the zero draft of the post-2020 global biodiversity framework, and the pertinent deliberations and views expressed were taken into account.<sup>4</sup>

10. Under this item, the Subsidiary Body on Implementation at its third meeting may wish to take note of, and consider, the information and analyses provided in documents CBD/SBI/3/5/Add.1 to Add.3. The Subsidiary Body may in particular wish to consider the contribution of the expert panel to the draft resource mobilization component of the post-2020 global biodiversity framework, reflected in the draft recommendation in section IV below, as a basis for its recommendation to the Open-ended Working Group on the Post-2020 Global Biodiversity Framework at its third meeting and the Conference of the Parties at its fifteenth meeting.

11. The COVID-19 pandemic and the associated policy responses have highlighted the importance of better understanding the nexus between biodiversity and human health in order to harness potential policy synergies. Current economic stimulus responses provide both challenges and opportunities for biodiversity financing: challenges in terms of reprioritization exercises due to increasingly scarce public funds, and opportunities in terms of the widely agreed need to “build back better.” Policy action will be required in order to minimize the challenges and maximize the opportunities.

### **III. PROGRESS REPORT ON OTHER ELEMENTS OF DECISION 14/22**

#### **A. Financial reporting**

12. In paragraphs 1 and 3 of decision 14/22, the Conference of the Parties at its fourteenth meeting took note with appreciation of the information provided by Parties through the financial reporting framework, and urged Parties to report, using the online financial reporting framework, on their further contribution to the collective efforts to reach the global targets for resource mobilization, against the established baseline, in conjunction with their sixth national reports, by 31 December 2018.

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<sup>2</sup> The submissions are made available under <https://www.cbd.int/financial/rm2020.shtml>.

<sup>3</sup> [CBD/WG2020/REC/1/1](#), annex I, sections E and D.

<sup>4</sup> [CBD/WG2020/REC/2/1](#).

13. Between 5 September 2018, the cut-off date for the analysis submitted to the Conference of the Parties at its fourteenth meeting,<sup>5</sup> and 10 March 2020, four new submissions were received with information on baselines and progress through 2015, and updated information on baselines and progress through 2015 was also received from some Parties. A total of 17 countries reported on further progress through 2020, under the second round of reporting. The consolidated number of Parties having submitted information through the financial reporting framework is 81. An updated analysis of the frameworks submitted is included in document CBD/3/5/Add.1.

### **B. Capacity-building and technical support**

14. In paragraph 4 of decision 14/22, the Conference of the Parties invited BIOFIN and similar programmes or initiatives to further provide financial and technical support and capacity-building for interested developing countries to participate in the initiative.

15. In the period under review, BIOFIN launched its Phase II with 27 countries now being fully geared towards the implementation of in total 106 biodiversity finance solutions, achieving tangible finance results. Five new countries started to implement the BIOFIN methodology. The BIOFIN team continued to encourage BIOFIN countries to reflect their finalized products in the financial reporting framework of the Convention.<sup>6</sup> A revised BIOFIN methodology was published in November 2018, and the online repository of finance solutions now contains over 150 entries.<sup>7</sup> The CBD-BIOFIN Regional Nodes support programme, designed to provide non-BIOFIN countries with targeted technical support in applying the BIOFIN methodology, is ongoing, and 40 countries in total have been engaged with different degrees of support. BIOFIN, in collaboration with the Convention Secretariat, also held a massive open online course (MOOC) on biodiversity finance from 15 April to 31 May 2019, with a total enrolment of 3,607 participants from 170 countries (including 236 new participants enrolled as self-paced since the finalization of the MOOC interactive version).<sup>8</sup>

16. The Subsidiary Body many wish to take note of this work, and to invite BIOFIN, together with other relevant international organizations and initiatives, to continue this work under the post-2020 global biodiversity framework and its resource mobilization component.

### **C. Synergies among conventions**

17. In paragraph 7 of decision 14/22, the Conference of the Parties emphasized that all resource mobilization strategies should promote and harness synergies among conventions, including synergies related to systems for monitoring financial resources from different sources and the implementation of conventions. In this regard, the Land Degradation Neutrality (LDN) Fund, spearheaded by the Global Mechanism of the United Nations Convention to Combat Desertification (UNCCD) and launched at the thirteenth session of the Conference of the Parties to UNCCD (Ordos, China, 2017), pursuant to an earlier request of the Conference of the Parties to UNCCD, is an impact investment fund blending resources from the public, private and philanthropic sectors to support achieving land-degradation neutrality through sustainable land management and land restoration projects implemented by the private sector. The LDN Fund aims to take a landscape approach which considers and manages trade-offs among competing land uses, individual interests and sectoral policies; in particular, the protection of vital ecosystem services goes hand in hand with safeguarding against potential large-scale land acquisitions that contradict environmental standards and the interests of local communities. Reflecting this programmatic direction to harness synergies, the Executive Secretaries of all three Rio conventions are represented in the Strategic Board of the LDN Fund. Likewise, the Green Climate Fund endorses supporting and financing nature-

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<sup>5</sup> CBD/COP/14/6.

