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Item 11 of the provisional agenda**

THE FINANCIAL MECHANISM

Note by the Executive Secretary

INTRODUCTION

1. In decision III/8, the Conference of the Parties adopted the memorandum of understanding between the Conference of the Parties to the Convention on Biological Diversity and the Council of the Global Environment Facility, setting out the provisions on (a) guidance from the Conference of the Parties; (b) reporting (c) monitoring and evaluation; (d) determination of funding requirements; and (e) reciprocal representation and inter-secretariat cooperation. These provisions have been further elaborated and implemented at the subsequent meetings of the Conference of the Parties, and the pertinent information is available on the website: <https://www.cbd.int/financial/>.
2. At its twelfth meeting, the Conference of the Parties adopted decision XII/30 which, inter alia, requested the Executive Secretary to undertake a variety of tasks related to the development of guidance to the financial mechanism for consideration at its thirteenth meeting. This included facilitating input from other biodiversity-related conventions regarding funding of national priorities in support of the implementation of the various biodiversity-related conventions that are aligned with the Strategic Plan for Biodiversity 2011-2020 and with the implementation of the Aichi Biodiversity Targets (see decision XII/30, paras. 3 and 4).
3. In the same decision, the Conference of the Parties requested the Executive Secretary to explore and report on ways in which the Conference of the Parties can best utilize the Strategic Plan for Biodiversity 2011-2020 and the Convention's Protocols to set priorities for the financial mechanism within the context of the four-year framework of programming priorities for the seventh replenishment of the Global Environment Facility (GEF-7), and to submit the report to the Subsidiary Body on Implementation for consideration at its first meeting (para. 10).
4. In the same decision, the Conference of the Parties at its twelfth meeting decided to undertake, at its thirteenth meeting, a second determination of funding requirements for the implementation of the Convention and its Protocols, and adopted terms of reference for this purpose (para. 11).

* This revision reflects a submission received from the CITES secretariat on 3 November 2016, and to add relevant clarifications, in particular to section I. D and annex II of the note.

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5. The first meeting of the Subsidiary Body on Implementation reviewed the progress made in the implementation of decision XII/30 and adopted recommendation 1/7 for consideration by the Conference of the Parties at its thirteenth meeting. In this recommendation, the Subsidiary Body requested the Executive Secretary to prepare, in collaboration with the Global Environment Facility, a draft four-year framework of programme priorities for the seventh replenishment of the Global Environment Facility Trust Fund, taking into account a number of elements (para. 1 (a)). In the same decision, the Subsidiary Body recommended that the Conference of the Parties at its thirteenth meeting adopt a decision that addresses the following elements: (a) draft consolidated guidance to the financial mechanism, including the four-year framework of programme priorities and advice received from the biodiversity-related conventions in line with decision XII/30 A; (b) the report of the Council of the Global Environment Facility; (c) draft terms of reference for the fifth review of the effectiveness of the financial mechanism; and (d) the report on assessment of needs for the seventh replenishment of the Global Environment Facility Trust Fund, and an invitation to the Global Environment Facility to give due consideration, in the process of the seventh replenishment period, to all aspects of the expert team's needs assessment report on the levels of funding for biodiversity, and report back on its responses (para. 5).

