



**Convention on
Biological Diversity**

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**Technical Expert Group
on Financial Reporting
Second meeting**

Istanbul, Türkiye, 26 February–1 March 2024

**Report of the Technical Expert Group on Financial Reporting on its
second meeting**

Background

The Conference of the Parties to the Convention on Biological Diversity established the Technical Expert Group on Financial Reporting in its decision [15/7](#), on resource mobilization. The Group held its first meeting from 27 November to 1 December 2023, at which its members decided to create subgroups to develop draft deliverables for each of the five indicators under its mandate.¹ This subdivision of work was taken into consideration in the agenda and organization of work for the present meeting, held with financial support from the European Union and the United Kingdom of Great Britain and Northern Ireland.

¹ See [CBD/FM/TEG/2023/1/3](#) for the report of the meeting.

Item 1

Opening of the meeting

1. The meeting was opened at 10 a.m. on 26 February 2024 by a representative of the Secretariat and the Co-Chairs of the Technical Expert Group on Financial Reporting.
2. A representative of the Biodiversity Finance Initiative of the United Nations Development Programme provided opening remarks.

Item 2

Organizational matters: adoption of the agenda and organization of work

3. The provisional agenda for the meeting, as contained in document [CBD/FM/TEG/2024/1/1](#), was adopted by the Technical Expert Group.
4. The Technical Expert Group approved the organization of work provided in the annex to document [CBD/FM/TEG/2024/1/1/Add.1](#).

Item 3

Update on the work of the Ad Hoc Technical Expert Group on Indicators for the Kunming-Montreal Global Biodiversity Framework and planned coordination of work

5. A representative of the Secretariat provided an update on progress in the overarching work of the Ad Hoc Technical Expert Group on Indicators and on the planned coordination of work with the Technical Expert Group on Financial Reporting. She presented the deliverables that the Ad Hoc Technical Expert Group on Indicators was expected to provide for the twenty-sixth meeting of the Subsidiary Body on Scientific, Technical and Technological Advice, as well as the general points of the expected recommendation of the Subsidiary Body to the Conference of the Parties on the monitoring framework for the Kunming-Montreal Global Biodiversity Framework.

Item 4

Review and finalization of the work of the subgroups

Review of the work on headline indicator 18.1 (positive incentives in place to promote biodiversity conservation and sustainable use)

6. The chaperone of the subgroup responsible for headline indicator 18.1 presented the work undertaken by the subgroup during the intersessional period. Further to the subsequent discussion, the chaperone, in consultation with the members of the subgroup, prepared an overview table of proposed indicators and a revised draft of the metadata fact sheet, for further consideration by the Technical Expert Group.
7. The Technical Expert Group decided that language consistency was necessary among all metadata sheets. To ensure that definitions and language used in the sheets matched the agreed text, it was decided that key terms should be defined and included in the common glossary being prepared by the Ad Hoc Technical Expert Group on Indicators.
8. With regard to indicators that used monetary value as a metric, the Technical Expert Group on Financial Reporting agreed to request Parties to provide amounts in their national currencies. The Group also proposed to include short operational guidance in the national reporting template, with a view to facilitating its completion by Parties.

Review of the work on headline indicator 18.2 (value of subsidies and other incentives harmful to biodiversity that have been eliminated, phased out or reformed)

9. The chaperone of the subgroup responsible for headline indicator 18.2 presented the work undertaken by the subgroup during the intersessional period. Further to the subsequent discussion, the chaperone, in consultation with the members of the subgroup, prepared an overview table of proposed indicators and a revised draft of the metadata fact sheet, for further consideration by the

Technical Expert Group. The Group decided to propose a change to the headline indicator itself, namely, the deletion of the phrase “that have been eliminated, phased out or reformed”. The Group also recommended the addition of a binary indicator and, for operationalization purposes, developed a metadata fact sheet for the binary indicator.

Review of the work on headline indicator D.1 (international public funding, including official development assistance for conservation and sustainable use of biodiversity and ecosystems)

10. The chaperone of the subgroup responsible for headline indicator D.1 presented the work undertaken by the subgroup during the intersessional period. Further to the subsequent discussion, the chaperone, in consultation with the members of the subgroup, prepared an overview table of proposed indicators and a revised draft of the metadata fact sheet, for further consideration by the Technical Expert Group.