<sup>6</sup> By March 2020, the following BIOFIN-supported countries had completed their financial reporting frameworks: Belize, Bhutan, Chile, Colombia, Costa Rica, Cuba, Ecuador, Georgia, Guatemala, India, Kazakhstan, Mexico, Mozambique, Peru, Philippines, Rwanda, South Africa, Thailand, Uganda.

<sup>7</sup> <https://www.biodiversityfinance.net/finance-solutions>.

<sup>8</sup> The online course is available at <https://learningfornature.org/en/courses/biodiversity-finance/>.

based solutions in climate policies and associated project development and financing, thus promoting synergies between these important areas. Some multilateral or bilateral development banks have also adopted strategies and are financing projects with climate and biodiversity co-benefits.

#### **D. Milestones for the full implementation of Aichi Biodiversity Target 3**

18. In paragraph 11 of decision 14/22, the Conference of the Parties welcomed the work of relevant organizations and initiatives to provide analytical and technical support and capacity-building to the implementation of Aichi Biodiversity Target 3, and invited them to continue and further intensify this work.

19. In paragraph 12 of the same decision, the Conference of the Parties noted the useful role of national studies to identify harmful incentives and opportunities for removal or reform of harmful incentives, including subsidies, and in scoping and identifying the most effective policy action, and invited interested organizations to consider undertaking a systematic compilation and analysis of existing studies with a view to identifying good-practice methods for identifying harmful incentives and developing appropriate policy responses, and develop a standard or template for such standards as voluntary guidance. The Working Party on Biodiversity, Water and Ecosystems of the Organisation for Economic Co-operation and Development (OECD) decided to take on this task as part of its 2019-2020 work programme, which is currently under way. In addition, OECD supports countries in aligning national budgets with climate, biodiversity and other environmental objectives, under its *Paris Collaborative on Green Budgeting*.

20. OECD continues to monitor trends in potentially harmful elements of government support to agriculture, as an indicator to measure progress regarding action on harmful incentives, including subsidies, as per Aichi Biodiversity Target 3. OECD is tracking economic instruments and finance for biodiversity through its global database on Policy Instruments for the Environment (PINE). Currently, nearly 110 countries are contributing to this database, which provides information on more than 3,500 policy instruments relevant to the environment. About 60 countries have reported on biodiversity-relevant economic instruments they have put in place (i.e., taxes, fees and charges, tradable permits, or biodiversity-related subsidies). An invitation to contribute to the PINE database was communicated to Parties through notification [2019-114](#) of 12 December 2019. The PINE database serves as a data repository for relevant indicators to monitor progress in implementing the element related to positive incentive measures of Aichi Biodiversity Target 3 (see decision XIII/28, annex). OECD is also currently developing surveys to track two additional economic instruments, namely payments for ecosystems services (PES) and biodiversity offsets.

21. The United Nations Environment Programme recently launched an initiative on fiscal reform for sustainable agriculture, in which the Convention Secretariat collaborates through the initiative's technical expert group. The initiative seeks to contribute to international commitments under the Sustainable Development Goals and the Convention on Biological Diversity, to fill in identified knowledge gaps and to build momentum and advance this agenda in 2020-2021 as part of a holistic food systems approach. Under the initiative, there are plans to organize a series of outreach activities, including high-level policy dialogues at key international conferences, launch a targeted communications campaign around a positive narrative, and produce a global report on repurposing agricultural support for sustainable food systems.

### **IV. CONCLUSIONS AND ELEMENTS OF A DRAFT RECOMMENDATION**

#### **A. Resource mobilization component of the post-2020 biodiversity framework**

22. The Panel of Experts provided its contribution to the draft resource mobilization component of the post-2020 global biodiversity framework in its third report (CBD/SBI/3/5/Add.3). The contribution comes in two parts. Section VI of the document provides the proposals of the expert panel on how to reflect resource mobilization directly in the post-2020 global biodiversity framework, in the form of possible targets, while sections I to V set out a strategic approach which could serve as a successor to the current strategy for resource mobilization. Both the proposed targets and the strategic approach follow a common architecture, consisting of three interconnected and complementary components: (a) reducing or redirecting resources causing harm to biodiversity; (b) generating additional resources from all sources;

and (c) enhancing the effectiveness and efficiency of resource use. There are interlinkages and possible cross-fertilization between some of the targets for resource mobilization proposed by the Panel of Experts and the goals of the long-term strategic approach to mainstreaming developed with the support of the Informal Advisory Group on Mainstreaming.

23. These two parts are reflected in the draft recommendation below, in the form of draft elements on resource mobilization for possible inclusion in the post-2020 global biodiversity framework (annex I) and draft elements of a possible successor to the current strategy for resource mobilization (annex II). The Subsidiary Body may wish to consider inviting the Open-ended Working Group on the Post-2020 Global Biodiversity Framework and its Co-Chairs to take into consideration the draft elements on resource mobilization for possible inclusion in the post-2020 global biodiversity framework (annex I), and to recommend to the Conference of the Parties at its fifteenth meeting that it adopt the successor to the current strategy for resource mobilization contained in annex II.

