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RESOURCE MOBILIZATION: FINAL ANALYSIS OF INFORMATION PROVIDED THROUGH THE FINANCIAL REPORTING FRAMEWORK

Note by the Executive Secretary

I. INTRODUCTION

1. At its twelfth meeting, the Conference of the Parties adopted targets for resource mobilization under Aichi Biodiversity Target 20 of the Strategic Plan for Biodiversity 2011-2020 (decision [XII/3](#), para.1), as well as a revised financial reporting framework, intended for reporting by Parties on their contributions to reach these targets (see decision XII/3, paras. 24 and 25 and annex II). For ease of reference, the targets are reproduced in annex I to the present document. At subsequent meetings of the Subsidiary Body on Implementation and of the Conference of the Parties, Parties kept the progress against the targets for resource mobilization under review, based on regular reports prepared by the Executive Secretary that aggregated and summarized the information submitted by Parties through the financial reporting framework.¹ The fifth edition of the *Global Biodiversity Outlook* provided an overall assessment of progress towards Aichi Biodiversity Target 20 and the associated targets, based on this information as well as other sources.
2. Updated information from the financial reporting framework was included in the first report of the Panel of Experts on Resource Mobilization to the Subsidiary Body on Implementation at its third meeting (CBD/SBI/3/5/Add.1). The Subsidiary Body at the first part of its third meeting, held from 16 May to 13 June 2021, considered the reports of the Expert Panel and the associated draft recommendation. The present document provides a final update,² taking into account further submissions from Parties.³
3. Document CBD/SBI/3/5 on resource mobilization, and the draft recommendation provided therein, included several recommendations for a simplified and more effective financial reporting framework. Since that document was issued in June 2020, a draft monitoring framework for the post-2020 global biodiversity framework has been under development, and in its latest form already contains several proposed headline and complementary indicators for resource mobilization.
4. In the light of these developments, the present report intends to achieve two objectives: (a) to provide succinct aggregate information allowing an assessment as to whether and/or to what extent the targets for resource mobilization adopted by the Conference of the Parties at its twelfth meeting were met; and (b) drawing on the methodological information provided and the practical experiences in financial reporting gained since the twelfth meeting of the Conference of the Parties, to identify a number of lessons learned

¹ See documents UNEP/CBD/SBI/1/7/Add.1, UNEP/CBD/COP/13/11/Rev.1, UNEP/CBD/SBI/2/7/Add.1, CBD/COP/14/6.

² Prepared in line with recommendation 3/6 of the Subsidiary Body (CBD/SBI/REC/3/6, footnote 4).

³ In response to notification 2021-034 of 14 May 2021.

that may inform options for simpler and more effective monitoring against any future target(s) for resource mobilization.

II. REPORTING FEEDBACK OVERALL

5. As of 5 September 2022, 97 Parties had submitted information through the financial reporting framework for providing baselines and initial progress until 2015, while 51 Parties among those also provided information on further progress until 2020. The consolidated list of Parties that submitted information through the financial reporting framework can be retrieved through the online financial reporting framework analyser.⁴

6. As of the same date, 192 Parties had submitted their fifth national reports and 189 Parties had submitted their sixth national reports. The reporting gap regarding the financial reporting frameworks had been noted and discussed in earlier summary reports; they had pointed primarily to the technical complexities and challenges associated with the implementation of some of the targets on resource mobilization.⁵

III. INTERNATIONAL FINANCIAL RESOURCE FLOWS

7. The target adopted in paragraph 1 (a) of decision XII/3 (henceforth “target (a)”) called for a doubling, by 2015, of total biodiversity-related international financial resource flows to developing countries, in particular least developed countries and small island developing States, as well as countries with economies in transition, using average annual biodiversity funding for the years 2006-2010 as a baseline, and for this level to be at least maintained until 2020.

8. A total of 32 Parties, including 26 of the 30 members of the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD), provided information on the amount of such resources they provided. Thirty Parties (25 DAC members and 5 non-DAC members) reported baseline data. Among the 25 DAC members are the 9 largest donors of biodiversity-related bilateral aid⁶ during the baseline years (except for the second largest donor during this period, which is not a Party to the Convention). Due to lack of data or their changed status, several countries did not report a baseline but did report progress (Brazil, Bulgaria, Chile, Malta, Slovakia).

9. In order to enable the aggregation of the numbers provided, the relevant questions in the financial reporting framework and the associated tables addressed only countries that *provided* financial resources in support of biodiversity in developing countries, in particular least developed countries and small island developing States, as well as countries with economies in transition. Given, however, that the remainder of the financial reporting framework addressed all countries, this difference gave rise to a frequent misunderstanding in that some countries instead reported resources *received* in the relevant tables, and it took considerable time and effort to detect, verify, and, to the extent feasible, rectify this.

10. Table 1 below provides aggregate information on global progress made against target (a) of decision XII/3 (doubling international biodiversity finance flows by 2015 and at least maintaining this level until 2020). The table in annex II provides country-specific information. Quotients are calculated based on the baselines of those Parties that provided data for a particular year; that is, the table only includes information from Parties with baseline data. There is an increasing reporting gap the more recent the year; for this reason, comparisons across individual years need to be undertaken with care and should be avoided with regard to the 2019 and 2020 data. The 2019 and 2020 data need generally to be interpreted with particular caution, as the Parties reporting for these years represented only 39 per cent and 30 per cent, respectively, of the baseline. While those Parties that have already reported 2019 and 2020 data have collectively more than doubled their international flows, this can at this stage not be extrapolated.

⁴ <https://chm.cbd.int/search/financial-analyzer>.

⁵ See CBD/SBI/2/7Add.1.

