



**Convention on  
Biological Diversity**

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**Conference of the Parties to the  
Convention on Biological Diversity  
Sixteenth meeting, second resumed session  
Rome, 25–27 February 2025  
Agenda item 11  
Resource mobilization and financial mechanism**

**Reflection note by the President of the sixteenth meeting of the  
Conference of the Parties to the Convention on Biological  
Diversity in relation to agenda item 11**

The Secretariat transmits herewith a reflection note by the President of the sixteenth meeting of the Conference of the Parties in relation to agenda item 11 (see annex). Enclosure III of the present revised version contains textual suggestions for paragraphs 19 to 25 of and annex II to document CBD/COP/16/L.34.

## **Annex**

# **Reflections note by the President of the sixteenth meeting of the Conference of the Parties to the Convention on Biological Diversity**

## **I. Introduction**

1. The plenary of the Conference of the Parties at its sixteenth meeting, in Cali, Colombia, was in the process of considering document CBD/COP/16/L.34, on resource mobilization, when the meeting had to be suspended at 8.30 a.m. on 2 November 2024, owing to the absence of quorum. During the discussion on document CBD/COP/16/L.34 that took place before the suspension, it became clear that important differences remained among Parties on the draft decision contained in this document, and that not all Parties were able to agree to it.

2. Considering this, I conducted informal consultations with a view to identifying avenues towards reaching consensus on the draft decision. The present note summarizes my reflections drawn from the informal, open-ended regional consultations on resource mobilization held on 12 and 18 December 2024, the subsequent written input received and the suite of bilateral consultations at ministerial level conducted over the course of January and early February 2025.<sup>1</sup>

3. The present note presents possible building blocks for a consensus. Noting that the disagreement among Parties may, at least to some extent, also be rooted in different interpretations of terms used, and in order to facilitate the further discussions, the note also contains, in enclosure I, a short glossary, providing definitions of key terms used. Applying these terms as defined, enclosure II provides an overview of financial instruments under the current global financial architecture for the Convention.

4. The note builds on the earlier, iterative discussions with and among Parties over the course of the last day of the sixteenth meeting of the Conference of the Parties, on Friday 1 November 2024, first in the Heads of Delegation meeting and then in a small group meeting, and on the informal consultations held by the two champions on resource mobilization, the Ministers of Environment of Madagascar and of Norway, that I had asked to support me in advancing these discussions.

5. The present note was prepared to inform the continued discussion of document CBD/COP/16/L.34. At its second resumed session, the Conference of the Parties will be invited to continue considering the draft decision contained in document CBD/COP/16/L.34, taking into account the reflections provided in the present note.

6. I wish to express my appreciation for the continued readiness of all Parties to engage constructively, by further explaining their respective positions and by providing constructive ideas on how to bridge the remaining gaps. I also wish to thank my fellow ministers for their availability on short notice, and to express my regrets to those I was not able to speak to, owing to the very short time frame at our disposition.

## **II. State of affairs: overview**

7. With the adoption of the Kunming-Montreal Global Biodiversity Framework by the Conference of the Parties at its fifteenth meeting, the global community put an ambitious public policy in place that needs to be followed by equally ambitious implementation decisions. Among those, how to improve the financial capacity of the Convention is a particularly critical one.

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<sup>1</sup> By the time of issuing the present note, a number of bilateral consultations were yet to be held. While I regret that not all bilateral discussions could be fully reflected in this note, owing to time constraints, I am convinced that the views I was able to hear from my fellow ministers provided me with a representative and balanced sample of the views of Parties on the issue.

8. The discussions held at the sixteenth meeting of the Conference of the Parties thereon tended to be polarized, being centred on whether to establish a dedicated global fund for biodiversity at this meeting of the Conference of the Parties.

9. Accordingly, and bearing in mind that “nothing is agreed until everything is agreed”, the contention among Parties seemingly resides mainly in paragraphs 19 to 25 and the associated annex II to document CBD/COP/16/L.34 (noting that there are also some new preambular paragraphs, associated with paragraphs 19 to 25, that had not previously been discussed in the contact group). The present note covers therefore the issues addressed in these parts of the draft decision.