24. The contribution of the Panel of Experts also provides observations and suggestions regarding the ongoing need of developing countries and countries with economies in transition for technical support and capacity-building, including for the development of national finance plans and other activities related to resource mobilization. These suggestions are taken up in the draft recommendation below.

### **B. Financial reporting**

25. The contribution of the Panel of Experts contained in CBD/SBI/3/5/Add.3 also provides recommendations for a simplified and more effective financial reporting framework. The panel identifies a need for more timely and regular data collection, management and utilization to inform decision-making, including by making better use of existing international statistical reporting frameworks and associated processes. These suggestions are reflected in the draft recommendation below.

### **C. Synergies among conventions**

26. The Subsidiary Body may wish to take note of the work of the organizations described in the previous section and encourage them to continue and intensify this work.

### **D. Milestones for the full implementation of Aichi Biodiversity Target 3**

27. The last three meetings of the Conference of the Parties developed a considerable *acquis* highlighting the potential contribution of implementing Aichi Biodiversity Target 3, on incentive measures, to Aichi Biodiversity Target 20, on resource mobilization, and providing operational guidance thereon, including by achieving the milestones for implementing Aichi Biodiversity Target 3 adopted by the Conference of the Parties at its twelfth meeting.<sup>9</sup> Aichi Biodiversity Target 3 and the milestones for its implementation have a deadline of 2020. A potential successor target on incentives was proposed in the zero draft of the post-2020 global biodiversity framework (target 12) and is proposed for further development and amendment in the contribution of the Panel of Experts (see annex I below). The long-term strategic approach to mainstreaming biodiversity, and its action plan developed with the support of the Informal Advisory Group on Mainstreaming, are also relevant in this regard.<sup>10,11</sup>

28. The Subsidiary Body may wish to consider recommending the continuation of this work under the post-2020 global biodiversity framework, by taking note of the supportive activities of relevant international organizations and by encouraging them to continue and intensify this work.

### **E. Elements of a draft recommendation**

29. In the light of the considerations above, the Subsidiary Body on Implementation at its third meeting may wish to consider making a recommendation along the following lines:

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<sup>9</sup> See decision [XI/4](#), para. 8; [XII/3](#), paras. 19-23 and annex I; [XIII/20](#), paras. 22-25; and [14/22](#), para. 8-13.

<sup>10</sup> CBD/SBI/3/13.

<sup>11</sup> CBD/SBI/3/13/Add.1.

*The Subsidiary Body on Implementation,*

*Recalling* decision [14/22](#) and its decision to initiate preparations on the resource mobilization component of the post-2020 global biodiversity framework at an early stage in the process of developing the framework, in full coherence and coordination with the overall process,

*Emphasizing* the importance of increasing the mobilization of financial resources from all sources for the effective implementation of the post-2020 global biodiversity framework,

*Having considered* the report of the Thematic Workshop on Resource Mobilization for the Post-2020 Global Biodiversity Framework,<sup>12</sup> which was held in Berlin from 14 to 16 January 2020,

*Having also considered* the reports of the Panel of Experts on resource mobilization, in particular the contribution to the draft resource mobilization component,

*Emphasizing* the interlinkages and possible cross-fertilization between certain elements of the resource mobilization component as proposed by the Panel of Experts and the long-term strategic approach to mainstreaming developed with the support of the Informal Advisory Group on Mainstreaming,

### **Financial reporting**

1. *Takes note with appreciation* of the information provided by Parties through the financial reporting framework, and of the assessment contained in the relevant report of the Panel of Experts;<sup>13</sup>

2. *Urges* Parties that have not yet done so to provide the necessary baseline information and report initial progress against the targets for resource mobilization up to 2015, by 31 December 2020, using the financial reporting framework, and *invites* Parties to update, as appropriate, their financial reporting frameworks with confirmed or final data for 2015, with a view to improving the robustness of the data and enabling a comprehensive assessment of progress towards achieving the targets set by the Conference of the Parties at its twelfth meeting;<sup>14</sup>

3. *Requests* the Executive Secretary to prepare an updated and final analysis of financial reports received, for the information of the Conference of the Parties at its fifteenth meeting;

### **Resource mobilization component of the post-2020 biodiversity framework**

4. *Invites* the Open-ended Working Group on the Post-2020 Global Biodiversity Framework and its Co-Chairs to take into consideration the draft elements on resource mobilization for possible inclusion in the post-2020 global biodiversity framework, prepared by the Panel of Experts on resource mobilization and summarized in annex I to the present recommendation;

### **National finance plans**

5. *Emphasizes* that the development of national biodiversity finance plans or similar instruments will be necessary to ensure adequate and timely mobilization of all resources, in line with the proposed strategy for resource mobilization for the effective implementation of the post-2020 global biodiversity framework;

6. *Takes note with appreciation* of the work of relevant organizations and initiatives, including the Biodiversity Finance Initiative of the United Nations Development Programme, to provide financial and technical support and capacity-building for interested developing countries in the development and implementation of national finance plans for biodiversity, further to decision [XIII/20](#), paragraph 10, and decision [14/22](#), paragraph 4;

7. *Invites* the Biodiversity Finance Initiative of the United Nations Development Programme, in collaboration with other relevant and interested organizations and initiatives, as well as the Executive

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<sup>12</sup> [CBD/POST2020/WS/2020/3/3](#).

