



CONVENTION ON BIOLOGICAL DIVERSITY

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CONFERENCE OF THE PARTIES TO THE CONVENTION ON BIOLOGICAL DIVERSITY SERVING AS THE MEETING OF THE PARTIES TO THE CARTAGENA PROTOCOL ON BIOSAFETY

Third meeting

Curitiba, Brazil, 13-17 March 2006

Item 7 of the provisional agenda *

MATTERS RELATED TO THE FINANCIAL MECHANISM AND RESOURCES

Note by the Executive Secretary

I. INTRODUCTION

1. At its first meeting, the Conference of the Parties serving as the meeting of the Parties to the Cartagena Protocol on Biosafety made a recommendation to the Conference of the Parties on the guidance to the financial mechanism with respect to biosafety, focusing in particular on eligibility criteria for funding and programme priorities. The Conference of the Parties amended and integrated the recommendation in its decision VII/20 on further guidance to the financial mechanism. In its earlier decision VI/17, paragraph 10 (b), the Conference of the Parties requested the financial mechanism to provide financial resources for national capacity-building in biosafety, in particular for enabling effective participation in the Biosafety Clearing-House and in the implementation of the Action Plan for Building Capacities for the Effective Implementation of the Protocol.

2. At its second meeting, the Conference of the Parties serving as the meeting of the Parties to the Protocol adopted decision BS-II/5 outlining further steps to strengthen and expand financial support for the implementation of the Protocol. Among other things, all donors as well as the Global Environment Facility (GEF) were encouraged to simplify and expedite access to financial resources needed for the implementation of the Protocol. In particular, GEF was encouraged to further develop its funding modalities in order to provide support for the implementation of the Protocol in a systematic and flexible manner. In paragraph 3 of that decision, the Office of Monitoring and Evaluation of the GEF was invited to make its biosafety-related review reports available to the Conference of the Parties prior to the third meeting of the Conference of the Parties serving as the meeting of the Parties to the Protocol. In addition,

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in paragraph 5 of the decision, GEF was encouraged to continue its collaboration with the Executive Secretary in advancing support for the implementation of the Protocol.

3. This note provides an update on the status of implementation of the above-mentioned guidance to the financial mechanism, including the projects approved by the Council since the last meeting of the Conference of the Parties serving as the meeting of the Parties to the Protocol. Section III outlines the main conclusions and recommendation of the evaluation of activities financed under the GEF Initial Strategy for Assisting Countries to Prepare for the Entry into Force of the Protocol. Section IV describes recent operational reforms within the GEF, notably the establishment of a Resource Allocation Framework, which may have implications on the support for the implementation of the Protocol. Finally, in accordance with paragraph 4 of decision BS-II/5, the note presents a report on actions taken by non-Parties, that received GEF funding for activities referred to in paragraph 21 (b) of decision VII/20, towards becoming Parties to the Protocol.

4. The GEF has provided information on its biosafety activities in its report to the Conference of the Parties (see UNEP/CBD/COP/10).

II. STATUS OF IMPLEMENTATION OF THE GUIDANCE TO THE FINANCIAL MECHANISM WITH RESPECT TO BIOSAFETY

5. This section describes measures taken since the last meeting of the Conference of the Parties serving as the meeting of the Parties to the Protocol to implement the guidance of the Conference of the Parties to the financial mechanism with respect to biosafety. It outlines the relevant decisions taken by the GEF Council to facilitate the implementation of the guidance as well as the actions taken by the GEF Secretariat and the GEF implementing agencies, including the recent approved projects.

6. At its November 2004 meeting, the GEF Council requested the Office of Monitoring and Evaluation to conduct an evaluation of the activities financed under the GEF's initial strategy for assisting countries to prepare for the entry into force of the Cartagena Protocol. ^{1/} The evaluation was expected to provide valuable information and lessons for future GEF support for the implementation of national biosafety frameworks. Prior to the completion of the evaluation, however, a number of countries which had completed developing their draft national biosafety frameworks under the UNEP-GEF global project expressed an urgent need to embark on implementing their frameworks so as not to lose the momentum generated during the development phase.

7. In view of the above-mentioned situation, the GEF Council at its June 2005 meeting considered and approved an interim approach to financing biosafety capacity-building activities in accordance with the guidance of the Conference of the Parties (i.e. decisions VI/17 and VII/20), pending the completion of the evaluation by the Office of Monitoring and Evaluation. The Council also requested the GEF Secretariat to prepare, in consultation with the Implementing Agencies, a new strategy to guide the provision of future support to countries for strengthening their capacities to implement national biosafety frameworks, as called for in the guidance of the Convention, once the evaluation is completed.

8. Under the interim approach, it was agreed that support would be provided to about 10 to 15 countries with urgent needs to move forward in implementing their national biosafety frameworks (NBFs).

