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Item 27.1 of the provisional agenda*

COST ESTIMATES FOR IMPLEMENTATION OF THE PROGRAMME OF WORK ON PROTECTED AREAS

Note by the Executive Secretary

I. INTRODUCTION

1. At its seventh meeting, the Conference of the Parties adopted in its decision VII/28 a programme of work on protected areas with clearly defined outcome oriented targets. The Conference of the Parties urged Parties to achieve the goals and targets of the programme of work in the context of their national priorities, capacities and needs, taking into account suggested activities as a framework within which Parties may develop national and regional targets and activities (paragraph 19 of decision VII/28). Implementation of the programme of work on protected areas require financial resources. The Conference of the Parties conscious of this requirement called for increased financing, including external financial assistance for developing countries and countries with economies in transition (paragraph 9 of decision VII/28). In paragraph 10 of the same decision, the Conference of the Parties requested Parties to estimate the cost to implement the necessary activities to meet the targets of the programme of work, review the effectiveness in using the existing financial resources, identify the unmet costs and report back to its eighth meeting.

2. The Executive Secretary sent out a notification to Parties inviting them to submit information on financial resource needed for the implementation of the necessary activities to meet the targets of the programme of work, existing financial resources and the unmet costs. As of 15 December only six submissions from Bahamas, Belarus, Colombia, Philippines, Trinidad and Tobago and the European Union had been received. This information is compiled in section II of this document. It is supplemented, in section III, with the information provided by some developing countries, small island developing States and countries with economies in transition in the Donors' Meeting held in Montecatini, Italy, immediately after the first meeting of the Ad Hoc Open-ended Working Group on Protected Areas. Finally, section IV contains some observations and a summary of the information available.

* UNEP/CBD/COP/8/1.

II. COST ESTIMATES

4. Summary of cost estimates of implementing the programme of work on protected areas based on submissions^{1/} received from Parties is given in table 1.

^{1/} EU in its submission made the following observations:

- “As regards programme element 1 of the programme of work, it is not possible to identify EU wide costs for the establishment of protected areas. As regards terrestrial areas, in most EU 15 Member States, the Natura 2000 network is complete, while completion in the 10 new Member States is ongoing. Costs for the establishment of protected areas in marine areas are impossible to identify at this stage.
- Overall, the Natura 2000 network includes over xx sites covering xxx hectares (xxx% of the terrestrial area of the EU15). The network covers 5 biogeographic areas and includes sites identified for European habitats and species listed as threatened. The approach taken to selecting the sites has been moderated by the European Commission to ensure consistent application of selection criteria. Nevertheless, Member States have differed slightly in their approach to site selection and specifically the drawing of site boundaries. Added to this the area of important biodiversity sites is not spread evenly across the EU and as a result the burden of costs falls more heavily in some regions and countries than others. A summary of the areas selected by different Member States is provided in the EC’s Natura Barometer
- The only figure available is a rough estimate on the costs for the management of Natura 2000 once fully established of €6.1 billion per year (around 7.6 billion US\$). It includes a wide range of management activities which are needed to ensure that the favourable conservation status of species and habitats are met, ranging from investment costs (land purchase, site infrastructure), ongoing management activities (site management and monitoring) and costs for planning and administration. As presented in table 1 (Annex I) and 2 (Annex II), the survey undertaken by the EC revealed very wide ranging estimates in the different Member States.
- The €6.1 billion cost estimate is the most reliable estimation at the time for this Notification. It can and should be further refined. Member States will be reviewing their estimates on the basis of commonly agreed cost estimation methods. The anticipated progress in preparation of management plans in the coming years should provide a sound basis for improving these cost estimates.
- The figure of €6.1 billion per year appears very high and results from the specific situation in the EU (comparatively high pressure on the land, high population density, high costs for manpower and land purchase.). Therefore, these costs are unlikely to be similar in many other parts of the world where different circumstances prevail and we would therefore advise caution in any use that would be made of such estimates”.