6. The present note has been prepared in response to decision XII/30 of the Conference of the Parties and recommendation 1/7 of the Subsidiary Body on Implementation, following the order of the elements of the memorandum of understanding summarized in paragraph 1 above. The first section provides a summary analysis and foundation for proposed consolidated guidance to the financial mechanism including the four-year framework of programme priorities, which is set forth in annex I to the present note. Elements of advice received from the biodiversity-related conventions are provided in annex II. Pursuant to paragraph 1 (a) of recommendation 1/7, the full analysis required for the development of the four-year framework of programme priorities for the seventh replenishment period of the Global Environment Facility Trust Fund is made available in document UNEP/CBD/COP/13/12/Add.3, and the full submissions received from biodiversity-related conventions are provided in document UNEP/CBD/COP/13/12/Add.4. The second section provides a briefing on the report of the Council of the Global Environment Facility, and the full report is contained in document UNEP/CBD/COP/13/12/Add.1. The third section introduces the draft terms of reference for the fifth review of the effectiveness of the financial mechanism, provided in annex III. The fourth section contains summary information regarding the report on assessment of needs for the seventh replenishment of the Global Environment Facility Trust Fund. The full assessment report of the expert team is available in document UNEP/CBD/COP/13/12/Add.2. The fifth section includes information regarding inter-secretariat collaboration during the intersessional period. A draft decision is suggested in the final section.

I. GUIDANCE TO THE FINANCIAL MECHANISM

7. In decision XII/30, the Conference of the Parties decided, with a view to further streamlining guidance to the Global Environment Facility, to review proposed new guidance to avoid or reduce repetitiveness, to consolidate previous guidance where appropriate and to prioritize guidance in the context of the Aichi Biodiversity Targets (para. 5). Further to this decision, this section addresses the requests of the Conference of the Parties and the Subsidiary Body on Implementation cited in paragraph 5 above, with respect to the preparation of draft consolidated guidance to the financial mechanism, including the four-year framework of programme priorities. It also addresses anticipated recommendations from the two meetings of the Conference of the Parties serving as the meeting of the Parties to the Protocols of the Convention, being organized concurrently with the thirteenth meeting of the Conference of the Parties.

A. Four-year outcome-oriented framework of programme priorities

8. As the seventh replenish cycle of the Global Environment Facility Trust Fund will cover the last two years of the Strategic Plan for Biodiversity 2011-2020, and the first two years of a successor framework, the draft four-year framework seeks to look both into the final implementation phase of the current Strategic Plan and the early steps towards implementation of its successor framework. It includes priorities where additional funding from the Global Environment Facility will provide the necessary support to achieve those Aichi Biodiversity Targets which seem to be relatively within reach, in particular Aichi Biodiversity Target 11, while also prioritizing those critical areas with observed implementation gaps, such as for instance Target 12. It also

foresees prioritized support for key enabling activities, in particular those which will become important post-2020, under a successor framework to the Strategic Plan. In so doing, the framework seeks to facilitate the seventh replenishment of the Global Environment Facility Trust Fund commensurate with the funding needs identified in the needs assessment described in section IV.

9. The analysis undertaken pursuant to paragraph 1 (a) of recommendation 1/7 has highlighted considerable potential implementation synergies with related multilateral environmental agreements, as well as with the implementation of the 2030 Agenda for Sustainable Development and the Sustainable Development Goals. Considerable opportunities have been identified for an integrated and mutually supportive implementation of commitments under the various multilateral environmental agreements supported by the Global Environment Facility. Because biodiversity is well-reflected in the Sustainable Development Goals, in a manner consistent with the Strategic Plan for Biodiversity 2011-2020, the GEF biodiversity focal area can also make an important contribution to those Sustainable Development Goals relevant to biodiversity, in particular Sustainable Development Goals 14 and 15. Building on the unique institutional design of the Global Environment Facility, serving as the financial mechanism to several multilateral environmental agreements, the framework therefore seeks to enable harnessing opportunities for such synergy, for instance by encouraging integrated approaches to project design as well as global and regional projects, and language has been included accordingly.

10. The priority actions identified in decision XII/1, further to the assessment undertaken by the fourth edition of the *Global Biodiversity Outlook*, point to the importance of the overall policy framework and the need to promote policy coherence in order to achieve the Aichi Biodiversity Targets. The corresponding need to strengthen policy and institutional frameworks is also observed at the national level. In the light of the implementation gaps associated with some elements of Strategic Goals A, the four-year framework suggests establishing a priority area dedicated to integration and mainstreaming, building on and further strengthening the pertinent elements of the GEF-6 strategic programming, including programmes 9 and 10 of the GEF-6 biodiversity focal area strategy.

