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Convention on Biological Diversity

Conference of the Parties to the Convention on Biological Diversity
Seventeenth meeting
Yerevan, 19–30 October 2026
Agenda item 8 (b)
Resource mobilization and financial mechanism: financial mechanism
Working Group I

Financial mechanism

Draft decision submitted by the Chair of Working Group I

The Conference of the Parties,

Recalling its decisions 15/15 of 19 December 2022 and 16/33 of 27 February 2025 pertaining to the assessment of funding needed by all eligible developing country Parties, in particular the least developed countries and small island developing States, and Parties with economies in transition for the implementation of the Convention on Biological Diversity[1] and its Protocols for the ninth replenishment period of the Global Environment Facility Trust Fund (July 2026–June 2030),

Recalling also the four-year outcome-oriented framework of biodiversity programme priorities of the Convention and its Protocols for the ninth replenishment period of the Global Environment Facility Trust Fund contained in annex I to decision 16/33,

Recognizing that the Kunming-Montreal Global Biodiversity Framework[2] is relevant to all biodiversity-related conventions and other multilateral environmental agreements and the mandate of the Global Environment Facility,

[1. [*Welcomes*][*Acknowledges*][*Notes with appreciation*] the pledges made as at 30 May 2026 for the ninth replenishment of the Global Environment Facility Trust Fund by participant countries, namely, Australia, Austria, Belgium, Brazil, Canada, China, Côte d'Ivoire, France, Germany, India, Ireland, Italy, Japan, Luxembourg, Mexico, Netherlands (Kingdom of the), New Zealand, Norway, Slovenia, South Africa, Switzerland and Uzbekistan, which amounted to approximately 3.9 billion United States dollars, using the agreed reference exchange rates for the replenishment period;[3]]

[2. *Notes with concern* that the amount of 3.9 billion dollars is contributed by only 50 per cent of developed country Parties, and appreciates the contributions of developing country Parties, namely, Brazil, China, Côte d'Ivoire, India, Mexico, South Africa and Uzbekistan;[4]]

[3. [*Notes with deep concern*] that [the negotiations for the ninth replenishment of the Global Environment Facility Trust Fund concluded with a reduction of 27 per cent compared with

[1] United Nations, *Treaty Series*, vol. 1760, No. 30619.
[2] Decision 15/4, annex.
[3] To be updated in October 2026.
[4] To be updated in October 2026.

the eighth replenishment period and that such a reduction comes at a time when Parties are expected to accelerate the implementation of the Kunming-Montreal Global Biodiversity Framework][the overall level of resources remains insufficient in the light of the scale of needs to implement the Convention on Biological Diversity and its Protocols and the Kunming-Montreal Global Biodiversity Framework, in particular Target 19 (a);]][5]

4. [*Urges*][*Requests*] developed country Parties, and invites other Parties that voluntarily assume the obligations of developed country Parties and other countries, to make contributions for the ninth replenishment of the Global Environment Facility Trust Fund in support of the full implementation of the Framework and in accordance with the provisions of Article 20 of the Convention;

5. *Welcomes* the report of the Council of the Global Environment Facility for the seventeenth meeting of the Conference of the Parties;[6]

6. *Also welcomes* the improved disaggregation of co-financing by source in the report of the Council of the Global Environment Facility and encourages the Facility to continue to enhance the transparency and granularity of future reporting on the various sources of co-financing;

7. *Notes with appreciation* that the programming directions for the ninth replenishment period have been designed to deliver on all elements of the four-year outcome-oriented framework of biodiversity programme priorities of the Convention and its Protocols for the ninth replenishment period adopted by the Conference of the Parties at its sixteenth meeting,[7] reflecting the effective response to the guidance provided by the Conference of the Parties;

8. *Welcomes* the allocation of 35 per cent of the ninth replenishment resources to the biodiversity focal area, which is the largest focal area, and the aim of committing at least 70 per cent of funding to biodiversity over that period, according to the Rio marker methodology of the Development Assistance Committee of the Organisation for Economic Co-operation and Development;

9. *Also welcomes* the inclusion in the programming directions and policy recommendations of the Global Environment Facility for the ninth replenishment period of the indigenous people and local community conservation initiative, [8] an aspirational target of programming 20 per cent of resources to support indigenous peoples and local communities and strengthened support to least developed countries and small island developing States, with an aspirational benchmark of 35 per cent for those countries, as well as the introduction of the aspirational target of programming 25 per cent to mobilize private capital;

