



Convention on Biological Diversity

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**Conference of the Parties
to the Convention on
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Sixteenth meeting
Cali, Colombia, 21 October–
1 November 2024

Item 7 of the provisional
agenda*

**Administration of the
Convention and budget
for the trust funds****Conference of the Parties
to the Convention on
Biological Diversity serving as
the meeting of the Parties to
the Cartagena Protocol on
Biosafety****Eleventh meeting**

Cali, Colombia, 21 October–
1 November 2024

Item 6 of the provisional agenda*
**Administration of the Protocol
and budget for the trust funds**

**Conference of the Parties to the
Convention on Biological
Diversity serving as the meeting
of the Parties to the Nagoya
Protocol on Access to Genetic
Resources and the Fair and
Equitable Sharing of Benefits
Arising from their Utilization
Fifth meeting**

Cali, Colombia, 21 October–
1 November 2024

Item 6 of the provisional agenda*
**Administration of the Protocol
and budget for the trust funds**

Functional review of the Secretariat

Note by the Secretariat

1. In paragraph 35 of decision [15/34](#), the Conference of the Parties to the Convention on Biological Diversity requested the Executive Secretary to undertake an external in-depth functional review of the structure of the Secretariat, in consultation with the Executive Director of the United Nations Environment Programme, and of the implementation of the programme of work of the Secretariat, taking into account the results-based budgeting framework and the preliminary risk assessment included in document CBD/COP/15/7/Add.1, the recommendations of the audit report of the Office of Internal Oversight Services and the risks identified, with a view to updating its structure and the grading of posts in the light of the Kunming-Montreal Global Biodiversity Framework and a focus on implementation by Parties, to be submitted for consideration and action by the Conference of the Parties at its sixteenth meeting.

2. Undertaking a comprehensive functional review is a complex and time-consuming exercise that requires the active involvement of all staff of an organization and the committed leadership and strategic vision of its head. Accordingly, in 2023, the Secretariat organized a retreat for all staff, which provided valuable inputs in preparing for the scoping report and the launch of the functional review. Owing to the long process for the appointment of the new Executive Secretary, during which the Deputy Executive Secretary took on the role of Acting Executive Secretary in addition to his deputy functions, and the fact that other senior management posts were under also recruitment, and in the light of stretched staff resources across the Secretariat, no action could be taken to launch the functional review before the present meeting.

3. With the joining of the new Executive Secretary in July 2024, the Secretariat commissioned a consultancy to prepare a scoping report to assist in the launch of the functional review that can now be undertaken after the present meeting. The scoping report has been prepared with a view to:

* CBD/COP/16/1, CBD/CP/MOP/11/1 and CBD/NP/MOP/5/1, respectively.

- (a) Reviewing the context in which the functional review will be taking place;
 - (b) Suggesting possible focus areas for analysis and assessment under the functional review;
 - (c) Providing some pointers regarding the overall approach to the functional review;
 - (d) Providing initial observations regarding critical business risks to the operations of the Secretariat that would require immediate attention at the present meeting.
4. The scoping report for the functional review prepared by the consultants is appended to the present note in the form in which it was received by the Secretariat.

Scoping report for a functional review of the Secretariat of the Convention on Biological Diversity¹

I. Executive Summary

The present report has been commissioned by the Secretariat of the Convention on Biological Diversity to assist in the launch of an external functional review, mandated by the Conference of the Parties to the Convention at its 15th meeting.

The main purpose of this report is to help prepare the ground for the full functional review by providing a sense of the scope and possible elements of that process. It is not meant to pre-empt any elements or outcomes of the full review process.

In the light of the evolution of the Convention and its Protocols and concomitant work mandated to the Secretariat over time, the report considers barriers and challenges to effective and efficient support to Parties by the Secretariat. Against that background, it suggests possible focus areas for analysis and assessment for the functional review and provides pointers regarding the overall approach to that process, including elements for draft terms of reference for the review.

In the context of initial results of an enterprise risk assessment undertaken by the Secretariat as well as observations by the Office of Internal Oversight Services and the United Nations Board of Auditors, the report also provides initial observations regarding critical business risks to the Secretariat's operations which would require immediate attention at the 16th meeting of the Conference of the Parties.

II. Background

1. At its fifteenth meeting in December 2022, the Conference of the Parties to the Convention on Biological Diversity (COP) adopted the Kunming-Montreal Global Biodiversity Framework (GBF) and decided that the GBF “should be used as a strategic plan for the implementation of the Convention and its Protocols, its bodies and its Secretariat over the period 2022–2030 and that, in this regard, the Framework should be used to better align and direct the work of the various bodies of the Convention and its Protocols, its Secretariat and its budget according to the goals and targets of the Framework”.² At the same time, at its tenth meeting, the Conference of the Parties serving as the meeting of the Parties (COP-MOP) to the Cartagena Protocol on Biosafety adopted the Implementation Plan for that Protocol as a follow up to the Strategic Plan for the period 2011-2020. The Implementation Plan “is anchored in and complementary to” the GBF.³

2. Against this background, the COP, at the same meeting, requested the Executive Secretary to undertake “an external in-depth functional review of the structure of the Secretariat (...) and of the implementation of the programme of work of the Secretariat (...) with a view to updating its structure and the grading of posts in the light of the Kunming-Montreal Global Biodiversity Framework and a focus on implementation by Parties, to be submitted for consideration and action by the Conference of the Parties at its sixteenth meeting.” This functional review is to be undertaken in consultation with the Executive Director of the United Nations Environment Programme, “taking into account the results-based budgeting framework and the preliminary risk assessment included in document CBD/COP/15/7/Add.1, the recommendations of the audit report of the Office of Internal Oversight Services and the risks identified”.⁴

¹ Prepared by Andreas Engler and Cyrie Nikuze Sendashonga (consultants).

