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### SUBSIDIARY BODY ON IMPLEMENTATION

Third meeting

Venue and dates to be determined

Item 6 of the provisional agenda\*

### FINANCIAL MECHANISM

#### **Interim report on the full assessment of funding necessary and available for the implementation of the Convention for the eighth replenishment period of the Global Environment Facility (July 2022 to June 2026)**

#### INTRODUCTION

1. In paragraph 14 of decision 14/23, the Conference of the Parties adopted the terms of reference for a full assessment of the amount of funds needed for the implementation of the Convention and its Protocols during the eighth replenishment period of the Trust Fund of the Global Environment Facility. With the generous financial contributions of the Government of Sweden and the European Union, the Executive Secretary contracted a team of three experts through a competitive process conducted according to United Nations rules, in accordance with the adopted terms of reference for the assessment.
2. The Executive Secretary is circulating herewith the interim report on the full assessment of funding necessary and available for the implementation of the Convention for the eighth replenishment period of the Global Environment Facility (July 2022 to June 2026), which has been prepared by the contracted experts, to the third meeting of the Subsidiary Body on Implementation. The report in English is reproduced as it was received by the Secretariat.
3. An abridged version of this report is made available in the working document CBD/SBI/3/6/Add.2, also reproduced as it was received by the Secretariat.

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\* CBD/SBI/3/1.

**PROGRESS REPORT FOR THE THIRD MEETING OF THE SUBSIDIARY BODY ON  
IMPLEMENTATION**

**Assessment of Estimated Funding and Investment Needs for the  
Eighth Replenishment of the Global Environment Facility**

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## **Progress Report of the Assessment of Estimated Funding and Investment Needs for the Eighth Replenishment of Global Environment Facility**

### **1. Summary**

Following is the progress report provided by the CBD contracted Expert Team for the third meeting of the Subsidiary Body of Implementation. As of date, only 15 countries had submitted to the Executive Secretary their estimated funding and investment needs under the financial mechanism for the eighth replenishment of the Global Environment Facility (GEF), as per decision CBD/COP/DEC/14/23. This amounts to responses from roughly 10 per cent of the GEF recipient countries which is insufficient to arrive at definite conclusions. The analysis done for this report is therefore indicative. The exceptional circumstances due to the Covid-19 pandemic in addition to difficulties in projecting financial needs for GEF 8 at this stage when the post-2020 global biodiversity framework is still being negotiated, probably explain the limited response rates until now. It is expected however, that more questionnaires will be completed in the coming months as the discussions on post-2020 is reaching an advance stage.

### **2. Introduction**

#### **a. Mandate**

Article 21 of the Convention on Biological Diversity (CBD) and the Memorandum of Understanding (MoU)<sup>1</sup> signed between the Global Environment Facility and the CBD in 1996, state, that in anticipation of the replenishment of GEF, the Conference of the Parties (COP) is to assess the amount of funds necessary to assist relevant countries in fulfilling their commitments under the Convention over the next GEF replenishment cycle.

Paragraph 5.1 of the MoU specifically states that the assessment of the amount of funds will take into account:

- (a) Article 20, paragraph 2, and Article 21, paragraph 1, of the Convention;
- (b) Guidance to the financial mechanism from the Conference of the Parties which calls for future financial resources;
- (c) The information communicated to the Conference of the Parties in the national reports submitted in accordance with Article 26 of the Convention;
- (d) National strategies, plans or programs developed in accordance with Article 6 of the Convention;
- (e) Information communicated to the Conference of the Parties from GEF on the number of eligible programs and projects that were submitted to GEF, the number that were approved for funding, and the number that were turned down owing to lack of resources;
- (f) Experience gained by those concerned in the implementation of projects.

The Conference of Parties, through its decision, CBD/COP/DEC/14/232, further detailed out the objective, scope and methodology to carry out an assessment of the amount of funds that are necessary under the Convention and its Protocols over the eighth Global Environment Facility (GEF) replenishment cycle running from July 2022 to June 2026.

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<sup>1</sup> COP 3 Decision III/8

<sup>2</sup> <https://www.cbd.int/doc/decisions/cop-14/cop-14-dec-23-en.pdf>

This decision stated that the assessment needs to be comprehensive and primarily directed towards assessing total funding needs required to meet the agreed full incremental costs of measures that are eligible for GEF support, in accordance with the guidance provided by the Conference of the Parties.

The COP decision 14/23 adopted the terms of reference for a full assessment of the amount of funds needed and invited relevant Parties to submit to the Executive Secretary their estimated funding and investment needs under the financial mechanism for the third determination of funding and investment requirements by the Conference of the Parties at its fifteenth meeting.

b. Other relevant decisions

The COP requested the Subsidiary Body on Implementation at its third meeting to prepare proposals for a four-year outcome-oriented framework of programme priorities for the eighth replenishment period (July 2022 to June 2026) of the Global Environment Facility Trust Fund, aligned with the draft post-2020 global biodiversity framework, for consideration by the Conference of the Parties at its fifteenth meeting.

Regarding the post-2020 implementation of Article 21, the note on the financial mechanism issued for the second meeting of the Subsidiary Body on Implementation (CBD/SBI/2/8) highlighted the varied information sources of funding ranging from blended finances, green bonds, new funds, bilateral and multilateral financing, new development partners, and philanthropy. COP decision 14/23 also encourages the Executive Secretary to work closely with agencies associated with the Global Environment Facility in the transition to the post-2020 global biodiversity framework, taking into account the need to promote greater synergies between the Global Environment Facility and other financing mechanisms.

According to the assessment's scope, the funding needs for implementing the Convention and its Protocols from 2022-2026 necessitates the calculation of total needs to implement activities to achieve the post-2020 global biodiversity framework, as well as activities of the Cartagena and Nagoya Protocols.

There are 196 Parties to the Convention for Biological Diversity and 183 member countries in GEF. Out of the 183 GEF member countries, 39 have been listed as donors out of which 29 donors pledged US\$4.1 billion in 2018 for the seventh replenishment.

The update of the zero draft of the post-2020 global biodiversity framework<sup>3</sup> has four long-term goals for 2050 related to the 2050 Vision for Biodiversity. Each of these goals has an associated outcome for 2030 through the 20 action-oriented targets. The GEF-8 time-period would cover roughly half the timeframe of the global biodiversity framework.

The exercise's scope is to focus on the estimation of the full agreed incremental costs, and thus financing needs to respond to GEF's guidelines on the application of the Incremental Cost Principle. In addition, GEF's co-financing policy and GEF's

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<sup>3</sup> <https://www.cbd.int/doc/c/3064/749a/0f65ac7f9def86707f4eafa/post2020-prep-02-01-en.pdf>

rules and guidelines with regards to eligible activities, which are described below, also have to be taken into account.

It is relevant to point out that there are two other finance needs assessment exercises currently underway, one specific to GEF and the other overarching. The UNFCCC's Needs Based Finance Project <sup>4</sup> is an overarching assessment of funding needs by developing country Parties to implement the Paris Agreement while the assessment of funding needed by developing country Parties and Parties with economies in transition to implement the Stockholm Convention<sup>5</sup> is specific to the GEF.

c. Scope and Methodology

The COP Decision 14/23 requested the Executive Secretary, working with the contracted expert team in accordance with the terms of reference, to prepare a compilation of estimated funding and investment needs submitted by relevant Parties, building on and further fine-tuning the methodology and the three scenarios used by the second determination of funding needs, for consideration by the Subsidiary Body on Implementation, at its third meeting, to inform the third determination of funding requirements by the Conference of the Parties at its fifteenth meeting.

The details of the expert team are provided in Annex 1 to this report. The main inputs for the assessment are as follows:

i) *Data assessment and collection:* The main data to conduct the needs assessment include, the sixth national reports, up-dated NBSAPs, financial reporting framework, and other documents with potential information and data on funding needs, including past expenditure or national budget data. An assessment has been made of these documents.

Other supplementary information includes UNDP's Biodiversity Finance Initiative (BIOFIN) for data on the project's partner countries' funding needs<sup>6</sup>. Currently, BIOFIN is being implemented in 36 countries in reviewing policies and institutions relevant for biodiversity finance, determining baseline investments, assessing the costs of implementing National Biodiversity Strategies and Action Plans, and quantifying the biodiversity finance gap.

ii) *Key data:* The key data to assess the needs for GEF 8 is the incremental costs calculated by the countries using the agreed methodology for its proposed projects. An additional data, that was not previously provided could be the expected impact of the proposed projects, possibly using GEF's core indicators mentioned in Table 2. This information can enable the COP to assess the expected progress in implementing the post-2020 global biodiversity framework as well inform on the potential impact of their contributions to the GEF. In this context, it would also be useful to have the financial costs of the COP Guidance to the GEF, especially relevant to the Post-2020 Global Biodiversity Framework.

iii) *Data requests through questionnaire:* As per decision CBD/COP/DEC/14/23 relevant Parties were invited to submit to the Executive Secretary their estimated

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<sup>4</sup> [https://unfccc.int/NBF\\_Project](https://unfccc.int/NBF_Project)

<sup>5</sup> <http://chm.pops.int/Default.aspx?tabid=3746>

<sup>6</sup> <https://www.biodiversityfinance.net/>

funding and investment needs under the financial mechanism for the third determination of funding and investment requirements. In this context a questionnaire<sup>7</sup> was circulated to relevant Parties as the most important tool to receive the required data from GEF-recipient countries. Parties were requested to submit information on (i) potential project concepts and data on estimated total project costs to implement the Convention and its Protocols, (ii) expected funding from the national government to implement these projects, (iii) expected funding from other external sources, and (iv) estimated funding needs from GEF-8 based on incremental cost reasoning as per the Operational Guidelines for the Application of the Incremental Cost Principle<sup>8</sup>. The guidance document<sup>9</sup> provided by the expert team helps countries understand these operational guidelines in order to calculate their estimated funding needs from the GEF for the period 2022-2026. Moreover, the information requested on potential GEF-8 strategic approaches is expected to be in line with countries' NBSAPs or national priorities and linked with other conventions.

iv) *Interviews*: Interviews were held with regional groups and GEF implementing agencies to seek their input as detailed in section 5 of this report.