11. The need to strengthen policy and institutional frameworks at the national level, in addition to continued work on integration and mainstreaming, also requires further development and strengthening of “core” national biodiversity policy and institutional frameworks. It is suggested to address these elements in a separate cluster, bringing together priority outcomes for further implementation of the Protocols with emphasis on strengthened biodiversity planning, in particular anticipated work under a successor framework to the Strategic Plan for Biodiversity 2011-2020.

12. The analysis also indicates that implementation of some of the other Aichi Targets with considerable implementation gaps, such as for instance Aichi Biodiversity Target 5 on habitat loss, should be advanced by more focused action at landscape or seascape levels, following the approach of the GEF-6 strategic programming. Such an approach can also facilitate addressing issues related to the Convention on the Conservation of Migratory Species of Wild Animals (CMS) as well as to the International Treaty on Plant Genetic Resources for Food and Agriculture, as described, referring to the elements of advice transmitted, in paragraphs 21 and 23 below. It is therefore suggested that these priorities be clustered with other mainstreaming priorities.

13. In addition, the analysis stresses a continuing need for prioritized actions on critical direct drivers of biodiversity loss, in particular on invasive alien species (Aichi Biodiversity Target 9), and on the multiple and interacting pressures on coral reefs and closely associated ecosystems (Aichi Biodiversity Target 10). Continued targeted support to protected areas, with more focus on remaining implementation challenges, can enable achieving Aichi Biodiversity Target 11, which overall appears to be relatively within reach. This support is expected to contribute to synergistic implementation of the World Heritage Convention and the Ramsar Convention on Wetlands. There is an urgent need, building on GEF-6 programme 3, to continue addressing the overexploitation of threatened species while continuing to synergize with implementation of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) as well as the issue of illegal killings of migratory species of CMS.

14. Last but not least, several key aspects or elements of Aichi Targets can be best addressed by a cross-cutting approach to project design. Thus, these aspects are integrated into the relevant elements of the four-year framework accordingly.

15. The draft four-year framework of programme priorities for the seventh replenishment period (2018-2022) of the Global Environment Facility Trust Fund is provided in annex I, section A below.

B. Consolidated previous guidance to the financial mechanism

16. In decision X/24, the Conference of the Parties adopted the first consolidated list of guidance to the financial mechanism (para. 1 and annex). The consolidated previous guidance provided in annex I, section B for consideration by the Conference of the Parties builds on this first consolidated list, while also taking into account the additional decisions related to the financial mechanism taken by the Conference of the Parties up to its twelfth meeting; namely, decisions X/25 (additional guidance to the financial mechanism), X/26 (the financial mechanism: assessment of the amount of funds needed for the implementation of the Convention for the sixth replenishment period of the Global Environment Facility Trust Fund), X/27 (preparation for the fourth review of the effectiveness of the financial mechanism), XI/5 (the financial mechanism), and XII/30 (financial mechanism). The draft consolidation provides, in footnotes, references to these decisions, including as appropriate also references to those decisions from where the particular language originated.

C. Recommendations from the Protocols to the Convention

17. In accordance with Article 28 (3) of the Cartagena Protocol on Biosafety, and Article 25 (3) of the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization, the Conferences of the Parties serving as the meeting of the Parties to the respective Protocols, provide guidance with respect to the financial mechanism for consideration by the Conference of the Parties. It has been past practice that the Conference of the Parties serving as the meeting of the Parties to a Protocol adopts, in its pertinent decisions, a set of recommendations for inclusion in the guidance from the Conference of the Parties to the Convention. The pre-sessional documents on financial mechanism and resources under the two Protocols (documents UNEP/CBD/BS/COP-MOP/8/5 and UNEP/CBD/NP/COP-MOP/2/5) contain pertinent sections and draft recommendations in relation to the elements in the consolidated guidance, including elements for the four-year framework of programme priorities, that pertain to the Protocols.