² CBD/COP/DEC/15/4, para 8.

³ CBD/CP/MOP/DEC/10/3.

⁴ CBD/COP/DEC/15/34, para 35.

3. Following COP 15, in February 2023, the then-Executive Secretary, Ms. Elizabeth Maruma Mrema, left the Secretariat, and the United Nations Secretary-General designated Mr. David Cooper as Acting Executive Secretary, a role which he had until July 2024, when Ms. Astrid Schomaker joined the Secretariat as the new Executive Secretary.

4. Undertaking a comprehensive functional review is a complex and time-consuming exercise that requires the active involvement of all staff of an organization and the committed leadership and strategic vision by the Executive Secretary. Due to the extended period taken for the appointment of the new Executive Secretary, in which the Deputy Executive Secretary took on the role of Acting Executive Secretary, in addition to his deputy functions, and in light of stretched staff resources across the Secretariat, no actions could be taken to launch the functional review prior to COP 16.

5. While not envisaged or planned, the delay of the review, can be seen to have its advantages as the Secretariat, at the time of undertaking the review following COP 16, and will be benefitting from two years of experience in supporting the implementation of the GBF, which will help in assessing the effectiveness and efficiency of the current structure and programmatic and operational functions in light of support requirements under the GBF. In addition, the review will be able to take into account decisions expected to be taken at COP 16, including the new programme of work with respect to Article 8(j), digital sequence information on genetic resources or new work areas to address scientific and technical needs for the GBF implementation, which may have significant implications on the programmes of work under the Convention and the support required by the Secretariat. The functional review now to be undertaken after COP 16 will hence be fully able to reflect these new developments.

III. Purpose and elements of the present report

6. The present report has been commissioned by the Secretariat to assist in the launch of the functional review to be undertaken after COP 16 by:

- a. Reviewing the context in which the review will be taking place;
- b. Suggesting possible focus areas for analysis and assessment;
- c. Providing some pointers regarding the overall approach to the functional review; and
- d. Providing initial observations regarding critical business risks to the operations of the Secretariat that would require immediate attention at COP 16.

7. The assessment presented in this report is based on a desk review of relevant documents, including official documents, additional analyses and statistical data made available by the Secretariat, and preliminary input from Secretariat staff to a set of probing questions designed to assist in obtaining an understanding of key concerns and pressure points. It is important to note that, seeking such input is not intended in any way to pre-empt a process for the systematic engagement of staff as well as external stakeholders in the functional review to be undertaken after COP 16.

IV. Context of the functional review⁵

1) Evolution of the Convention and work mandated to the Secretariat

8. The Secretariat of the Convention on Biological Diversity (CBD) operates in a dynamic environment given the increased urgency of global threats to biodiversity in recent years and a growing awareness among governments, civil society and the public at large that biodiversity is deteriorating worldwide at rates unprecedented in human history. The adoption of the GBF is the

⁵ This section draws on analyses and figures from CBD/COP/15/7/Add.1, including updated figures provided by the Secretariat as well as audit observations.

most recent expression of the recognition of the urgency to halt the drivers of the loss of biodiversity.

9. The growing awareness of the need for globally coordinated action on biodiversity has been reflected in an expansion of the work under the Convention and concomitant requirements of support through its Secretariat. As the Convention matured, its programmes of work and the work of the Secretariat expanded, most notably through the addition of two supplementary agreements, the Cartagena Protocol on Biosafety (adopted on 29 January 2000 and entering into force on 11 September 2003), and the Nagoya Protocol on Access and Benefit-sharing (adopted on 29 October 2010 and entering into force on 12 October 2014). The entry into force of these two protocols also saw the establishment of a Compliance Committee under each body. Moreover, two new working groups or subsidiary bodies were added, the Ad Hoc Open-ended Working Group on Article 8(j) and Related Provisions of the Convention on Biological Diversity, established in May 1998, and the Ad Hoc Open-ended Working Group on Review of Implementation of the Convention, established in February 2004 and replaced by the Subsidiary Body on Implementation in October 2014.

10. Other important milestones in the history of the Convention include the adoption of the 2011-2020 Strategic Plan along with the Aichi Biodiversity Targets at the tenth meeting of the Conference of Parties. Furthermore, the Nagoya-Kuala Lumpur Supplementary Protocol on Liability and Redress was adopted on 15 October 2010 as a supplementary Protocol to the Cartagena Protocol on Biosafety, entering into force on 5 March 2018.