### 3. Guidance to the financial mechanism

#### a. Programming and allocation history

Based on various GEF reports<sup>10</sup>, trends in co-financing, integrated projects, private sector funding and geographical spread is provided.

The total value of investments from all GEF resources to achieve the Aichi Biodiversity Targets from all the relevant programming lines in GEF-7 (biodiversity focal area strategy, GEF-7 Impact Programs, the International Waters Focal Area, the Least Developed Countries Fund for climate change adaptation, the Non-grant Instrument, and the Small Grants Programme) in the first 18 months of GEF-7 was \$1.056 billion. This leveraged co-financing of \$8.955 billion for a total investment of \$10.01 billion representing more than \$8 of co-financing for every dollar provided by GEF. This confirms a continuously rising co-financing ratio for GEF biodiversity projects which is above the target of 1:17 set for the entire GEF portfolio during the GEF-7 period.

**Table 1: Summary of Programming Usage of the GEF-7 Biodiversity Focal Area<sup>11</sup>**

	GEF-7	GEF-7	GEF-7
<b>Biodiversity Focal</b>	<b>Programming</b>		

<sup>7</sup> <https://www.cbd.int/financial/gef8needs.shtml>

<sup>8</sup> [http://www.thegef.org/sites/default/files/council-meeting-documents/OPERATIONAL\\_GUIDELINES\\_FOR\\_THE\\_APPLICATION\\_OF\\_THE\\_INCREMENTAL\\_COST\\_PRINCIPLE\\_5.pdf](http://www.thegef.org/sites/default/files/council-meeting-documents/OPERATIONAL_GUIDELINES_FOR_THE_APPLICATION_OF_THE_INCREMENTAL_COST_PRINCIPLE_5.pdf)

<sup>9</sup> <https://www.cbd.int/financial/gef8needs.shtml>

<sup>10</sup> Annual Performance Report (APR) 2020, GEF Independent Evaluation Report; GEF-7 Corporate Scorecard, June 2020; GEF Work Programs 2019

<sup>11</sup> Draft Conference of The Parties 15 Report Of The Global Environment Facility Presented To The Third Meeting Of The Subsidiary Body On Implementation Of The Convention On Biological Diversity, February 2020

<b>Area</b>	<b>Targets (\$ million)</b>	<b>Programming (\$ million)</b>	<b>Programming (%)</b>	(July 1, 2018 to
STAR Country Allocations STAR Set-aside	1,031	<b>468</b>	<b>45</b>	
Enabling activities	46	<b>0</b>	<b>0</b>	
Global and Regional Biodiversity Projects and Programs	55	<b>36</b>	<b>65</b>	
Impact Programs	160			
• Food, Land Use and Restoration	92	<b>70</b>	<b>76</b>	
• SFM Major Biomes (Amazon, Congo, Drylands)	53	<b>50</b>	<b>100</b>	
• Sustainable Cities	15	<b>15</b>	<b>100</b>	
<b>Total Resources</b>	<b>1,292</b>	<b>638</b>	<b>49</b>	

December 31, 2019)

The GEF Corporate Scorecard (June 2020)<sup>12</sup> states that the total utilization by GEF Geographic Regions for biodiversity under the System for the Transparent Allocation of Resources (STAR) is as follows: 64% for Africa; 54% for Asia; 51% for Europe and Central Asia and 65% for Latin America and the Caribbean. The LDCs utilized 58% and SIDS 45% for biodiversity in the same period.

b. Experience to date

<sup>12</sup> GEF Corporate Scorecard June 2020

The eight biodiversity relevant indicators out of the 11 core indicators of the GEF to monitor the impact of its projects are provided below. As indicated, the expected contribution to the core indicators is disproportionately high for the impact programs, particularly for indicators on terrestrial protected areas, land restoration and landscapes with improved practices. The CBD framework currently has about 98 indicative indicators, which countries are encouraged to use to monitor progress on achieving the Aichi Biodiversity Targets.

**Table 2: GEF Biodiversity Related Core Indicators**<sup>13</sup>

1. Terrestrial protected areas created or under improved management for conservation and sustainable use (hectares)
2. Marine protected areas created or under improved management for conservation and sustainable use (hectares)
3. Area of land restored (hectares)
4. Area of landscapes under improved practices (hectares; excluding protected areas)
5. Area of marine habitat under improved practices to benefit biodiversity (hectares; excluding protected areas)
6. Greenhouse gas emissions mitigated (metric tons of carbon dioxide equivalent) including through Carbon sequestered, or emissions avoided in the sector of Agriculture, Forestry and Other Land Use
7. Number of shared water ecosystems (fresh or marine) under new or improved cooperative management
8. Globally over-exploited fisheries moved to more sustainable levels (metric tons)

Based on these indicators, the GEF-7 is making good progress in achieving its targets under the biodiversity focal area. It has achieved 35% of the target of terrestrial protected areas (200 million hectares), 35.7% in the marine and 78.1% in restoration of land (6 million hectares).<sup>14</sup>

The GEF indicates that its **Impact Programs** make a significant contribution to achieve its core indicators. The GEF-7 Impact Programs are aimed at delivering environmental benefits on a large scale, with their resources now almost fully programmed. A total of 60 countries are participating in these programs, some in more than one program. Altogether these projects advance an integrated approach to tackling the drivers of environmental degradation through Sustainable Forest Management; Sustainable Cities; and Food Systems, Land Use and Restoration.

Under GEF-7, emphasis has been given to the use of **non-grant instruments** for blended finance to catalyze investments from capital markets at global and national levels aligned with focal area objectives. Blended finance aims to use scarce public resources to unlock large multiples of private sector finance, and therefore has attracted significant interest in recent years, including a private sector window for International Development Assistance (IDA) and added emphasis on catalyzing private investment by many bilateral and multilateral funds.

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<sup>13</sup> [http://www.thegef.org/sites/default/files/documents/Results\\_Guidelines.pdf](http://www.thegef.org/sites/default/files/documents/Results_Guidelines.pdf)

<sup>14</sup> <http://www.thegef.org/publications/gef-7-corporate-scorecard-june-2019>



GEF's interventions in integrating natural capital in the value chain, product certification, sustainable management of landscapes and seascapes to ensure long-term availability of biodiversity-dependent raw material and ecosystem provisioning services are particularly crucial for the private sector.

A project that makes direct contributions to Aichi Biodiversity Targets 2 and 5, *The Food Securities Fund: A fund to finance sustainable supply chains at scale in Emerging Markets* has been approved in GEF-7. GEF provides \$13.5 million while the co-financing of \$773 million comes from USAID Development Credit Authority, private investment groups and banks, development finance agencies, private foundations and institutional investors.

In addition to projects, the GEF is also providing significant funding to the **Small Grants Program (SGP)**. According to the SGP Annual Monitoring Report for fiscal year (FY) 2018 covering July 2018 to June 2019, the active portfolio of small grants projects funded by GEF funds amounted to 3,182 projects for \$108.5 million with co-financing leveraged of \$99.5 million. Focal area distribution of all SGP projects under implementation continued to remain strongly focused on biodiversity as primary focal area, which accounted for the largest share of the portfolio at 40 percent. During the July 1, 2018 to December 31, 2019 period, the GEF approved the first phase of the GEF-7 SGP for a total of \$64 million. This includes a component on biodiversity of \$21 million of GEF resources, which has been matched with an equal amount of co-financing.

#### c. Performance of the GEF

The sixth overall performance study (OPS6) of the Global Environment Facility stated that cumulatively, 80 percent of all the rated projects, which account for 78 percent of the GEF grant, are rated in the satisfactory range for outcome.

As part of OPS6, the GEF Independent Evaluation Office (IEO) undertook two studies in the Biodiversity Focal Area – a) an evaluation of the GEF funded projects on Access and benefit sharing (ABS) and the Nagoya Protocol (NP), and b) a study to assess GEF support to address illegal wildlife trade (IWT) through the GEF Global Wildlife Program (GWP). These two studies are the first conducted by the IEO on these themes. The Impact Evaluation of the GEF Support to Protected Areas (PAs) and PA Systems was completed in October 2015.

The Evaluation of GEF support to Biodiversity mainstreaming was presented to the GEF Council in December 2018. This evaluation considered biodiversity mainstreaming as highly relevant to the CBD and its member countries and the private sector. The CBD-mandated National Biodiversity Strategies and Action Plans (NBSAPs) are an important national-level instrument used for biodiversity mainstreaming planning (CBD and UNEP, 2008). GEF support has enabled eligible recipient countries out of the 191 of 196 (96 percent) parties to the CBD that submitted the NBSAPs; this is close to universal submission.

Eighty-five percent of biodiversity mainstreaming projects had outcome ratings in the satisfactory range. High scores were received for implementation and execution quality, with lower ratings for monitoring and evaluation and sustainability.

The **outcome ratings** of GEF mainstreaming biodiversity projects are comparable to the GEF overall portfolio. Eighty five percent of biodiversity mainstreaming projects have satisfactory outcomes. This is comparable to the outcome ratings for

non-mainstreaming biodiversity projects (82 percent) and all biodiversity projects (83 percent). Eighty five percent of the mainstreaming BD projects score satisfactory on execution quality and implementation quality. However, the biodiversity mainstreaming projects score lower on M&E design, M&E implementation and sustainability ratings.