11. The Technical Expert Group considered options for multilateral reporting on biodiversity and noted that collaboration with multilateral institutions (e.g. vertical funds, multilateral development banks and international organizations) would be desirable.

12. The Technical Expert Group noted the work of the Informal Advisory Group on Technical and Scientific Cooperation and its mandate to provide advice, guidance and recommendations on the development of indicators for capacity-building and the development and technology transfer related to monitoring the Framework. The Technical Expert Group noted that the complementary indicators related to technological cooperation and technology could be more relevant to Target 20 and recommended that they be considered accordingly.

Review of the work on headline indicator D.2 (domestic public funding on conservation and sustainable use of biodiversity and ecosystems)

13. The chaperone of the subgroup responsible for headline indicator D.2 presented the work undertaken by the subgroup during the intersessional period. Further to the subsequent discussion, the chaperone, in consultation with the members of the subgroup, prepared an overview table of proposed indicators and a revised draft of the metadata fact sheet, for further consideration by the Technical Expert Group.

14. The Technical Expert Group decided that national reporting was the most appropriate way for collecting data for headline indicator D.2, recognizing that there were three robust, consistent and transparent methodologies that countries could use to report on the indicator, namely, the Classification of Environmental Purposes, the methodology developed by the Biodiversity Finance Initiative, in particular to review biodiversity expenditure, and the Classification of the Functions of Government. The metadata sheet included information and guidance on each of the three approaches. While the Group agreed that all methodologies were valid options, there was overall agreement that none was all-encompassing. The Group also identified several complementary indicators, which are reflected in annex I.

Review of the work on headline indicator D.3 (private funding (domestic and international) on conservation and sustainable use of biodiversity and ecosystems)

15. The representative of the Secretariat responsible for assisting the Technical Expert Group in identifying approaches for measuring private funding for biodiversity made a presentation on the current private finance for biodiversity landscape, including existing methodological approaches for monitoring global private finance, critical gaps and implications for indicators.

16. Given the lack of comprehensive data sets on private funding, the Technical Expert Group decided that national reporting was the most appropriate way for collecting data for private funding. The Group also noted, however, that certain data elements could be obtained from existing databases and established methodologies. Furthermore, some Group members noted that, in the light of the methodological challenges identified, data could also be collected in the form of a global analytical study of countries' private funding for biodiversity.

17. The Technical Expert Group reviewed potential areas for disaggregation and used the Secretariat's work to prepare an overview table of possible methodologies and databases, as well as a draft metadata fact sheet.

Item 5

Consolidation of the work of the subgroups

18. Further to the discussions under agenda item 4, the Co-Chairs, with the support of the Secretariat, prepared a draft recommendation (see below), which the Technical Expert Group reviewed and approved.

19. The Technical Expert Group also reviewed and approved the indicator tables prepared by the subgroups for the individual targets, as consolidated in annex I to the draft recommendation, and the overview table on capacity-building and further methodological work needed, as contained in annex II to the draft recommendation.

20. The Technical Expert Group further reviewed and approved the metadata fact sheets for headline indicators 18.1, 18.2, D.1 and D.2, which concern Targets 18 and 19 of the Framework. The Group also approved a draft metadata fact sheet for headline indicator D.3 and authorized the Co-Chairs and chaperones to finalize it, with the support of the Secretariat.

Item 6

Next steps

21. A representative of the Secretariat referred to the forthcoming final meeting of the Ad Hoc Technical Expert Group on Indicators, to be held from 12 to 15 March 2024, and underlined the need to make the outcome of the work of the Technical Expert Group on Financial Reporting available in an expeditious manner. The outcome of the present meeting, as contained in annex I to the present report, would therefore be made available to the Ad Hoc Technical Expert Group on Indicators in an informal manner, before the report was finalized and issued.

22. The Co-Chairs informed the Group members that they would attend the meeting of the Ad Hoc Technical Expert Group on Indicators and present the outcomes of the work of the Technical Expert Group on Financial Reporting.

Item 7

Other matters

23. No issues were raised under agenda item 7.

Item 8

Adoption of report

24. The Technical Expert Group considered a draft report of the meeting prepared by the Secretariat and adopted it, as orally amended. In accordance with established practice, the Group authorized the Co-Chairs to finalize the report after the meeting, with the assistance of the Secretariat.