⁶ Committed bilateral aid marked as “principal” under the Rio marker system of the OECD DAC.

Table 1. Global progress made against target (a)

Year	2015	2016	2017	2018	2019	2020
Quotient*	1.66	1.23	1.34	1.39	2.52**	2.83**
Number of reporting Parties	28	19	19	15	14	9
Baseline of reporting Parties in each year as a percentage of total baseline	99.5%	92.3%	91.9%	85.4%	38.8%	30.5%

Calculated based on data from the financial reporting framework analyser.

* Quotient = reported annual international flows divided by reported baseline of those Parties that provided data for a particular year. A quotient ≥ 2 indicates that the target of doubling international flows has been met.

** See discussion in paragraph 10.

11. Several non-members of the DAC reported international flows, for instance by identifying expenditures for specific biodiversity-relevant projects in other countries and complementing resulting figures with membership contributions to relevant international agreements and/or voluntary contributions to the Global Environment Facility (GEF). Figures submitted are likely to be conservative; for instance, Brazil noted that figures include only data related to the central government and only to projects implemented in neighbouring countries.

12. As showing in annex II, by 2015, the following Parties had at least doubled the international resource flows they provided: China, Croatia, Estonia, France, Germany, Latvia, Luxembourg, Norway, and the United Kingdom of Great Britain and Northern Ireland. Hungary at least doubled flows in 2014 and the Republic of Korea in 2016. Among the above, Croatia, France, Germany, and Hungary at least maintained this level by 2020. EU institutions doubled flows by 2017 and maintained them by 2020. Sweden doubled flows by 2018 and maintained them until 2020. Switzerland doubled flows by 2017 and maintained them until at least 2018; Italy doubled them by 2017.

13. Annex II provides numbers in US\$. Due to currency fluctuations, amounts in national currencies would be higher (in the case of an appreciation of national currencies against the US\$, compared to the baseline) or lower (in the case of a depreciation). For instance, when expressing amounts in Euros, European Union institutions, with a quotient of 2.05 for 2015, achieved the doubling by 2015, and European Union member States collectively almost doubled their international resource flows by 2015 (quotient of 1.9), achieved the doubling by 2016, and maintained the doubling in the subsequent years.⁷

14. Data on private flows remains very patchy. All reporting Parties said that they took at least some measures to encourage the private sector and civil society organizations to provide international support, and provided qualitative and some quantitative information thereon. However, under the 2020 reporting round, only two countries (Austria and Switzerland) provided quantitative information in the relevant column of the table of the financial reporting framework. A few more countries had reported data under the first round, but these attempts were apparently not further pursued.

15. DAC members referred to the Rio marker methodology (part of the OECD Creditor Reporting System (CRS)) as the basis for their reporting on the resources provided. Under the Rio marker methodology, DAC compiles data from DAC member States regarding how much of their bilateral development assistance has biodiversity as either a “principal” or a “significant” objective. Table 2 below provides pertinent information on biodiversity-related committed aid based on data from the CRS database. In considering the data, it must be borne in mind that:

⁷ *Submission by the European Union and its Member States to CBD Notification 2021-034. Information regarding Financial Reporting Frameworks from the EU and its Member States (22 July 2021), annexed to the Financial Reporting Framework 2020 of the European Union and its Member States (Tables 1a and 1b).*

(a) The second largest donor of biodiversity-related aid is not a Party to the Convention and thus did not complete a financial reporting framework, but is included in the CRS data;

(b) The biodiversity Rio markers cover bilateral aid, while most Parties reporting against the financial reporting framework also include multilateral biodiversity-related development assistance;⁸

(c) While most Parties report actual disbursements, the data provided in table 2 below covers commitments.

16. In the financial reporting framework, Parties used different methodologies regarding how to aggregate streams marked “principal” and “significant”, mostly by applying one or several coefficients <1 to the “significant” streams.⁹ GBO-5 used, for illustrative purposes, a coefficient of 0.4, and this approach has also been reflected in table 2 below.¹⁰

17. Bearing in mind the qualifications above, the OECD data shows that (a) the doubling target was met by 2015 for both the “principal” and the significant streams”, that is, irrespective of a specific coefficient value, and (b) the doubling level was maintained throughout the years 2016 to 2020 for the “significant” stream but not for the “principal” stream. Moreover, calculating a weighted total (100 per cent for the “principal” plus any percentage amount for the “significant” streams) suggests that while the target of doubling international flows by 2015 was met, this doubling was on average not maintained to 2020 (the average over 2016-2020 being smaller than 2 times the baseline for any coefficient between 0 and 1).

Table 2. Biodiversity-related bilateral official development assistance

All DAC members	Average 2006-2010	2015	2016	2017	2018	2019	2020	Average 2016- 2020
“Principal” stream								
US\$ millions	2,008	4,160	2,958	3,480	2,762	2,647	2,345	2,838
<i>Quotient</i>		2.07	1.47	1.73	1.38	1.32	1.17	1.66
“Significant” stream								
US\$ millions	2,009	4,613	4,591	5,359	5,238	4,187	4,857	4,846
<i>Quotient</i>		2.30	2.28	2.67	2.61	2.08	2.42	2.46
Weighted total (100% “principal” plus 40% “significant” streams)								
US\$ millions	2,812	6,005	4,795	5,623	4,857	4,321	4,288	4,777
<i>Quotient</i>		2.14	1.71	2.00	1.73	1.54	1.53	1.70

Calculated based on data retrieved from the OECD CRS database (<http://stats.oecd.org>) on 7 October 2022. Commitments in current US\$.