10. *Further welcomes* the establishment of the Ad Hoc Governance Working Group of the Council of the Global Environment Facility under the ninth replenishment of the Facility, in response to decision 16/33;

[11. *Requests* the Council of the Global Environment Facility to take into account the criteria [set out in paragraph 21 of decision 16/34 of 27 February 2025] [and decision 17/--], ensuring a

[5] Operative paragraphs 1 to 3 were considered at the seventh meeting of the Subsidiary Body on Implementation (see recommendation 7/3). Recommendation 6/2, adopted at its sixth meeting, also contained a paragraph on the topic of the ninth replenishment period of the Global Environment Facility Trust Fund (para. 6), but that paragraph was not discussed at that meeting. It is the understanding of the Secretariat that paragraphs 1 to 3 above reflect the discussions of the Subsidiary Body on the subject and therefore supersede the not-negotiated paragraph 6 in recommendation 6/2. As a result, that paragraph has not been included in the present draft decision. For reference, it read as follows: "[*Reiterates* its appreciation to developed country Parties, other Parties that voluntarily assume the obligations of developed country Parties and other donors that contributed actively to the Global Biodiversity Framework Fund and the ninth replenishment of the Global Environment Facility Trust Fund in support of eligible developing country Parties, in particular the least developed countries and small island developing States, [the most environmentally vulnerable country Parties,] and Parties with economies in transition;]".

[6] CBD/COP/17/5/Add.1.

[7] Decision 16/33, annex I.

[8] Building on previous iterations of the Inclusive Conservation Initiative at an expanded level of 100 million dollars,

democratic and transparent system of governance that is fair, equitable, inclusive, efficient and representative[, while facilitating the full and effective participation of indigenous people and local communities, women and youth];]

12. *Requests* the Global Environment Facility to accelerate efforts to further strengthen its effectiveness, including by:

(a) Improving integration pathways, approaches and integrated programmes that deliver system-wide environmental benefits to improve synergies among environmental conventions, while ensuring that such programmes take into account their respective mandates, remain country-driven, responsive to national circumstances and priorities, and implemented through meaningful engagement with national executing agencies from recipient countries;

(b) Enabling and facilitating private sector financing aligned with the objectives of the Convention through its blended finance programme funding window and the provision of predictable support to eligible Parties, with a view to developing projects and programmes that enable greater private sector investment and financial flows, including through long-term enabling policy frameworks, incentives, regulations, blended finance tools and the development of financially viable, investment-ready biodiversity finance projects and pipelines, while recognizing that such investments complement public finance;

(c) Promoting whole-of-society and whole-of-government approaches, as appropriate and in accordance with national circumstances, to strengthen programme and project ownership at the national level and the alignment of biodiversity actions with nationally identified priorities, national biodiversity strategies and action plans, national development priorities, and policy coherence;

(d) Continuing to improve its system of resource allocation[[9]] [[, including by continuing to maximize the generation of global environmental benefits and recognizing the role of indigenous peoples and local communities in achieving them, and to improve the allocation performance of its implementing entities] [by enhancing transparency, equity, predictability and responsiveness to the [relevant][specific] needs and priorities of developing country Parties, including small island developing States and least developed countries]];

(e) Sustaining enhanced support for all eligible Parties, in particular least developed countries, small island developing States [and the most environmentally vulnerable countries], by reducing transaction costs, simplifying access procedures across existing Global Environment Facility focal areas and financing windows[, including through direct access modalities via national implementing agencies,] and improving the timeliness and predictability of financial support, measured by the date of first disbursement to the recipient country;

(f) Deepening accessible support for indigenous peoples and local communities, in line with element 8 of the programme of work on Article 8(j) and other provisions of the Convention related to indigenous peoples and local communities to 2030[10] (access, including direct access, to funding for indigenous peoples and local communities for the conservation, restoration and sustainable use of biodiversity), including by developing guidance on the 20 per cent portfolio-wide target for indigenous peoples and local communities, which includes the [dedicated][[direct] access][[11]] modalities;

[[9] Ensuring that any performance-based element of the allocation formula, including any measure of past disbursement, does not disadvantage Parties the disbursement rates of which reflect the capacity constraints that the financial mechanism exists to relieve, consistent with paragraph 4 of Article 20 of the Convention.]

[10] Decision 16/4, annex.