10. There seems to be overall comfort among most Parties with those parts of document CBD/COP/16/L.34 that were intensely negotiated in the contact group on resource mobilization over the course of the sixteenth meeting of the Conference of the Parties and were already included in the President’s text issued as a non-paper for consideration in the heads of delegation meeting on the morning of 1 November. I take this opportunity to reiterate my appreciation to the Co-Chairs of the contact group and to all its members for their diligent work.

11. The agreement reached includes a significant part of the draft decision and annex I, which contains the revised strategy for resource mobilization. It is my hope that Parties will preserve this agreement while focusing their energies on paragraphs 19 to 25 and annex II.

12. Perhaps overshadowed by the oftentimes polarized discussion, I see overall broad agreement among Parties on several important elements:

(a) First, on the importance of being ambitious regarding resource mobilization in the light of the considerable biodiversity finance gap which needs to be closed, as recognized in Goal D of the Kunming-Montreal Global Biodiversity Framework. In this context, there seems to be overall appetite among Parties to discuss on how to increase the capacity for resource mobilization from all sources and enhance the broader biodiversity finance architecture<sup>2</sup> by 2030 for this purpose, with a group of Parties indicating that aiming for such an enhancement by 2030 only already reflects considerable flexibility from their end;

(b) Second, on the need for a robust intersessional process to turn this ambition into practice and to structure this discussion with a clear direction and towards a concrete outcome;

(c) Third, on the fact that, while the provision of public financing continues to play a critical role, anchored in the provisions of the Convention, closing the finance biodiversity gap requires the mobilization of all financial sources, including the use of innovative instruments, and that the Convention today is not fully equipped with the financial instruments to harness all the opportunities available in the broader biodiversity finance landscape;

(d) Fourth, on recognizing the importance and unique role of the Global Environment Facility, while also acknowledging that it needs to be reformed to better address the needs of the Parties and that it is not sufficient on its own to close the finance biodiversity gap.

### **III. General approach and challenges**

13. The overall broad agreement described above could provide the basis for transcending the polarization. It would consist of three elements:

(a) Providing the Convention with concrete capacities to harness the opportunities of the global biodiversity landscape, by improving the current global finance architecture of the Convention by 2030, so that the biodiversity finance gap can progressively be closed;

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<sup>2</sup> See the definition provided in enclosure I.

(b) Agreeing among Parties on broad criteria to give direction towards this improvement of the global finance architecture that will fulfil the Convention's and Parties' needs to finance the successor to the Kunming-Montreal Global Biodiversity Framework from 2030 onwards;

(c) Developing and adopting a **road map** towards achieving this improvement, i.e., when these individual elements are to be developed and/or operationalized, while simultaneously working on improvements in the current architecture that are needed to implement the current Kunming-Montreal Global Biodiversity Framework and its Target 19 on resource mobilization, by 2030.

14. There are several important questions, in relation to these elements, that need to be resolved:

(a) First, regarding the improvement of the finance architecture, how to define jointly the nature of these improvements, and their operationalization by 2030, to indicate our strong commitment to mobilizing the requisite resources to close the finance gap? Put differently, how can a clear sense of direction and a concrete result be indicated without precluding any specific outcomes?

(b) Second, regarding the broad criteria, what are important requirements that include the perspectives from all Parties, both from both developing and developed countries, to design a financial architecture that is effectively contributing to close the financial gap and finance the national biodiversity plans?

(c) Third, regarding the road map, what are the topics to be discussed in the upcoming intersessional process leading to the seventeenth meeting of the Conference of the Parties, as well as at its the eighteenth and nineteenth meetings? At what level of granularity should they be defined now?

## **IV. Possible building blocks towards consensus**

### **Terminology and what to design**

15. With a view to addressing the first question above, document CBD/COP/16/L.34 had introduced the concept of a “dedicated global financing instrument for biodiversity.” However, several Parties considered this terminology and the associated language in paragraph 19 as too prescriptive. These Parties expressed the concern that this expression was paraphrasing the creation of an additional new fund which would need to be supplied by ODA. These Parties maintained that the case for such a fund remains unclear. They also expressed the concern that such a fund could potentially challenge or jeopardize the role of the Global Environment Facility (GEF) and was not supported by the review of effectiveness of the GEF that Parties had before them in Cali.