<sup>13</sup> CBD/SBI/3/5/Add.1.

<sup>14</sup> Decision [XII/3](#), para.1 (a) to (e).

Secretary, to refine the existing methodology of the Biodiversity Finance Initiative for the preparation of national biodiversity finance plans in all countries, along with technical and financial modalities for the deployment of this methodology adapted to the circumstances and capacities of countries;

8. *Recommends* that the Conference of the Parties at its fifteenth meeting adopt a decision along the following lines:

*The Conference of the Parties,*

*Recalling* Article 20 of the Convention as the basis for mobilizing resources from all sources for the effective implementation of the post-2020 global biodiversity framework, and *recognizing* the need for transformative, inclusive and equitable action across economies and society in this regard,

*Noting* the importance of biodiversity mainstreaming for resource mobilization and the effective use of financial resources, because it encourages a more efficient use of existing resources,

*Noting* the importance of biodiversity mainstreaming and resource mobilization to build ecosystem resilience into the economic recovery after the pandemic,

*Underlining* the potential contribution of implementing Article 11 of the Convention, on incentive measures, for the mobilization of financial resources,

*Reiterating* the important role of national biodiversity strategies and action plans as a basis for identifying national funding needs and priorities, and for the effective mobilization of financial resources from all sources in accordance with national circumstances and priorities, including, as applicable, for the implementation of the protocols under the Convention, and for the synergistic implementation of other biodiversity-related conventions,

*Noting* the need for effective partnerships and collaboration among all relevant actors, and for strengthening partnerships with businesses and the financial sector for advancing resource mobilization,

*Cognizant* of the opportunities for harnessing synergies among the Rio conventions, including synergies related to the mobilization and use of resources for biodiversity conservation and sustainable use,

1. *Expresses its appreciation* to the Government of Germany for providing financial support to the work of the Panel of Experts on resource mobilization, and for hosting the Thematic Workshop on Resource Mobilization for the Post-2020 Global Biodiversity Framework, which was held in Berlin from 14 to 16 January 2020;

2. *Takes note with appreciation* of the final report of the Panel of Experts, which provides an assessment of the resources from all sources needed for the implementation of the post-2020 global biodiversity framework, as well as the other reports of the Panel of Experts, considered by the Subsidiary Body on Implementation at its third meeting;

3. *Takes note* of the final analysis of financial reporting frameworks received by Parties, prepared by the Executive Secretary;

4. *Notes with appreciation* the progress made both by developed country and by developing country Parties, as well as Parties with economies in transition, in implementing the strategy for resource mobilization and the targets for resource mobilization adopted under Aichi Biodiversity Target 20;

5. *Recognizes* that, despite the progress made, there is a considerable and persistent funding gap for the effective implementation of the post-2020 global biodiversity framework, and that more efforts are required in order to mobilize resources from all sources in a manner commensurate with the level of ambition of the framework;



6. *Also recognizes* the ongoing need of developing countries and countries with economies in transition for technical support and capacity-building in order to undertake requisite domestic action to mobilize resources and report thereon;

#### **Successor to the current strategy for resource mobilization**

7. *Adopts* the successor to the current strategy for resource mobilization, contained in annex II to the present recommendation;

8. *Invites* Parties and other Governments to take the successor to the current strategy for resource mobilization into consideration as a flexible framework guiding implementation of the resource mobilization target(s) of the post-2020 global biodiversity framework;

9. *Invites* relevant international organizations and initiatives to support the implementation at all levels of the successor to the current strategy for resource mobilization;

10. *Invites* relevant bilateral and multilateral funding organizations as well as the Global Environment Facility to provide technical and financial support as well as capacity-building, for implementation of the successor to the current strategy for resource mobilization in developing countries and countries with economies in transition, in accordance with national circumstances and priorities;

#### **National finance plans**

11. *Urges* Parties and invites other Governments to develop, taking into account the targets for resource mobilization of the post-2020 global biodiversity framework and the successor to the current strategy for resource mobilization, a national biodiversity finance plan or, as applicable, to include biodiversity finance in the national sustainable development finance plan or similar planning framework, with a view to comprehensively identifying the resource needs and gaps associated with implementing the post-2020 global biodiversity framework at the national level and the policy actions to be taken in order to close or reduce the financing gap, and to report in advance of the sixteenth meeting of the Conference of the Parties;