11. The expansion of work under the Convention and its Protocols through the years has meant a steady increase in support requirements for the Secretariat as is reflected in a number of indicators. By way of example, there has been a significant increase in the number of meetings to be serviced, which now also include, for instance, meetings of various advisory bodies such as the Informal Advisory Group on Resource Mobilization, the Ad Hoc Open-ended Working Group on Benefit-sharing from the Use of Digital Sequence Information on Genetic Resources, and the Technical Expert Group on Financial Reporting.

12. In terms of intergovernmental meetings,⁶ the Secretariat serviced nine such meetings in 2023 and 2024, compared to five in any given two-year period prior to the negotiation of the GBF. The average number of participants to meetings of the subsidiary bodies rose from around 700 prior the negotiation of the GBF to 860 in 2023 and 2,300 between January and August 2024. The number of meetings serviced by the Secretariat's Conference Services Unit⁷ rose from 13 in 2021 to 35 in 2023, reaching 23 just in the first half of 2024. Similarly, the volume of documentation processed by that unit has evolved from 144 documents in 2021 and 481 in 2022 to 227 just in the first half of 2024. Servicing these meetings has hence created increasing pressure to both staff providing programmatic support and support staff for administration, conference services, editing, translation, registration and travel arrangements for participants. At the same time, the pool of staff servicing meetings has not increased over the years and seems clearly understaffed.⁸

13. Similarly, there has been a steady expansion in mandates arising from decisions taken by Parties at meetings of the Convention and its Protocols, including increasing requests for different types of capacity-building, cooperation and partnership activities. The adoption of the GBF in 2022 has significantly added to Secretariat requirements to support its implementation and monitoring of its progress, and decisions expected to be adopted at COP 16 will likely further imply new mandates requiring additional work by the Secretariat.

14. In light of the evolution of the programmes of work under the Convention and its Protocols over the past decades, it is striking to observe that support requirements arising from decisions by Parties have not been underpinned by a concomitant increase in resources. By way of example,

⁶ Meetings of the COP, the subsidiary bodies and working groups, including COP 16.

⁷ These statistics include meetings which required the preparation of documents.

⁸ By way of example, the Conference Services unit only comprises three staff for language services and two (incorporated in the Administration section) for meeting logistics.

while between 1996 and 2002 the number of core posts has doubled from an initial 28 to 56 posts, in the twenty years between 2004 and 2024, in which two protocols and a new permanent subsidiary body had been established and requests to the Executive Secretary increased significantly, core posts have increased by overall 30 per cent (equivalent to a biannual rate of around 3.5 per cent) from 62 in 2004 to currently 82. An example of the reluctance of Parties to increase core resources in line with the growth of mandated work is the adoption of the Strategic Plan for Biodiversity 2011-2020 at COP 10, which placed additional demands on the Secretariat. While the Secretariat needed strengthening of its capacity, only four additional posts were approved, raising the total number of core funded posts from 68 to 72, where that number remained until COP 12, when an additional six posts were granted, followed by an additional four posts agreed to at COP 15.

15. The apparent incongruence between mandated work and resources made available to the Secretariat was also noted by the Office of Internal Oversight Services (OIOS), the United Nations office providing internal audit services. Thus, in 2019, OIOS stated that while the budget proposal presented to Parties for the biennium 2019-2020 requested 9 additional posts in anticipation of an increased volume of work arising from the post 2020 global framework to be adopted at COP 15, Parties did not agree to the proposed increase in posts, although they decided to establish the Open-Ended Working Group on the Post-2020 Global Biodiversity Framework which, as OIOS noted, “generated a considerable number of additional meetings to be prepared by the secretariat, thereby adding to the existing workload. Furthermore, the consultancy budget (which could have helped the secretariat to get temporary support to cope with the additional workload) was also cut by Parties.”⁹

16. Similarly, the United Nations Board of Auditors, in 2019, in reviewing the Secretariat’s main activities undertaken in response to the decisions of the most recent COP, and the availability of resources and additional funding required for those activities, noted “that of a total of 82 activities, 47 had insufficient resources available to execute all the requests indicated in the [...] decisions, representing 57 per cent of the activities stemming from those decisions. The Board noted that the secretariat of the Convention on Biological Diversity required \$6,539,000 in additional resources for the development of the activities. These resources would allow for the financing of consultancy and expert services, workshops, meetings and new recruitments.”¹⁰ In its recommendation related to this observation, the Board of Auditors noted the overall need “to adjust the programme of work and budget submission, with the aim of evaluating and implementing a more realistic workplan for the secretariat in accordance with available resources” In this regard, the Secretariat provided, in document CBD/COP/15/7/Add.1, its analysis of the alignment needed between the mandates given to the Secretariat and the required resources.

17. While at COP 15 Parties agreed to an additional four posts under the core budget, compared to the previous biennium, the Secretariat continues to suffer from an overstretch of resources, including for the provision of core services under Article 24 of the Convention, the preparation and servicing of meetings of the COP, COP-MOPs, subsidiary bodies, ad hoc working groups, advisory committees and other expert meetings and workshops as well as for programmatic work. It should be noted that in addition to available resources not keeping up with an increase in mandated work there may be some underlying structural issues that contribute to the mismatch of resources and mandated work. These include, as a potentially significant factor, the accumulation of mandates over the past decades without a mechanism for Parties to review the continued relevance of such mandates over time and, where appropriate, retire mandates that have been overtaken or integrated in the Secretariat’s work through more recent mandates.