16. Other parties considered the “financial instrument” to be equal to a dedicated fund, but with broader capacities to what we have now available and with a new design that can overcome some of the challenges identified with regard to GEF. These Parties also consider that this instrument can complement, not replace GEF, especially in its potential capacity to land broader sources of finance, increase participation of Parties in governance and be under the authority of the Conference of the Parties, overcoming the limitations of the traditional “development cooperation” funding and its governance prerogatives.

17. However, it was also pointed out by others that the term “instrument” is not identical to the term “fund” and that further work clarifying concepts could be useful. To this effect, enclosure I of the present note contains definitions of key terms in order to facilitate the further discussions. In particular, it provides a wide definition of the term instrument, which would provide Parties with sufficient space to define its nature and its functions. It defines the term architecture as containing several instruments.

18. It could also be useful to refine the criteria that the improved architecture needs to meet. Document CBD/COP/16/L.34 contained such a list of criteria in section C of annex II; however, the entire annex had been compiled but was not discussed nor agreed in the contact group on resource

mobilization at the first part of the sixteenth meeting of the Conference of the Parties and its finalization had only been foreseen by the sixth meeting of the Subsidiary Body on Implementation. Using section C, high-level criteria could be set in the body of the decision, relevant to accommodate the concerns of all Parties, to guide the envisaged design of the improved global finance architecture.

### **Not prejudging the outcome**

19. A number of developed country Parties made the point that they saw no basis for creating something “new”, considering there was a number of finance instruments already in place and that an evidence-based process is required to evaluate their effectiveness. On the other hand, many developing country Parties considered that the requirement post-2030 for a dedicated instrument under the authority and guidance of the Conference of the Parties was already clear, and that the intersessional period should be used to make it readily available by 2030.

20. However, it was also pointed out, including by developing country Parties, that the dedicated instrument, under the governance of the Conference of the Parties, as part of the improved architecture, could also come into existence by designation of an existing instrument, possibly, as needed, after suitable assessment of its performance and further evolution. The Cali Fund or the Global Biodiversity Framework Fund were explicitly referenced in this regard. This point could be further clarified in the existing text, including in the work programme of the intersessional process.

### **Role of the Global Environment Facility**

21. In the context of the importance to recognize the continued role of GEF, underlined by several developed country Parties, several developing country Parties also pointed to the opportunity to address the issue that GEF is currently serving as the institutional structure operating the financial mechanism of the Convention on an interim basis; i.e., to the need to assign a new or existing instrument a permanent role, including to GEF, possibly after satisfactory further reform. While clearly related, this latter issue of GEF reform and the requisite follow-up work could, for organizational reasons, take place under the work stream on the financial mechanism and the associated decisions.

### **Timing of the decision**

22. Some Parties have indicated that they are not prepared to establish the dedicated instrument at the sixteenth meeting of the Conference of the Parties, while others have expressed that operationalizing it by 2030 is showing a lot of flexibility given the needs to close the biodiversity finance gap. The presidency considers this issue as a major point of divergence and aims to present a compromise whereby a clear result would be achieved by 2030, in the sense of having an improved financial architecture in operation that complies with the criteria set by Parties, including by appointing at least one instrument (i.e. an existing or new instrument) under the authority and governance of the Conference of the Parties. In this way, the decision at the sixteenth meeting of the Conference of the Parties would set a clear direction of the work ahead, deciding on the establishment or designation of an instrument or instruments, while providing Parties sufficient time to reach to a common understanding on nature and functions through a road map with clear outcomes for the seventeenth, eighteenth and nineteenth meetings of the Conference of the Parties. This approach would also allow further parallel work on recently created instruments to perform without duplication and the GEF reform to move forward and show its value.