[[11] Direct access for organizations of indigenous peoples and local communities includes the application of procedures for screening the capacities, experience and performance of organizations in managing funds and implementing projects, according to established Global Environment Facility procedures and following approval by the operational focal points of the Global Environment Facility, which is granted in coordination with the national focal point for the Convention.]

[(g) Strengthening the full, equitable, inclusive, effective and gender-responsive participation of indigenous peoples and local communities, women and youth[, including in decision-making,] in accordance with the national legislation of concerned Parties;]

(h) Continuing to promote country-driven national initiatives and regionally coordinated regional and multi-country initiatives[, including transboundary initiatives, with effective participation [and formal approval] [of national focal points for the Convention and relevant national authorities] [and formal approval of operational focal points for the Global Environment Facility]];

(i) Ensuring that Global Environment Facility support for the implementation of the Convention[, including support [through direct access [12]]] for the implementation, monitoring, update and review of national biodiversity strategies and action plans,] is country-led and aligned with [national biodiversity strategies and action plans and] the targets of the Framework;

(j) Continuing to support the development and implementation of national biodiversity finance plans or similar instruments and their integration, where applicable, into national policies and priorities;

(k) Continuing to advance collaboration, coherence and complementarity across multilateral climate funds and other sources of finance relevant to the implementation of the Framework;

(l) Strengthening national institutional and technical capacities for project preparation, implementation, monitoring and reporting;

[(m) Simplifying project development guidance;]

(n) Reporting on the attainment of the targets mentioned in paragraph 9 above and on disaggregated data on programming, approvals and disbursement by recipient country or region;

[(o) Improving the transparency and granularity of reporting on biodiversity-related finance, including by distinguishing between financing for which biodiversity is a principal objective and financing for which it is a significant objective under the Rio marker methodology, taking into account the qualitative nature of the Rio markers and by clarifying the extent to which such financing contribute to the implementation of the Framework;]

13. *Also requests* the Global Environment Facility to report to the Conference of the Parties at its eighteenth meeting on the resources of the biodiversity focal area for the ninth replenishment period of its Trust Fund expressed in United States dollars at the final replenishment level, together with the corresponding figure for the eighth replenishment period, and on the share of resources originally programmed and subsequently disbursed to small island developing States, presented separately from least developed countries;

14. *Recognizes* the value of the Global Biodiversity Framework Fund in complementing the Global Environment Facility Trust Fund by providing financial support to eligible developing country Parties for achieving the goals and targets of the Framework;

15. *Welcomes* the progress made by the Global Biodiversity Framework Fund with a one-step approval process and the achievement to date of the three portfolio targets set forth in the programming directions for the Fund;[13]

16. *Takes note* of the information on the Global Biodiversity Framework Fund contained in the report of the Council of the Global Environment Facility for the seventeenth meeting of the Conference of the Parties;

[12] [Direct access for organizations of indigenous peoples and local communities include application of procedures for screening the capacities, experience and performance of organizations in managing funds and implementing projects, according to established Global Environment Facility procedures and following approval by the operational focal points of the Global Environment Facility, which is granted in coordination with the national focal point for the Convention.]

[13] Global Environment Facility, document GEF/C.64/06/Rev/02.

17. *Recalls* paragraph 14 of decision 16/33, emphasizing the need to further scale up new and additional resources from all sources to match the ambition of the Kunming-Montreal Global Biodiversity Framework, in accordance with paragraphs 19 and 20 of decision 15/15, while recognizing that many eligible Parties have not yet received support from the Fund;

18. *Reiterates* the call made by the Council of the Global Biodiversity Framework Fund at its sixth meeting for new and additional contributions from all sources to support the continuous, rapid and robust capitalization of the Fund, in line with Target 19 of the Kunming-Montreal Global Biodiversity Framework and without affecting existing obligations under Article 20 of the Convention;

19. *Requests* the Global Biodiversity Framework Fund to enhance efforts to mobilize predictable, adequate and additional resources from all sources and report on the implementation of its resource mobilization strategy for the period from July 2026 to June 2030, including through disaggregated information on pledges and contributions paid by sources of finance;

20. *Invites* developed country Parties and Parties that voluntarily assume the obligations of developed country Parties, other governments at all levels, the private sector and philanthropic organizations to make or increase their contributions to the Global Biodiversity Framework Fund;

21. *Requests* the Global Biodiversity Framework Fund and its implementing agencies to continue to enhance its efforts to:

