



Convention on Biological Diversity

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CONFERENCE OF THE PARTIES TO THE CONVENTION ON BIOLOGICAL DIVERSITY

Eleventh meeting

Hyderabad, India, 8-19 October 2012

Agenda items 4.2, 4.3 and 4.4

DECISION ADOPTED BY THE CONFERENCE OF THE PARTIES TO THE CONVENTION ON BIOLOGICAL DIVERSITY AT ITS ELEVENTH MEETING

XI/5. The financial mechanism

The Conference of the Parties,

A. Report of the Global Environment Facility

1. *Takes note* of the report of the Global Environment Facility (UNEP/CBD/COP/11/8);

B. Four-year framework of programme priorities and review of the effectiveness of the financial mechanism

2. *Adopts* the four-year outcome-oriented framework of programme priorities for the period 2014-2018 as contained in the annex to the present decision and *requests* the Global Environment Facility (GEF) to implement it and report back to the Conference of the Parties at its twelfth meeting on the GEF-6 strategy and its thirteenth meeting on its implementation and how it responds to the individual elements and their components, and the additional strategic considerations of the framework, in accordance with the Memorandum of Understanding between the Conference of the Parties to the Convention and the Council of the Global Environment Facility;

3. *Encourages* the Global Environment Facility to further expedite the provision of financial support, based on a flexible and national demand driven approach, taking into consideration the needs of developing countries in accordance with Article 20 of the Convention;

4. *Calls upon* the Global Environment Facility to avoid additional and lengthy processes and to utilize existing NBSAPs as the basis for GEF 6 determination of needs based priorities;

5. *Calls upon* the Global Environment Facility to further clarify the concept and application of co-financing for biodiversity projects, and *invites* the GEF to apply co-financing arrangements in ways that do not create unnecessary barriers and costs for recipient countries to access GEF funds;

6. *Invites* developed country Parties and others to increase their financial contributions through the financial mechanism during the sixth GEF replenishment period (GEF-6) while recognizing the increase of funds under GEF-5, taking into account the substantial financial needs in order to implement the obligations of the Convention, the Strategic Plan for Biodiversity 2011-2020 and the Aichi Biodiversity Targets;

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7. *Requests* the Executive Secretary to make available to Parties the report of the fourth review of the effectiveness of the financial mechanism prepared in response to decision X/27 for consideration by the Ad Hoc Open-ended Group on Review of Implementation of the Convention at its fifth meeting;

C. *Needs assessment for the sixth GEF replenishment cycle*

Recalling its decision X/26,

8. *Emphasizes* that the Strategic Plan for Biodiversity 2011–2020 and the Aichi Biodiversity Targets provide the overall framework for the implementation of the Convention for the decade, including for the activities during the sixth replenishment period of the Global Environment Facility (2014–2018);

9. *Notes* that implementation of the Strategic Plan for Biodiversity 2011–2020 will require the funding of activities that contribute to all five goals and all twenty targets;

10. *Also notes* the report of the assessment of needs for GEF-6 and expresses its appreciation to the members of the expert group;

11. *Takes note* of the range of funding needs estimated for the sixth replenishment. This includes both what might be provided through the replenishment of the GEF Trust Fund for the biodiversity focal area, as well as what might be mobilized and provided through other funds;

12. *Urges* the Global Environment Facility, in the process of replenishment for GEF-6, to give due consideration to all aspects of the expert team's needs assessment report on the levels of funding for biodiversity;

13. *Requests* the Executive Secretary and *invites* the Global Environment Facility to identify the Aichi Biodiversity Targets benefiting the most from synergies with other GEF focal areas and make this information available for further use;

14. *Emphasizes* that:

(a) The Strategic Plan for Biodiversity 2011–2020 and the Aichi Biodiversity Targets are an ambitious framework adopted by Parties to the Convention that require a substantial increase in the resources available;

(b) Full use of the financial mechanism of the Convention, including the Global Environment Facility and its network of agencies, with improved efficiency of resource utilization and expanded financial support to recipient countries, is instrumental and critical in advancing the implementation of the Strategic Plan and the Aichi Biodiversity Targets;

(c) Prioritization of activities needs to be done in consultation with the Convention through its Conference of the Parties, based on the four year framework of programming priorities;

15. *Transmits* to the Global Environment Facility the report on the assessment of needs for GEF 6, for consideration by the Global Environment Facility, so that the Facility will in its regular report to the Conference of Parties indicate how it has responded during the replenishment cycle to the previous assessment by the Conference of the Parties;