Table 1: Detailed target wise cost estimates of implementation of the programme of work on protected areas (million US\$)

Target ^{2/}	Bahamas			Belarus			Colombia			Philippines			Trinidad & Tobago			EU
	TE ^{3/}	ES ^{4/}	UC ^{5/}	TE	ES	UC	TE	ES	UC	TE	ES	UC	TE	ES	UC	TE
1.1	1.80	0.42	1.30	1.70	0.50	1.20	3.73	1.01	2.71	30.00	2.00	28.00	15.00	1.80	13.15	^{6/} No figure available
1.2	11.85	-----	11.85	----	-----	-----	41.2	11.1	30.1	10.00	2.00	8.00	2.00	---	2.00	^{7/} Yet to determined
1.3	0.40	-----	0.40	0.09	0.045	0.045	2.10	0.42	1.68	25.00	2.00	23.00	1.00	----	1.00	^{8/} Included in 1.4
1.4	9.98	1.12	8.86	0.76	0.16	0.60	119.32	47.52	71.80	12.00	2.00	10.00	5.57	0.26	5.31	^{9/} About 7600 million per year for all 25 MS
1.5	0.40		0.40	0.56	0.10	0.46	0.15	0.05	0.10	10.00	3.00	7.00	2.00	0.50	1.50	^{10/} Not feasible
2.1	0.45	0.20	0.25	0.040	0.015	0.025	5.50	1.60	3.90	0.50	0.10	0.40	0.10	---	0.10	?
2.2	-----	-----	-----	----	-----	-----	0.63	0.06	0.57	0.30	0.20	0.10	0.65	----	0.65	^{11/} Partly included in 1.4
3.1	0.03	-----	0.03	0.060	0.015	0.045	0.45	0.12	0.33	0.50	0.50	0.00	1.00	----	1.00	^{12/} Not feasible
3.2	0.60	0.05	0.55	0.10	0.05	0.05	1.90	1.12	0.78	5.00	1.00	4.00	5.00	1.20	5.00	^{13/} Partly included in 1.4

^{2/} For details of targets see annex III.

^{3/} Total estimated cost.

^{4/} Existing financial resources.

^{5/} Unmet costs.

^{6/} The working group on article 8 of the Habitats Directive (HD) attempted to identify such figures using a questionnaire submitted to Member States (MS). Due to the very wide-ranging different situations in MS regarding the establishment of Natura 2000, it proved however impossible to identify a useful average figure.

^{7/} This goal is partly covered by provisions of article 10 of the HD, however MS have additional legal provisions regarding this goal.

^{8/} As Natura 2000 is a European network transboundary effects are in principle covered. In how far additional costs occur for transboundary sites needs yet to be determined.

^{9/} The figure has been calculated and presented in the framework of a Commission Communication to the European Council and Parliament (attached as annex II). This figure is a very rough estimate i.e. because not all MS responded to the questionnaire used, Natura 2000 was not fully established in the new 10 MS; management plans were rarely available in all MS.

^{10/} Legal provision is in principle given in article 6(2) of the HD. However, it is up to MS how to implement that provision and it was implemented very differently in MS.

^{11/} This is mainly in the responsibility of MS and depends on the political system. Some costs for education and visitor management are however included in the 6.1 billion €.

^{12/} Costs for policy development and implementation are impossible to identify.

Target	Bahamas			Belarus			Colombia			Philippines			Trinidad & Tobago			EU
	TE <u>14/</u>	ES <u>15/</u>	UC <u>16/</u>	TE	ES	UC	TE	ES	UC	TE	ES	UC	TE	ES	UC	TE
3.3	0.65	----	0.65	0.075	0.010	0.065	1.47	0.45	1.02	0.10	0.10	0.00	0.50	----	0.50	Partly included in 1.4
3.4	0.58	0.15	0.43	0.32	0.05	0.27	0.83	0.58	0.25	----	----	----	1.50	0.05	1.45	Not applicable
3.5	1.9	0.17	1.73	0.030	0.010	0.020	1.60	0.40	1.20	1.00	1.00	0.00	3.50	0.20	3.30	Partly included in 1.4
4.1	0.1	----	0.1	0.040	0.020	0.020	0.28	0.01	0.27	1.00	1.00	0.00	0.20	----	0.20	17/ Not feasible
4.2	1.42	----	1.42	0.090	0.015	0.075	0.60	0.10	0.50	5.00	4.00	1.00	0.30	----	0.30	*Not feasible
4.3	0.04	----	0.04	0.20	0.050	0.15	0.50	0.20	0.30	5.00	3.00	2.00	0.50	----	0.50	*Not feasible
4.4	----	----	----	0.35	0.10	0.25	0.60	0.10	0.50	5.00	3.00	2.00	3.50	0.20	3.30	*Not feasible
Total	30.20	2.11	28.01	4.42	1.14	3.28	180.86	64.84	116	110.40	24.90	85.50	42.32	4.21	39.26	7600.00 <u>18/</u>