Item 9

Closure of the meeting

25. The Co-Chairs thanked the participants and the organizers for their contributions to the fruitful discussions held over the course of the meeting.

26. After the usual exchange of courtesies, the meeting was closed at 4 p.m. on 1 March 2024.

Annex I

Recommendation of the Technical Expert Group on Financial Reporting^{*}

The Technical Expert Group on Financial Reporting recommends that the Subsidiary Body on Scientific, Technical and Technological Advice adopt elements of a recommendation along the following lines:

The Subsidiary Body on Scientific, Technical and Technological Advice,

Recommends that, at its sixteenth meeting, the Conference of the Parties adopt a decision along the following lines:

The Conference of the Parties

1. *Welcomes* the work of the Ad Hoc Technical Expert Group on Indicators to the Kunming-Montreal Global Biodiversity Framework and the work of the Technical Expert Group on Financial Reporting;²

2. *Adopts* the revised set of indicators provided in annex I, and invites Parties to report against the indicators in their national reports, making use of the metadata fact sheets available on the website³ of the Secretariat of the Convention on Biological Diversity;⁴

3. *Welcomes* the work of the international organizations and initiatives listed in annex II to the present decision, recognizes their contributions to the development of global methodologies and maintenance of associated databases relevant to reporting progress against the Kunming-Montreal Global Biodiversity Framework⁵ and its monitoring framework,⁶ and encourages them to continue to improve the global methodologies and associated databases;

4. *Invites* Parties in a position to do so and, as applicable, relevant international organizations, to start or strengthen the use of the global methodologies and associated databases listed in annex II;

5. *Encourages* Parties to improve their national monitoring systems, involving all relevant national institutions and collaborating with relevant international organizations and initiatives;

6. *Recognizes* the need for further research and methodological work, including on indicators that currently do not have a global methodology and associated database, and encourages the organizations and initiatives listed in annex II, as well as other interested Parties and relevant international organizations and initiatives, to expand their work in that area;

7. *Welcomes* the capacity-building activities provided by the international organizations and initiatives, as referenced in annex II, and encourages Parties to use those opportunities, as appropriate;

8. *Invites* Parties in a position to do so to support the activities of developing country Parties conducted pursuant to paragraphs 6 and 8;

9. *Requests*, as applicable, the Global Environment Facility and other relevant international organizations to support the activities of developing country Parties conducted pursuant to paragraphs 6 and 8;

^{*} For consolidation by the Ad Hoc Technical Expert Group on Indicators.

² [Symbols of the final reports of the groups to be added.]

³ Relevant URL to be added.

⁴ United Nations, *Treaty Series*, vol. 1760, No. 30619.

⁵ Decision 15/4, annex.

⁶ Decision 15/5, annex I.

10. *Requests* the Executive Secretary, in collaboration with the organizations and initiatives listed in annex II, to continue to develop the online reporting tool on the indicators through the national report template.

Annex I

Revised indicators

<i>Goal/Target</i>	<i>Headline and binary indicator</i>	<i>Disaggregation</i>	<i>Component indicators</i>	<i>Complementary indicator</i>
18	18.1 Positive incentives in place to promote biodiversity conservation and sustainable use	<ul style="list-style-type: none"> • Number of biodiversity-relevant taxes, fees and charges^a • Number of biodiversity-positive subsidies^a • Number of biodiversity-relevant tradable permits^a • Number of payment for ecosystem services programmes^a • Number of biodiversity offset schemes^a 	<ul style="list-style-type: none"> • Revenue generated from biodiversity-relevant taxes, fees and charges • Monetary value of biodiversity-positive subsidies • Revenue generated by biodiversity-relevant tradable permits (if auctioned) • Monetary value of payments for ecosystem services • Monetary value of biodiversity offsets • Number of other positive incentives in place for biodiversity (by type) • Monetary value of other positive incentives in place for biodiversity 	None
18	18.2 Value of subsidies and other incentives harmful to biodiversity	<ul style="list-style-type: none"> • Value of agricultural subsidies and other incentives potentially harmful to biodiversity and the environment^a • Value of subsidies to capture fisheries with a risk (moderate or high) of encouraging unsustainable fishing^a • Value of government fossil fuel subsidies and support measures • Value of subsidies and other incentives 	None	None