D. *Other guidance to the financial mechanism*

Global Strategy for Plant Conservation

16. *Recalling* decision X/17, *urges* Parties and *invites* other Governments, the financial mechanism, and funding organizations to provide adequate, timely and sustainable support for the implementation of the Global Strategy for Plant Conservation, especially for developing countries, in

particular least developed countries and small island developing States, as well as Parties with economies in transition and those countries that are centres of genetic diversity;

Marine and coastal biodiversity

17. *Urges* Parties and *invites* other Governments, the financial mechanism, and funding organizations, as appropriate, to provide adequate, timely, and sustainable support to the implementation of training and capacity-building and other activities related to ecologically or biologically significant marine areas (EBSAs), especially for developing countries, in particular least developed countries and small island developing States, and Parties with economies in transition, including countries with upwelling systems, and, as appropriate, indigenous and local communities;

Protected areas

18. *Invites* the Global Environment Facility and its implementing agencies to facilitate the alignment of the development and implementation of protected area projects with the actions identified in national action plans for the programme of work, for example by clearly articulating the linkages with elements of Aichi Biodiversity Target 11 in project documents, with a view to facilitating the systematic monitoring and reporting of the results of those projects as they contribute to achieving Aichi Biodiversity Target 11 and other related targets by Parties, and to maximize the contribution of such projects to the Strategic Plan for Biodiversity 2011–2020;

Invasive alien species

19. *Requests* the Global Environment Facility, in accordance with its mandate, and *invites* other donors, to provide adequate and timely financial support to developing countries, in particular the least developed countries and small island developing States among them, as well as countries with economies in transition, including countries that are centres of origin or diversity of genetic resources;

Cooperation with international organizations, other conventions and initiatives

20. *Requests* the Global Environment Facility and *invites* other financial mechanisms to continue to support projects and activities to improve synergies among relevant multilateral environment agreements;

Nagoya Protocol on Access and Benefit-sharing

21. *Recommends* that the Global Environment Facility make available the necessary funds for activities to support access and benefit-sharing and the early entry into force and implementation of the Nagoya Protocol in order to implement the third objective of the Convention on Biological Diversity, and *further recommends* that GEF operational focal points carefully consider the urgent need to finance activities related to access and benefit-sharing and the Nagoya Protocol when consulting national stakeholders on the distribution of the System for Transparent Allocation of Resources (STAR) allocation;

22. *Further recommends* that the Global Environment Facility continue to finance, as a priority, technical support to Parties aimed at the speedy ratification and early entry into force of the Nagoya Protocol, and its implementation at national level;

23. *Requests* GEF, in considering financing for Nagoya Protocol Implementation Fund projects, to ensure that the Fund will specifically support activities related to early ratification and capacity-building, and be used for access to and utilization of genetic resources only when such activities have been approved by appropriate government authorities and endorsed through the Global Environment Facility operational focal point;

Monitoring progress in implementation of the Strategic Plan for Biodiversity 2011-2020 and the Aichi Biodiversity Targets

24. *Calls upon* Parties, the Global Environment Facility, donors, international organizations, academia, non-governmental organizations and organizations of indigenous and local communities to consider the provision of technical support and financial resources for collaborative programmes related to the work on indicators on traditional knowledge and customary sustainable use contained in decision XI/3;

25. *Recalls* paragraphs 5 and 6 of decision X/10, which, *inter alia*, request the Global Environment Facility and invite other donors, Governments and multilateral and bilateral agencies to provide adequate and timely financial support for the preparation of the fifth national reports;

Engagement of other stakeholders

26. *Reiterates* its invitation to the Global Environment Facility in paragraph 7 of decision X/23 to consider establishing a South-South biodiversity cooperation trust fund for the implementation of the Strategic Plan for Biodiversity 2011–2020, based on voluntary contributions, and *welcomes* ongoing discussions on this matter;

Capacity-building support to Parties

27. *Expresses its gratitude* to all the international organizations and convention secretariats and to the Global Environment Facility for their contributions facilitating the implementation of the Strategic Plan for Biodiversity 2011–2020 and *invites* them to further support the implementation of the Strategic Plan for Biodiversity 2011–2020;

Biosafety

28. *Further transmits* the guidance received from the Conference of the Parties serving as the meeting of the Parties to the Cartagena Protocol on Biosafety, which is contained in appendix II.