12. *Takes note with appreciation* of the work of relevant and interested international organizations and initiatives, including the Biodiversity Finance Initiative of the United Nations Development Programme, to provide financial and technical support and capacity-building for interested developing countries in the development and implementation of national finance plans for biodiversity, and for the refinement of the Biodiversity Finance Initiative methodology;

13. *Invites* the Biodiversity Finance Initiative of the United Nations Development Programme and other relevant and interested international organizations and initiatives to continue their support to the development and implementation of the finance plans referenced in the previous paragraph, including by providing technical guidance in accordance with the national circumstances and capacities of the implementing countries;

#### **Synergies among conventions**

14. *Takes note with appreciation* of the recent programmatic initiatives of funds such as the Land Degradation Neutrality Fund under the United Nations Convention to Combat Desertification, the Green Climate Fund, and the Global Environment Facility as well as other bilateral and multilateral funding mechanisms, to harness synergies in project development and financing for the purpose of the objectives of the Rio conventions, and *encourages* them to continue and intensify this work with a view to generating and increasing biodiversity co-benefits;

#### **Supportive action on scaling and aligning incentive measures as per Article 11 of the Convention**

15. *Takes note with appreciation* of the work of the Environmental Policy Committee of the Organisation for Economic Co-operation and Development to support countries in scaling up and aligning incentives, in particular on guidance to identify and assess subsidies harmful to

biodiversity, on tracking economic instruments and finance for biodiversity, and on aligning national budgets with climate, biodiversity and other environmental objectives, as well as the work of the United Nations Environment Programme on fiscal reform for sustainable agriculture, and *encourages* the organizations to continue and further intensify this work;

### **Financial reporting**

16. *Decides* to develop and adopt, at its sixteenth meeting, an updated and streamlined financial reporting framework, taking into account and, as appropriate, making use of, existing international statistical frameworks and reporting frameworks, including those referred to in paragraphs 17 and 18 below, and requests the Subsidiary Body on Implementation to develop a draft of this framework at its fourth meeting;

17. *Invites* Parties to consider reporting, or strengthen reporting, as applicable, of their domestic biodiversity-related expenditures under existing international statistical frameworks, such as (a) the Government Finance Statistics (expenditures by functions of government) maintained by the International Monetary Fund, (b) the Organisation for Economic Co-operation and Development and (c) the framework for environmental expenditure accounts of the United Nations System of Environmental Economic Accounting (SEEA), operated by Eurostat and the Organisation for Economic Co-operation and Development, and to provide the Executive Secretary with information on such reporting activities;

18. *Invites* Parties and other Governments that are members of the Development Assistance Committee of the Organisation for Economic Co-operation and Development to consider further strengthening, as appropriate, the reporting of the international biodiversity-related financial flows that they have provided for developing countries and countries with economies in transition, to the Creditors Reporting System of the Organisation for Economic Co-operation and Development, taking into account the Rio marker methodology and its further refinements, as well as relevant information from multilateral development banks, and to provide the Executive Secretary with information on such reporting activities;

19. *Invites* relevant Parties that are non-members of the Development Assistance Committee of the Organisation for Economic Co-operation and Development to consider reporting, on a voluntary basis and as applicable, the international biodiversity-related financial flows that they have provided for developing countries and countries with economies in transition, to the Creditors Reporting System of the Organisation for Economic Co-operation and Development, taking into account the Rio marker methodology and its further refinements as well as relevant information from multilateral development banks;

20. *Invites* the United Nations Committee of Experts on Environmental Economic Accounting, the United Nations Statistics Division, the International Monetary Fund, the Organisation for Economic Co-operation and Development, and other relevant and interested institutions, in collaboration with the Executive Secretary, to further develop, building on existing statistical frameworks and classifications, methodologies for expenditures related to biodiversity as well as associated reporting;

21. *Invites* multilateral development banks and other interested funding institutions to develop and apply a common methodology, consistent with the Rio marker criteria of the Organisation for Economic Co-operation and Development, to identify and report investments in their portfolio that substantially contribute to the protection and restoration of biodiversity and ecosystems, taking into account relevant international guidance and good international practice;

22. *Invites* the Development Assistance Committee of the Organisation for Economic Co-operation and Development to continue improving, as appropriate, the Rio marker methodology and supporting countries' reporting against the biodiversity marker, including supporting them to address current gaps in coverage, such as those related to multilateral international financial flows for biodiversity;

### **Strengthening partnerships**

23. *Encourages* financial sector institutions, including businesses, with the support of relevant international organizations and initiatives, such as the United Nations Development Programme and the Finance Initiative of the United Nations Environment Programme: (a) to assess and disclose their biodiversity impacts, dependencies, and risks, in line with recent work on nature-related financial disclosures; (b) to take action to at least decrease negative impacts on ecosystems and biodiversity of investments in their portfolios; and (c) to develop and apply tools for biodiversity financing with a view to increasing the amount of dedicated biodiversity finance;