18. CRS also includes data from a number of non-DAC member Parties as well as multilateral institutions and key global charities. While this data does not use the Rio marker methodology, the sector classification of CRS seems to allow at least identification of biodiversity-related finance in a narrow sense, i.e. by using sector codes 41020 (biosphere protection), 41030 (biodiversity), and 41040 (site preservation).¹¹ While this CRS data does not allow calculation of a meaningful 2006-2010 baseline, its coverage seems to be more comprehensive for the more recent years, and this CRS data could provide a useful complement to the Rio (biodiversity) marker data in the future, in particular on multilateral sources and on some private funding streams.

⁸ See <https://chm.cbd.int/search/financial-analyzer>.

⁹ See CBD/COP/14/6 for details.

¹⁰ On the basis of information then available, GBO-5 suggested that this target would be met, the average being 1.9 for 2015-2019.

¹¹ In 2020, the following non-DAC member Parties reported on at least one of these sector codes: Azerbaijan, Croatia, Cyprus, Estonia, Kazakhstan, Latvia, Lithuania, Romania, Saudi Arabia, Türkiye, United Arab Emirates.

19. A comparison of the data provided through the financial reporting framework and through the OECD CRS leads to a number of observations. First, there is apparently no significant reporting gap in the CRS biodiversity marker data – whatever data is lacking does not come close to the reporting gap in the financial reporting framework data set. Second, reporting in the financial reporting framework is seemingly to a significant extent double reporting (with the additional step of applying the relevant coefficient(s) for the “significant” stream, and adding multilateral aid), and the reporting gap could reflect this additional reporting burden. Third, while the Rio (biodiversity) marker data in CRS is not aggregated, it still allows a separate assessment on whether resources mobilized under the “principal” and the “significant” streams have increased. Fourth, the limitations of the Rio marker data (in that it covers only DAC members and only bilateral aid) are increasingly addressed by other data sets available under the OECD CRS. These observations taken together indicate a potentially significant opportunity to streamline monitoring and reporting on international flows by directly using the data provided by the OECD CRS. As appropriate, a general decision to this effect could be complemented by guidance from the Conference of the Parties (and, subsequently, individual Parties) to the Secretariat on how to analyse the data.¹²

IV. INCLUSION OF BIODIVERSITY IN PRIORITIES AND PLANS, AND ASSESSMENT AND/OR EVALUATION OF VALUES

20. Target (b) of the targets for resource mobilization adopted in decision XII/3 endeavoured for 100 per cent, but at least 75 per cent, of Parties to have included biodiversity in their national priorities or development plans by 2015, and to have therefore made appropriate domestic financial provisions.

21. A total of 94 Parties responded regarding whether they included biodiversity in national priorities or development plans for the 2015 reporting, and all of them reported at least some progress, corresponding to approximately 50 per cent of all Parties: 65 Parties, or 69 per cent of respondents, indicated that some inclusion had been achieved, while 29 countries, or 31 per cent, indicated that comprehensive inclusion had been achieved. This encouraging progress with regard to target (b) of decision XII/3 would seem to have been maintained under the 2020 reporting, where all the 48 Parties responding reported at least some progress: 28 Parties, or 58 per cent of respondents, indicated that some inclusion had been achieved, while 20 countries, or 42 per cent, indicated that comprehensive inclusion had been achieved. Countries referred prominently to the linkages to sectoral plans or top-level plans or policies, such as national (sustainable) development or growth plans, resource efficiency frameworks, or even the national constitution, as main avenues for effective mainstreaming of biodiversity.

22. As part of target (d), decision XII/3 endeavoured for 30 per cent of Parties to have assessed and/or evaluated the intrinsic, ecological, genetic, socioeconomic, scientific, educational, cultural, recreational and aesthetic values of biological diversity and its components. Earlier reports had noted progress against this target, and this progress has been maintained. Under the 2015 reporting, eight Parties, or 9 per cent, indicated that comprehensive assessments had been undertaken, and 90 per cent of reporting countries, or 42 per cent of all Parties, reported having undertaken at least some assessments. Under the 2020 reporting, five Parties (or 10 per cent) indicated that comprehensive assessments had been undertaken, and 90 per cent of reporting countries (or 22 per cent of all Parties) reported having undertaken at least some assessments. Compared to the target percentage of 30 per cent, this continues to indicate rather satisfactory. Countries referred to comprehensive assessments or to valuation studies at smaller scales, possibly with a sectorial focus. For instance, Türkiye referred to its National Biodiversity Inventory and Monitoring Project, while the United Kingdom referred to the annual reporting against a range of natural capital accounts, which were established after its National Ecosystem Assessment in 2011. The United Kingdom also referred to its sponsoring of the

¹² For instance, if there is the collective will to have the Rio marker data aggregated into a single figure, the Conference of the Parties could decide on a default coefficient (e.g., 40 per cent), coupled with an opt-out option for individual Parties. If a Party concludes that the default coefficient does not reflect the reality of its own development cooperation project portfolio, it could opt out by indicating to the Secretariat its preferred coefficient or its preferred aggregation methodology more generally. For transparency, this could then be reported together with the aggregated figure in the future progress reports against the monitoring framework.

Dasgupta Review on the Economics of Biodiversity as a new and comprehensive economic framework that accounts for humanity's dependence on nature.

V. REPORTING CURRENT DOMESTIC BIODIVERSITY EXPENDITURES

23. Target (c) of the targets for resource mobilization adopted in decision XII/3 endeavoured for 100 per cent, but at least 75 per cent, of Parties provided with adequate financial resources to have reported domestic biodiversity expenditures, as well as funding needs, gaps and priorities, by 2015.