13/ This is mainly in the responsibility of MS. Some costs for training and education and visitor management are however included in the 6.1 billion €.

14/ Total estimated cost

15/ Existing financial resources

16/ Unmet costs

17/ MS work on these goals with the support of the Commission. Existing administrative and research bodies contribute to the issue, which hardly allows any cost estimate

♣/ Same as 17

18/ EU estimates are per year.

III. INFORMATION DERIVED FROM THE PRESENTATIONS MADE AT THE DONORS MEETING

10. In pursuance of activity 3.4.7 of the programme of work on protected areas, a meeting of the donor agencies and other relevant organizations was held, immediately after the first meeting of the Ad Hoc Open-ended Working Group on Protected Areas in Montecatini, Italy on 20 and 21 June 2005. In this meeting some developing countries and countries with economies in transition, provided an overview of funding estimates, funding shortfalls, main national mechanisms and identified needs for implementing the programme of work on protected areas. This information presented in table 1 in the report of donors meeting (UNEP/CBD/PA /DONORS/1/3) is reproduced below in table 3 to supplement the information on cost estimates.

Table3: Overview of funding estimates, funding shortfalls, main national mechanisms and identified needs extracted from the presentations

Country	Number/ and or area of protected areas	Funding estimates (US\$ million per year)	Funding shortfall (US\$ million per year)	Main national mechanisms	Main needs
Indonesia	Current – 5.6 million ha Committed – 10 million ha	40.5	35.0	Trust fund Taxes and fishing permits Entrance fee	Increased contributions to Trust Funds Enhanced GEF and other multilateral and bilateral support Organization of regional and national round tables
Palau	Not mentioned	2.5	0.6	Trust fund	Same as above
Liberia	Current – 2 protected areas Committed – 6 protected areas	7.00	Not mentioned	Conservation fee	Same as above
Russian Federation	14,000 sites (268 federal) 12% land surface and 1.8% of continental shelf Committed – 21 more at the federal level	95 (at the federal level)	33 (at the federal level)	Fines, fees, compensation, and donations	Same as above and increase contribution to the development of protected-area infrastructure
Bolivia	16% geographical area	Not mentioned	3.50	Endowment funds	Same as above
Colombia	Current -51	22.5	10.7	Tourism, PES, Debt for nature swaps, partnerships with private sector	Same as above
Cuba	na	32.0	29.0		Same as above

Country	Number/ and or area of protected areas	Funding estimates (US\$ million per year)	Funding shortfall (US\$ million per year)	Main national mechanisms	Main needs
Ecuador	na	55.4	32.9	Endowment funds	Same as above
Peru	14% territory	48.0	27.0	Trust fund	Same as above
Panama	65 protected areas covering 35% geographical area	36.0	Not mentioned	Not mentioned	Same as above

IV. SOME OBSERVATIONS

11. The cost of the activities depends on a large number of variables that define the local context, including *inter alia* the scale of the task (i.e. size of natural habitats), the expanse of existing and potential protected areas, the level of threats to conservation, the accessibility of the sites, the level and detail of baseline information, etc. In addition, other aspects include:

- There can be significant variations in costs, especially when it comes to taking action and implementation (i.e. implementation in a small country versus a large one).
- For most activities, scale (i.e. size of country, area of natural habitat, population) is a significant factor. However, there is usually a minimum level or threshold of cost. This means that for small countries, many of the activities related to planning will not necessarily be significantly cheaper than for mid-sized countries. Economies of scale are more likely in the larger countries.