Annex

**FOUR-YEAR OUTCOME-ORIENTED FRAMEWORK OF PROGRAMME
PRIORITIES 2014-2018**

Objective

1. The four-year outcome-oriented framework of programme priorities 2014-2018 provides guidance to the Global Environment Facility (GEF) as the financial mechanism of the Convention in developing a robust strategy and monitoring system for the biodiversity focal area for the sixth GEF replenishment cycle (GEF-6).

Elements

2. In guiding the development of the GEF-6 biodiversity strategy, the four-year outcome-oriented framework of programme priorities 2014–2018 consists of the following elements:

(a) The Strategic Plan for Biodiversity 2011-2020, including its Aichi Biodiversity Targets (decision X/2, annex);

(b) The Strategic Plan for the Cartagena Protocol on Biosafety for the period 2011–2020 (decision BS-V/16);

(c) The guidance to the financial mechanism on programme priorities to support the implementation of the Nagoya Protocol on Access and Benefit-sharing put forward by the second meeting of the Intergovernmental Committee for the Nagoya Protocol, contained in appendix I;

(d) Any relevant indicators for national and global use for assessing the progress of implementation of the Strategic Plan;

(e) The current set of output, outcome and impact indicators, and associated monitoring processes and tracking tools, currently in use by the Global Environment Facility;

Additional strategic considerations

3. The GEF-6 biodiversity strategy should take into account that the Aichi Biodiversity Targets provide a flexible basis for Parties which can be adapted, taking into account different national circumstances and capabilities, including in revised national biodiversity strategies and action plans.

4. The GEF-6 biodiversity strategy should take into account coherence with, and synergies among, country-driven programmes and priorities set out in revised national biodiversity strategies and action plans, while focusing on filling the highest priority gaps associated with the Strategic Plan for Biodiversity 2011–2020 and its 20 Aichi Biodiversity Targets.

5. The GEF-6 biodiversity strategy should promote coherence and synergies among the GEF focal areas of biodiversity, land degradation, international waters, climate change – mitigation and adaptation, and within the context of country-driven programmes and priorities.

6. The GEF should continue to engage key stakeholders, including the Secretariat of the Convention, in the process of formulating the GEF-6 strategy for the biodiversity focal area.

Appendix I

GUIDANCE TO THE FINANCIAL MECHANISM ON PROGRAMME PRIORITIES TO SUPPORT THE IMPLEMENTATION OF THE NAGOYA PROTOCOL ON ACCESS AND BENEFIT-SHARING

The Conference of the Parties

I. Programme priorities for the period 2014–2018

1. *Invites* the Global Environment Facility to support the following activities during its sixth replenishment period (2014-2018), *inter alia*:

(a) Building the capacity of Parties to develop, implement and enforce domestic legislative, administrative or policy measures on access and benefit-sharing, thereby contributing to the conservation of biological diversity and sustainable use of its components, including through:

- (i) Identification of relevant actors and existing legal and institutional expertise for the implementation of the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable of Benefits Arising from their Utilization;
- (ii) Taking stock of domestic measures relevant to access and benefit-sharing in light of the obligations of the Nagoya Protocol;
- (iii) Development and/or amendment of access and benefit-sharing legislative, administrative or policy measures with a view to implementing their obligations under the Nagoya Protocol;
- (iv) Establishment of ways to address transboundary issues; and
- (v) Establishment of institutional arrangements and administrative systems to provide access to genetic resources, ensure benefit-sharing, support compliance with prior informed consent and mutually agreed terms and monitor the utilization of genetic resources and traditional knowledge associated with genetic resources, including support for the establishment of check points;

(b) Building the capacity of Parties to negotiate mutually agreed terms to promote equity and fairness in negotiations in the development and implementation of access and benefit-sharing agreements, including through enhanced understanding of business models and intellectual property rights;

(c) Building the capacity of Parties to develop their endogenous research capabilities to add value to their own genetic resources and traditional knowledge associated with genetic resources through, *inter alia*, technology transfer; bioprospecting and associated research and taxonomic studies; and the development and use of valuation methods;

(d) Addressing the capacity needs and priorities of indigenous and local communities and relevant stakeholders; in particular, projects that would:

- (i) Encourage their participation in legal, policy and decision-making processes;
- (ii) Assist in building their capacity related to genetic resources and traditional knowledge associated with genetic resources, such as through the development of community protocols, model contractual clauses and minimum requirements for mutually agreed terms to secure the fair and equitable sharing of benefits; and