24. Out of the 97 Parties reporting on initial progress until 2015, 88 Parties, or over 90 per cent, reported on their annual financial support provided for domestic biodiversity-related activities in the country. While this may also seem satisfactory, it represents only close to 46 per cent of all Parties; thus, on a strict interpretation, this element of target (c) of decision XII/3 has not been met.

25. Target (e) of the targets for resource mobilization, called for a mobilization of domestic financial resources from all sources to reduce the gap between identified needs and available resources at domestic level. While the data does not allow undertaking of comparisons among countries or provision of a meaningful aggregate figure of domestic expenditures for biodiversity, it enables, to some extent, a trend analysis of how biodiversity-related expenditures develop over time, albeit not in all cases.¹³ Table 3 below synthesizes this analysis, undertaken to the extent possible. With increasing trends in biodiversity-related expenditure in approximately half of the countries, it indicates that some progress has been made until 2015; however, this is put in perspective by the other half that stalled or had a decreasing trend.

Table 3. Domestic biodiversity expenditure trends (until 2015), financial reporting framework

	<i>Number of countries</i>				
	<i>Increase</i>	<i>Decrease</i>	<i>Neutral</i>	<i>N/A</i>	<i>Total</i>
DAC members	9	8	4	3	24
Non-DAC members	26	6	20	12	64
<i>Megadiverse countries</i>	7	2	0	0	9
Total	35	14	24	15	88

26. Table 4 below provides an updated overview of the sources and categories included in the numbers provided, reflecting different methodological approaches. The table confirms earlier analyses: fewer countries cover lower levels of government, non-government sources or expenditures that are indirectly related to biodiversity. In addition, countries report on different years.

Table 4. Domestic expenditure sources and categories

<i>Numbers provided cover</i>	<i>Number of countries</i>	
	<i>Expenditures directly related to biodiversity</i>	<i>Expenditures indirectly related to biodiversity</i>
Government budgets – central	87	49
Government budgets – state/provincial	33	20
Government budgets – local/municipal	32	18
Extrabudgetary	30	17
Private/market	22	13
Other (NGO, foundations, academia)	37	22
Collective action of indigenous and local communities	7	4

¹³ See <https://chm.cbd.int/search/financial-analyzer> for graphical representations.

27. Among the Parties providing further methodological information, many Parties (46) referred to an analysis of budget documents, including the assignment of coefficients for indirect contributions to biodiversity. A smaller group of 15 Parties referred to using national statistics, based on environmental public expenditures accounts, making reference to internationally agreed classifications, such as the Classification of Environmental Protection Activities or the Classification of the Functions of Government and, in particular, the “biodiversity and landscape protection” subclass contained therein.

28. Within the latter group, Czechia and Finland referred to the coverage of private sources in the environmental protection expenditure accounts,¹⁴ while other countries, of the former group, typically relied on an ad hoc identification and compilation of data in order to address these sources; for instance, Croatia, Denmark, Lebanon and Switzerland used reliable data from individual companies, foundations and academic institutions.

29. As regards extrabudgetary expenditures, twelve Parties explained that they had undertaken an assessment of development cooperation projects in order to identify extrabudgetary expenditures that are relevant for biodiversity, again assigning percentage shares to those indirectly related, and sometimes using the OECD CRS database to identify pertinent projects and associated expenditures.

30. Information on government expenditures is collected and provided by the International Monetary Fund (IMF) in its Government Finance Statistics (GFS).¹⁵ The IMF GFS also provide statistical information on functional expenditures using the Classification of the Functions of Government (COFOG), including the subclass on “biodiversity and landscape protection,” which is part of the expenditures on environmental protection. Up to 77 governments provided such functional information between 2015 and 2022 and the majority of those governments (close to 80 per cent) also provided information on biodiversity and landscape protection. The table in annex III provides an overview by reporting country, expressed in percentages of gross domestic product (GDP), while table 5 below provides a similar trend analysis, for the years 2015 to 2019.¹⁶

Table 5. Trends in domestic biodiversity and landscape protection expenditure as a percentage of GDP (2015-2019)

	<i>Increase</i>	<i>Decrease</i>	<i>Neutral</i>	<i>N/A</i>	<i>Total</i>
Number of countries	18	13	17	10	58

Assessed based on data from IMF Government Finance Statistics, functional expenditures, retrieved on 31 October 2022.

N/A: time series too short or no trend.

31. A comparison of the two data sets leads to a number of observations. First, the number of total responses to the IMF GFS (77) puts in perspective the number of completed financial reporting frameworks on this topic (89). It suggests that whatever the precise reasons for this limited feedback, they may be common to both institutions.

32. Second, comparing the numbers provided by individual countries seems to indicate that the IMF figures are generally very conservative and likely to cover at a maximum what is being called, in the financial reporting framework, “expenditures *directly* related to biodiversity.” In contrast, many submissions to the financial reporting framework (namely, 49 out of the 87 that provided the relevant information) also cover expenditures *indirectly* related to biodiversity, while 30 and 22, respectively, also include extrabudgetary resources and non-government expenditures. These differences may, at least partly, explain the even more sobering result of the trend analysis shown in table 5: out of the 48 countries where a trend can reasonably be detected for the years 2015-2019, only 18 countries show a positive trend.

¹⁴ Under NACE Rev. 2, the statistical classification of economic activities in the European Community and the associated reporting to Eurostat.

¹⁵ <https://data.imf.org/?sk=5804C5E1-0502-4672-BDCD-671BCDC565A9>.

¹⁶ 2020 data was not included in the trend analysis due to the unique circumstances associated with the COVID-19 pandemic.