(a) Facilitate, as appropriate, the mobilization of financial resources from all sources, recognizing the need for further capitalization;

(b) Improve co-financing arrangements, as appropriate, while recognizing that co-financing is not a requirement, without creating additional barriers to access or shifting the financial burden to all eligible countries, in particular the least developed countries and small island developing States, and taking into consideration the specific needs of vulnerable countries, in the context of paragraphs 6 and 7 of Article 20 of the Convention;

(c) Reduce, where appropriate and taking into account country ownership, project cycle processing times, including for the disbursement and endorsement processes of approved projects, through transparent, predictable and time-bound procedures, and streamline implementation;

(d) Report on average processing and disbursement times disaggregated for least developed countries and small island developing States, and other eligible Parties by region;

[(e) Enhance equitable access, including by considering measures to facilitate access for [all] eligible country Parties[, [including] [in particular] those] that [are yet to receive][have not yet received] support from the Global Biodiversity Framework Fund;]

22. *Requests* the Global Environment Facility, in collaboration with the Executive Secretary, to provide, within their respective mandates, support to [all] eligible Parties, upon request, for:

(a) Project preparation, capacity-building and the tracking of ongoing biodiversity funding needs, gaps and priorities, as necessary, including, where applicable, through national coordination mechanisms, such as country platforms or national steering committees;

(b) The preparation and submission of national reports on the implementation of the Convention, the Cartagena Protocol on Biosafety[14] and the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from Their Utilization, taking into account national circumstances;[15]

[14] United Nations, *Treaty Series*, vol. 2226, No. 30619.
[15] Ibid., vol. 3008, No. 30619.

(c) Capacity-building for leveraging private sector financing, including from capital markets, through, inter alia, innovative mechanisms and blended finance, and for developing financially viable projects, with robust environmental, social and financial safeguards, taking into account debt vulnerabilities;

23. *Requests* the Executive Secretary to undertake preparatory work for the stocktake review of the Global Biodiversity Framework Fund referred to in paragraph 29 of decision 15/15,[in accordance with annex III to the present decision], in conjunction with its seventh quadrennial review of the effectiveness of the financial mechanism, [recognizing that the stocktake shall inform, but not prejudge, consideration by the Conference of the Parties of the future institutional structure of the financial mechanism provided under Article 21 of the Convention];

24. *Requests* the Global Environment Facility to facilitate the provision of financial support for [all] eligible Parties in a timely manner for the development of national biodiversity strategies and action plans and national targets and the preparation of eighth national reports by the eighteenth meeting of the Conference of the Parties;

25. *Also requests* the Global Environment Facility, in consultation with recipient countries and the Executive Secretary, to review the effectiveness of projects funded during its seventh and eighth cycles for the development of national biodiversity strategies and action plans and national reports under the Convention and its Protocols and to report on the measures that it has taken to address identified challenges for the preparation of the eighth national report to the Subsidiary Body on Implementation at a meeting held before the eighteenth meeting of the Conference of the Parties;

26. *Requests* the Executive Secretary, in consultation with the Secretariat of the Global Environment Facility, to prepare a draft four-year outcome-oriented framework of biodiversity programme priorities of the Convention and its Protocols related to the use of Facility resources for biodiversity for the period from July 2030 to June 2034, taking into consideration the global review of collective progress in the implementation of the Framework, as well as access modalities and capacity constraints of developing countries Parties, in particular least developed countries and small island developing States, for consideration by the Subsidiary Body on Implementation at a meeting held before the eighteenth meeting of the Conference of the Parties and subsequent adoption by the Conference of the Parties at its eighteenth meeting;

[27. *Adopts* the additional guidance to the Global Environment Facility contained in annex I to the present decision, and requests the Council of the Global Environment Facility to include information regarding the implementation of the additional guidance in its reports to the Conference of the Parties;]

28. *Notes* the information on funding needs received from 45 eligible Parties and the compilation and analysis of that information transmitted by the Secretariat of the Convention on Biological Diversity to the Global Environment Facility to help with the negotiations for the ninth replenishment of the Global Environment Facility Trust Fund;

29. *Takes note* of the report on the assessment of the amount of funds needed for the implementation of the Convention and its Protocols for the ninth replenishment period of the Global Environment Facility Trust Fund;[16]

30. *Notes* the limited number of submissions from eligible Parties and therefore limited information available for assessing the amount of funds needed for the implementation of the Convention and its Protocols and the Kunming-Montreal Global Biodiversity Framework for the ninth replenishment period of the Global Environment Facility Trust Fund;

[16] CBD/SBI/6/INF/13.