- (iii) Support a series of regional and subregional capacity-building workshops;
- (e) Enabling Parties to actively participate in the Access and Benefit-sharing Clearing-House and use the best available communication tools and Internet-based systems such as audio and video tools for access and benefit-sharing activities;
- (f) Supporting Parties in raising-awareness of the importance of genetic resources and traditional knowledge associated with genetic resources, and related access and benefit-sharing issues, notably through the development and implementation of national and regional awareness-raising strategies;
- (g) Supporting the implementation of the strategic framework for capacity-building and development in support of the implementation of the Protocol;

II. The Nagoya Protocol Implementation Fund

2. *Welcomes* the establishment of the Nagoya Protocol Implementation Fund (NPIF) and notes with appreciation the initial financial contributions made by Japan, Switzerland, Norway, the United Kingdom, and France to the Fund;
3. *Recommends* that funds from the NPIF be used to support projects which will assist the early entry into force of the Nagoya Protocol and create enabling conditions at the national and regional levels for its effective implementation, in accordance with the primary objective of the NPIF as set out in document GEF/C.40/11/Rev.1, dated 26 May 2011;
4. *Recommends* to the Global Environment Facility to expedite and facilitate procedures for access to funds from the NPIF;
5. *Invites* donors and the private sector to contribute to, or co-finance, the NPIF with a view to ensuring continued support for the early entry into force and implementation of the Nagoya Protocol;
6. *Requests* the GEF to continue to administer the NPIF until the time the resources committed up to the end of GEF-5 are disbursed, and to report on the status of the fund to the twelfth meeting of the Conference of the Parties to the Convention, which shall decide on its future.

III. Support for activities prior to the entry into force of the Nagoya Protocol

7. *Reiterates* its invitation to the Global Environment Facility to provide financial support to Parties to assist with the early ratification of the Nagoya Protocol and its implementation.

Appendix II

GUIDANCE RECEIVED FROM THE CONFERENCE OF THE PARTIES SERVING AS THE MEETING OF THE PARTIES TO THE CARTAGENA PROTOCOL ON BIOSAFETY

The Conference of the Parties serving as the meeting of the Parties to the Cartagena Protocol on Biosafety,

Recalling decisions BS-I/5, BS-II/5, BS-III/5, BS-IV/5 and BS-V/5,

Noting with concern the drastic decline in the level of bilateral and multilateral funding available for biosafety capacity-building activities,

1. *Urges* Parties to give priority to national biosafety plans and projects under the Global Environment Facility System for Transparent Allocation of Resources (STAR) to ensure support for the implementation of the Cartagena Protocol on Biosafety;

I. Guidance to the financial mechanism

2. *Recommends* to the Conference of the Parties, in adopting its further guidance to the financial mechanism with respect to support for the implementation of the Cartagena Protocol on Biosafety, that it invite the Global Environment Facility to:

(a) Support regional and multi-country thematic capacity-building projects for the implementation of the Cartagena Protocol on Biosafety using focal area set-aside resources under the biodiversity focal area, outside national STAR allocations;

(b) Allow for more flexibility in the utilization of funds provided for capacity-building to address emerging needs within the overall framework of approved projects;

(c) Further streamline, simplify and expedite, to the extent possible, the process of accessing funds from the GEF trust fund;

(d) Consider developing a new strategy for financing biosafety, incorporating the priorities and objectives of the Strategic Plan for the Cartagena Protocol on Biosafety 2011–2020 and other developments that have taken place since 2006;

(e) Set aside the guidance contained in paragraph 21 (b) of decision VII/20, which allowed Parties to the Convention that are not yet Parties to the Protocol to receive GEF funding for certain capacity-building activities related to biosafety after providing a clear political commitment towards becoming Parties to the Protocol;

(f) Provide further support to all eligible Parties for capacity-building in the use of the Biosafety Clearing-House, based on experiences or lessons learned during the Project for Continued Enhancement of Building Capacity for Effective Participation in the Biosafety Clearing-House and using resources under the biodiversity focal area;

(g) Make available, in a timely manner, adequate and predictable financial resources to eligible Parties to facilitate the preparation of their third national reports under the Protocol;

(h) Provide support to eligible Parties that have not yet done so to initiate implementation of their legal, administrative and other measures for the implementation of the Protocol;