^{1/} The evaluation was completed in November 2005 and the first draft report of the evaluation was made available as an information document (GEF/ME/C.27/Inf.1/Rev.1) to the Council at its the November 2005 meeting.

Such support would be provided through medium-sized projects similar in scope, activities and financing to the demonstration projects implemented under the initial strategy. It was also proposed that support be provided through one to two Project Development Facility – Block B (PDF-B) proposals to develop projects aimed at strengthening developing country regional centres of excellence to enable those centres to assist countries in the region in implementing their national biosafety frameworks. In approving the interim approach to biosafety, it was agreed that the Implementing Agencies and recipient countries for which projects and project preparation may be approved in the interim period should take into account the recommendations of the biosafety evaluation as agreed by the Council in the continued development and implementation of their projects.

9. Within the framework of the interim approach, PDF B funding was made available in August 2005 for one regional (Brazil, Colombia, Costa Rica, Mexico, Peru) project entitled, “Biosafety in Centres of Biodiversity: Building Technical Capacity in Latin America for Safe Deployment of Transgenic Crops”. The project aims to strengthen the biosafety capacity of pivotal to Latin America and Caribbean countries taking into account the existence of transboundary distribution of centres of origin of biodiversity and competence and complementarity of expertise in biosafety.

10. At its November 2005 meeting, the Council considered proposed Elements for a Biosafety Strategy (document GEF/C.27/12) that were prepared by the GEF Secretariat and Implementing Agencies pursuant to the request that was made by the Council at its June 2005 meeting. In preparing the elements, the GEF Secretariat drew on the results from the first draft evaluation report of GEF support to the Protocol. The Council noted that the elements provided a good basis for developing a comprehensive strategy that will form the foundation for providing cost-effective and timely GEF support to countries for the implementation of their national biosafety frameworks in accordance with the guidance of the Convention. A copy of the note prepared for the GEF Council on the elements for a biosafety strategy is available for the information of the present meeting, as an information document. ^{2/}

11. The elements for a biosafety strategy propose that during GEF-4 replenishment period (2006-2010) emphasis should be placed on:

- (a) Regional approaches which will allow for the pooling of resources of countries, the easing of resource demands of each one of the countries and the promotion of harmonization of efforts;
- (b) Use existing regional centres of excellence;
- (c) Tailoring support to demonstrated country needs;
- (d) Ensuring in-country coordination and stakeholder involvement, including coordination of roles and responsibilities of the national institutions involved in biosafety and biotechnology issues;
- (e) Involvement of a broader range of Implementing and Executing Agencies than during the Initial Strategy, in particular those with comparative advantages in biosafety-related issues; and
- (f) Continued support for awareness raising, education on biosafety, access to information and public participation on decision-making.

^{2/} A copy can also be accessed from the GEF website at:
http://thegef.org/Documents/Council_Documents/GEF_C27/C.27.12_Elements_for_a_Biosafety_Strategy.pdf

12. In its decision, the Council invited the GEF Secretariat to prepare, in consultation with the Implementing and Executing Agencies, a draft biosafety strategy for Council review and comment in early 2006. On the basis of the comments received, and taking into account the outcome of the third meeting of the Conference of the Parties serving as the meeting of the Parties to the Protocol, the GEF Secretariat is expected to prepare a draft Biosafety Strategy for Council review and approval by mail prior to the Council meeting in June 2006. The Conference of the Parties serving as the meeting of the Parties to the Protocol is scheduled to undertake a comprehensive review and possible revision of the Action Plan at its third meeting and, at the same time, to review the guidance to the financial mechanism with a view to updating it, as appropriate, in accordance with decision BS-I/5, paragraph 5.

13. With regard to the total amount of funding available, the GEF, in its Strategic Business Plan FY04-FY06, set aside at least US\$ 80 million to support capacity-building projects for the effective implementation of the Protocol in accordance with the guidance from the Conference of the Parties. In the programming proposals under negotiation for the GEF-4 replenishment, capacity-building for the implementation of the Cartagena Protocol on Biosafety is again listed as one of the strategic objectives under the biodiversity focal area. The proposed target resource allocation for capacity-building for the Cartagena Protocol on Biosafety during the GEF-4 replenishment period (2006-2010) is \$75 million out of the proposed total of \$906 million for the biodiversity focal area.^{3/} However, it should be noted that the Council will keep this under review in the context of the annual business plans. Parties should choose to apportion all or a part of their individual country or group allocations for biosafety activities.