33. The identification of these other types of expenditures was typically based on a more extensive review of budgets of government bodies with different portfolios (i.e., beyond the environment ministry) and, to lesser degree, complemented by an analysis of non-governmental entities. These “biodiversity expenditure reviews” are in themselves a useful exercise; according to the methodology of the Biodiversity Finance Initiative (BIOFIN), an initiative managed by the United Nations Development Programme, they are an important intermediate step towards the development of national finance plans, and if done repeatedly they would allow assessment of progress made in the domestic mobilization of resources but also in budgetary mainstreaming of biodiversity. In light of the GEF-8 support for the development of national finance plans, more data (and from more countries) can be expected to become available in the future. Reporting on biodiversity-related expenditures under the Convention, in order to contribute to the assessment of progress on domestic resource mobilization, is included as an indicator in the draft monitoring framework for the post-2020 global biodiversity framework. This could be complemented by using the IMF GFS data set for those countries that do not undertake such exercises. For the reasons stated above, the country data are not directly comparable across the two data sets; however, both data sets would enable some form of country-specific trend analysis as provided above.

VI. ASSESSMENT OF THE ROLE OF COLLECTIVE ACTION

34. A total of 58 Parties provided information on whether they had assessed the role of collective action and non-market approaches to mobilizing resources for achieving the objectives of the Convention during the 2015 reporting cycle, and 33 Parties during the 2020 reporting cycle. For the 2015 reporting, 47 Parties had not yet started and 10 reported that some assessments had been undertaken. For the 2020 reporting, these numbers were 19 and 13 respectively. One country indicated that comprehensive assessments had been undertaken for the 2015 reporting and none for the 2020 reporting. In their comments, several countries noted the importance of collective action, but also underscored methodological difficulties in quantifying their contribution and the need to do more. Bhutan noted the role of payment for ecosystem service programmes to mobilize local communities. Canada undertook a partial assessment covering 19 examples of collective action programmes but noted the difficulty in aggregating inconsistent non-financial indicators. The United Kingdom noted that, while it does not have indigenous peoples and local communities as defined in Article 8(j) of the Convention, volunteer work is key for instance in gathering species-related information, and it is estimated that gathering the same information through official or commercial means would incur an annual cost of more than US\$ 53 million.

35. Only four countries (Canada, India, Namibia, Peru) provided quantitative information on the contribution of indigenous peoples and local communities. While this is very limited, the topic of assessing the role of collective action also spurred interesting conceptual and methodological work, as has been reflected in earlier reports,¹⁷ and methodological guidance thereon has been developed under the Convention, as reflected in decision 14/16. In that decision, the Conference of the Parties recognized the importance of holistic collective actions of indigenous peoples and local communities,¹⁸ and, should the Conference of the Parties wish to incentivize Parties to continue and scale this work, a continuation of this reporting stream, with as appropriate the support of relevant international organizations and initiatives, could be useful.

VII. REPORTING FUNDING NEEDS, GAPS AND PRIORITIES

36. Part of target (d) of the targets for resource mobilization adopted in decision XII/3 endeavoured for 100 per cent, but at least 75 per cent, of Parties provided with adequate financial resources to have reported funding needs, gaps and priorities, by 2015.

37. A total of 57 reporting Parties (close to 56 per cent) indicated their estimated funding need (typically based on the revised NBSAP; see below), and most of them calculated the estimated funding gap by subtracting estimated available resources. A total of 35 countries, or 43 per cent, also indicated actions for priority funding. Reporting countries referred in particular to their revised NBSAP as a basis for their

¹⁷ See UNEP/CBD/SBI/1/7/Add.1, paragraphs 55 to 57, UNEP/CBD/SBI/1/7/Add.2, and UNEP/CBD/SBI/1/INF/6.

¹⁸ Decision 14/16, preambular paragraph 2.

assessment, and in some cases specifically to their resource mobilization plan. In several cases, countries pointed to their ongoing work on the revised NBSAP or ongoing work under BIOFIN. Several Parties (China, the European Union, Latvia, Spain, Sudan, Switzerland, and the United Kingdom), while not providing data in the table, provided additional information, noting, for instance, specific needs which could be identified.

38. A recurrent issue in reporting these elements was how to precisely identify funding needs and the resulting funding gap; namely, whether the funding need is expressed as a “gross” or a “net” value, i.e. whether it includes or excludes existing activities that are already funded by current expenditures.¹⁹ The design of the financial reporting framework, emulating the basic approach of the BIOFIN methodology, was based on the gross concept;²⁰ however, a number of countries worked with a “net” concept and this resulted in a few cases in a negative funding gap.

39. Like the biodiversity expenditure review, discussed above, the identification of funding needs, gaps and priorities are intermediate steps towards the development of a national finance plan. However, what matters perhaps most from a resource mobilization perspective is the existence of a national finance plan and its effective implementation, and not so much that its intermediate steps are taken under a common methodology. Thus, in retrospect, these elements of the reporting framework may not be essential and could, in future reporting, be streamlined and made more flexible.

VIII. NATIONAL FINANCE PLANS

40. Target (d) also endeavoured for 100 per cent, but at least 75 per cent, of Parties provided with adequate financial resources to have prepared national financial plans for biodiversity by 2015.

41. A total of 54 Parties, or 58 per cent, provided elements of a finance plan in the pertinent table of the financial reporting framework, by providing aggregated figures on the amount of domestic and international resources they plan to mobilize, complemented in a number of cases by individual funding sources, both domestic and international, which they plan to draw upon to reduce their funding gap in the coming years. For the 2020 reporting, only 16 Parties reported on progress in mobilizing resources overall, and even fewer countries provided information on specific funding streams (12 for domestic and 15 for international), and mostly for only a few years.