## **V. Recommendations**

### **Suggested criteria to further improve the financial architecture**

23. Streamlining the elements provided in section C of annex II, and reflecting what was expressed by Parties during the informal consultations, the following elements could be considered for inclusion in such a list of criteria:

(a) The result would improve the global biodiversity finance architecture, thereby contributing to closing the biodiversity finance gap post-2030, in accordance with Goal D of the Framework;

(b) It would seek to enhance the effectiveness and coherence of the broader global biodiversity finance landscape;

(c) It would include a reformed GEF which would maintain its important role post-2030. The latter point has also been underlined by several developing country Parties;

(d) It would mobilize financial resources from all sources, including from innovative and private sources<sup>3</sup> as well as from South-South-cooperation, bearing in mind the existing commitments and guidance provided in the current Target 19;

(e) It would enhance and accelerate the provision of financial support to developing country Parties, in particular the least developed countries and small island developing States, as well as countries with economies in transition, as well as indigenous peoples and local communities, for the implementation of the Convention and, as applicable, its Protocols and of a post-2030 global biodiversity framework, in accordance with identified needs and priorities;

(f) It would contain at least one instrument under the authority and guidance of, and accountable to, the Conference of the Parties;

(g) It would build robust accountability and reporting obligations, thus increasing transparency; and be governed by an equitable, efficient and representative governance structure.

### **The intersessional road map**

24. In terms of the proposed road map towards the nineteenth meeting of the Conference of the Parties, Parties broadly supported it, but also observed that it may not be advisable to already define it in detail. Reflecting this point, the road map provided in CBD/COP/16/L.34 could be clarified as follows:

(a) Provide endpoints for the eighteenth and nineteenth meetings of the Conference of the Parties: improved global finance architecture, by establishment or designation of a dedicated instrument(s), in accordance with the defined criteria, at the eighteenth meeting of the Conference of the Parties; operationalization by the nineteenth meeting of the Conference of the Parties;

(b) In the lead-up to the seventeenth meeting of the Conference of the Parties, work could be undertaken to evaluate the current landscape presented at the sixteenth meeting of the Conference of the Parties against the defined criteria, improve the evidence as already foreseen in document CBD/COP/16/L.34 and, based on this, identify options on modalities for the improved financial architecture and the dedicated instrument(s), taking inspiration from the two-step approach taken by the workstream on digital sequence information on genetic resources;

(c) At its seventeenth meeting, the Conference of the Parties would consider the above, narrow the set of options, and guide the further work;

(d) In the lead-up to the eighteenth meeting of the Conference of the Parties further work on the remaining options on the modalities would be undertaken, for finalization by the Conference of the Parties at its eighteenth meeting.

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<sup>3</sup> For instance, building on recent experiences and lessons learned, further work could be undertaken to promote biodiversity funding by companies that use images of animals or plants in their branding or advertisement.

## Enclosure I

### Use of terms

*Note: the definitions below are designed specifically to apply to the current draft decision on resource mobilization and the work foreseen for the period up to the nineteenth meeting of the Conference of the Parties, in 2030. For convenience, they sometimes depart from (i.e. are broader or narrower than) their usual meaning.*

#### **(Financial) Architecture**

The term ‘financial architecture’ refers to a system of different instruments (see definition below) that mobilize, receive, disburse, monitor, coordinate and/or otherwise facilitate financial resource flows for biodiversity. For the Convention on Biological Diversity, the global financial architecture currently includes the Global Environment Facility, the Global Biodiversity Framework Fund, the Cali Fund, the Kunming Fund, and the Japan Biodiversity Fund. Because of their activities to support the mobilization of resources for biodiversity and/or to capture or monitor certain biodiversity finance flows, it also includes the BIOFIN Initiative of the United Nations Development Programme and the Development Assistance Committee of the Organisation for Economic Co-operation and Development. The national financial architecture(s) for biodiversity would look different: while (some of) the instruments above may play a role, they would be complemented by country-specific instruments.

#### **(Finance) Landscape**

The global ‘finance landscape’ is an even broader term that includes the global financial architecture above but also includes the broader environment or context within which it operates, as well as those financial instruments which were designed primarily for other purposes, but which are also relevant for biodiversity finance – for instance because they generate (potential) synergy, such as the Green Climate Fund or the multilateral development banks. A study on the global biodiversity finance landscape was prepared the Secretariat of the Convention on Biological Diversity, guided by the Advisory Committee on Resource Mobilization, and can be found in document [CBD/SBI/4/INF/10](#).