### **Supportive activities of the Executive Secretary**

24. *Requests* the Executive Secretary, subject to the availability of financial resources, to collaborate with relevant organizations and initiatives with a view to facilitating and supporting the work referenced in the previous paragraphs and, in particular:

(a) To further collaborate with the Biodiversity Finance Initiative of the United Nations Development Programme and other relevant and interested organizations and initiatives to facilitate and support the work referenced in paragraphs 11 to 13 above;

(b) To collaborate with relevant organizations and initiatives to improve reporting of biodiversity-related funding under existing international statistical reporting frameworks and classifications, as per paragraphs 20 to 22 above, with a view to developing options for a simplified and more effective financial reporting framework;

(c) To collaborate with a wider range of financial institutions, including development banks and businesses in the financial sector, to support the implementation of the successor to the current strategy for resource mobilization in their own activities, as per paragraph 23 above;

(d) To continue and intensify collaboration with relevant organizations and initiatives with a view to further promoting supportive action on scaling and aligning incentive measures in accordance with Article 11 of the Convention, as per paragraph 15 above;

(e) To continue and intensify collaboration with relevant bilateral and multilateral funding mechanisms with a view to further catalysing synergies in project development and financing for the purpose of the objectives of the Rio conventions;

(f) To prepare a progress report including recommendations on the above-mentioned activities for consideration by the Subsidiary Body on Implementation at its fourth meeting.

*Annex I***DRAFT RESOURCE MOBILIZATION COMPONENT OF THE POST-2020 GLOBAL BIODIVERSITY FRAMEWORK****DRAFT ELEMENTS ON RESOURCE MOBILIZATION FOR POSSIBLE INCLUSION IN THE POST-2020 GLOBAL BIODIVERSITY FRAMEWORK**

1. As recommended by the Panel of Experts on resource mobilization,<sup>15</sup> a number of specific targets on resource mobilization are likely to be needed to support the overarching goals of the post-2020 global biodiversity framework. These would reflect the three interconnected and complementary components of resource mobilization proposed by the panel and would thus enable simultaneous progress on all three components: (a) reducing or redirecting resources causing harm to biodiversity; (b) generating additional resources from all sources; and (c) enhancing the effectiveness and efficiency of resource use.

2. The elements proposed below would further develop and amend targets 12, 14 and 15 of the zero draft of the post-2020 global biodiversity framework.<sup>16</sup>

3. In particular, with reference to targets 12 and 14 of the zero draft, it is proposed that the following three distinct but mutually supportive elements be included on reducing or redirecting harmful expenditures by different actors, which is, in the contribution of the expert panel, an important component of resource mobilization:

*(a) By 2030, all countries have achieved significant progress in fiscal, budgetary, and financial mainstreaming, including by reviewing all relevant government budgets to result in at least no net harm to biodiversity; by increasing positive incentives for the conservation and sustainable use of biodiversity; by increasing the use of disincentives in order to deter actions harmful to biodiversity, and by eliminating incentives, including subsidies, harmful to biodiversity, consistent and in harmony with the Convention and other relevant international obligations, taking into account national socioeconomic conditions and are reporting on it;*

*(b) By [2025], businesses in relevant economic sectors and at all levels, especially large and transnational companies, are transitioning towards sustainable practices, including along their supply chains, demonstrating and reporting on a substantial decrease in negative and, where possible, increasing net positive impacts on ecosystems and biodiversity;*

*(c) By [2025], financial institutions at all levels, including international development finance institutions, have integrated biodiversity into risk assessment policies and processes, are demonstrating at least decreasing negative impacts of investments in their portfolios and increasing the amount of dedicated finance for biodiversity and are reporting on risks, impacts and financing.*

4. Target 15 of the zero draft contains an element on resource mobilization and an element on capacity-building. The element on resource mobilization could be further developed, speaking specifically to the generation of additional resources from all sources, which is a significant pre-condition of implementing the post-2020 global biodiversity framework and will require suitably ambitious targets for increasing international (both bilateral and multilateral, including international private flows) as well as domestic resources, in a manner appropriate to national circumstances and capacities. Thus, a suggested wording for target 15 is as follows:

*By 2030, biodiversity-related international financial flows to developing countries, in particular least developed countries and small island developing States, as well as countries with economies in transition, meet or exceed [benchmark and progress indicator to be agreed on], consistent with the ambition of the goals of this framework.*

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<sup>15</sup> See CBD/SBI/3/5/Add.3, sect. VI.

<sup>16</sup> See the report of the Working Group on the Post-2020 Global Biodiversity Framework on its second meeting (CBD/WG2020/2/4).