III. EVALUATION REPORT OF GEF'S SUPPORT TO THE PROTOCOL

14. In its decision BS-II/5, paragraph 3, the Conference of the Parties serving as the meeting of the Parties to the Protocol invited the Office of Monitoring and Evaluation of the Global Environment Facility to make its biosafety-related review reports available to the Conference of the Parties prior to the third meeting of the Conference of the Parties serving as the meeting of the Parties to the Protocol. The first draft report of the evaluation on GEF support to the Cartagena Protocol on Biosafety was completed in October 2005 and was made available to the GEF Council at its November 2005 meeting (document GEF/ME/C.27/Inf.1/Rev.1). A copy of the report is available, for the information of the present meeting, as an information document.^{4/}

15. Overall, the evaluation noted that the activities financed under the GEF's initial strategy have had a positive effect in building up a momentum for the ratification and implementation of the Protocol. For example, they have assisted many countries to draft biosafety legislation and regulations, helped to increase in awareness of biosafety issues and facilitated participation and dialogue among various stakeholders at the national level. The following were the general conclusions from the evaluation:

(a) GEF support has been consistent with the Protocol and that the GEF had, on the whole, responded very expeditiously and systematically to the request from the Convention on Biological Diversity for support to the Protocol;

^{3/} See the Programming Document GEF-4, prepared for the Meeting on the Fourth Replenishment of the GEF Trust Fund (November 21-22, 2005; Tokyo, Japan), available at:

http://thegef.org/Replenishment/Reple_Documents/reple_documents.html

^{4/} A copy of the first draft report can also be accessed from the GEF website at:

http://www.gefweb.org/Documents/Council_Documents/GEF_C27/documents/C.27.ME.Inf.1.Rev.1BiosafetyEvaluation.pdf

(b) The GEF has contributed to speeding up ratification and has promoted implementation processes of the Protocol;

(c) The national biosafety framework development project was not adequately designed and funded to fully take the complexities of local conditions and needs into account;

(d) Awareness-raising and participation efforts by different stakeholders have not been as broad as required by the Cartagena Protocol and advised by the GEF project documents. Support for capacity-building under the Biosafety Clearing-House has increased general access to information;

(e) Capacity-development in key areas such as risk assessment and risk management has primarily been of a general or introductory nature. Under the demonstration projects on the implementation of national biosafety frameworks, a one-week intensive specialist-training workshop was organized. However, limited efforts have been directed at building corresponding administrative, inspection, enforcement, and monitoring capacities. Also, there has been limited effort to use the capacities built under existing systems (e.g. sanitary and phytosanitary systems and environmental impact analysis) to support risk assessment and risk management of living modified organisms;

(f) Subregional cooperation with the objective of information-sharing has been satisfactory, but no subregional harmonization of scientific, legal, and regulatory instruments has taken place, except in the European Union accession countries;

(g) The umbrella modality for the national biosafety framework development project has been effective in countries with prior biosafety experience and a minimum level of existing competence, but not as satisfactory in countries with less prior experience and competence;

(h) Consultation and coordination by the GEF Secretariat at the global level have been weak. There has been little consideration as to whether biosafety could be better linked to other related aspects of the GEF biodiversity portfolio.

16. In light of the above general conclusions, the evaluation report made the following general recommendations for improvement of future GEF support for the implementation of the Protocol:

(a) Future assistance should be better planned and customized to each participating country;

(b) GEF should consider providing longer-term training for building and sustaining specialist capacity in risk assessment and risk management;

(c) GEF should continue to emphasize awareness-raising, public participation and information sharing, including support to the Biosafety Clearing-House;

(d) GEF should work toward a higher degree of donor and partner collaboration and other cost-sharing schemes at the global and national levels.

(e) GEF should seek advice from its Scientific and Technical Advisory Panel (STAP) and other scientists regarding how biosafety could be better integrated strategically and programmatically into the GEF biodiversity portfolio.

17. The draft report also identified a number of areas requiring improvement or a change of approach. These include the following:

- (a) Clear and realistic targets need to be identified based on an analysis and evaluation of the stock-taking study;
- (b) Financial support should be estimated based on country needs and should cover adequately the identified fields, according to the findings of the in-country stock-taking study.
- (c) Regional cooperation and harmonization needs more attention;
- (d) Adequate support to countries requires a “hands-on” approach by people with adequate and substantial experience in implementing national biosafety frameworks;
- (e) Need for in-country coordination and “ownership” of the projects by all involved ministries, to ensure synergy and continuity;
- (f) A “one-size-fits-all” approach is not useful since there is a broad range of differences among countries interested in receiving support in terms of approaches, degree of implementation, needs and concerns about different issues addressed by the Protocol.

18. The Conference of the Parties serving as the meeting of the Parties to the Protocol may wish to review the findings of the evaluation and make recommendations to the Conference of the Parties regarding additional guidance to the financial mechanism with respect to biosafety, including specific measures to enhance the delivery of GEF support for the implementation of the Protocol.