#### **(Financial) Instrument**

A broad term referring to the individual constituent elements of the financial architecture or the finance landscape above, at all levels (national, regional, global). The term can refer to financial institutions or organizations (e.g. development banks, funds, facilities) but also to legal agreements (e.g. memoranda of understanding) governing the relationship between or among such institutions or organizations. It can also refer to the financial tools used to mobilize and allocate resources, ranging from programmes of grants, concessional loans, guarantees, or similar tools, to instruments such as systems of payments for ecosystem services.

#### **(Financial) Mechanism**

In the present context, this term is reserved to the specific financial arrangements formally made in multilateral environmental agreements to support their implementation, such as in Article 21 of the Convention on Biological Diversity. The Global Environment Facility currently serves as the institutional structure to operate the financial mechanism under the Convention on Biological Diversity on an interim basis, in accordance with Article 39 of the Convention.

#### **Institutional structure**

This term refers to the organization and arrangement of institutions within a system, including their roles, relationship and governance. In a finance context, it focuses on the various entities (e.g. banks, funds, facilities, etc.) and how they interact to facilitate financial activities.

## **Enclosure II**

### **Current instruments of the Global Financial Architecture to implement the Convention on Biological Diversity and the Kunming-Montreal Global Biodiversity Framework**

#### **Global Environment Facility**

The Global Environment Facility (GEF) serves as the institutional structure entrusted by the Conference of the Parties, on an interim basis, to operate the financial mechanism of the Convention established under Article 21 of the Convention.<sup>4</sup>

It does so in accordance with the Instrument for the Establishment of the Restructured GEF,<sup>5</sup> and also serves as a financial mechanism or as an operating entity of the financial mechanism of other multilateral environmental agreements.

In addition to its service in those capacities, GEF operates a diverse set of multilateral funds, including the Special Climate Change Fund (SCCF) and the Global Biodiversity Framework Fund (GBFF).

#### **Global Biodiversity Framework Fund**

The Global Biodiversity Framework Fund (GBFF) was established by the Global Environment Facility pursuant to the request of the Conference of the Parties in its decisions [15/7](#) and [15/15](#). The GBFF was officially launched in August 2023, after being approved by the GEF Council and the GEF Assembly.

In accordance with those decisions, GBFF serves the Convention as a special trust fund operated by GEF, aiming to support the implementation of the Kunming-Montreal Global Biodiversity Framework. Unless the Conference of the Parties decides otherwise, GBFF will operate until 2030.

#### **Cali Fund**

The Cali Fund is the most recent instrument serving the Convention on Biological Diversity. Established by the Conference of the Parties at its sixteenth meeting, through decision [16/2](#), the Cali Fund is expected to allow for the sharing of monetary benefits from uses of digital sequence information on genetic resources (DSI) back to nature and the self-determined rights of indigenous peoples and local communities.

Under the agreed guidelines, larger entities from specific sectors benefiting commercially from DSI uses, should contribute to the Cali Fund, based on a percentage of their profits or revenues. The mechanism targets larger companies most reliant on DSI and exempts academic, public research institutions and other entities using DSI but not directly benefiting.

#### **Kunming Biodiversity Fund**

The Kunming Biodiversity Fund was established in 2024 by the People's Republic of China, in collaboration with the United Nations Environment Programme. The Fund aims to facilitate the successful implementation of the Kunming-Montreal Global Biodiversity Framework, at regional, national, subnational and local levels—reliant on all-of-society participation and approaches. China has committed over \$200 million to the Kunming Biodiversity Fund.

#### **Japan Biodiversity Fund**

The Japan Biodiversity Fund was established by the Government of Japan at the tenth meeting of the Conference of the Parties to support developing country Parties to implement the Aichi Biodiversity Targets, and to raise awareness on the adoption of the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization to the Convention on

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<sup>4</sup> Decision III/8.

<sup>5</sup> Instrument for the Establishment of the Restructured Global Environment Facility, <https://www.thegef.org/publications/instrument-establishment-restructured-gef-2019>.



Biological Diversity. The second phase of the Fund was announced by the Ministry of the Environment of Japan at the fifteenth meeting of the Conference of the Parties. Phase 2 aims to bridge the gap between the Strategic Plan for Biodiversity 2011–2020 (Aichi Biodiversity Targets) and the newly adopted Kunming-Montreal Global Biodiversity Framework.