18. In more recent years, unforeseen factors, such as the global COVID-19 pandemic, have had the effect of rapidly increasing numbers and frequencies of official meetings and associated expert processes in online formats. While the pandemic has subsided, the format of online meetings and processes has remained a lasting legacy, often not in replacement of in-person meetings, which in many cases remain necessary, but to supplement such in-person meetings. This has created

⁹ OIOS Report 2019/095, para 65.

¹⁰ A/75/5/Add.7, paras 215, 216.

additional pressure on both substantive staff and support staff (e.g. in administration, conference services, editing/translation, and registration).

2) Efforts to improve Secretariat planning and operations

19. The adoption of the Strategic Plan for Biodiversity 2011-2020 at COP 10 was accompanied by a total of 294 requests to the Executive Secretary, the highest number in the history of the Secretariat. Secretariat functions “were expanded to include more emphasis on catalyzing action by engaging a growing number of international, regional and national stakeholders best situated to assist Parties with implementation.”¹¹

20. COP 11 in 2012 requested that an in-depth functional review of the Secretariat be undertaken “with a view to updating its structure and the grading of posts to the Strategic Plan’s focus on implementation by Parties”.¹² The review was undertaken between 2014 and 2016 and, apart from structural adjustments, led to important efforts to improve the planning and monitoring of the Secretariat’s activities.

21. Specifically, as part of the functional review, the Secretariat undertook a comprehensive planning process of biennial work following COP 12 in 2014. The planning exercise, involving all staff, identified “respective (a) mandates by Parties for their work, (b) expected outcomes, and (c) the specific contributions of staff to the overall programme of work of the Secretariat, based on the Strategic Plan for Biodiversity 2011-2020, the Strategic Plan for the Cartagena Protocol on Biosafety 2011-2020, decisions emanating from COP 12, COP-MOP 7 of the Cartagena Protocol, COP-MOP 1 of the Nagoya Protocol and any continuing mandates from previous meetings”. That exercise led to the identification of areas “where the Secretariat has a comparative advantage and where, given its capacities, the Secretariat can best support Parties and facilitate their work in their long-term strategic mission to achieving the goals of the Strategic Plan for Biodiversity 2011-2020, the Strategic Plan for Biosafety and the attainment of the Aichi Targets.”¹³

22. The planning exercise used the newly created Results-based Management Framework for the biennium, 2015-2016 (RBMF). The RBMF was adopted “to enable the Secretariat to ensure consistency in [a] Secretariat-wide integrated approach to the decisions of the Parties, measure performance and guarantee transparency in the reporting of results”.¹⁴ It also was to help facilitate decision-making within the Secretariat, align staff work planning across the organization, facilitate better management, learning, accountability and maximum use of resources to help improve efficiency at the Secretariat. In response to the OIOS audit observation in 2019, the Secretariat, building on the initial experience with the RBMF, made further efforts to integrate a results-based approach in its work programming and budgeting for the biennium 2021-22.

23. While the introduction of the RBMF and the results-based budgeting tool has potentially multiple benefits in planning, budgeting and monitoring Secretariat activities more effectively, it has posed challenges to the Secretariat, which are in part due to resource constraints. As the Executive Secretary noted in an assessment in 2022,¹⁵ “the framework needs to be optimized and updated [...] to ensure that planning is aligned and adjusted based on the actual decisions of COP and MOPs”. Furthermore, the Executive Secretary noted the following important points:

- a. “The exercise revealed that important functions necessary for the effective implementation of the Secretariat’s work were under resourced or entirely missing. These include organizational support for monitoring and evaluation, project and programme management function, and the delivery of key conferencing services among others;”
- b. “It also became clear that while mandates have continually been added, there has been no analogous mechanism by the Conference of the Parties to determine what older

¹¹ CBD/COP/15/7/Add.1, para 16.

¹² UNEP/CBD/COP/DEC/XI/31, para 25.

¹³ UNEP/CBD/COP/13/7/Add.2, paras 9-11.

¹⁴ Ibid, paras 12-13.

¹⁵ CBD/COP/15/7/Add.1, para 46.

mandates still needed to be worked on, or could be retired, replaced, or phased out. This has resulted in an accumulation of workstreams that are under resourced and whose relevance has not been monitored in a systematic way¹⁶.”

- c. “Finally, the exercise made clear that Secretariat-wide resource implications are often not considered when decisions are adopted (and vice-versa). For example, a decision that requests the Executive Secretary to carry out an activity on a specific theme, to be implemented by one of the substantive divisions, may require resources and support from other divisions, units and the Secretariat’s administration, which are not considered at the time of the decision making, and/or budget decisions are made without fully taking negotiated decisions into account.”