All terminal evaluations (TE) and ratings are reviewed and validated by the IEO and/or the evaluation office of the respective GEF partner Agency.

There are **regional differences** in the performance ratings. Mainstreaming projects in Europe and Central Asia (ECA) perform relatively better in outcomes, monitoring and evaluation (M&E) implementation (87%), implementation quality (93%); mainstreaming projects in Africa have the lowest APR rating both in sustainability (53%), M&E implementation (52%) and for outcomes (81%). Overall, the sustainability ratings for the mainstreaming projects in Asia, ECA and LAC are comparable (70%). Global projects tend to have the highest ratings for outcomes (93%), sustainability (91%) and execution quality (92%) but score lower in M&E design (53%) and M&E implementation (69%).

d. COP recommendation related to GEF performance

The Conference of Parties at its fourteenth meeting considered the sixth overall performance study of the Global Environment Facility, as a good basis for the fifth review of the effectiveness of the financial mechanism, as well as the related submissions received from Parties, and invited the Council of the Global Environment Facility to take the following action in order to further improve the effectiveness of the financial mechanism:

- i. Continue to improve the design, management, and performance of the sixth-replenishment Integrated Approach Pilots, the seventh-replenishment impact programs, other programmatic approaches, and multi-focal area projects in addressing drivers of environmental degradation;
- ii. Promote awareness to the existing processes under the Conflict Resolution Commissioner to address complaints related to the operations of the financial mechanism;
- iii. Further improve the sustainability of funded projects and programs, including sustainable financing of protected areas;
- iv. Continue to improve the efficiency and accountability of the Global Environment Facility partnership;
- v. Include the following information in its report to the Conference of the Parties at its fifteenth meeting;
  - Progress in implementing the new co-financing policy;
  - Performance of the Global Environment Facility's network of agencies;

e. Financial implications of future guidance

Estimates of the financial implication of the CBD Guidance to the Financial Mechanism which calls for future financial resources and the four-year framework of program priorities, as relevant for the post-2020 Global Biodiversity Framework will be done as and when available. In the section on global reports in this report, available information related to total resource needs is provided.

#### 4. Analysis of relevant national and global reports

##### a. National Biodiversity Strategies and Action Plans (NBSAPs)

In accordance with Article 6 of the CBD, Parties shall develop national strategies, plans or programs for the conservation and sustainable use of biological diversity in alignment with the objectives of the Convention. The Expert Team reviewed the NBSAPs submitted by Parties up to April 2020 for evidence of relevant financial information on the cost implications of the plan.

In the context of the post-2020 Framework, the CBD COP 14 in November 2018, the Conference of the Parties, invited “Parties and other Governments to consider developing, (...) biodiversity commitments that contribute to the achievement of the three objectives of the Convention, strengthen national biodiversity strategies and action plans, facilitate the achievement of the Aichi Biodiversity Targets and contribute to an effective post-2020 global biodiversity framework, ...”

At the COP14 meeting in September 2018, an update on NBSAPs was presented (CBD/COP/14/5/Add.1) by the Executive Secretary. total of 191 Parties out of 196 had submitted at least one NBSAP, with 170 Parties having submitted an NBSAP in line with the Aichi Biodiversity Framework agreed at COP 10 in 2010. Out of the 143<sup>15</sup> countries that received GEF-7 STAR Country Allocations, 142 had submitted an NBSAP by April 2020. The duration of NBSAPs varied, with 129 prepared after the agreement on the Aichi Targets, and therefore closely aligned with these (to 2020) and others extending beyond.

Out of the 143 GEF recipient countries, 58% of the 12 European countries reported some financial data in their NBSAPs; 68% of the 53 eligible African countries, 55% of the 33 eligible Latin American and Caribbean countries, and 38% of the 45 Asia/Pacific countries. The financial data in the NBSAPs presents the amount of funds estimated to achieve the targets and activities set out in the NBSAP. Where the NBSAPs are aligned with the Aichi targets, the estimated funding needs similarly apply to meeting the Aichi targets. However, in many cases NBSAPs go beyond the Aichi targets and therefore, the estimated funding needs also reflect the broader in-country biodiversity priorities.

The Expert Team could not use data from the NBSAPs to extrapolate financing needs as the NBSAPs that did provide financial information provided an overall figure for their plan, generally up to 2020, with a few exceptions going beyond 2020. NBSAPs covered different periods and generally, did not disaggregate financial information according to source.

Nevertheless, the Expert Team was able to extract for a selection of countries an annual estimate for the NBSAP which could be compared with the annual estimation of needs from the questionnaire response and the annual GEF-7 allocation. This comparison can provide an overview of the coherence of financing to date.

##### b. National Reports

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<sup>15</sup> The Expert Team used the same list of 143 GEF eligible countries reviewed by the 2016 Expert Team

Article 26 of the Convention calls for Parties to present in the form of a national report, information on measures that they have implemented towards meeting the objectives of the Convention. National reports are due every 4 years. In accordance with decision XIII/27, the Sixth National Reports (6NRs) were due on 31 December 2018. As of August 2020, a total of 92 Sixth National Reports had been received by the CBD Secretariat and were available online.

The Expert Team reviewed all the available National Reports on the CBD website to identify average domestic expenditures.

Out of the 12 eligible European countries, 58% had reported some financial data in their latest national reports; similarly 43% of the 53 eligible African countries, 42% of the 33 eligible Latin American and Caribbean countries and 27% of the 45 Asia/Pacific countries also provided some financial data.

The financial data provided in national financial reports present actual funding secured for implementation of the NBSAP. Although this funding is only disaggregated by domestic or international sources, it is useful in terms of determining actual funds mobilized. The Expert Team could use this financial data to make a comparison with GEF-7 STAR allocation funding, and thus obtain an average ratio which could be used for extrapolations for GEF-8. Nevertheless, the fact that less than half of parties had provided financial data in their national reports limits the value of this information.

Regarding the Cartagena Protocol on Biosafety to the Convention on Biological Diversity the Expert Team reviewed the data provided by countries through the fourth national report. Question 167 in the national report is related to Article 28 on the Financial Mechanisms and Resources asking countries to report on how much funding has the country mobilized to support implementation of the Cartagena Protocol beyond the regular national budgetary allocation in the current reporting period. More than 60 per cent of the countries reported raising between few thousand dollars to \$500,000 or more in the reporting period. As the question 167 is limited to current resource mobilization efforts by countries, the national reports to the Protocol do not give any indication of estimated needs from the GEF in future.

Similarly for the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization to the Convention on Biological Diversity the Expert Team reviewed questions 62.1 (Has your country made financial resources available to other Parties or received financial resources from other Parties or financial institutions for the purposes of implementation of the Protocol as provided in Article 25?) and 62.3 (information on the status of funds mobilized in support of the implementation of the Protocol) of the Interim National Report on the Implementation of the Nagoya Protocol. This information has been provided by a limited number of countries and due to the questions related to current resource mobilization efforts the national reports do not yield any data on the future GEF needs for 2022-2026 period.

#### c. Financial Reporting Framework

The Expert Team reviewed the reports posted under the *Financial Reporting Framework: Reporting on progress towards 2020* that were available on the CBD Clearing House Mechanism (CHM) until May 2020. A total of 48 reports from GEF

eligible countries had been submitted with data, until 2015, on domestic expenditures, including funding sources, for achieving the 2020 Aichi Biodiversity Targets.

A total of 48 reports from GEF-eligible countries had been submitted. In addition, financial reporting reports had been submitted by 17 countries with data up to 2020, of which only four were from GEF eligible countries.

A comparison of reported annual domestic expenditures for a selection of 48 countries from Asia/Pacific, Europe, Africa and Latin America and the Caribbean that had provided financial information up to 2015 versus an annualized GEF-7 STAR allocation (under the biodiversity allocation alone) demonstrates that for a majority (65% or 31 out of 48) the annualized GEF STAR allocation represented between 1-10% of their own domestic expenditure, while for 23% (11 out of 48) it represented between 11-50% of their own domestic expenditure and for 13% (6 out of 48) it represented over 51% of their own domestic expenditure.

As concerns financial reports up to 2020 included in the CBD online Clearing House Mechanism (CHM), out of the **12** eligible European countries, **33%** had reported some financial data in their latest national reports; **34%** of the **53** eligible African countries, **45%** of the **33** eligible Latin American and Caribbean countries and **27%** of the **45** Asia/Pacific countries. Financial data reported pertains to domestic expenditure.

In addition to the data on domestic expenditures in the past decade, the Expert Team reviewed the actual STAR allocation of countries in GEF7 compared to their estimated needs using the CBD questionnaire on needs assessment in 2016.

For 52 GEF eligible countries that had completed the needs assessment questionnaire in 2016, the Expert Team compared the financial needs estimated in the questionnaire to the amount allocated under the GEF-7 STAR allocation for biodiversity alone (not including funding from the impact programs or STAR allocations from the other areas that may have included biodiversity outcomes) (see Table 3).

This comparison demonstrates that the largest share of countries (40% or 21 out of 52 countries) who completed the 2016 questionnaire were allocated under the GEF-7 biodiversity STAR allocation 20% or less of their estimated funding needs stated in the questionnaire; 31% (or 16 out of 52) received between 21-50%, 19% (or 10 out of 52) received between 51-100% and 10% (or 5 out of 52) received more than the amount they requested. These discrepancies may be for several reasons, *inter alia* that: i) ultimately Parties may not have submitted the same list of projects to the GEF-7 as those they envisaged at the time of the 2016 questionnaire, ii) the effective requested budget was lower than the estimated one at the time of the questionnaire iii) countries may have received additional GEF funding outside of the biodiversity STAR allocation or iv) additional co-funding was obtained.