5. In addition, it is proposed that it be specified in the framework or in a supporting decision that, for Parties to the Convention:

*The provision of financial resources should be in accordance with Article 20 of the Convention;*

*By [2022], all countries have set a nationally determined target for domestic resource mobilization, at a level commensurate with the ambition of this framework and in accordance with national needs and circumstances, and, by [2030], all countries have achieved this target.*

6. In addition, a new element is proposed to be added in the framework or in supporting decisions in order to address the need to assess biodiversity resource mobilization needs at the national level and to develop a national biodiversity finance plan as a practical tool for supporting the implementation of the post-2020 global biodiversity framework at the national level, as follows:

*By [2022], all countries should have completed a national biodiversity finance plan in support of their national biodiversity strategies and action plans, using the Biodiversity Finance Initiative of the United Nations Development Programme or similar methodology for reducing or redirecting resources causing harm to biodiversity, generating additional resources from all sources, and enhancing the effectiveness and efficiency of resource use.*

7. The contribution of the Panel of Experts also contains a number of useful suggestions, pertaining to further work to make financial reporting simpler and more effective, and to the ongoing need of developing countries and countries with economies in transition for technical support and capacity-building, including for resource mobilization. These suggestions are taken up in the draft recommendation.

*Annex II***DRAFT RESOURCE MOBILIZATION COMPONENT OF THE POST-2020 GLOBAL BIODIVERSITY FRAMEWORK****DRAFT ELEMENTS OF A POSSIBLE SUCCESSOR TO THE CURRENT STRATEGY FOR RESOURCE MOBILIZATION****I. THE URGENCY**

1. Biodiversity is in decline globally and is declining more rapidly than at any other time in human history. This is occurring in all regions and is happening at the level of genes, species and habitats. Despite projections of some local increases in species richness and ecosystem productivity, the overall effect of global changes on biodiversity is projected to be negative, with adverse impacts on human socioeconomic well-being and health.

2. The *Global Assessment Report on Biodiversity and Ecosystem Services* issued by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services in 2019 stressed the need for urgent action to address the drivers of biodiversity loss, as well as those of climate change and land degradation, in an integrated manner. Pathways need to be developed for living in harmony with nature; this includes making changes in global financial and economic systems towards a globally sustainable economy and ensuring the full implementation of the post-2020 global biodiversity framework and the three objectives of the Convention. Mobilizing resources from all sources in a manner commensurate with the ambition of the post-2020 global biodiversity framework is a critical precondition for its effective implementation.

3. The present successor to the current strategy for resource mobilization aims to assist the Parties to the Convention, with the support of relevant organizations and stakeholders, to develop and implement their national biodiversity finance plans, with a view to collectively achieving the targets for resource mobilization of the post-2020 global biodiversity framework and mobilizing adequate and predictable financial resources to support the achievement of the post-2020 global biodiversity framework and the three objectives of the Convention.

4. The strategy considers the full range of funding sources. It is geared towards implementation during an initial period up to 2030, in accordance with the timeline of the post-2020 global biodiversity framework.

**II. MISSION**

5. Resource mobilization is essential for achieving the objectives of the Convention and for implementing the post-2020 global biodiversity framework effectively. Meeting the resource mobilization targets of the framework will be necessary for other targets of the post-2020 global biodiversity framework to be met.

6. Effective resource mobilization requires transformative, inclusive and equitable change across economies and society. A strategic approach to resource mobilization thus consists of three crucial components:

- (a) Reducing or redirecting resources causing harm to biodiversity;
- (b) Generating additional resources from all sources to achieve the three objectives of the Convention;
- (c) Enhancing the effectiveness and efficiency of resource use.

**III. GUIDING PRINCIPLES**

7. Two cross-cutting issues are highly relevant to resource mobilization activities. First, the requisite transformative change referenced above must be inclusive and equitable. Second, there are important linkages, and significant potential for cross-fertilization, to activities aimed at the mainstreaming of biodiversity across governments, economies and society, the associated targets of the post-2020 global

biodiversity framework, and the indicative guidance provided in the long-term strategic approach to mainstreaming and its action plan.<sup>17</sup>

8. All societal actors have a role to play in resource mobilization: (a) national and subnational governments put in place enabling policies, capacities and financing mechanisms, both domestic and international; (b) businesses and the finance sector scale up and increase the biodiversity-positive impact of investments while reducing harmful expenditure; and (c) international development finance provides finance, technical support, and capacity development. In addition, the important non-financial resource contributions of indigenous peoples and local communities, acting as biodiversity stewards, as well as those of civil society, need to be fully recognized.<sup>18</sup>

9. In implementing the goals below, special consideration should be paid to the following guiding principles:

- (a) Be results-oriented;
- (b) Promote efficiency and effectiveness;
- (c) Build partnerships and synergies;
- (d) Support innovations;
- (e) Strengthen capacity and governance;
- (f) Raise awareness;
- (g) Take into account gender, youth, indigenous peoples and local communities, and socioeconomic perspectives;
- (h) Take into account synergies in programmes and financing among conventions, in particular climate co-benefits.

#### IV. STRATEGIC GOALS AND OBJECTIVES

10. The third report of the Panel of Experts on resource mobilization (CBD/SBI/3/5/Add.3) provides further action-oriented guidance and good practice examples on how to implement the strategic goals and headline actions below.