<i>Goal/Target</i>	<i>Headline and binary indicator</i>	<i>Disaggregation</i>	<i>Component indicators</i>	<i>Complementary indicator</i>
		harmful to biodiversity in other sectors		
	Has your country identified subsidies and other incentives harmful to biodiversity? (a) No, not yet (b) Analysis under way (c) Yes ^b	None	None	None
D and 19	D.1 International public funding, including official development assistance for conservation and sustainable use of biodiversity and ecosystems ^c	None	None	<ul style="list-style-type: none"> • Amount of international funding targeted at indigenous peoples and local communities within biodiversity-related activities • Amount of international funding targeted at youth within biodiversity-related activities • Amount of international funding targeted at gender equality and women's rights policy objectives within biodiversity-related activities
D and 19	D.2 Domestic public funding on conservation and sustainable use of biodiversity and ecosystems ^d	None	None	<ul style="list-style-type: none"> • Monetary value of the annual budget for biodiversity from total national budget • Percentage of annual biodiversity expenditure of total national government budget • Amount of domestic funding targeted at indigenous peoples and local communities

<i>Goal/Target</i>	<i>Headline and binary indicator</i>	<i>Disaggregation</i>	<i>Component indicators</i>	<i>Complementary indicator</i>
				within biodiversity-related activities <ul style="list-style-type: none"> • Amount of domestic funding targeted at youth within biodiversity-related activities • Amount of domestic funding targeted at gender equality and women’s rights policy objectives within biodiversity-related activities
D and 19	D.3 Private funding (domestic and international) on conservation and sustainable use of biodiversity and ecosystems	<ul style="list-style-type: none"> • International private philanthropic funding for development^a • Private biodiversity finance mobilized by official development finance (separate bilateral and multilateral indicators)^a • Biodiversity offsets^a • Payment for ecosystem services^a • Domestic private donations • Sustainable commodities • Private benefit-sharing schemes • Other instruments: <ul style="list-style-type: none"> ○ Biodiversity-relevant bonds ○ Biodiversity-relevant impact investing ○ Biodiversity-relevant credit markets ○ Biodiversity-relevant insurance products 	None	<ul style="list-style-type: none"> • Amount of private funding targeted at indigenous peoples and local communities within biodiversity-related activities • Amount of private funding targeted at youth within biodiversity-related activities • Amount of private funding targeted at gender equality and women’s rights policy objectives within biodiversity-related activities • Private flows mobilized for indigenous peoples and local communities, women and youth • Application of a sustainable finance taxonomy related to biodiversity at the national level

^a There exists a global database.

^b New binary indicator.

^c Monetary value of disbursements by providers (per year and in national currency).

^d Monetary value of domestic public expenditure on biodiversity (per year and in national currency).

Annex II

Global methodologies and databases

<i>Headline indicator</i>	<i>Global database or methodology</i>	<i>Capacity-building</i>	<i>Current and future work</i>
		<i>Capacity-building provided</i>	
18.1 Positive incentives in place to promote biodiversity conservation and sustainable use	<i>Methodology and database</i> OECD PINE database and underlying methodology	Yes (a) Quality control of existing and new data reported (b) Individual, thematic and regional capacity-building seminars (c) Guidance and instructions for statistical reporters	<ul style="list-style-type: none"> Expanding country coverage Encouraging further reporting by countries on biodiversity offsets and payments for ecosystem services
18.2 Value of subsidies and other incentives harmful to biodiversity	<i>Databases</i> OECD Fisheries Support Estimate database OECD Producer Support Estimate database (for agriculture) OECD/IEA/IMF Sustainable Development Goal target 12.c metadata for the Inventory of Support Measures for Fossil Fuels database (operators)	Yes Can work with new countries to provide guidance and support on how to provide data to the databases	<ul style="list-style-type: none"> Expanding country coverage
D.1 International public funding, including official development assistance for conservation and sustainable use of biodiversity and ecosystems	<i>Databases</i> OECD Development Assistance Committee's Creditor Reporting System International Forum on TOSSD	Yes (a) Quality control of existing and new reported data (b) Individual, thematic and regional capacity-building seminars (c) Guidance and instructions for statistical reporters	<ul style="list-style-type: none"> Expanding coverage (provider countries and multilateral organizations) Further refinement of Rio marker methodology and other biodiversity-related development finance statistics Further refinement of biodiversity-related reporting in the TOSSD framework
D.2 Domestic public funding on conservation and	<i>Methodology</i> UNDP BIOFIN (BIOFIN methodology). Countries can report national data to the Secretariat of the Convention on Biological Diversity based	Yes (a) The BIOFIN methodology workbook	<ul style="list-style-type: none"> Expanding the number of countries using the BIOFIN methodology to assess national biodiversity expenditure