Table 3: for 52 countries: GEF STAR-7 Allocation for Biodiversity as percentage of the needs assessment questionnaire (2016)

<b>Country</b>	<b>Proportion of STAR allocated funds (to biodiversity) out of GEF-7 requested amount (as per 2016 questionnaire &amp; assessment)</b>
Guinea	2%
Barbados	3%
Eritrea	5%
China	6%
Syrian Arab Rep	6%
D.R Congo	8%
Suriname	8%
Philippines	10%
Cuba	10%
South Sudan	11%
Ghana	13%
Maldives	14%
Timor-Leste	14%
Lebanon	15%
Botswana	16%
Turkey	19%
Sudan	19%
Bosnia and Herzegovina	19%
Zimbabwe	20%
Iran	20%
Senegal	20%
Uganda	23%
Malawi	24%
Indonesia	27%
Guatemala	31%
Egypt	31%
Ecuador	32%
India	32%
Mozambique	36%
Madagascar	37%
Nepal	39%
Belarus	40%
Myanmar	41%
Serbia	43%
Venezuela	44%
Iraq	45%
Viet Nam	50%
Benin	55%
Seychelles	59%
Brazil	64%
Costa Rica	65%
Georgia	73%
Guinea Bissau	81%
Peru	82%
Cameroon	84%
Albania	100%

Armenia	100%
Ethiopia	115%
Rep of Moldova	133%
Morocco	142%
Mauritania	150%
Sao Tomé and Príncipe	219%

The Panel of Experts looked at all the reports from UNDP-BIOFIN for information and data on countries' funding needs. Currently, BIOFIN supports 36 countries in reviewing policies and institutions relevant for biodiversity finance, determining baseline investments, assessing the costs of implementing National Biodiversity Strategies and Action Plans, and quantifying the biodiversity finance gap.

To this date, BIOFIN has worked with most of their supported countries to review their biodiversity-related expenditures and develop financial plans to mobilize resources in the future. For example, in its 2018 expenditure review, Colombia reported that total biodiversity investments represented around US\$ 272 million per year (0.12% of national GDP). In comparison, its needs assessment reported financial needs of US\$4.2 billion for the period 2017-2030, of which it expects 24% to come from financial mechanisms<sup>16</sup>.

Though there are some expenditure reports available for some countries on its website, there is no relevant data that could be used to identify future needs as a whole for the period 2022-2026 period of the GEF. Once a significant number of countries complete the BIOFIN projects, an estimate of at least country's total financial needs would be available that can be recorded for this assessment.

#### e. Global Reports

Five global reports on financial needs for biodiversity conservation are included in this section. These reports are concerned with estimating current global flows of financial resources for biodiversity conservation (OECD and Financing Nature); future global financial needs for biodiversity conservation or as the gap between current resources and future needs (High-Level Panel and Financing Nature); and, past performance of financial resources spent on biodiversity conservation (WWF and Global Monitoring). These reports indicate that countries have doubled their efforts in mobilizing financial resources in the last decade for biodiversity but that this effort has not been matched necessarily in the same proportion by the GEF.

These reports are included to provide context on the large gap between current financial flows and future financial needs for biodiversity conservation indicating an urgent need to increase financial resources of all types for the post-2020 global biodiversity framework, including the GEF. According to these estimations, the gap in financial resources is of at least 5 to 8 times than current financial flows for conservation. There is no reason to believe that the 'GEF gap' would be smaller than that.

The amount of resources for biodiversity conservation should increase at higher rates than before to cope with the ambitious targets for the new framework, and

<sup>16</sup> <https://www.biodiversityfinance.net/colombia>

therefore it can be deduced that the resources for the next 2 cycles of the GEF (2022-2026 and 2026-2030) should also be substantially increased.

i. OECD Comprehensive Overview of Global Biodiversity Finance: Proposed methodology and initial results (2020)<sup>17</sup>

Through aggregating information across multiple datasets reported by 80 countries, it was estimated that a total of US\$ 78-91 billion per year flows into global biodiversity finance. Flows are separated by domestic, public international, and private sectors. Then international flows are divided into bilateral and multilateral flows and private sector flows are categorized as philanthropy and membership fees, green bonds, impact investing, biodiversity offsets, and payment for ecosystem services (PES) flows.

ii. Financing Nature: Closing the Global Biodiversity Finance Gap Report (Deutz et al. 2020)<sup>18</sup>

This report presents an estimation on 2019 flows on global biodiversity conservation financing (US\$124-143 billion) and an estimation on global biodiversity conservation financial needs per year by 2030 (US\$ 722-967 billion). The difference (US\$ 598-843 billion per year in 2030) shows the biodiversity financing gap annually by 2030 necessary to achieve proposed conservation targets from an holistic point of view, which includes protection of existing biodiversity through protected areas, but also considers mainstream biodiversity conservation investment needs to adequately manage and use “productive” land and seascapes.

They recommend that international funding for biodiversity at least doubles by 2030 and at least covers the costs for developing countries to develop NBSAPs and National Biodiversity Finance Plans. In addition, they recommend that the GEF should: (a) provide additional resources to developing countries for the development of BFPs alongside their updated NBSAPs through the Enabling Activities window; (b) increase the amount of resources available for the biodiversity focal area to support countries with the implementation of national biodiversity finance plans; and (c) prioritize funding for domestic policy reform, rather than discrete biodiversity field projects.

iii. High-level Panel on the Global Assessment of Resources for Implementing the Strategic Plan for Biodiversity 2011-2020 (UNEP/CBD/COP/12/INF/4)<sup>19</sup>

A review of the 2012 High level panel on global assessment of resources for implementing the strategic plan for biodiversity 2011-2020 has also been done. The panel highlighted the costs as well as benefits of achieving each Aichi target.

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<sup>17</sup> <https://www.oecd.org/environment/resources/biodiversity/report-a-comprehensive-overview-of-global-biodiversity-finance.pdf>

<sup>18</sup> [https://www.paulsoninstitute.org/wp-content/uploads/2020/09/FINANCING-NATURE\\_Full-Report\\_Final-Version\\_091520.pdf](https://www.paulsoninstitute.org/wp-content/uploads/2020/09/FINANCING-NATURE_Full-Report_Final-Version_091520.pdf)

<sup>19</sup> <https://www.cbd.int/doc/meetings/cop/cop-12/information/cop-12-inf-04-en.pdf>



The panel stated that the benefits of biodiversity conservation and sustainable use have been shown to greatly exceed the investment costs for all regions and for a wide range of Aichi Targets. Based on the High-level Panel (2012) annual aggregate estimates of investment needs, the average global per capita investment needed for biodiversity action is estimated to be between approximately US\$20 and US\$60. This translates to investment requirements ranging from 0.08 to 0.25% of global GDP.

iv. Global Monitoring Report 2016 (UNEP/CBD/SBI/1/INF/46)<sup>20</sup>

The global monitoring report 2016 provided information on the status and trends in international financial resource flows to biodiversity. It listed several types of sources: financial and development institutions for biodiversity, equities and equity markets, insurance sector, banking sector, institutional investment, and bonds. It reported that in 2014 over US\$ 7 billion of development assistance screened for biodiversity objectives had biodiversity as a principal or significant policy objective, and that the percentage of assistance screened, a measure of reporting efforts, increased substantially from 38% in 2006 to 87% in 2014. It also highlighted that among member countries of the OECD/DAC Creditor Reporting System, several donor countries have more than doubled their international financial resource flows to biodiversity from the 2006-2009 average to 2014.

v. WWF Barometer on CBD's Strategy for Resource Mobilization<sup>21</sup>

The WWF Barometer report assessed how the OECD countries have achieved the resource mobilization target on international financial flows – i.e. doubling of the baseline figure by 2015 and at least maintaining this level until 2020. It uses data from the OECD Development Assistant Committee (DAC) including only funds classified as ODA and the GEF related funding portfolio data.

OECD countries collectively doubled their biodiversity-related funding and increased their expenditure by 130% from 2015. The funding level reached USD 7.8 billion in 2015. 43% of countries doubled their expenditures; 28% of countries had increased, but not yet doubled funding; and 29% of countries decreased their funding in 2015 compared to the baseline. From 2015 to 2016 there was a reduction of 20% (USD 1.5 billion) in biodiversity-related funding – down to USD 6.2 billion. But after a careful look at the data, most of the reduction in funds (64%) is due to Japan reducing its funding from USD 2 billion to USD 678 million – a USD 1.4 billion reduction.

In contrast, biodiversity related GEF funding has only increased about 30% between GEF-4 and GEF-7. Biodiversity-targeted funding from GEF did not double from the 2006 – 2010 baseline by 2014, 2018, or in the current 2018 – 2022 GEF-7 cycle. Co-financing instead increased exponentially.

## 5. Consultations with regional groups and GEF implementing agencies

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<sup>20</sup> <https://www.cbd.int/financial/monitoring.shtml>

<sup>21</sup> <https://www.wwf.de/fileadmin/fm-wwf/Publikationen-PDF/WWF-Barometer-CBD-SRM.pdf>

The Expert Team attended the WG2020-2 in Rome and presented the assessment and questionnaire at four regional groupings (CEE, GRULAC, Asia/Pacific and Africa) which provided an opportunity for a question answer session. One-to-one meetings were also held with countries when requested at the WG2020-2.