12. In view of the above, as well as due to lack of adequate information, it is not intended to make any attempt to provide regional/ global cost estimates of implementation of the programme of work, or to make any comparative assessments or trends among different regions.

13. Available information is summarized as follows:

- Based on the submissions received in response to the notification as well as from the presentations made at the donor's meeting, estimated expenditure for implementing the programme of work on protected areas is now available for 21 least developed countries, small island developing States, other developing countries and countries with economies in transition.
- Liberia is the only least developed country for which the information is available and its funding estimates for implementing the programme of work on protected areas amounts to 7.00 million US per year.
- Among small island developing States, information is available for Bahamas, Cuba, Palau and Trinidad and Tobago. Bahamas and Trinidad and Tobago indicated that US\$ 30.20 and 42.32 million respectively are required for implementing the programme of work. The unmet costs for these countries amounts to US\$ 28.01 and 39.26 million respectively. Palau and Cuba provided funding estimates and funding shortfalls on year basis. For Palau funding estimates is US\$ 2.5 million per year with US\$ 0.6 million shortfall. For Cuba these figures are US\$ 32.0 and 29.0 million per year.
- Under the category of other developing countries information is available for Bolivia, Colombia, Ecuador Panama, Peru and Philippines. Estimated expenditure for implementing the programme of work per year ranges from US\$ 22.5 to 55.4 million. Colombia and Philippines indicated that total estimated expenditure for implementing the programme of work amounts to US\$ 180.86 and 110.40 million respectively with funding shortfalls of US\$ 16.01 and 85.50 million, respectively.

- Under the category of countries with economies in transition Belarus provided submission in response to notification and the Russian Federation made a presentation in the donor's meeting. Information for Estonia, Hungary, Latvia, Lithuania, Poland, Slovenia and Slovakia has been culled from the EU's submission converting the figures in euros to United States dollars ^{19/} Estimated expenditure for implementing the programme of work by the countries with economies in transition ranges from US\$ 4.02 to 171.49 million per year. The Russian Federation indicated that about US\$ 33 million per year as shortfall for implementing the programme of work at federal level only. For Belarus, the total estimated expenditure for implementing the programme of work amounts to US\$ 4.42 million with a funding short fall of US\$ 3.28 million.
- Cost estimates for the establishment and management of the Natura 2000 network by EU member States, including the 10 new members, is US\$ 7.6 billion per year.

^{19/} As on 15 December 2005, the exchange rate of one Euro is 1.196 US \$.

Annex I

**COST ESTIMATES (RANGES BETWEEN DIFFERENT EU MEMBER STATES) BY
CATEGORY AND ACTIVITIES NEEDED FOR ESTABLISHMENT AND MANAGEMENT OF
THE NATURA 2000 NETWORK OF THE EUROPEAN UNION**

Categorization	Types of Activities included in the category	Range of costs in EU Member States
Establishment of the Natura 2000 network	<ul style="list-style-type: none"> • Administration of selection process • Scientific studies/inventories for the identification of sites – surveys, inventories, mapping, condition assessment • Preparation of information and publicity material 	
Management planning, administration and maintenance of network related infrastructure	<ul style="list-style-type: none"> • Preparation of management plans, strategies and schemes • Establishment of management bodies • Consultation – public meetings, liaison with landowners • Review of management plans, strategies and schemes • Running costs of management bodies (maintenance of buildings and equipment) • Maintenance of facilities for public access to and use of the sites, interpretation works, observatories and kiosks, etc. • Staff (conservation/project officers, wardens/rangers, workers) 	between € 389.000 (Slovakia) and € 117 million (Germany)
Ongoing habitat management and monitoring	<ul style="list-style-type: none"> • Conservation management measures – e.g. maintenance of habitat or species in favourable conservation status, Improvement of habitat or species favourable conservation status • Implementation of management schemes and agreements with owners and managers of land or water for following certain prescriptions (like allowing for hedgerows, creating riparian belts, apply special silvicultural treatments to old growth forests, prevention of clear felling, etc). • Provisions of services; compensation for rights foregone and loss of income; developing acceptability "liaison" with neighbours • Monitoring and surveying • Risk management (fire prevention and control, flooding, etc.) • Surveillance of the sites • Provision of information and publicity material • Training and education • Facilities to encourage visitor use and appreciation of Natura 2000 sites 	between € 3.4 million (Slovakia) and € 569 million (Italy).
Investment costs	<ul style="list-style-type: none"> • Land purchase, including compensation for development rights • Infrastructure needed for the restoration of habitat or species • Infrastructure for public access, interpretation works, observatories and kiosks, etc. 	between €3.3 million (Slovenia) and €2.2 billion (Italy)