(i) Take into account the new Framework and Action Plan for Capacity-Building for the Effective Implementation of the Cartagena Protocol on Biosafety in providing financial support to developing countries and countries with economies in transition;

(j) Provide financial and technical assistance to developing country Parties and Parties with economies in transition to undertake, as appropriate, the testing activities referred to in paragraph 3 of decision BS-VI/12 on risk assessment and risk management;

(k) Provide financial and technical assistance to developing country Parties and Parties with economies in transition to implement the capacity-building activities referred in paragraph 9 of decision BS-VI/12 on risk assessment and risk management;

(l) Make financial resources available with a view to supporting awareness-raising, experience-sharing and capacity-building activities in order to expedite the early entry into force and implementation of the Nagoya – Kuala Lumpur Supplementary Protocol on Liability and Redress to the Protocol;

(m) Cooperate with and support developing country Parties and Parties with economies in transition to build capacity to implement the detection and identification requirements of paragraphs 2(b) and 2(c) of Article 18 of the Protocol and related decisions, including by facilitating the transfer of technology;

(n) Consider, within the four-year outcome-oriented framework of programme priorities for biodiversity for the sixth GEF replenishment period (2014–2018), the following programme priorities with respect to biosafety:

1. National biosafety frameworks;
2. Risk assessment and risk management;
3. Handling, transport, packaging and identification of living modified organisms (LMOs);
4. Liability and redress;
5. Public awareness, education, access to information and participation;
6. Information sharing, including full participation in the Biosafety Clearing-House;
7. Biosafety education and training; and
8. Activities recommended by the Compliance Committee to assist eligible Parties to comply with their obligations under the Protocol;
9. Socio-economic considerations;

(o) In providing support for priority 9 specified in subparagraph 2(n) above, take into account the outcome of the Ad Hoc Technical Expert Group on Socio-Economic Considerations and the decision on the appropriate further steps towards fulfilling operational objective 1.7 of the Strategic Plan for the Cartagena Protocol on Biosafety 2011-2020, recognizing that further work to develop conceptual clarity on the issue is under way;

(p) In allocating resources under the biodiversity focal area, consider making a notional allocation which improves the biosafety share of the biodiversity focal area to support the implementation of the Cartagena Protocol on Biosafety during the sixth replenishment period (2014–2018);

II. Mobilization of additional resources

3. *Emphasizes* the need to include financing for biosafety as part of sustainable development financing in the context of the outcomes of the Rio+20 United Nations Conference on Sustainable Development¹ that relate to finance, especially section VI A;

4. *Urges Parties and invites* other Governments to implement, as appropriate, the following measures within the overall framework of the Strategy for Resource Mobilization in support of the Convention on Biological Diversity, with a view to mobilizing additional financial resources for implementation of the Protocol and in accordance with Articles 20 and 21 of the Convention and Article 28 of the Protocol:

(a) Identify and seek funding support from diverse sources including regional and international donor agencies, foundations and, as appropriate, through private-sector involvement;

(b) Establish strategic partnerships with other Parties and other Governments and with various organizations, regional bodies or centres of excellence with a view to pooling resources and/or widening opportunities and possibilities for mobilizing resources from various sources;

(c) Identify and maximize opportunities for technical cooperation with regional and international organizations, institutions and development assistance agencies;

(d) Mainstream biosafety into national development plans and relevant sectoral policies, strategies and programmes, including development assistance programmes and national biodiversity strategies and action plans;

(e) Consider designating dedicated staff for resource mobilization and building internal capacity to mobilize resources for the implementation of national biosafety activities in a systematic, coordinated and sustainable manner;

(f) Ensure efficient use of available resources and adopt cost-effective approaches to capacity-building;

5. *Invites* Parties and other Governments to exchange, through the Biosafety Clearing-House, information on their experiences, good practices and lessons learned on the mobilization of resources at the national and regional levels;

6. *Requests* the Executive Secretary to include resource mobilization for the Protocol in activities to facilitate the implementation of the strategy for resource mobilization in support of the Convention on Biological Diversity, including in regional and subregional workshops to assist Parties to elaborate country-specific resource mobilization strategies for the implementation of national biodiversity strategies and action plans;

7. *Also requests* the Executive Secretary to further communicate with the GEF Secretariat before the meeting of the GEF Council in November 2012 in order to discuss the possibility of opening a special financial support window for implementation of the Protocol, and to report on the outcome to the Parties to the Protocol.

¹ General Assembly resolution 66/288, annex.