31. *Also notes* the importance of a realistic assessment of funding necessary and available for the implementation of the Convention and its Protocols and the Framework for future replenishment periods of the Global Environment Facility;

32. *Emphasizes* the need to continue to strengthen technical and institutional support for [all] eligible Parties, so that their needs are fully reflected in future assessments;

33. *Adopts* the terms of reference for a full assessment of the amount of funds that are necessary to assist developing country Parties, in particular the least developed countries and small island developing States, and Parties with economies in transition, in accordance with the guidance provided by the Conference of the Parties, in fulfilling their commitments under the Convention to inform, if appropriate, the tenth replenishment period of the Global Environment Facility Trust Fund (July 2030–June 2034), as contained in annex II to the present decision, noting that the assessment should be conducted in a manner that avoids disproportionate administrative burdens and provides for financial and technical support for data collection in developing country Parties;

[34. *[Encourages][Invites]* Parties to establish [coordination mechanisms [, such as country platforms]] [national planning platforms] for planning and monitoring biodiversity projects that are accessible to stakeholders and regularly updated;]

[35. *Adopts* the terms of reference for the seventh quadrennial review of the effectiveness of the financial mechanism, as contained in annex III to the present decision;]

36. *Invites* Parties, other Governments and relevant organizations, as well as indigenous peoples and local communities, women and youth, to contribute to and participate in the seventh quadrennial review of the effectiveness of the financial mechanism, as outlined in the terms of reference;

37. *Emphasizes* the importance of integrating in the quadrennial review specific indicators for [all] eligible Parties, in particular on the number of projects funded, disbursement times and impact on local communities;

38. *Requests* the Executive Secretary:

(a) To commission and make available a report on the seventh quadrennial review of the effectiveness of the financial mechanism in time for consideration by the Conference of the Parties at its eighteenth meeting;

(b) To prepare a report on the full assessment of the amount of funds that are necessary to assist developing country Parties, in particular the least developed countries and small island developing States, and Parties with economies in transition, in accordance with the guidance provided by the Conference of the Parties, in fulfilling their commitments under the Convention for the tenth replenishment period of the Global Environment Facility Trust Fund, for consideration by the Subsidiary Body on Implementation at a meeting held before the eighteenth meeting of the Conference of the Parties and by the Conference of the Parties at its eighteenth meeting;

(c) Subject to the availability of resources, to further strengthen collaboration and engagement with relevant financial institutions and stakeholders, in order to accelerate the implementation of the Framework, with an emphasis on improving access modalities;

(d) To report, as applicable, on the results of the collaboration and engagement mentioned in the subparagraph above, and include options for such engagements, to the Subsidiary Body on Implementation at a meeting held before the eighteenth meeting of the Conference of the Parties;

(e) To facilitate, as applicable, the effective participation of indigenous peoples and local communities, women and youth in the implementation of the activities referred to in subparagraphs (a) to (d) above.

Annex I

Additional guidance to the Global Environment Facility

[Placeholder for elements of guidance]

Annex II

Terms of reference for a full assessment of the amount of funds that are necessary to assist developing country Parties, in particular the least developed countries and small island developing States, and Parties with economies in transition, in accordance with the guidance provided by the Conference of the Parties, in fulfilling their commitments under the Convention for the tenth replenishment period of the Global Environment Facility Trust Fund (July 2030–June 2034)

A. Objective and scope

1. The objective of the work to be carried out under the present terms of reference is to enable the Conference of the Parties to the Convention on Biological Diversity[17] to make an assessment of the amount of funds that are necessary to assist developing country Parties, in particular the least developed countries and small island developing States, and Parties with economies in transition, in accordance with the guidance provided by the Conference of the Parties, in fulfilling their commitments under the Convention and its Protocols, in particular the commitment to implementing any successor to the Kunming-Montreal Global Biodiversity Framework [18] over the tenth replenishment period of the Global Environment Facility Trust Fund (July 2030–June 2034), and determine the amount of resources needed, in accordance with paragraph 1 of Article 21 of the Convention and decision III/8 of 15 November 1996 of the Conference of the Parties.