### **OECD Development Assistance Committee**

The Development Assistance Committee of the Organization for Economic Cooperation and Development (DAC) aims to promote development co-operation and other relevant policies to contribute to implementation of the 2030 Agenda for Sustainable Development, including inclusive and sustainable economic development, the advancement of equalities within and among countries, poverty eradication, improvement of living standards in developing countries, and to a future in which no country will depend on aid.

The DAC currently includes 32 member States. The DAC monitors official development assistance (ODA), including biodiversity-related ODA, through the biodiversity marker methodology; set development cooperation standards; and conduct regular peer-reviews of their members. The full mandate of the OECD-DAC can be found [here](#).

### **The Biodiversity Finance Initiative (BIOFIN)**

Launched by the United Nations Development Programme in 2012, BIOFIN provides technical support to countries to develop and implement comprehensive strategies for biodiversity finance. BIOFIN aims to assist closing the biodiversity financing gap by equipping countries with the tools and methodologies to assess their biodiversity finance needs, identify inefficiencies in current spending, and mobilize additional resources. By leveraging innovative financial mechanisms, improving policy frameworks, and aligning public and private investments with biodiversity objectives, BIOFIN helps countries develop sustainable, context-specific finance solutions.

## Enclosure III

### Textual suggestions for paragraphs 19 to 25

(...)

19. *Decides* to prioritize work to close the biodiversity finance gap by enhancing the current global biodiversity finance architecture, including through assessing and improving the performance of existing instruments and by designating or establishing a dedicated global instrument, or set of instruments, for biodiversity finance at its eighteenth meeting, with a view to achieving full operationalization at its nineteenth meeting;

20. *Also decides* that the enhanced global biodiversity finance architecture as per paragraph 19 above shall meet, inter alia, the following criteria:

(a) Make a significant contribution to progressively closing the biodiversity finance gap post-2030, in accordance with Goal D of the Kunming-Montreal Global Biodiversity Framework;

(b) Complement, but not replace, existing instruments of the global biodiversity architecture after 2030;

(c) Enhance the coordination among, complementarity of, and enabling conditions for, the instruments across the global biodiversity finance landscape, harnessing synergies, such as with multilateral development banks;

(d) Enhance the effectiveness, monitoring, accountability and transparency of the resources mobilized in the global biodiversity finance landscape;

(e) Create or enhance capacities for the Convention to mobilize financial resources from all sources, including public sources, private sources, innovative finance, as well as South-South-cooperation;

(f) Enhance the provision of financial support to developing country Parties, in particular the least developed countries and small island developing States, and Parties with economies in transition, as well as indigenous peoples and local communities, for the implementation of the Convention and, as applicable, its Protocols and of a post-2030 global biodiversity framework, in accordance with identified needs and priorities;

(g) Include at least one instrument dedicated to finance biodiversity under the authority and guidance of, and accountable to, the Conference of the Parties, and governed by an equitable, efficient and representative governance structure;

21. *Further decides* to establish an intersessional process to deliver the mandate set out in paragraph 19, based on the following initial road map:

(a) By or at the seventeenth meeting of the Conference of the Parties:

(i) Undertake intersessional work to recommend measures to enhance the performance of the global biodiversity finance architecture to mobilize resources from all sources in the biodiversity finance landscape, taking into account annex II A to the present decision;

(ii) Undertake intersessional work to develop guidance on how to improve the existing instruments against the criteria set out in paragraph 20, taking into account annex II B to the present decision;