<i>Headline indicator</i>	<i>Global database or methodology</i>	<i>Capacity-building</i>	<i>Current and future work</i>
		<i>Capacity-building provided</i>	
sustainable use of biodiversity and ecosystems	on data developed through the BIOFIN process, in particular the national biodiversity expenditure review	(b) The Massive Open Online Course on Biodiversity Finance	<ul style="list-style-type: none"> • Further work on the Global Biodiversity Expenditure Taxonomy
	<p><i>Methodologies</i></p> <p>Statistics Division SEEA and SEEA environment protection expenditure accounts</p> <p>Classification of Environmental Purposes</p> <p><i>Database</i></p> <p>National accounts, Eurostat (for States members of the European Union)</p>	Yes	<ul style="list-style-type: none"> • Expanding the number of countries implementing environment protection expenditure accounts as part of SEEA Central Framework • Covering secondary purposes, as part of the work on the Classification of Environmental Purposes
	<p><i>Methodology and database</i></p> <p>IMF and Statistics Division (COFOG and government finance statistics)</p>	Yes	<ul style="list-style-type: none"> • Expanding the number of countries reporting through the Government Finance Statistics database and according to COFOG • Expanding number of countries reporting on biodiversity-relevant classes • Addressing secondary purpose in the forthcoming revision of COFOG and link with the Classification of Environmental Purposes
D.3 Private funding (domestic and international) on conservation and sustainable use of biodiversity and ecosystems	<p><i>Private international funding Database</i></p> <p>OECD Creditor Reporting System coverage of private philanthropic funding and international private finance mobilized through official development finance</p>	<p>Yes</p> <p>(a) Quality control of existing and new reported data;</p> <p>(b) Individual, thematic and regional capacity-building seminars;</p> <p>(c) Guidance and instructions for statistical reporters</p>	<ul style="list-style-type: none"> • Expanding coverage (provider countries and multilateral organizations) • Further refinement of biodiversity-related development finance statistics
	<p><i>Private domestic funding Methodologies</i></p> <p>Statistics Division (SEEA)</p> <p>Environment protection expenditure accounts of the SEEA Central Framework</p>	Yes	<ul style="list-style-type: none"> • Expanding the number of countries implementing environment protection expenditure accounts as part of the SEEA Central Framework • Expanding coverage of private sector expenditure

<i>Headline indicator</i>	<i>Global database or methodology</i>	<i>Capacity-building</i>	<i>Current and future work</i>
		<i>Capacity-building provided</i>	
	<i>Private domestic funding Databases</i> OECD Policy Instruments for Environment database and PINE database for biodiversity offsets and payments for ecosystem services	Yes Quality control of existing and new reported data	<ul style="list-style-type: none"> • Expanding country coverage • Expanding coverage of monetary value of offsets and of private payment for ecosystem services schemes
		<i>General gaps and capacity needs</i>	
		No Support for the creation and implementation of national surveys targeted at philanthropic organizations and private sector companies	<ul style="list-style-type: none"> • Further work on definitions or taxonomies for private biodiversity finance

Abbreviations: BIOFIN, Biodiversity Finance Initiative; COFOG, Classification of the Functions of Government; IEA, International Energy Agency; IMF, International Monetary Fund; OECD, Organisation for Economic Co-operation and Development; PINE, Policy Instruments for the Environment; UNDP, United Nations Development Programme; SEEA, System of Environmental-Economic Accounting; TOSSD, Total Official Support for Sustainable Development.

Annex II

List of participants

African States

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