B. Methodology

2. The funding needs assessment should be conducted taking into account:

(a) Article 20 and paragraph 1 of Article 21 of the Convention, as well as the Framework;

(b) Guidance provided to the financial mechanism by the Conference of the Parties, which may call for future financial resources, and in the resource mobilization decision, in which the Conference of the Parties calls for a broadening of the contributor base;

(c) All obligations under the Convention and its Protocols and relevant decisions adopted by the Conference of the Parties, in particular the Framework;

(d) National strategies, plans or programmes developed in accordance with Article 6 of the Convention and national biodiversity finance plans or similar instruments, where available;

(e) Information communicated to the Conference of the Parties in national reports and by the Parties through the financial reporting framework and other submission responses to surveys and interviews;

(f) Policies and guidelines agreed by the Council of the Global Environment Facility for determining eligibility for funding of projects;

(g) Synergies with other biodiversity-related conventions and other multilateral environmental agreements funded by the Global Environment Facility, including those with respect to operations and impacts;

(h) Additional private capital mobilized through blended finance, including through the use of non-grant instruments, while recognizing the challenges that may be experienced by some Parties,

[17] United Nations, *Treaty Series*, vol. 1760, No. 30619.
[18] Decision 15/4, annex.

in particular the least developed countries and small island developing States, in mobilizing private capital in this regard;

(i) Policy coherence;

(j) Other relevant estimations, including the costs of implementing the Gender Plan of Action (2023–2030);[19]

(k) Exchange rates, inflation and the incremental costs of the implementation of the provisions of the Convention in developing countries.

3. In the context of the assessment, interviews, surveys, quantitative and qualitative analyses, and consultations should be undertaken, as needed for the preparation of the report, including:

(a) A compilation and analysis of the needs identified in national biodiversity strategies and action plans and national biodiversity finance plans, including country-specific resource mobilization strategies, prepared by Global Environment Facility-eligible and other relevant Parties pursuant to Article 6 of the Convention, taking into account incremental cost funding as the fundamental operational principle of the Global Environment Facility;

(b) A review of reports submitted by Parties pursuant to Articles 6 and 26 of the Convention, as well as Article 33 of the Cartagena Protocol on Biosafety[20] and Article 29 of the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from Their Utilization,[21] to identify funding needs related to the fulfilment of their obligations under the Convention and its Protocols;

(c) The estimated financial implications of guidance provided to the financial mechanism by the Conference of the Parties;

(d) A compilation and analysis of any supplementary information provided by Global Environment Facility-eligible Parties on their funding needs for the implementation of their obligations under the Convention and its Protocols.

C. Implementation

4. The national focal points of the Convention and the focal points of the financial mechanism should, as appropriate, bear joint responsibility for coordinating national-level incremental funding needs assessments, in collaboration with relevant stakeholders and other focal points under the Convention and related conventions to ensure a whole-of-government approach.

5. The national focal points may establish a national platform or use existing national coordination mechanisms, or both, to aid project planning, as necessary, and track ongoing biodiversity funding needs, gaps and priorities. Close links should be established between the national platform or relevant coordination mechanism and national support initiatives of relevant funding providers, in particular the country engagement strategy of the Global Environment Facility.

6. The national platform should also facilitate the participation of indigenous peoples and local communities, women's and youth organizations and other relevant stakeholders, taking into account section C of the Kunming-Montreal Global Biodiversity Framework, as appropriate, subject to national legislation.

7. The Executive Secretary should provide the information received from Parties without additional reporting obligations on funding needs through an online platform, subject to the availability of resources, to facilitate the visualization of biodiversity funding needs, gaps and priorities on an ongoing basis.

[19] Decision 15/11, annex.
[20] United Nations, *Treaty Series*, vol. 2226, No. 30619.
[21] Ibid., vol. 3008, No. 30619

8. The Executive Secretary should prepare a report on the full assessment, and the report should be submitted for consideration by the Subsidiary Body on Implementation at a meeting held before the eighteenth meeting of the Conference of the Parties, with a view to providing recommendations for consideration by the Conference of the Parties at that meeting.

9. At its eighteenth meeting, the Conference of the Parties will be invited to take note of the estimated amount of funds that are necessary for the implementation of the Convention and its Protocols for the tenth replenishment period of the Global Environment Facility Trust Fund.