24. “Moving forward,” the Executive Secretary concluded at the time, “the RBB can be used to anticipate these resource implications and determine their feasibility, rather than just mentioning the decision needs to be implemented ‘subject to the availability of resources’” – a practice that “has led to some of the requests to the Executive Secretary not being implemented, a fact that was also observed during both the OIOS and BOA audits”.¹⁷

25. Other significant elements of the functional review initiated in 2013 and partially carried forward are:

- a. The piloting of a Secretariat-wide matrix approach to work designed to foster inter-divisional collaboration and coordination, which was expected to result in “a more coordinated, efficient and effective service delivery to the Parties and other stakeholders while maximizing the use of both available human and material resources of the Secretariat”¹⁸ as well as better advance planning and budgeting. The results and lessons learned are included in the report on the functional review and should be reviewed in the context of the upcoming review to assess its benefits and drawbacks going forward.
- b. The implementation of an Enterprise Risk Management (ERM) framework. Using that framework, the Secretariat carried out a risk assessment using the four following categories: (1) Human Resources, (2) Document planning, preparation and information management, (3) Project and Programme Management, and (4) Support Services. The findings of that assessment are detailed in document CBD/COP/15/7/Add.1¹⁹ and are a useful preliminary guide in identifying major risks and related mitigation strategies, including prioritization for requests for additional resources.
- c. Adjustments to the structure of the organization and a reorientation and/or redesign of specific functions.

3) Continuing challenges and barriers to effective and efficient support to Parties

26. While efforts made in the course of the past ten years have led to a number of improvements in the way the Secretariat functions, the organization seems to have been operating in a “firefighting” mode for an extended period of time now. While the COVID-19 pandemic clearly exacerbated the situation, leading *inter alia* to a dramatic shortfall of funding for administrative functions,²⁰ the Secretariat has been suffering from ad hoc, non-sustainable support arrangements for Parties even before the pandemic. The picture that presents itself is that of an organization seemingly getting caught up in a vicious cycle: The continuing lack of core programmatic staff and an overreliance on short-term project staff, consultants and interns to support core functions of the Secretariat has had a negative impact on the Secretariat’s capacity to develop a more strategic approach to its support arrangements. In turn, that lack of a more strategic approach has

¹⁶ The development of a decision tracking tool is underway at the Secretariat to enable effective decision-monitoring.

¹⁷ Ibid, para 47.

¹⁸ UNEP/CBD/COP/13/7/Add.2, para 53; see paras 19-55 for the full account of the matrix approach pilot phase.

¹⁹ Paras 35-45, and annex IV.

²⁰ See CBD/COP/15/7/Add.1, para 34 for details.

further exacerbated ad hoc support arrangements, affecting the Secretariat's capacity to fully provide the support necessary to Parties and, to an increasingly worrying degree, staff health and morale. In addition, the lack of capacity to focus on strategic orientation of the organization has also prevented the Secretariat to fully benefit from improvements proposed and launched in the context of the last functional review as there was no effective sustained change management.

27. Emanating from a chronic lack of sufficient sustainable resources as well as gaps in developing an integrated, strategic approach to its work, the following represent continuing challenges and barriers to the effectiveness and efficiency of Secretariat operations, and to the health of the organization.

28. Administration, finance and resource mobilization, as well as conference services (documents management, registration, and assistance to participants to meetings) are backbone services of the Secretariat. The way these are currently funded, staffed and organized within the Secretariat are not sustainable. Specifically:

- a. The funding of administrative services purely from programme support costs no longer seems to reflect the real need for support. As the United Nations Board of Auditors pointed out at the end of 2012, the Secretariat had at that time sustained over-expenditures under programme support costs for the past four years, noting "that the funding gap reflects inadequate funding for operational activities provided by the Administration Division, which may have an impact on the continuity and efficiency of work provided by the Division, especially taking into consideration that more than 80 per cent of posts were funded through programme support costs and the recruitment was frozen as at 31 December 2021".²¹
- b. Functions essential to the organization of intergovernmental meetings are performed "by loosely organized teams of staff members which carry out these duties on an as-needed-basis on top of their regular work"²². While, generally speaking, an approach that covers peak workloads in specific domains of work by using capacity across the Secretariat can be a useful and adequate tool, it seems to be used at the Secretariat to cover chronic shortages in core staff to the detriment of the quality of work and the health of staff. In light of the continuous significant meeting support requirements in recent years, it is no longer feasible to rely on 'volunteers' from different parts of the Secretariat to cover this work.
- c. There is a gap in dedicated programme and project management functions supporting the Secretariat's Results Based Management (RBM) framework (including Secretariat-wide programme monitoring and reporting, project management and monitoring, fund management, donor relations, etc.). This gap leads to projects being repeatedly extended, funds underspent, a weak reporting on results, as well as high transaction costs and sub-optimal programme support income.
- d. Project fund raising is not centralized, leading to individual units/programmes in the Secretariat raising funds for the implementation of respective COP requests in an ad hoc, and often insufficiently coordinated manner, resulting in uneven funding levels for different programmatic areas and sub-optimal funding for the Secretariat as a whole.
- e. There seems to be a need for centralized communication and cooperation with the Secretariat's Finance Unit by trained project managers who understand project management and know how project data and information relate to the financial figures in the UN Secretariat's accounting system.