Annex II

COST ESTIMATES BY EU MEMBER STATE BY CATEGORY OF ACTIVITIES NEEDED FOR ESTABLISHMENT AND MANAGEMENT OF THE NATURA 2000 NETWORK OF THE EUROPEAN UNION

Member State	Austria	Belgium	Cyprus	Czech Rep	Denmark	Estonia	Finland	Germany	Greece	France	Hungary	Ireland	
	Predicted annual costs (in €)												
Types of Activities	calculated sum of pSCI+SPA	calculated from ind. figures of the 4 regions	calculated sum of pSCI+SPA			calculated sum of pSCI+SPA		calculated sum of pSCI+SPA	pSCI+SPA	pSCI+SPA	calculated sum of pSCI+SPA	calculated sum of pSCI+SPA	
Investment costs	34,856,156	30,127,000	6,600,000			3,520,000		159,705,267	29,000,000	15,000,000	126,383,000	3,850,000	
Management planning and administration	25,020,512	5,382,000	2,850,000			1,310,000		116,878,946	29,300,000	45,000,000	6,220,428	1,430,000	
ongoing management actions and monitoring	121,652,052	8,508,040	6,400,000			6,800,000		342,988,223	180,000,000	312,000,000	11,283,420	67,033,000	
Total	181,528,720	44,017,040	15,850,000	0	28,572,000	11,630,000	53,200,000	619,572,436	238,300,000	372,000,000	143,886,848	72,313,000	
	Italy	Lithuania	Latvia	Lux.	Malta	Netherlands	Poland	Portugal	Slovenia	Slovakia	Spain	Sweden	UK
Activities													
Types of Activities	calculated sum of pSCI+SPA, based on LIFE projects	calculated sum of pSCI+SPA	pSCI+SPA				pSCI+SPA	pSCI+SPA without Azores	calculated sum of pSCI+SPA	calculated sum of pSCI+SPA		calculated sum of pSCI+SPA	
Investment costs	2,215,570,655	2,095,000	2,692,308				8,700,000	106,981,951	3,356,800	2,500,000		107,650,000	
Management planning and administration	94,118,214	2,901,000	1,134,549				5,700,000	1,163,411	2,382,000	389,000		9,996,000	
Ongoing management actions and monitoring	569,624,227	25,105,120	10,903,794				no info	115,671,961	34,417,000	484,000		60,487,000	
Total	2,879,313,096	30,101,120	14,730,651		0	249,190,000	14,400,000	223,817,323	40,182,800	3,373,000	1,300,000,000	178,133,000	50,391,000