42. The second round of the financial reporting framework had foreseen the reporting of progress in implementing the national finance plans as the basis for assessing further progress against target (e), on the mobilization of domestic resources. However, due to the limited reporting as described in the previous paragraph, such an assessment is not possible. Earlier reports had instead relied on the information on biodiversity-related expenditures under the first round of reporting, which had been designed to help in defining a baseline (i.e. a business as usual scenario) for the national finance plan. In retrospect, the financial reporting framework was perhaps too onerous in this regard – and it was further compounded by the methodological and capacity challenges of developing a national finance plan experienced by countries, both by those supported by BIOFIN and presumably even to a larger degree by those that were not. It seems therefore advisable to base any future assessment of progress against a possible future domestic target on resource mobilization simply on continued reporting of biodiversity-related expenditures, as explained in section V above.

IX. CONCLUSIONS

43. Reporting against the targets for resource mobilization has further advanced overall, but with only 97 Parties reporting, is significantly lower than overall national reporting.²¹ However, the inclusion of finance indicators in the monitoring framework for the global biodiversity framework, and thus the national reporting template for the Convention, would represent an agreement to report against resource mobilization

¹⁹ See also the related discussion in CBD/SBI/3/5/Add.2/Rev.1, in paragraphs 58 and 61, on what exactly is captured in (revised) NBSAPs.

²⁰ Whereby the funding gap = funding need – existing expenditures.

²¹ With 192 fifth national reports and 189 sixth national reports received to date.

under the national reports. While the large majority of DAC members that are Parties to the Convention have reported their international flows against target (a), many have yet to report against 2019 and 2020. Moreover, many Parties did not respond to all the questions of the framework. A persistent constraint is apparently the continued challenges in implementing some of the targets, in particular targets (c) and (d), associated with an overall lack of capacity, in particular in countries that do not participate in BIOFIN.

44. *Target (a) of decision XII/3 (doubling international flows by 2015 and maintaining this level until 2020):* A number of Parties achieved the doubling target and some among those managed to maintain or even increase it, but the numbers provided in the financial reporting framework do not suggest that this target has been met globally: compared to the baseline, a 67 per cent increase was calculated for 2015, a 39 per cent increase for 2018, and the level of reporting since then was not sufficient to draw conclusions.²² However, due to the differences explained above, the OECD CRS biodiversity marker data presents a more positive picture, whereby both the “principal” and the “significant” streams were doubled by 2015 and the doubled level was maintained for the “significant” stream until 2020.

45. *Target (b) of decision XII/3 (inclusion of biodiversity by 2015):* Given that only about 50 per cent of Parties reported progress against this target, it has technically not been achieved. On the other hand, all reporting Parties reported some progress which, notwithstanding the limited number of reports received, is encouraging.

46. *Target (c) of decision XII/3 (reporting by 2015 of domestic biodiversity-related expenditures as well as funding needs, gaps and priorities):* On a strict interpretation, the target has not been met, as by 2015 less than 75 per cent of Parties had reported domestic biodiversity-related expenditures, as well as funding needs, gaps and priorities. Progress in reporting domestic biodiversity-related expenditures seems to be encouraging, with 88 countries reporting. However, the reporting of funding needs, gaps and priorities has been persistently more difficult, with only 57 Parties reporting.

47. *Target (d) of decision XII/3 (preparation by 2015 of national finance plans, and assessment of values):* A total of 90 per cent of reporting countries, or a bit over 40 per cent of all Parties, have undertaken at least some assessments of the various values of biodiversity, which is above the 30 per cent envisaged in the target and hence indicates satisfactory progress with regard to this element of target (d). However, only 54 Parties provided elements of a finance plan in the pertinent table, indicating persistent difficulties in developing and reporting national finance plans. Correspondingly, 60 per cent indicated not having adequate financial resources for preparing finance plans.

48. *Target (e) of decision XII/3 (mobilization of domestic financial resources):* An assessment of reported domestic biodiversity-related expenditures until 2015 shows an increasing trend in approximately half of the reporting countries where a trend can be detected, while the other half stalled or had a decreasing trend. Thus, while progress has been made against target (e), it is not satisfactory overall. This target does not have a 2015 timeline, and the further progress against this target (until 2020) was planned to be assessed during the second reporting round, using the data from the reporting on the implementation of the national finance plans. While the low response rates thereon made this approach impractical, an analysis of the functional government expenditures in the IMF GFS, bearing in mind the methodological differences discussed above, essentially confirms the assessment that, overall, progress on this target has not been satisfactory.

49. *Lessons learned and options for simpler and more effective reporting on resource mobilization.* The analysis identified a number of options to this effect. Bearing in mind that the discussions on resource mobilization, including the establishment of a relevant target or targets and associated indicators, are ongoing, the options below should not be construed as prejudging the outcomes of the current discussions:

(a) On assessing progress against a target on *international financial flows to support biodiversity*: consider using primarily the OECD Creditor Reporting System data set, including but not limited to the Rio

²² Bearing in mind the influence of exchange rate fluctuations, as explained in document CBD/COP/14/6, and that a number of Parties have not yet reported 2020 data.

biodiversity marker data. This could possibly be complemented by guidance from Parties to the Convention, collectively and/or individually, on how to analyse and/or aggregate the data;

(b) On assessing progress against a target on *domestic resource mobilization in support of biodiversity*: consider continuing the reporting on biodiversity-related expenditures established under the first round of the financial reporting framework. This could be complemented by data from the IMF Government Finance Statistics (i.e. functional data on the biodiversity and landscape protection COFOG subclass), in particular for those countries that did not undertake biodiversity-related expenditure reviews or similar exercises;

(c) On the *role of collective actions of indigenous peoples and local communities*: consider continuing this reporting, on a voluntary basis, for relevant and interested Parties. Depending on methodological approaches used and/or methodological progress made, this reporting stream could be a part of the reporting on domestic resource mobilization, or kept separate;

(d) On *national finance plans or similar tools*: consider reporting mainly on the existence of a national finance plan or on general progress towards developing one, instead of monitoring intermediate steps in detail. This could be complemented by top-level information on the national finance plan and progress in its implementation, e.g. targets established by the plan and the progress made in attaining them.