²¹ A/77/5/Add.7, para 58. Since 2023, there has been some improvement in programme support income so that accumulated shortfalls from past years are gradually being absorbed and frozen posts filled. However, funding appears to remain inadequate to manage the anticipated increase in operations due to the required support to the implementation of the GBF.

²² See CBD/COP/15/7/Add.1, paras 41-42 for more detail.

29. In terms of programmatic support to Parties, the Secretariat-internal risk assessment has concluded “that there is a lack of core programmatic staff and an overreliance on short-term project staff, consultants and interns to support core functions related to the existing programme of work of the Convention and its Protocols”.²³ According to the assessment, this issue concerns a wide range of support domains and affects the quality and sustainability of Secretariat support, with many programmes having only one staff member to cover an extensive programme of work or staff serving dual roles and servicing multiple programmes. The assessment also found that in relation to key emerging areas of work, including digital sequence information on genetic resources, advances in biotechnology including synthetic biology and changes in biosafety policy at the global level, technical and scientific cooperation, and the business and biodiversity interface, work has to be covered through project staff funded from temporary resources.

30. In addition, it should be noted that the Protocols (Cartagena Protocol on Biosafety and its Supplementary Protocol on Liability and Redress, and the Nagoya Protocol on Access and Benefit Sharing) are legal instruments and have unique demands on the Secretariat based on the decisions taken by the separate governing bodies.

31. Given the overall shortage of staff in a number of areas, the Secretariat seems to rely in part on General Services staff to perform functions of a programmatic nature that go beyond their regular duties. This is clearly a worrying sign of a situation that seems to have become unmanageable

4) Key considerations in further strengthening the structure and operations of the Secretariat

32. Following the adoption by the Conference of the Parties of the GBF in December 2022 and in response to a mandate from Parties,²⁴ the Secretariat, in 2023, conducted a rapid analysis of programmes of work established under the Convention with respect to the targets of the GBF.²⁵ As a follow-up to this exercise, Parties mandated the Secretariat to undertake a comprehensive review and analysis of existing scientific and technical tools and guidance in support of the implementation of the GBF, including recommendations for the adjustment of work under the Convention. The Secretariat has undertaken this review and made the results of its work available to Parties.²⁶

33. Hence, at the programmatic level, efforts are under way to align the programme of work under the Convention with the goals and targets of the GBF. In support of such strategic alignment, Parties will also consider at COP 16 a multi-year programme of work containing a list of main issues to be addressed by the COP at its meetings up to 2030.²⁷

34. The effectiveness and efficiency of the work of the Secretariat depends on its ability and capacity to support the priorities set by Parties in implementing activities agreed under the GBF and other relevant decisions in support of the GBF. This will require an alignment of its operations with those priorities taking into account the following considerations:

- a. It is acknowledged that governments globally operate under severe financial constraints and that resources are limited; hence, a strategic focus is needed on what requires support by the Secretariat on a priority basis to achieve the biggest impact.
- b. Such priority-setting by the Secretariat must ensure the sustainable delivery of core functions of the Secretariat under Article 24 of the Convention, as well as targeted support to implementation of the GBF by Parties with a focus on where the Secretariat has a comparative advantage and can provide unique services that other actors do not offer.

²³ CBD/COP/15/7/Add.1, para 39.

²⁴ See decision 15/4, para 9.

²⁵ See CBD/SBSTTA/25/4 and CBD/SBSTTA/25/INF/1 for the results of this exercise.

²⁶ See CBD/SBSTTA/26/3, CBD/SBSTTA/26/INF/15, and CBD/SBSTTA/26/INF/16.

²⁷ See CBD/COP/DEC/15/33 and CBD/SBI/4/15.

- c. The point above is likely to require greater coherence, complementarity and cooperation between the CBD and its Protocols, other biodiversity related conventions, relevant multilateral environment agreements (MEAs), UN System actors, and other stakeholders, in order to avoid duplication of efforts and inefficiencies.
- d. The effectiveness and efficiency of Secretariat operations depends to a significant degree on how well aligned Secretariat activities are with overarching strategic objectives. These must be clearly communicated internally and engrained in day-to-day operations by seamless integration of guidance by executive management into the work of divisions, units, programmes and individuals.
- e. Linked to the point above, there needs to be executive oversight of strategic planning, including the use of the results-based management framework, enabling effective prioritization of Secretariat activities based on its strategic planning, related resource management, effective oversight of outcomes and reporting to Parties.
- f. The organizational structure must be fit-for-purpose. It is not apparent that the current structure and organization of functions optimally supports work mandated by Parties, including the support for implementation of goals and targets under the GBF.
- g. The strengthening of staff capacity should include strategic staff training and empowerment, effective communication, and development to enhance skills, knowledge and competence as needed.
- h. Last but not least, the overall efficiency of operations is a function of the efficiency of individual processes and transactions as well as their integration. Processes need to be as lean as possible and supported by systems and tools that help increase output using limited resources.

V. Suggested focus areas for analysis and assessment in the process of the functional review

35. Following from the above, it is suggested that the functional review initiate a process that allows for the Secretariat to develop its strategic vision, mission and goals, taking into account its role to support the implementation of the GBF and supporting decisions and the multi-year programme of work to be considered by the Parties at COP 16, achieving optimal support of Parties' ambitions for its implementation. Such an exercise would provide the necessary foundation for subsequent work on Secretariat functions and structural arrangements.