Annex III
Terms of reference for the seventh quadrennial review of the effectiveness of the financial mechanism

A. Objectives

1. In accordance with paragraph 3 of Article 21 of the Convention on Biological Diversity[22] and building upon the experience of the past six reviews of the effectiveness of the financial mechanism, the Conference of the Parties to the Convention will undertake its seventh review at its eighteenth meeting and take appropriate action to improve the effectiveness of the financial mechanism, as necessary. For that purpose, the following elements will be included in the review:

(a) The conformity of the activities of the Global Environment Facility, as the institutional structure operating the financial mechanism, with the guidance of the Conference of the Parties;

(b) The effectiveness of the financial mechanism in providing financial resources to enable eligible developing country Parties, in particular the least developed countries and small island developing States, and Parties with economies in transition to meet the agreed full incremental costs to them of implementing measures through which they fulfil their obligations under the Convention and its Protocols and that generate global environmental benefits, and benefit from their provisions, taking into account the need for predictability, adequacy, accessibility and timely flow of funds, including the performance of the Global Environment Facility implementing agencies;

(c) The efficiency of the financial mechanism in providing financial resources and, in accordance with the guidance of the Conference of the Parties, overseeing, monitoring and evaluating the results of activities financed by its resources, including their social and gender- and equity-related outcomes and impacts, as relevant;

(d) The effectiveness of catalysing and enhancing national implementation measures in line with national priorities for achieving global biodiversity goals and targets, including those related to the Convention and its Protocols;

(e) The efficiency and effectiveness of the activities funded by the Global Environment Facility and the Global Biodiversity Framework Fund for the implementation of the Convention and the achievement of its three objectives, as well as, as applicable, the implementation of its Protocols, taking into account the guidance provided by the Conference of the Parties;

(f) The efficiency and effectiveness of processes and procedures for the deployment and use of resources, including simplified procedures and access modalities;

(g) The effectiveness and efficiency of the support provided for the objectives of the Convention and its Protocols in synergy with the implementation of other relevant multilateral environmental agreements, in a manner that is consistent with the mandates of the respective agreements;

[22] United Nations, *Treaty Series*, vol. 1760, No. 30619.

(h) The effectiveness in improving access to financial resources and trends associated with funding for indigenous peoples and local communities, women and youth to support the implementation of the objectives of the Convention and its Protocols;

(i) The efficiency of each of the implementing agencies of the Global Environment Facility in providing technical support and services to countries in their preparation of project proposals and the implementation of projects, including with regard to the timely disbursement of fund, fees and project management costs, use of international consultants and control of expenditure.

B. Methodology

2. The review will cover all the activities of the institutional structure operating the financial mechanism, in particular for the period from 1 July 2022 to 30 June 2026.

3. The review shall draw upon, inter alia, and in a balanced manner, the following sources of information:

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

(b) Reports prepared by the Global Environment Facility, including its reports for meetings of the Conference of the Parties to the Convention;

(c) Reports of the Independent Evaluation Office of the Global Environment Facility that relate to the biodiversity-related activities of the Facility, including the eighth comprehensive evaluation of the Global Environment Facility, as well as relevant assessments by the agencies accredited by the Council of the Facility and other partners;

(d) The Multilateral Performance Network[23] assessments of the Global Environment Facility and relevant reports related to the review of the vertical climate and environmental funds;

(e) Information regarding the financial mechanism provided by Parties through national reports and other submissions, surveys and interviews;

(f) Information provided by indigenous peoples and local communities, women, youth and relevant stakeholders related to projects funded through the Global Environment Facility Trust Fund and the Global Biodiversity Framework Fund, including their views on possible impacts on their rights, as applicable, as well as documented evidence and assessments of such impacts, including gender-differentiated impacts;

(g) Experience with, and lessons learned from, relevant international financial mechanisms;

(h) The report of the Council of the Global Environment Facility for the seventeenth meeting of the Conference of the Parties;

(i) The stocktake review of the operations and performance of the Global Biodiversity Framework Fund regarding its scale, speed and accessibility and the future arrangements requested in decision 15/15 of 19 December 2022.