*Annex III***GOALS AND TARGETS OF THE PROGRAMME OF WORK ON PROTECTED AREAS**

Goals	Target
1.1. To establish and strengthen national and regional systems of protected areas integrated into a global network as a contribution to globally agreed goals.	By 2010, terrestrially <u>20/</u> and 2012 in the marine area, a global network of comprehensive, representative and effectively managed national and regional protected area system is established as a contribution to (i) the goal of the Strategic Plan of the Convention and the World Summit on Sustainable Development of achieving a significant reduction in the rate of biodiversity loss by 2010; (ii) the Millennium Development Goals – particularly goal 7 on ensuring environmental sustainability; and (iii) the Global Strategy for Plant Conservation
1.2. To integrate protected areas into broader land- and seascapes and sectors so as to maintain ecological structure and function.	By 2015, all protected areas and protected area systems are integrated into the wider land- and seascape, and relevant sectors, by applying the ecosystem approach and taking into account ecological connectivity ^{21/} and the concept, where appropriate, of ecological networks.
1.3. To establish and strengthen regional networks, transboundary protected areas (TBPAs) and collaboration between neighbouring protected areas across national boundaries.	Establish and strengthen by 2010/2012 ^{22/} transboundary protected areas, other forms of collaboration between neighbouring protected areas across national boundaries and regional networks, to enhance the conservation and sustainable use of biological diversity, implementing the ecosystem approach, and improving international cooperation
1.4. To substantially improve site-based protected area planning and management.	All protected areas to have effective management in existence by 2012, using participatory and science-based site planning processes that incorporate clear biodiversity objectives, targets, management strategies and monitoring programmes, drawing upon existing methodologies and a long-term management plan with active stakeholder involvement
1.5. To prevent and mitigate the negative impacts of key threats to protected areas.	By 2008, effective mechanisms for identifying and preventing, and/or mitigating the negative impacts of key threats to protected areas are in place.
2.1. To promote equity and benefit-sharing.	Establish by 2008 mechanisms for the equitable sharing of both costs and benefits arising from the establishment and management of protected areas

^{20/} Terrestrial includes inland water ecosystems.

^{21/} The concept of connectivity may not be applicable to all Parties.

^{22/} References to marine protected area networks to be consistent with the target in the WSSD plan of implementation.

2.2. To enhance and secure involvement of indigenous and local communities and relevant stakeholders.	Full and effective participation by 2008, of indigenous and local communities, in full respect of their rights and recognition of their responsibilities, consistent with national law and applicable international obligations, and the participation of relevant stakeholders, in the management of existing, and the establishment and management of new, protected areas
3.1. To provide an enabling policy, institutional and socio-economic environment for protected areas.	By 2008 review and revise policies as appropriate, including use of social and economic valuation and incentives, to provide a supportive enabling environment for more effective establishment and management of protected areas and protected areas systems.
3.2. To build capacity for the planning, establishment and management of protected areas .	By 2010, comprehensive capacity-building programmes and initiatives are implemented to develop knowledge and skills at individual, community and institutional levels, and raise professional standards
3.3. To develop, apply and transfer appropriate technologies for protected areas.	By 2010 the development, validation, and transfer of appropriate technologies and innovative approaches for the effective management of protected areas is substantially improved, taking into account decisions of the Conference of the Parties on technology transfer and cooperation.
3.4. To ensure financial sustainability of protected areas and national and regional systems of protected areas.	By 2008, sufficient financial, technical and other resources to meet the costs to effectively implement and manage national and regional systems of protected areas are secured, including both from national and international sources, particularly to support the needs of developing countries and countries with economies in transition and small island developing States.
3.5. To strengthen communication, education and public awareness.	By 2008 public awareness, understanding and appreciation of the importance and benefits of protected areas is significantly increased
4.1. To develop and adopt minimum standards and best practices for national and regional protected area systems.	By 2008, standards, criteria, and best practices for planning, selecting, establishing, managing and governance of national and regional systems of protected areas are developed and adopted.
4.2. To evaluate and improve the effectiveness of protected areas management.	By 2010, frameworks for monitoring, evaluating and reporting protected areas management effectiveness at sites, national and regional systems, and transboundary protected area levels adopted and implemented by Parties
4.3. To assess and monitor protected area status and trends.	By 2010, national and regional systems are established to enable effective monitoring of protected-area coverage, status and trends at national, regional and global scales, and to assist in evaluating progress in meeting global biodiversity targets
4.4 To ensure that scientific knowledge contributes to the establishment and effectiveness of protected areas and protected area systems.	Scientific knowledge relevant to protected areas is further developed as a contribution to their establishment, effectiveness, and management