36. In terms of functional analysis, it would seem useful for the review to place an emphasis on the identification of Secretariat core functions, starting from essential functions as outlined in Article 24 of the Convention as well as critical functions in providing long-term programmatic support to Parties, including in the context of supporting the implementation of the GBF, and in line with the strategic vision and mission of the Secretariat.

37. In doing so, it would be useful to assess the continued relevance of long-standing mandates emanating from historical decisions in light of the strategic focus provided by the GBF, with a view to addressing possible overlaps and redundancies and identifying potential for streamlining the work of the Secretariat.

38. Furthermore, the functional analysis should take into account the broader landscape of actors in the global biodiversity arena and critical needs for synergies, including other MEAs, UN System actors, and other stakeholders, with a view to identifying opportunities for enhanced cooperation with such actors, addressing critical gaps, and avoiding duplication of efforts, while also assessing the necessary resources for the Secretariat to maintain and enhance necessary cooperation.

39. The identification of critical and key functions of the Secretariat, based on a strategic vision, should be followed by a systematic assessment of the Secretariat's current structure to determine

to what extent it optimally supports work required under the functions identified, in particular in the context of supporting the implementation of GBF. That assessment should consider opportunities for a flexible use of resources across organizational boundaries, in particular where it would seem desirable to achieve functional objectives requiring expertise across the organization. In this regard, care should be taken that the structure to be developed does not create artificial barriers but rather enables and encourages work across structural boundaries wherever this is called for and optimizes the size of management units. Experiences in piloting a matrix approach during the previous functional review may provide useful pointers to what has not worked and what are approaches that are promising to develop further.

40. Following from the identification of a structure that best enables the achievement of functional goals, a more detailed analysis of current terms of reference of structural sub-divisions, programmes and individual posts would need to be undertaken.

41. In looking at structural options and the terms of reference of structural divisions, units, programmes and individual posts, it is suggested that the functional review pay special attention to strengthening Secretariat executive oversight of strategic planning and overall coordination of the Secretariat's work activities to ensure:

- a. The strategic use of the results-based management framework and its budget process, including monitoring of, and communication on, the resource implications of decisions taken by Parties;
- b. The effective prioritization of Secretariat activities based on its strategic vision, mission and goals, aligned with the requirements of the GBF, including effective coordination among programmes of work on different targets;
- c. Well-coordinated resource and staff management serving the strategic priorities;
- d. Effective oversight of the outcomes of Secretariat activities, and related reporting to Parties and communication with stakeholders.

42. Executive oversight, effective communication and empowerment of staff will also be critical in an effective change management such that the outcomes of the functional review are implemented as agreed, that the effectiveness of changes made is monitored over time, and that continuous adjustments are made where appropriate.

43. Given the financial constraints under which Parties operate and which impact decisions on the funding of activities under the CBD core and supplementary budgets, it is important that Parties have trust in the efficiency of Secretariat operations. The functional review should therefore also identify areas of work where processes need to be made more efficient and effective, including intra- and inter-unit workflows, document management, decision-making processes, managerial oversight and reporting, staff well-being, as well as technical aspects such as the effectiveness and efficiency of IT systems.

44. Given the importance of administrative support to the operations of the organization as a whole, including effective support to the organization and conduct of the intergovernmental process, there is a need to put the funding of administrative support on a more sustainable footing, in line with audit observations. There are clear indications that funding solely through programme support costs is not sustainable and can lead to significant business continuity risks.

45. In light of the points raised in sections IV and V above, the annex of this document contains elements for draft terms of reference for the upcoming functional review for consideration by the Executive Secretary.

VI. Elements in the approach to the Functional Review

46. The functional review of an organization is a complex process. To be successful, it requires the full and transparent engagement of its staff, not only during the review process itself (e.g. through staff workshops, individual interviews, surveys, etc), but also, importantly, in the long-

term implementation of the outcomes of the review (e.g. through assessment of its impacts in terms of not only the Secretariat operations and delivery of services but also staff well-being), in particular where changes in structure, processes, responsibilities and reporting lines are recommended and agreed.

47. Equally critical is the commitment of executive management to an open and participatory process as well as transparent decision-making when considering recommendations arising from the process and selecting potential alternative options. A functional review and its subsequent implementation are a marathon, not a sprint; it requires sustained and credible commitment by executive management for the outcome to be successful.

48. As the Secretariat services the Parties to the Convention and its Protocols, it is evident that the framing of the Secretariat's priorities derives from the priorities of Parties as captured in their decisions, including those pertaining to the implementation of the GBF and related decisions. In the process of the functional review, Parties, through the Bureau and, as appropriate, other means such as surveys or requests for input, may wish to provide guidance that will help the Secretariat in setting the priorities of its work, building on its role as mandated in the Convention and the Protocols as well as the GBF as a strategic plan for the implementation of the Convention and its Protocols, its bodies and its Secretariat over the period of 2022-2030, as stated in decision CBD/COP/DEC/15/4.