- (iii) Agree on guidance on how to improve existing instruments, including criteria to advance the reform of the Global Environment Facility, against the criteria set out in paragraph 20;<sup>6</sup>
  - (iv) Agree on a limited number of options that would meet the criteria set out in paragraph 20, for further discussion;
  - (v) Agree on a refined road map in the lead up to the eighteenth meeting of the Conference of the Parties;
- (b) By or at the eighteenth meeting of the Conference of the Parties:
- (i) Undertake further intersessional work on the options identified by the Conference of the Parties at its seventeenth meeting, on the basis on the refined road map;
  - (ii) Implement measures to enhance the global biodiversity finance architecture to mobilize resources from all sources in the biodiversity finance landscape;
  - (iii) Assess the performance of existing instruments and the progress of their evolution or reform, against the criteria set out in paragraph 20;
  - (iv) Designate or establish a dedicated global instrument or set of instruments for biodiversity finance after 2030, taking into account the assessments of performance and progress, and define its or their role within the global biodiversity finance architecture;
  - (v) Agree on a refined road map in the lead-up to the nineteenth meeting of the Conference of the Parties;
- (c) By or at the nineteenth meeting of the Conference of the Parties:
- (i) Undertake further intersessional work to develop draft modalities, terms of reference for the designated or established instrument or set of instruments, or other means of operationalization, taking into account its or their role within the global biodiversity finance architecture;
  - (ii) Integrate in the strategy for resource mobilization the set of measures required to enhance the capacities of the financial architecture for biodiversity;
  - (iii) Agree on the modalities or terms of reference of the designated or established instrument or set of instruments;
  - (iv) Operationalize the instrument or instruments;

22. *Decides* to consider at its eighteenth meeting, on the basis of the outcome of the intersessional process, the future of the Global Biodiversity Framework Fund after 2030, in accordance with decision 15/7;

23. *Also decides* to reach a conclusion at its eighteenth meeting on the designation of the institutional structure operating the financial mechanism of the Convention, in accordance with Article 21 of the Convention, taking into account the assessments of performance and the improvements and reforms of the Global Environment Facility;

24. *Requests* the Subsidiary Body on Implementation, as a first step in the intersessional process established under paragraph 21 above and for further consideration by the Conference of the Parties at its seventeenth meeting, to dedicate a meeting to:

- (a) Review, further to paragraph 7 above, the implementation of the strategy for resource mobilization contained in annex I to the present decision;

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<sup>6</sup> The guidance will inform the development of the terms of reference for the seventh review of effectiveness of the Global Environment Facility, to be also adopted at the seventeenth meeting of the Conference of the Parties.

(b) Review, in coordination with the work envisaged under paragraph 9 of decision 16/--,<sup>7</sup> opportunities to strengthen tracking of the various sources of finance to enhance understanding of and transparency around the state of progress towards filling the biodiversity finance gap;

(c) Consider the Global Biodiversity Framework Fund and prepare recommendations for its further evolution, in the light of the criteria set in paragraph 20;

(d) Consider the Cali Fund and prepare recommendations for its further evolution, in the light of the criteria set in paragraph 20;<sup>8</sup>

(e) Develop guidance for the reform of the Global Environment Facility, in the light of the criteria set in paragraph 20 and taking into account annex II B to the present decision;<sup>9</sup>

(f) Identify and assess opportunities for broadening the contributors' base;

(g) Based on the tasks above and the criteria identified in paragraph 20, develop:

(i) Options for the enhanced global biodiversity finance architecture that would meet the criteria set in paragraph 20;

(ii) A draft decision for consideration by the Conference of the Parties at its seventeenth meeting, which shall also provide a refined road map for further work on the options;

25. *Requests* the Executive Secretary to support the work of the Subsidiary Body of Implementation as set out in paragraph 24 above, and in particular to:

(a) Prepare documentation to facilitate the review of the implementation of the strategy for resource mobilization, including elements of a draft recommendation addressing opportunities for any further adaptation of the strategy and associated institutional arrangements, in line with paragraph 7 above, and taking into account annex II A to the present decision;

(b) Commission a study benchmarking the Global Environment Facility against similar instruments of other relevant multilateral environmental agreements, taking into account annex II B to the present decision;

(c) Commission another study to identify, in coordination with the work envisaged under paragraph 9 of decision 16/--,<sup>10</sup> opportunities to strengthen tracking of the various sources of biodiversity finance;

(...)

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<sup>7</sup> See the draft decision on the monitoring framework contained in document L.26. Number to be updated once the decision has been adopted.

<sup>8</sup> Taking into account the work undertaken further to decision 16/2.

<sup>9</sup> See footnote 6.

<sup>10</sup> See the draft decision on the monitoring framework contained in document L.26. To be updated once the decision has been adopted.