- Africa regional meeting: Chaired by the delegate from South Africa the meeting had a very good response in terms of participation and discussion. Questions were specifically raised by Ethiopia, Egypt, South Africa and Eswatini. As a follow-up the expert panel member met South Africa and Madagascar to go through the questionnaire.
- CEE regional meeting was chaired by the delegate from Georgia. This meeting also had a very good response and questions were initiated by Armenia, Belarus, Russia, Tajikistan and Bosnia-Herzegovina. As a follow-up the expert panel member met Armenia to go through the questionnaire.
- GRULAC regional meeting was chaired by the delegate from Mexico and questions were raised by Mexico and Colombia. As a follow-up the expert panel member met Colombia, Venezuela, Mexico and Peru to go through the questionnaire.
- Asia-Pacific meeting was chaired by the delegate from India and Kuwait. There were no specific questions raised at the meeting. As a follow-up the expert panel member met Malaysia, ACB, India and Cambodia.
- The Expert Panel made presentations at the CBD Information Session on 26th February 2020 held jointly with the CBD Resource Mobilization panel chaired by Ms Odile Conchou and was well attended.
- A meeting was held with the members of the CBD Resource Mobilization Expert Team.

The CBD Secretariat reached out to 5 GEF implementing agencies for the expert team to consult. To date, consultations were held with the World Bank and IUCN while additional consultations will be held in early 2021.

The IUCN representative noted that the GEF now has a much more streamlined process which works effectively. She highlighted the importance of country focal points engaging with the agency having the most relevant expertise and which is more likely to be able to leverage the co-funding required.

Challenges she identified concern projects that straddle more than one focal area and that may therefore, not be captured by any STAR allocation. She noted the inevitable competition generated by the number of GEF agencies now active, and in some countries, all vying for a small amount of funds through the STAR allocation. She also highlighted the importance of blended funding as a useful way of generating co-funding, including in the form of non-grant funding (which can reach significant amounts).

An example of a project she considered successful, is the "Conservation Finance Initiative - scaling up and demonstrating the value of blended" (CPIC) which is an example of an innovative partnership on blended financing funded by GEF-6. It brings together Credit-Suisse, Cornell University IUCN and TNC and now has around 100 coalition partners. The aim of the initiative is to leverage public and private financial agencies, philanthropic bodies, conservation organizations and expert advisors to deliver a set of innovative conservation projects in which partners can invest. Funding to projects through the initiative is through a combination of grant and reimbursable funding.

The World Bank representatives noted that GEF source of funding for biodiversity support is 26% and biodiversity is one of the most important areas, though the use of GEF funds have been going down. Some reasons are that it is often difficult to demonstrate functionality. There is also more competition and more capacity to implement projects. The WB is just one more among many numbers of capacity implementers.

They presented us with two examples of successful projects implemented by the World Bank for biodiversity conservation: the Seychelles Blue Bond and Madagascar Sustainable Landscapes Project. In the Seychelles project, they helped the government to issue the world's first Blue Bond in 2018. They mobilized US\$15 million of private sector investment to support the ocean economy and helped the Seychelles' government save over US\$8 million in interest charges over the next ten years. In Madagascar, with US\$ 107 million of total funding, they developed a project to increase access to improved irrigation services and agricultural inputs, and strengthen the integrated management of natural resources by the local actors and, to provide immediate and effective response to emergencies.

They also mentioned that going forward, in a post-Covid world, the World Bank will leverage additional funding from the GEF and will not look just at ecosystems alone but together with other areas (e.g. food security).

As part of the consultation, they also highlighted how they are developing different scenarios of global economic models to understand welfare implication from changes in ecosystem services that will help to have a deeper knowledge of the impact from conservation funding that could be also relevant for GEF projects.

## **6. Assessment of the submitted questionnaire on funding needs**

In accordance with paragraph 11 of the terms of reference, a questionnaire was developed by the Expert Team to provide information on the total funding needs for prioritized projects for GEF-822. The questionnaire and its guidance were made available online in English, French and Spanish between end of February and July 2020. In addition, the Expert Team held information sessions at the Open-Ended Working Group meeting in Rome in February 2020 to present the questionnaire and respond to any queries. After the OEWG, the Expert Team also contacted all national focal points of GEF eligible countries offering support for any queries related to the questionnaire. A total of 11 follow up discussions were held with Parties. Feedback on the questionnaire to date was positive with Parties confirming that it was easy to complete.

The questionnaire includes both qualitative and quantitative information. It requests Parties to list for each project the total estimated funding needs, likely co-funding available and GEF needs using the incremental cost method. In addition, information was requested of the Parties concerning the likely characteristics of the proposed projects. These characteristics were divided according to: 1. Biome, 2. Species, 3. Integrated programs, 4. Strategies. Lastly, parties were also requested to provide information on linkages with other conventions and with the SDGs for each proposed project.

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<sup>22</sup> <https://www.cbd.int/financial/gef8needs.shtml>

As of 27 September 2020, 15 GEF recipient countries had responded to the questionnaire providing data on a total of 66 potential projects. This proportion (10%) is insufficient to arrive at definite conclusions though an indicative analysis has been done for this report. Exceptional circumstances due to the Covid-19 pandemic, difficulties in projecting financial needs for GEF 8 at the initial stage of discussion on post-2020 global biodiversity framework and a short deadline explain the limited response rates. It is expected however, that more questionnaires will be completed preceding the SBI3 and COP15 meetings.

As in past years, on the assumption that not all Parties will reply, it is anticipated that to reach the final overall figure of funding needs for GEF-8, extrapolations are necessary.

The analysis of the questionnaire also provides a qualitative description of the overall portfolio of projects likely to be submitted to GEF-8. A description of the proposed overall portfolio of projects are split across biomes, species characteristics, strategies and integrated programs. An overall percentage for each of the options in the above categories have been estimated. The analysis relies entirely on the data provided by Parties who responded to the questionnaire. Thus, two caveats apply to this analysis: 1. It does not represent the entire portfolio likely to be submitted to the GEF-8 (considering a very low response rate); and 2. It is subject to any potential discrepancies in the questionnaire (i.e. any possible errors or misinterpretations). This information may be useful in guiding programmatic decisions.

a. Proposed portfolio description based on limited questionnaire responses

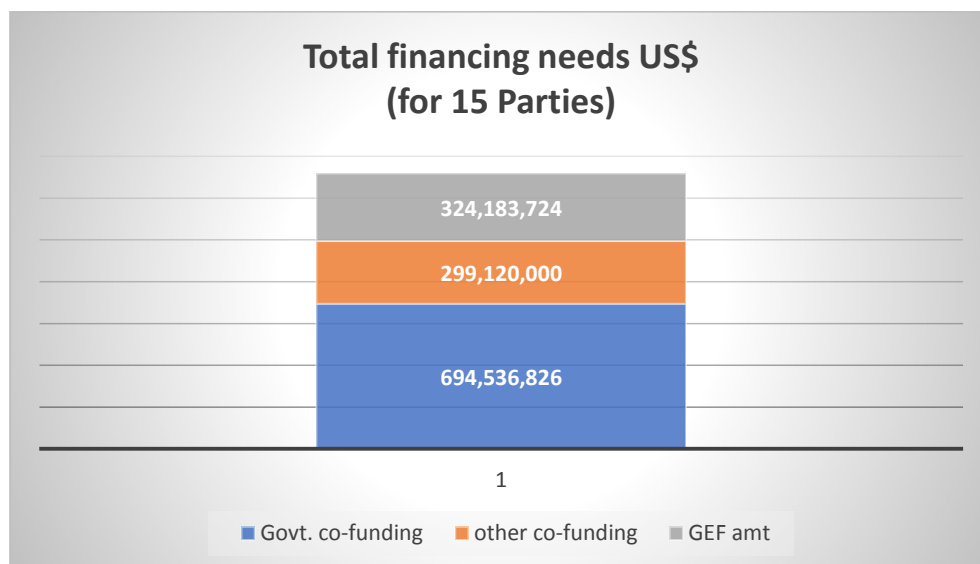
The total number of country responses to date was 15 (6 from Africa, 3 from Eastern Europe, 3 from Asia and the Pacific and 3 from Latin America and the Caribbean). The amounts requested are provided in Table 3 below.

Table 4: Country responses to questionnaire on funding needs

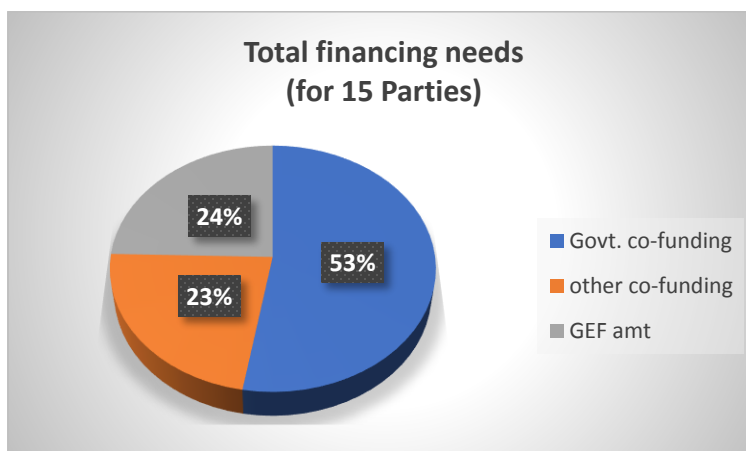
Country	GEF Funding (US\$)	Govt. Funding (US\$)	Other Co-funding (US\$)	Total (US\$)
Algeria	21,424,500	89,847,000	16,600,000	127,871,500
Armenia	17,300,000	3,650,000	5,750,000	26,700,000
Bahamas	2,500,000	1,000,000		2,500,000
Belarus	2,000,000			2,000,000
Central African Republic	23,488,724	1,824,890		25,313,614
Comoros	5,935,000	15,000	50,000	6,000,000
Costa Rica	55,000	15,000		70,000
Georgia	5,000,000	800,000	16,000,000	21,800,000
Iraq	300,000	100,000	100,000	500,000
Madagascar				

	59,000,000	11,750,000	41,000,000	111,750,000
Mexico	140,780,000	579,184,936	201,420,000	921,384,936
Mongolia	3,400,000	250,000		3,500,000
Myanmar	12,500,000			12,500,000
Senegal	22,600,000	5,550,000	7,700,000	35,850,000
Togo	7,900,500	550,000	10,500,000	18,950,500
<b>Total</b>	<b>324,183,724</b>	<b>694,536,826</b>	<b>299,120,000</b>	<b>1,316,690,550</b>

The total number of projects proposed by the 15 parties is 67. Total financing needs requested by the 15 Parties is: US\$ 1.317 billion. Total GEF financing needs requested by the 15 Parties is: US\$ 324 million. Total co-funding provided by Parties' domestic sources is US\$ 695 million, while other co-funding amounts to US\$ 299 million.