IV. GEF RESOURCE ALLOCATION FRAMEWORK ON THE SUPPORT FOR THE IMPLEMENTATION OF THE PROTOCOL

19. At its special meeting held on 31 August to 1 September 2005 in Washington D.C., the GEF Council adopted a new system of allocating GEF resources to countries in the focal areas of biodiversity and climate change. The new system is known as the Resource Allocation Framework (RAF). During the Ad Hoc Working Group on Review of Implementation of the Convention, GEF was invited to present to the eighth meeting of Conference of the Parties a report on Resources Allocation Framework (RAF). The report will be made available for the participants to the third meeting of the Conference of the Parties.

V. REPORT ON ACTIONS TAKEN BY NON-PARTIES WHICH RECEIVED GEF FUNDING TOWARDS BECOMING PARTIES TO THE PROTOCOL

20. In its guidance to the financial mechanism with respect to biosafety (decision VII/20, paragraphs 21-26) the Conference of the Parties to the Convention on Biological Diversity expanded the eligibility criteria to allow 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. Evidence of such political commitment would take the form of a written assurance to the Executive Secretary that the country intends to become a Party to the Protocol on completion of the activities to be funded. The eligible activities are the development of national biosafety frameworks and the development of national nodes of the Biosafety Clearing-House and other necessary institutional capabilities to enable them to become Parties.

21. Pursuant to the above-mentioned guidance, and in response to the request by the GEF Council made at its May 2004 meeting, the Chief Executive Officer/Chairman of the Global Environment Facility and the Executive Secretary of the Convention sent a joint letter to all focal points of the Convention on

Biological Diversity and GEF, clarifying the procedures to be followed to ensure that such funding would lead to ratification of the Protocol. The procedures, among other things, require non-Party countries that have received GEF funding in accordance with paragraph 21 (b) of decision VII/20 to report to the Executive Secretary of the Convention, on an annual basis, regarding actions being taken towards becoming Parties to the Protocol. In its decision BS-II/5, paragraph 4, the Conference of the Parties serving as the meeting of the Parties to the Protocol re-affirmed that requirement and requested the Executive Secretary to compile the reports submitted and distribute the compiled reports to the Parties to the GEF Convention and to the Council for information. However by 15 December 2005, no country had submitted a report on the actions being taken towards becoming Parties to the Protocol.

VI. RECOMMENDATIONS

22. On the basis of the information provided in this note, the Conference of the Parties serving as the meeting of the Parties to the Protocol may wish to:

(a) Take note of the status report on the implementation of the guidance to the financial mechanism with respect to biosafety and consider the need for further guidance;

(b) Recommend to the Conference of the Parties to provide the following guidance with respect to the GEF financial support for the implementation of the Cartagena Protocol on Biosafety. (To be completed based on the expected outcome of the recommendation adopted by the Conference of the Parties serving as the meeting of the Parties to the Protocol at its third meeting).

Annex

LIST OF PARTIES TO THE CONVENTION ON BIOLOGICAL DIVERSITY THAT HAVE SUBMITTED LETTERS OF POLITICAL COMMITMENT TO BECOME PARTIES TO THE PROTOCOL

Name of the Country	Date of Signature	Ratification or Accession date	Date of the letter of Political Commitment	1 st Report due date	Remarks
1. Burundi			24 August 2005	23 August 2006	
2. Cape Verde		1 November 2005	31 August 2005	N.A.	Became a Party
3. Chad	24 May 2000		16 March 2005	15 March 2006	
4. Comoros			22 October 2005	21 October 2006	
5. Congo	21 November 2000		4 August 2005	3 August 2006	
6. Costa Rica	24 May 2000		13 September 2005	12 September 2006	
7. Côte d'Ivoire			20 July 2005	19 July 2006	
8. Dominican Republic			13 December 2004	12 December 2005	
9. Guinea	24 May 2000		24 June 2005	23 June 2006	
10. Haiti	24 May 2000		7 October 2005	6 October 2006	
11. Indonesia	24 May 2000	3 Dec 2004	31 October 2004	N.A.	Became a Party
12. Lebanon			10 August 2005		
13. Malta			1 November 2005		
14. Philippines	24 May 2000		27 October 2005	26 October 2006	
15. Sao Tome e Principe			23 November 2004	22 November 2005	
16. Swaziland		13 January 2006	13 September 2005	12 September 2006	Will become a Party as at 13 th April 2006
17. Thailand			28 April 2005	N.A.	Became a Party
18. The FYR of Macedonia	26 July 2000	14 June 2005	1 December 2004	N.A.	Became a Party
19. Yemen		1 December 2006	25 October 2004	24 October 2005	Will become a Party as at 1 st March 2006