C. Criteria

4. The effectiveness and efficiency of the financial mechanism should be assessed taking into account, inter alia:

(a) The actions taken by the Global Environment Facility in response to the guidance of the Conference of the Parties and to the Kunming-Montreal Global Biodiversity Framework,[24] including

[23] See www.mopan.org/en/our-work/performance-evidence/gef.html.
[24] Decision 15/4, annex.

through the decisions of the Global Environment Facility Council on relations with conventions and international institutions;

(b) The extent to which [all] eligible Parties[, including developing countries, in particular the least developed countries and small island developing States, and Parties with economies in transition] take measures to apply for and receive timely, adequate and predictable funding to enable them to meet the agreed full incremental cost to them of implementing measures through which they fulfil their obligations under the Convention and its Protocols and that generate global environmental benefits;

(c) Information provided by Parties in relation to their performance in delivering projects, such as constraints affecting those Parties, as well as women and youth, under the Global Environment Facility Trust Fund and the Global Biodiversity Framework Fund, and on the performance of implementing agencies;

(d) Percentage of eligible Parties that have received financial support from the financial mechanism for implementing global biodiversity goals and targets, including those related to the Convention and its Protocols;

(e) Percentage of biodiversity-relevant funding through the financial mechanism in support of the achievement of global biodiversity goals and targets;

(f) Trends in co-financing, in particular private and non-grant financing in the biodiversity focal area enabled by the financial mechanism;

(g) Trends in financing global, regional and subregional biodiversity projects under the financial mechanism;

(h) Trends in financing that take into consideration synergies among conventions for which the Global Environment Facility has been designated to operate their financial mechanism on an ongoing and interim basis;

(i) Trends in financing targeted at biodiversity-related conventions and agreements taking into consideration synergies among them;

(j) Trends in time frames for project development and resource disbursement, including the time between the project approval and the first disbursement;

(k) Trends in financing targeted at or led by indigenous peoples and local communities, women and youth, including progress on modalities of access to finance;

(l) Trends in the number and themes of capacity-building activities that enable Parties and stakeholders to secure access to financing from the Global Environment Facility;

[(m) Trends in project financing leading to high sustainability or durability ratings and long-term results achieved through biodiversity programming supported by the Global Environment Facility in relation to expected results planned by the Facility through that programming;]

[(n) Criteria listed in decision 16/34 of 27 February 2025.]

5. The assessment should include a comparison of the Global Environment Facility with the financial mechanisms of other relevant multilateral environmental agreements, including the Green Climate Fund, the Adaptation Fund and the Fund for Responding to Loss and Damage. Elements for consideration should include: contributor base; funding modalities and financial performance; criteria and processes for funding, including project cycle considerations; access and disbursement modalities (e.g. direct allocation or project-based disbursement), including for indigenous peoples and local communities, women and youth; relationship between the governing body of the fund and the Conference of the Parties to the respective multilateral environmental agreement; transparency, monitoring, reporting and evaluation; accreditation process and role and performance of implementing agencies; cost-effectiveness of operations; ability to leverage funding to mobilize

additional finance for biodiversity; cost of setting up and running the financial instrument; leveraging public and private co-finance; and integration of various environmental fields.

D. Procedures for implementation

6. In consultation with the Bureau, the Executive Secretary will contract an experienced independent evaluator to undertake the review, in accordance with the aforementioned objectives, methodology and criteria.

7. The evaluator will undertake desk studies, questionnaire surveys, interviews and field visits, such as may be required for the implementation of the review, and collaborate for that purpose with the Global Environment Facility and its Independent Evaluation Office, as well as other independent assessments, such as those of the Multilateral Performance Network, if necessary, and prepare a compilation and synthesis of the information received.

8. Special efforts should be made to collect the views of Parties, indigenous peoples and local communities, women and youth, including, as applicable, information on possible impacts on their rights, and of the private sector and non-governmental organizations, in relation to project-specific environmental objectives and in accordance with relevant national legislation.

9. The draft synthesis report and recommendations of the evaluator will be made available to the Global Environment Facility for its review and comments. Such comments will be included in the documentation and identified by source.

10. The report should include as an annex the study requested in paragraph 41 of decision 16/33 of 27 February 2025 [benchmarking the Global Environment Facility against the financial mechanisms or similar instruments of other relevant multilateral environmental agreements, including with regard to their legal nature, funding modalities and financial performance, criteria and process for funding, access and disbursement modalities, monitoring and evaluation, governance and the cost-effectiveness of operations[, as well as other criteria contained in decision 16/34]].

11. The report shall include as an annex the stocktake review referred to in decision 15/15.

12. On the basis of the synthesis report and recommendations of the independent evaluator, the Executive Secretary will prepare, in consultation with the Council and the Secretariat of the Global Environment Facility, a draft decision on the seventh quadrennial review of the financial mechanism, including specific suggestions for action to improve the effectiveness of the mechanism, as necessary, for consideration by the Subsidiary Body on Implementation, with its recommendations to be submitted to the Conference of the Parties at its eighteenth meeting.