50. The draft decision contained in recommendation 3/6 of the Subsidiary Body on Implementation contains two (bracketed) paragraphs that provide for an intersessional process after the fifteenth meeting of the Conference of the Parties for developing more streamlined financial reporting (paras. 30 and 31).²³ Should the Conference of the Parties decide to pursue this avenue, the lessons learned and options identified above, updated as appropriate, could be provided to such an intersessional process as inputs and as one basis for further work. This process could also draw on the methodological information provided above and the relevant assessments of the panel of experts on resource mobilization.²⁴

²³ Terms of reference for such a process, in the form of an expert group, were prepared by the Executive Secretary and provided to the third meeting of the Subsidiary Body on Implementation as document CBD/SBI/3/5/Add.4.

²⁴ E.g. CBD/SBI/3/5/Add.1.

Annex I

TARGETS FOR RESOURCE MOBILIZATION

1. In decision [XII/3](#), paragraph 1, the Conference of the Parties reaffirmed its commitment to an overall substantial increase in total biodiversity-related funding for the implementation of the Strategic Plan for Biodiversity 2011–2020 from a variety of sources, and adopted the following targets for resource mobilization, under Aichi Biodiversity Target 20 of the Strategic Plan, as follows:

(a) Double total biodiversity-related international financial resource flows to developing countries, in particular least developed countries and small island developing States, as well as countries with economies in transition, using average annual biodiversity funding for the years 2006-2010 as a baseline, by 2015, and at least maintain this level until 2020, in accordance with Article 20 of the Convention, to contribute to the achievement of the Convention's three objectives, including through a country-driven prioritization of biodiversity within development plans in recipient countries;

(b) Endeavour for 100 per cent, but at least 75 per cent, of Parties to have included biodiversity in their national priorities or development plans by 2015, and to have therefore made appropriate domestic financial provisions;

(c) Endeavour for 100 per cent, but at least 75 per cent, of Parties provided with adequate financial resources to have reported domestic biodiversity expenditures, as well as funding needs, gaps and priorities, by 2015, in order to improve the robustness of the baseline;

(d) Endeavour for 100 per cent, but at least 75 per cent, of Parties provided with adequate financial resources to have prepared national financial plans for biodiversity by 2015, and that 30 per cent of those Parties have assessed and/or evaluated the intrinsic, ecological, genetic, socioeconomic, scientific, educational, cultural, recreational and aesthetic values of biological diversity and its components;

(e) Mobilize domestic financial resources from all sources to reduce the gap between identified needs and available resources at domestic level, for effectively implementing by 2020 Parties' national biodiversity strategies and action plans, in accordance with Article 20;

2. In paragraph 2 of the same decision, the Conference of the Parties, recalling Article 20 of the Convention, decided that the targets in subparagraphs (a) to (e) above are to be considered mutually supportive and, in paragraph 4, it urged Parties and other Governments, with the support of international and regional organizations, to develop their national resource mobilization strategies or finance plans consistent with identified needs and priorities, using the targets for resource mobilization above as a flexible framework.

Annex II

**COUNTRY QUOTIENTS
(REPORTED ANNUAL INTERNATIONAL FLOWS DIVIDED BY REPORTED BASELINE)**

Reporting country	Baseline US\$, thousands	2015	2016	2017	2018	2019	2020
Australia	162,703	1.93					
Austria	18,040	1.14	1.15	1.01	1.38	3.06	
Canada	77,160	1.00	0.61	0.60			
China	600	10.83					
Croatia	21	2.95	3.81	2.76	2.43	2.43	2.57
Czechia	2,858	0.82					
Denmark	107,000	0.91	0.39	0.56	0.90	0.11	
Estonia	19	18.89	16.16	42.74			
European Union	226,237	1.64	1.91	3.90	3.91	3.50	2.29
Finland	19,945	1.31	0.69	0.46	0.35	0.24	0.33
France	144,392	2.31	2.81	2.66	3.77	3.83	4.80
Germany	266,815	2.24	2.38	2.27	2.14	3.29	3.48
Greece	3,839	0.08					
Hungary	31					0.97	2.81
Italy	27,314	1.49	1.61	2.80			
Japan	1,239,208	1.50	0.56	0.35	0.50		
Latvia	54	4.11					
Liechtenstein	22,038	1.10	1.15	1.21	1.26	1.21	1.17
Luxembourg	3,348	2.90					
Netherlands	143,445	0.40	0.69	0.72	0.93	0.84	1.08
New Zealand	16,838	1.48	1.24	1.22			
Norway	117,863	3.51	3.32	3.77			
Poland	1,497	1.60	1.66	1.73	0.42	0.86	
Portugal	2,446	0.49					
Republic of Korea	13,283		2.36				
Slovenia	528	0.56					
Spain	69,409	0.40	0.47	0.46	0.54	1.27	
Sweden	74,172	1.48	1.70	1.91	2.47	2.96	2.85
Switzerland	49,315	1.30			2.62	2.62	
United Kingdom	133,558	2.09	1.98	2.47	1.78		
Total	2,943,976	1.66	1.23	1.34	1.39	2.52	2.83
Number of countries reporting		28	19	19	15	14	9
Share of baseline		0.995	0.923	0.919	0.854	0.388	0.305

Source: Calculated in current US\$ based on data provided through the financial reporting framework.