Figures 1 & 2: Total Financing Needs from 15 questionnaires. 53% is from government funding, 23% from other funding, and 24% from total is requested as GEF funding.



Figures 3 to 7 provide a qualitative description of the proposed portfolios provided by the 15 questionnaire respondents. They describe the portfolio of projects in terms of strategic objectives, linkages to the SDGs and other conventions, integrated programs, biomes and species.

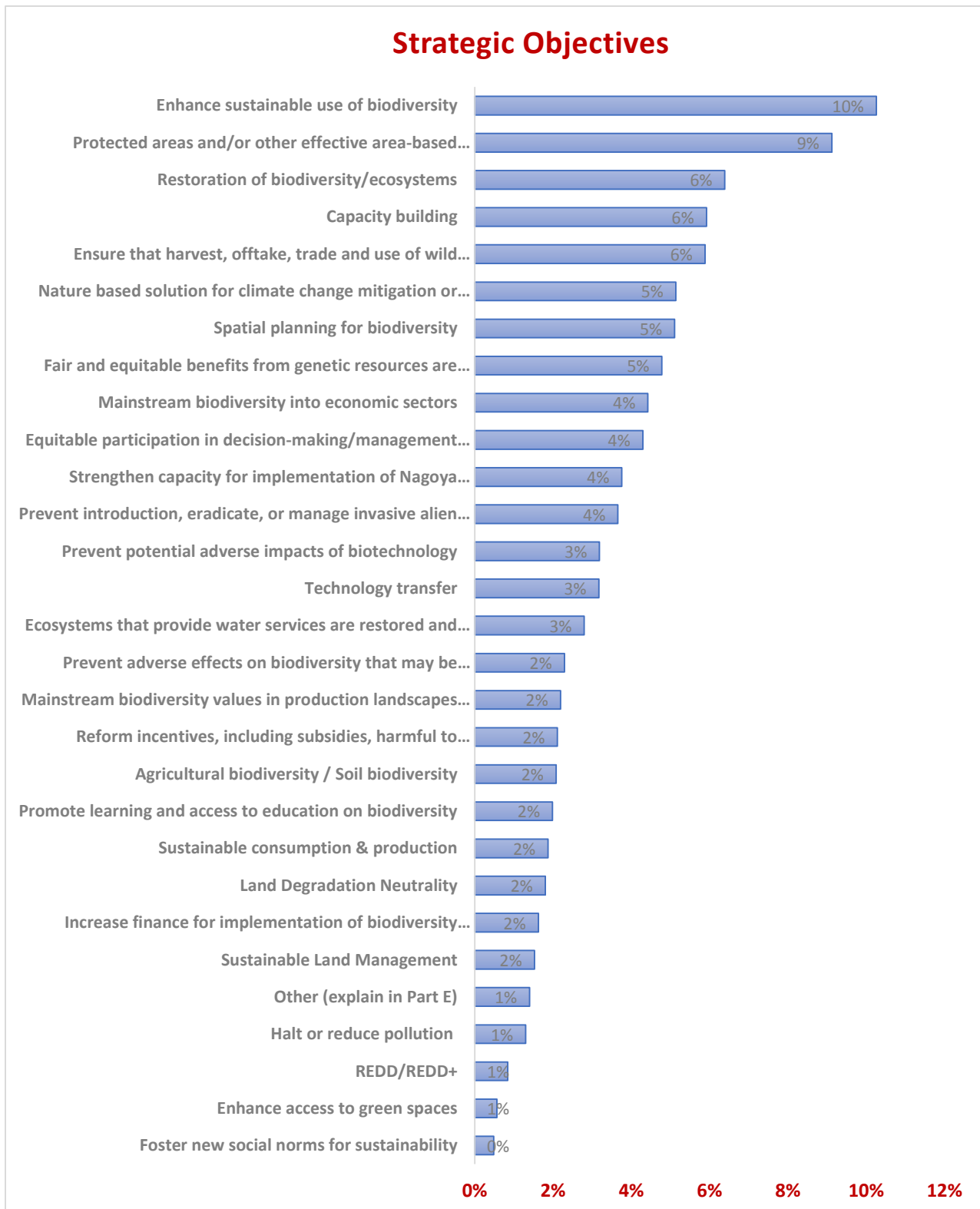


Figure 3: Portfolio description by strategic objectives

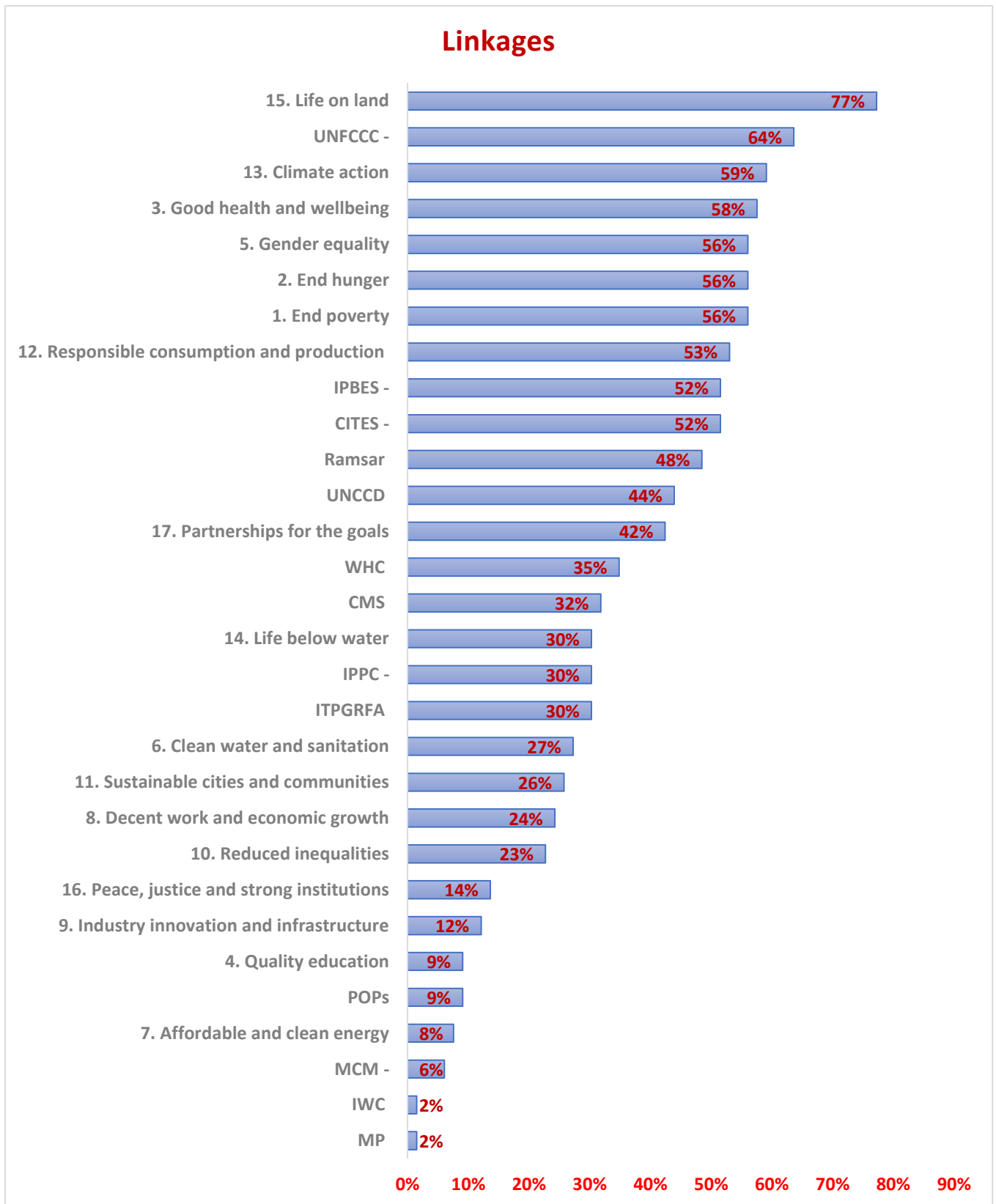


Figure 4: Portfolio links to other conventions and to SDGs



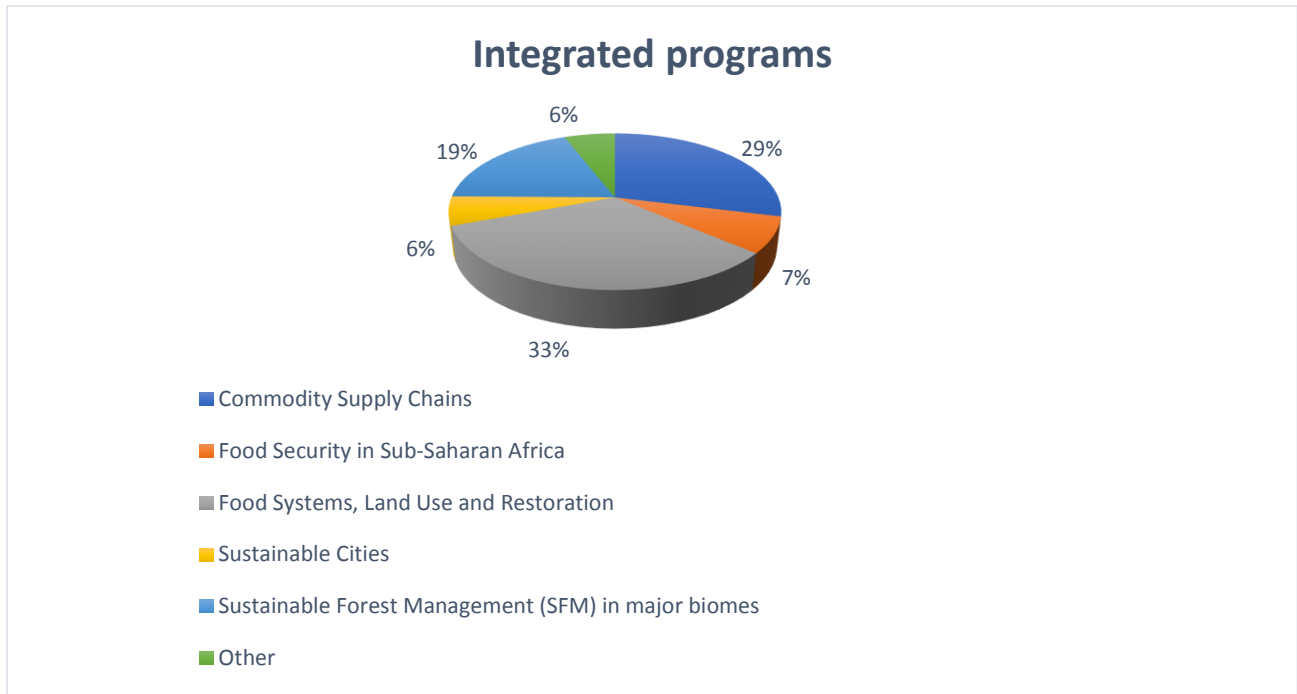


Figure 5: Portfolio description by integrated programs

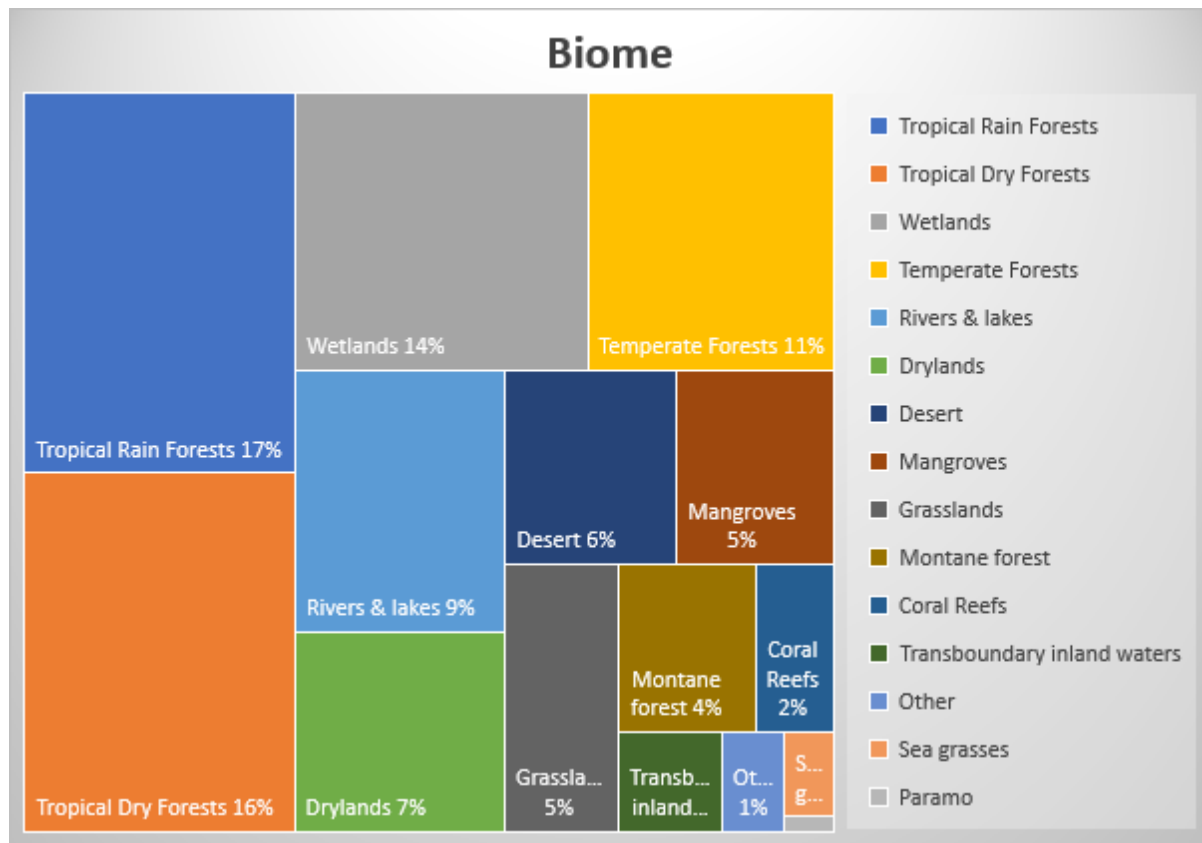


Figure 6: Portfolio description by biomes.

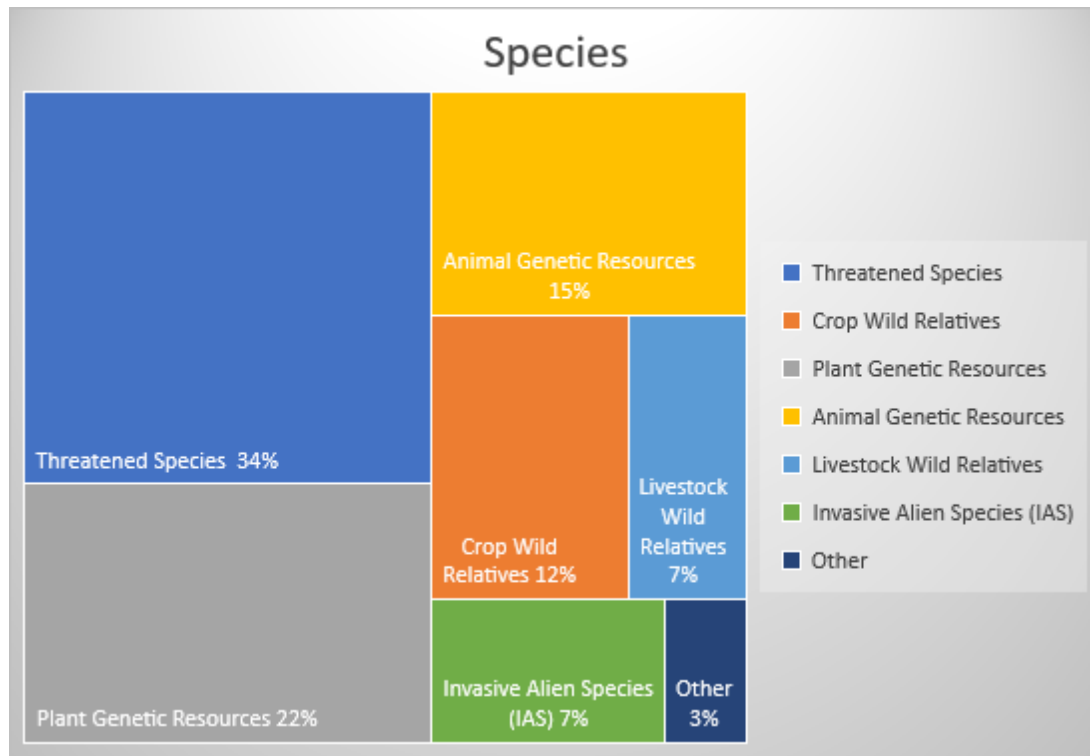


Figure 7: Portfolio description by species.

**b. Potential scenarios**

The purpose of the expert team’s work is to collect financing needs from all GEF-eligible CBD parties to identify the overall needs for GEF-8. Should all parties respond to the questionnaire, then this would form the basis for the analysis. However, as it is expected that not all parties are likely to submit this data, different scenarios can be used to extrapolate data from existing sources and to define the financing needs for GEF-8. Thus, based on the data provided through questionnaire responses, as well as using insights from previous GEF STAR allocation amounts for biodiversity, a number of scenarios can be used to project the total amount estimated for GEF-8. The higher the number of responses to the questionnaires, the more precise these estimations will be. To date only 15 Parties had responded, making the estimations highly uncertain. Nevertheless, for the purposes of the SBI meeting, the expert team presents below 3 possible scenarios for the total amount of funds needed from GEF-8.