## Annex II

### Working towards an improved global architecture for biodiversity finance

*Note: The points below were compiled by the Advisory Committee on Resource Mobilization and, subsequently, by the contact group of resource mobilization during the sixteenth meeting of the Conference of the Parties, with a view to capturing the full range of views among Parties, in order to inform the referenced work. They were not negotiated.*

#### A. Identify and assess options to close the biodiversity finance gap by mobilizing resources from all sources and instruments, and to foster coordination and complementarity across the biodiversity finance landscape

1. The review of the implementation of the strategy for resource mobilization may be informed, inter alia, by:

(a) The national reports submitted by Parties against the monitoring framework for the Kunming-Montreal Global Biodiversity Framework,

(b) Additional submissions received by Parties,

(c) The revised national biodiversity strategies and national plans and the domestic targets on resource mobilization for the implementation of the Framework,

(d) Relevant information, including on good practices, innovations, challenges and lessons learned, provided by indigenous peoples and local communities, subnational governments, cities and other local authorities, intergovernmental organizations, other multilateral environmental agreements, non-governmental organizations, women, youth and research organizations, the business and finance community and representatives of sectors related to or dependent on biodiversity, in line with decision 15/6 of 19 December 2022,

(e) Available national biodiversity finance plans,

(f) The work of the Advisory Committee on Resource Mobilization, including the exploration of the global biodiversity finance landscape,

(g) Further assessments of the global biodiversity finance landscape by relevant organizations and initiatives,

(h) The studies referred to in paragraph 25 of the present decision.

2. Topics for the discussion on how to close the biodiversity finance gap may include:

(a) Monitoring and reporting of resource mobilization-related aspects of the Kunming-Montreal Global Biodiversity Framework;

(b) Cooperation and synergies among the existing biodiversity finance initiatives;

(c) National public expenditure;

(d) Relationship between biodiversity and climate finance;

(e) Alignment of financial flows with the Kunming-Montreal Global Biodiversity Framework;

(f) Reform of the international financial architecture to increase the mobilization of resources for biodiversity;

(g) Innovative finance schemes, having regard to those mentioned in Target 19 of the Framework, building on recent experiences and lessons learned, such as on how to promote private

biodiversity funding by companies that use images of animals or plants in their branding or advertisement;

(h) Progress on developing tax regimes and addressing tax avoidance in relevant international forums;

(i) The identification, elimination, phasing out or reform of incentives, including subsidies, harmful to biodiversity;

(j) The scale-up of positive incentives for the conservation and sustainable use of biodiversity;

(k) The role of the private sector;

(l) The role of philanthropic organizations;

(m) Biodiversity metrics, including resources and technical capacity for its implementation;

(n) Biodiversity-related economic taxonomies;

(o) Collective actions, including by indigenous peoples and local communities, Mother Earth-centric actions and non-market-based approaches.

## **B. Assessment of the effectiveness of the Global Environment Facility and possible elements for its reform**

3. Sources of information may include but are not limited to:

(a) The reviews of effectiveness of the financial mechanism in implementing the Convention undertaken pursuant to the memorandum of understanding between the Conference of the Parties to the Convention and the Council of the Global Environment Facility, contained in the annex to decision III/8 of 15 November 1996,

(b) The reports submitted by the Council of the Global Environment Facility at meetings of the Conference of the Parties,

(c) Experience with, and lessons learned from, relevant international financial mechanisms, pulled from the information sources identified in annex II A to the present decision;

### **Scope**

4. The assessment would include a comparison of the Global Environment Facility with the financial mechanisms of other relevant multilateral environmental agreements, including the Green Climate Fund, the Adaptation Fund and the Fund for Responding to Loss and Damage,

5. Elements for consideration are as follows:

(a) Contributor base;

(b) Legal nature;

(c) Funding modalities and financial performance;

(d) Criteria and process for funding, including project cycle considerations;

(e) Access and disbursement modalities (e.g. direct allocation or project-based disbursement), including for indigenous peoples and local communities, women and youth;

(f) Governance, including board composition and trustee arrangements;

(g) Relationship between the governing body of the fund and the Conference of the Parties of the respective multilateral environmental agreement;

(h) Transparency, monitoring, reporting and evaluation;

- (i) Accreditation process and the role of implementing agencies;
  - (j) Cost-effectiveness of operations;
  - (k) Cost of setting up and running the financial instrument.
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