Annex III

**ANNUAL EXPENDITURES ON BIODIVERSITY AND LANDSCAPE PROTECTION
AS A PERCENTAGE OF GROSS DOMESTIC PRODUCT²⁵**

	2015	2016	2017	2018	2019	2020	2021
Afghanistan		0.00943	0.09134				
Albania	0.00173	0.00166	0.00161	0.00091	0.00080	0.00075	
Armenia			0.05980	0.07386	0.05371	0.02038	
Australia	0.15091	0.15627	0.15704	0.16102	0.16177	0.13831	
Austria	0.02104	0.02288	0.02021	0.02067	0.02089	0.02138	
Azerbaijan	0.00772	0.03906	0.02116	0.02066	0.01709		
Belgium	0.05071	0.05871	0.05860	0.04764	0.05836	0.06505	
Bulgaria	0.00991	0.00156	0.01260	0.00668	0.00961	0.00522	
Canada	0.09420	0.08057	0.08633	0.07613	0.09268	0.08750	
Croatia	0.15837	0.16123	0.14429	0.13167	0.13969	0.17155	
Cyprus	0.00671	0.00581	0.00497	0.00607	0.00897	0.02591	
Czechia	0.23064	0.19771	0.20739	0.23380	0.21600	0.23238	
Denmark	0.19884	0.19822	0.18295	0.18981	0.17454	0.18755	
El Salvador	0.00811	0.00620	0.00721	0.00269	0.01376	0.01583	
Estonia	0.11875	0.10668	0.20014	0.08870	0.10601	0.09056	
Finland	0.03832	0.03218	0.02961	0.03170	0.03332	0.05843	
France	0.08579	0.07663	0.07483	0.07925	0.08045	0.08607	
Georgia	0.16031	0.17245	0.15529	0.12242	0.17156	0.21089	0.24854
Germany	0.04778	0.04760	0.04937	0.04763	0.05142	0.05764	
Greece	0.00227	0.00230	0.00226	0.00223	0.00218	0.00181	
Guatemala	0.09150	0.09825	0.06112	0.09993	0.10179	0.11316	
Hungary	0.07368	0.05320	0.05198	0.05197	0.06348	0.05908	
Iceland	0.16448	0.16321	0.20405	0.21024	0.18342	0.22610	0.20635
Ireland	0.10942	0.10164	0.09008	0.08985	0.07647	0.07480	
Israel	0.00469	0.00730	0.00551	0.00774	0.01297	0.00977	
Italy	0.13834	0.12507	0.11390	0.11098	0.12368	0.13720	
Japan	0.01909	0.02094	0.01982	0.01976	0.02031	0.01528	
Kazakhstan	0.00000	0.05284	0.03145	0.08603	0.03636	0.07798	
Kenya						0.15314	
Kyrgyzstan	0.16992	0.18164	0.13169	0.15641	0.11507	0.09501	0.08051
Latvia	0.02547	0.02448	0.03144	0.03616	0.02511	0.02788	
Lithuania	0.04008	0.02069	0.03472	0.05396	0.04779	0.03652	

²⁵ Data source: IMF Government Finance Statistics; Expenditure by Functions of Government (COFOG); accessed 31 October 2022 at <https://data.imf.org/?sk=5804C5E1-0502-4672-BDCD-671BCDC565A9>.

	2015	2016	2017	2018	2019	2020	2021
Luxembourg	0.09786	0.09768	0.09706	0.09631	0.10530	0.10740	
Malta	0.18215	0.18076	0.18978	0.21864	0.29799	0.27696	
Mauritius				0.07187	0.06264	0.06122	
Mongolia		0.02317	0.04204	0.03925	0.04194	0.00766	
Nepal						0.07701	
Netherlands	0.09623	0.11929	0.11285	0.13062	0.13406	0.13611	
Norway	0.04117	0.04751	0.05071	0.04665	0.05204	0.05713	
Poland	0.02216	0.02353	0.02461	0.02028	0.02164	0.02737	
Portugal	0.09171	0.07408	0.08663	0.07882	0.07972	0.09025	
Republic of Moldova		0.00081	0.00011			0.00035	
Romania	0.00289	0.00348	0.00019	0.00022	0.00021	0.00020	
Russian Federation	0.00871	0.02765	0.02306	0.02282	0.02352	0.02576	
San Marino						0.00118	
Seychelles	0.63917	0.65883					
Singapore			0.08662	0.09016	0.09249	0.08904	
Slovakia	0.09341	0.04836	0.03753	0.04545	0.05971	0.06917	
Slovenia	0.06155	0.05996	0.06439	0.08197	0.04380	0.04955	
South Africa	0.24828	0.21679	0.25034	0.21453	0.21871	0.23148	
Spain	0.08278	0.07155	0.06825	0.06499	0.05810	0.06622	
Sweden	0.03232	0.04369	0.04043	0.04726	0.03481	0.03309	
Switzerland	0.04260	0.04376	0.04145	0.04371	0.04802	0.05279	
Thailand			0.00166	0.00834	0.00773	0.00892	
Türkiye	0.04732	0.05781	0.06773	0.05728	0.03383	0.03006	0.04335
Ukraine	0.00570	0.01087	0.01436	0.01290	0.01393	0.01466	
United Arab Emirates						0.01477	
United Kingdom	0.02920	0.02911	0.02661	0.02171	0.01929	0.01814	