**Scenario 1:** Estimation based on questionnaire responses and applying multiplier to GEF-7 STAR allocation to biodiversity

Using the data from the Parties that submitted responses to the questionnaire (15 to date), we compared them to the GEF-7 STAR allocation for biodiversity (not including funding from the impact programs or STAR allocations from the other areas that may have included biodiversity outcomes). The percentage increase (or decrease) between GEF-7 STAR allocation to biodiversity and the questionnaire amount was calculated. The average of these percentages was calculated to obtain a multiplier of 195%. Applying this figure to the total GEF-7 STAR allocation to biodiversity can provide one means of estimating GEF-8 funding needs. The larger

the number of questionnaire responses, the more accurate this multiplier figure will be.

Scenario 2: Estimation based on GEF-6 and GEF-7 STAR allocation to biodiversity

By calculating the percentage change between GEF 6 and GEF 7 for each of the 144 countries under the STAR allocation (biodiversity) and averaging this percentage over the total, we obtain an average across the parties of 14% increase. This multiplier could then be used in two ways: a) to simply calculate an unambitious change at the same level for GEF 8, or b) doubling this multiplier to provide a more ambitious estimation.

Scenario 3: Estimation based on extrapolating the responses to the questionnaires to the total number of GEF-eligible parties using a statistical model

In this case, we use the amount of needs reported in the questionnaire (15 to date) and the gross domestic product (GDP) for each country who reported needs to develop a regression model with needs as variable to explain and GDP as the explanatory variable. This model provides a statistical relationship between GDP and needs estimations in the questionnaire. We use this model to project funds to all the other Parties who have not reported their needs in the questionnaires. This method will provide a projection of needs per country that is based on a weighted average of the funds reported by the 15 responses collected and anchored on nominal GDP. So, projection of needs will be relatively larger for countries with higher GDP than average, and smaller for countries with lower GDP than average.

## 7. **Up-date of draft zero global biodiversity framework 2020**

In its 20 action-oriented for 2030, the Global Biodiversity Framework proposed targets related to tools and solutions for implementation and mainstreaming. These targets are:

Target 13: By 2030, integrate biodiversity values into policies, regulations, planning, development processes, poverty reduction strategies and accounts at all levels, ensuring that biodiversity values are mainstreamed across all sectors and integrated into assessments of environmental impacts

Target 14: By 2030, achieve reduction of at least [50%] in negative impacts on biodiversity by ensuring production practices and supply chains are sustainable.

Target 15: By 2030, eliminate unsustainable consumption patterns, ensuring people everywhere understand and appreciate the value of biodiversity, make responsible choices commensurate with 2050 biodiversity vision, taking into account individual and national cultural and socioeconomic conditions

Target 17: By 2030, redirect, repurpose, reform or eliminate incentives harmful for biodiversity, including [X] reduction in the most harmful subsidies, ensuring that incentives, including public and private economic and regulatory incentives, are either positive or neutral for biodiversity

Target 18: By 2030, increase by [X%] financial resources from all international and domestic sources, through new, additional and effective financial resources commensurate with the ambition of the goals and targets of the Framework and implement the strategy for capacity-building and technology transfer and scientific

cooperation to meet the needs for implementing the post2020 global biodiversity framework.

Comparing the resource mobilization targets from the new global framework draft with previous targets on resource mobilization it can be observed that these targets are more ambitious and will require higher financial support than previously expected.

As part of the commentaries submitted for the first report from the Panel of Expert on resource mobilization for the new framework with respect to the Goal 3 on strengthening existing financial institutions and promote replication and scaling-up of successful financial mechanisms and instruments, it was mentioned that there is a gap in the strategy for resource mobilization in relation to the limitations of GEF to provide non-grant financing<sup>23</sup>.

As a general observation it was mentioned that, GEF being the financial mechanism of the Convention on biodiversity, its biodiversity-related GEF funding increased only by about 30 per cent between GEF-4 and GEF-7. The GEF has supported around 1,300 projects in more than 155 countries through investments of more than US\$ 3.5 billion and more than US\$ 10 billion in co-financing.

As a recommendation, the third report from the Panel of Experts on resource mobilization for the new framework, mentions that given that the GEF is the financial mechanism of the CBD, it should: (a) maintain a key role in mobilizing resources for implementation of the Convention, given its role in mainstreaming biodiversity into development efforts, and ensuring the effective use of resources, and (b) strengthen the linkages with Green Climate Fund (GCF) to catalyze additional financing for biodiversity.

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<sup>23</sup> <https://www.cbd.int/doc/c/4c88/dbb1/e264eaae72b86747416e0d8c/sbi-03-05-add1-en.pdf>

*Annex 1***Team of experts for preparing a report on the full assessment of funding necessary and available for the implementation of the Convention for the period July 2022 to June 2026**

**Ravi Sharma**, a national of India and former Director of Implementation and Technical Support at the Secretariat of the Convention on Biological Diversity for 10 years, has over 30 years of success in strategizing, implementing, and championing global environmental and innovative programs for the United Nations Environment Programme, Global Environment Facility (GEF), and policy think tanks in India and Kenya. In this period he designed and executed 100+ global, regional and national projects on climate change and biodiversity, and orchestrated more than 50 international policy negotiations and technical workshops. At CBD he had the oversight of its relations with the GEF and issues related to resource mobilization and facilitated the first and second reports of the High-level Panel on the Global Assessment of Resources for Implementing the Strategic Plan for Biodiversity 2011-2020. He is currently advising conservation groups on the post-2020 global biodiversity framework, providing technical support to review projects under a global climate change initiative, assisting a program to transfer risk through micro-crop insurance at farm level and provide farmers with compensation resulting from climate shocks etc. He has a master's degree in economics and a certificate in environmental management.

**Stephanie Mansourian**, a dual Swiss/Egyptian national, has been an environmental consultant for the last 15 years and is also a research associate with Geneva University. Her work in the last 25 years has spanned several environmental topics, including restoration, air pollution, environmental governance, protected areas, and sustainability partnerships among others. She was at the forefront of the development of forest landscape restoration (FLR) at the time when she was managing WWF's related program. Since then, and based on her observations of FLR programs and projects, she carried out her PhD specifically on governance challenges related to FLR. In her work, she takes an integrated approach and seeks to span disciplines wherever possible. As a consultant, her clients include NGOs, conventions, UN agencies and foundations. Her voluntary commitments include serving as a board member of the Audemars Watkins Foundation, a board member of the Society for Ecological Restoration and as deputy coordinator of the IUFRO Task Force on "Transforming forest landscapes for future climates and human well-being". She has published three books and authored several articles in peer reviewed journals.

**Yasha Feferholtz**, a Chilean national, is a fellow at EcoHealth Alliance. In this position, Yasha has been working and advising on USAID and DTRA funded projects for sustainable development and health economics in Indonesia, Malaysia, Thailand, South Africa, Bangladesh, and Liberia. He regularly conducts economic analyses to promote policies on sustainable development and conservation for global projects. Yasha has led studies on the economic impact of emerging infectious diseases, allocation of global resources for the Global Virome Project (GVP), economic valuation of ecosystem services from forest and health, cost benefit analyses for Rabies virus in Asia and Rift Valley Fever virus in Africa, economic impacts of global wildlife trade, and integrated assessment modelling to understand the environmental impact of natural resource degradation. Most of his work is applied to public policy and he has co-authored several peer reviewed papers and reports on sustainable economic development, conservation, and

health. After obtaining a degree in finance, Yasha earned his PhD in economics from the University of Wyoming, specializing in environmental economics and behavioral experimental economics under a Fulbright scholarship.

## Annex 2

### Biodiversity Focal Area Projects and Multi-focal Area Projects Contribution to Achieving the Aichi Biodiversity Targets<sup>24</sup> *(these are projects that are not part of the Impact Programs)*

(July 1, 2018 to December 31, 2019)<sup>25</sup>

BD Strategy Objectives and Programming Lines	Aichi Targets	GEF Project Financing (\$ million)	Co-financing (\$ million)	Total (\$ million)
<b>Objective 1. Mainstream biodiversity across sectors as well as landscapes and seascapes</b>				
1-1 Biodiversity Mainstreaming in Priority Sectors	3,5,6,7,14,15	84.9	623.0	707.8
1-2a Global Wildlife Program-Preventing the Extinction of Known Threatened Species	12	27.5	156.5	184.1
1-2b Global Wildlife Program-Wildlife for Sustainable Development	12	27.3	199.9	227.2
1-3 Natural Capital Assessment and Accounting	2 and 20	3.4	9.7	13.0
1-4 Sustainable Use of Plant and Animal Genetic Resources	7 and 13			
1-5 Inclusive Conservation	11	22.5	68.5	91.0
<b>Objective 2. Address direct drivers to protect habitat and species</b>				
2-6 Prevention, Control and Management of Invasive Alien Species	9			
2-7 Improving Financial Sustainability, Effective Management, and Ecosystem Coverage of the Global Protected Area Estate	11	65.7	418.6	484.3
<b>Objective 3. Further develop biodiversity policy and institutional frameworks</b>				
3-8 Implement the Cartagena Protocol on Biosafety	No associated Aichi Target			
3-9 Implement the Nagoya Protocol on Access and Benefit Sharing	16	7.8	43.3	51.1
EA: Improve Biodiversity Policy, Planning, and Review	17			
Totals		239.1	1,519.5	1,758.5

<sup>24</sup> Table 5 from the Draft Conference of The Parties 15 Report Of The Global Environment Facility Presented To The Third Meeting Of The Subsidiary Body On Implementation Of The Convention On Biological Diversity, February 2020

<sup>25</sup> These figures do not include agency fees or PPGs.