##### **Strategic goal 1**

##### **Reduce or redirect resources causing harm to biodiversity**

11. The goal seeks to address the main drivers of biodiversity-harmful activities and investments through the use of standards and guidelines, and regulatory and economic instruments. It requires avoiding, scaling back and redirecting expenditures that are harmful for biodiversity, including but not limited to harmful subsidies. This will in turn reduce the need for additional resources to conserve and restore biodiversity, and to use it in a sustainable manner, and is thus a key complement to goal 2 below. Envisaged headline actions are:

- 1.1 Review government budgets, in all sectors and at all levels, with a view to at least avoiding or minimizing net harm to biodiversity and ecosystems;
- 1.2 Eliminate, phase out, or reform incentives, including subsidies, that are harmful to biodiversity; develop and scale disincentives for actions that are harmful to biodiversity, and develop and scale positive incentives to encourage biodiversity-positive actions, consistent and in harmony with the Convention and other relevant international obligations, and taking into account national socioeconomic conditions;

<sup>17</sup> CBD/SBI/3/13 and Add.1.

<sup>18</sup> See the programme of work on Article 8(j) and related provisions, and strategy area III of the long-term approach to mainstreaming (CBD/SBI/3/13).

1.3 Identify and incorporate biodiversity impacts, dependencies and risks into the strategies, operations, and processes of the finance sector with a view to at least avoiding or minimizing net harm to biodiversity and ecosystems caused by investment decisions;

1.4 Identify and incorporate biodiversity impacts, dependencies and risks into business models, operations and practices, with a view to at least avoiding or minimizing harm to biodiversity and ecosystems;

1.5 Identify and incorporate biodiversity impacts, dependencies and risks into strategies, operations and processes of international development finance actors, with a view to at least avoiding or minimizing net harm caused by development finance, including climate finance;

1.6 Take measures, including legislative or regulatory measures, as appropriate, that support alignment of financial flows with biodiversity policy objectives.

### **Strategic goal 2**

#### **Generate additional resources from all sources to achieve the post-2020 global biodiversity framework**

12. Generating new and additional international and domestic resources from all sources, private and public, remains a fundamental part of resource mobilization, in accordance with Article 20 of the Convention. Scaling up resources includes increasing flows that are directed primarily towards biodiversity, as well as identifying and increasing biodiversity co-benefits from funding intended primarily to achieve other objectives. In order to effectively implement the post-2020 global biodiversity framework and its resource mobilization targets, envisaged headline actions are to be taken in a commensurate manner. They are:

2.1 Increase direct and indirect biodiversity-related international finance for developing countries and countries with economies in transition, including in climate and other development finance;

2.2 Increase domestic public biodiversity-related expenditure, both direct and indirect;

2.3 Increase private sector (business and finance) investment in biodiversity-positive projects, including by identifying and addressing barriers for investors and project developers;

2.4 Enhance the implementation of agreements related to access to genetic resources and the fair and equitable sharing of the benefits arising out of their utilization.

### **Strategic goal 3**

#### **Enhance the effectiveness and efficiency of resource use**

13. Effective resource mobilization requires recognizing the importance of such factors as: (a) sound governance and planning; (b) capacity-building; (c) the creation of platforms and partnerships; (d) effective design and uptake of international development finance; and (e) effective monitoring, reporting and review of results. These enabling actions seek to ensure that mobilized resources are used wisely, and support efforts to reduce or redirect resources causing harm to biodiversity. Envisaged headline actions are:

3.1 Review and improve, as needed, governance and planning processes within the public sector;

3.2 Create effective partnerships and associated platforms to support policy coherence, shared learning, and the development and application of joint approaches, including with indigenous peoples and local communities and with civil society;

3.3 Enhance capacity-building, technical assistance and technological cooperation on a sustained basis;

3.4 Enhance the effectiveness and efficiency of the flow and uptake of international development finance;



3.5 Improve monitoring and reporting processes for resource mobilization.

**V. IMPLEMENTATION**

14. The effective implementation of the successor to the current strategy for resource mobilization will require an unremitting effort by Parties, other Governments and all relevant stakeholders at all levels. Political will and commitment to better recognize the importance of biological diversity in sustainable development need to be reinforced in order to achieve the resource mobilization targets of the post-2020 global biodiversity framework, as a critical precondition to implementation of the framework as a whole.

15. The successor to the current strategy for resource mobilization shall assist countries in developing a national biodiversity finance plans in support of national implementation of the post-2020 global biodiversity framework and its global targets for resource mobilization. Their development and implementation should involve key stakeholders, such as non-governmental organizations, indigenous peoples and local communities, businesses and the financial sector, and international development finance.

16. The Conference of the Parties and the Subsidiary Body on Implementation will keep the implementation of the strategy for resource mobilization under review, based on reports by Parties and relevant organizations and initiatives, and compiled and analysed by the Executive Secretary, as appropriate.

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