49. Next to Parties, it would be useful to seek input from other stakeholders in the CBD processes, including MEAs, key actors in the UN System as well as representatives of indigenous peoples and local communities and relevant stakeholders, on synergies that can be gained in interactions of the Secretariat with these actors. The focus here would need to be on opportunities for cooperation or coordination of work that would help the Secretariat fully realize its comparative advantage enshrined in its specific role, while enabling the potential of other actors to fulfil their role.

50. UNEP's senior management and relevant divisions should be actively engaged to identify areas for improvements in reducing administrative transactional costs between UNEP and the Secretariat as well as enhancing cooperation in supporting the implementation of the GBF.

51. In terms of those elements of the functional review that concern structural issues as well as internal processes, the review may benefit from, *inter alia*, the following elements:

- a. Established best management practices that foster staff empowerment, teamwork across organizational boundaries, continuous innovation of processes and systems, and the ability to recognize shortcomings and seek improvements on an ongoing basis;
- b. Examples of structural design that have proven effective in comparable organizations;
- c. Potential models from other comparable organizations in relation to effective resource mobilization, arrangements for administrative and conference services, including potential models for sharing services with other organizations, as well as other institutional aspects that would help increase the efficiency of the work of the Secretariat;
- d. In terms of arrangements for meetings services, UN practices, tools, standards and standard operating procedures (e.g. in terms of internal document submission processes or productivity rates for translators and editors);
- e. Lessons learnt from the Secretariat's previous functional review.

VII. Some observations regarding immediate business risks of the Secretariat requiring immediate attention

52. In the light of the findings presented in this report, and taking into account the Secretariat's internal risk assessment as well as audit observations, there are a number of domains that seem to

be particularly vulnerable to potential disruption or may be severely affected in terms of the quality of services provided by the Secretariat, and which would require immediate attention. These include:

- a. Conference services: Given the significant increase in the number and size of official meetings and associated expert processes, both in-person and on-line meetings, related Secretariat support services are stretched to breaking point. This includes documents management, registration services and logistical support to meetings and participants.
- b. Programmatic support: As the risk assessment highlights, there is a lack of staff capacity and an over-reliance on project posts to support core programmatic functions, including in Digital Sequence Information (DSI), support to the programme of work under Article 8j, Technical and Scientific Cooperation, National Biodiversity Strategies and Action Plans, Biodiversity and Business, Resource Mobilization and Financial Reporting, Sustainable Use and Sustainable Wildlife Management, Indigenous peoples and local communities and Traditional Knowledge, and communications support, among others. In reviewing the needs for enhanced capacity in these programmatic domains, an approach should be taken that ensures balanced support to Parties' efforts to achieve the three objectives of the Convention, including through its Protocols.
- c. Project and programme planning, implementation, monitoring and evaluation: Lack of capacity in this area, in part caused by the funding model for administrative services,²⁸ bears the risk of inefficient implementation of activities, projects repeatedly being extended, and funds being underspent, which *inter alia* leads to weak reporting on results, high transaction costs, and sub-optimal generation of programme support income. There is also an urgent need to strengthen capacity in results-based management and budgeting to comply with UN audit observations.

²⁸ See para 28(a) above.

Annex

Suggested draft elements for the terms of reference of the functional review of the Secretariat

It is suggested that the functional review of the Secretariat of the Convention on Biological Diversity to be undertaken following COP 16 include the following activities:

- 1) Undertake a comprehensive review of Secretariat functions to:
 - a. Provide an overview of current functions based on existing mandates by Parties;
 - b. Assess the continued relevance of long-standing mandates emanating from historical decisions in light of the strategic focus provided by the GBF, with a view to addressing possible overlaps and redundancies and identifying potential for streamlining the work of the Secretariat;
 - c. Identify core functions that are critical for the provision of Secretariat support to Parties in the implementation of their priorities based on the goals and targets of the GBF and supporting decisions, and the multi-year programme of work;
 - d. Taking into account the broader landscape of actors in the global biodiversity arena, including other MEAs, UN System actors, indigenous peoples and local communities, and stakeholders, identify opportunities for enhanced cooperation with such actors, addressing critical gaps, and avoiding duplication of efforts.
 - 2) Assess the Secretariat's current structure and working methods, and where necessary, develop adjustments to ensure that these are "fit-for-purpose" and optimally support the implementation of activities by Parties, taking into account best practice organizational design principles and practice as well as examples of organizational design and practice that have proven effective in comparable organizations.
 - 3) Identify measures to strengthen the Secretariat executive oversight, effective communication and empowerment of the staff in undertaking strategic planning and overall coordination of the Secretariat's activities to ensure: the strategic use of the results-based management framework; well-coordinated mobilization and deployment of resources, and reporting to Parties; and effective organizational development and oversight of in-house processes.
 - 4) Based on the functional review and strategic prioritization of Secretariat activities, undertake an analysis of the organizational structure and the grading of posts.
 - 5) Identify areas of work where Secretariat processes and systems need to be made more efficient and effective, including in relation to the provision of administrative services and support to intergovernmental meetings.
 - 6) In light of critical functions identified by the functional review, assess current arrangements for the funding of Secretariat activities, including the sustainable long-term funding of administrative support to the organization and intergovernmental support, in line with audit observations.
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