D. Elements of advice received from biodiversity-related conventions pursuant to decision XII/30 A

18. In decision XII/30, on the financial mechanism, the Conference of the Parties invited Parties to enhance coordination among their respective biodiversity-related convention national focal points, in order to identify national priorities in support of the implementation of the various biodiversity-related conventions that are aligned with the Strategic Plan for Biodiversity 2011-2020 and with the implementation of the Aichi Biodiversity Targets, and to incorporate them into their national biodiversity strategies and action plans (para.1). The governing bodies of the various biodiversity-related conventions were invited to provide elements of advice, as appropriate, concerning the funding of the national priorities that may be referred to the Global Environment Facility through the Conference of the Parties to the Convention on Biological Diversity (para. 2). The Executive Secretary was requested to include any advice received into the documentation for the appropriate agenda item, for consideration by the Conference of the Parties (para. 3). The Conference of the Parties also requested the Executive Secretary to further liaise with the various biodiversity-related conventions and the Global Environment Facility in order to find ways to facilitate the efforts of Parties as indicated in paragraph 1 of decision XII/30 (para. 4).

19. In response, the Executive Secretary transmitted section A of decision XII/30 to the secretariats of the biodiversity-related conventions, including the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), the Convention on the Conservation of Migratory Species of Wild Animals (CMS), the Convention on Wetlands of International Importance especially as Waterfowl Habitat (Ramsar Convention), the World Heritage Convention (WHC), the International Treaty on Plant Genetic Resources for Food and Agriculture (ITPGRFA), and the International Plant Protection Convention (IPPC). The Executive Secretary also promoted and facilitated responses of the biodiversity-related conventions through bilateral teleconferences as well as meetings of the Liaison Group of Biodiversity-related Conventions. A dedicated

webpage (<https://www.cbd.int/financial/blg.shtml>) was established in order to promote the sharing of funding information on the biodiversity-related conventions. The following paragraphs summarize the activities undertaken by the biodiversity-related conventions pursuant to the invitation of paragraph 2 of decision XII/30, as communicated by the respective convention secretariats.

20. *Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)*. The 66th meeting of the Standing Committee to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), held in Geneva, Switzerland, from 11 to 15 January 2016, requested its secretariat to convey CITES priorities to GEF for it to take them into account when developing the biodiversity strategy in GEF-7, consistent with the mandate of GEF. According to the letter of 1 February 2016 from the CITES Secretary General, the CITES Secretariat has already elaborated the funding priorities for CITES for GEF programming in implementation of Resolution Conf.16.2 and Decision 16.2 as well as in the elaboration of the revised CITES Strategic Vision, and the establishment of the GEF Global Wildlife Program provides a coordinated programmatic framework to the current GEF projects addressing illegal wildlife trade, including those of CITES-listed species. The seventeenth meeting of the Conference of the Parties to CITES convened in Johannesburg, South Africa from 24 September to 5 October 2016 decided to direct the Secretariat to, inter alia, convey CITES priorities to GEF to take into account when developing the biodiversity strategy in GEF-7. It also decided to convey to the Conference of the Parties of the Convention on Biological Diversity the objectives and priorities of CITES in support of the Aichi Targets and invited the Conference of the Parties to the Convention on Biological Diversity to take these into account in providing the broad strategic guidance to GEF. In a letter from the CITES Secretary-General received on 3 November, such objectives and priorities in support of the Aichi Targets were communicated in form of a revised mapping of the CITES Strategic Vision: 2008–2020 objectives and the Aichi Targets in the Strategic Plan for Biodiversity 2010-2020. The letter is made available under the above-mentioned website, while the revised mapping is shown in document UNEP/CBD/COP/13/12/Add.4.

21. *Convention on the Conservation of Migratory Species of Wild Animals (CMS)*. The eleventh meeting of the Conference of the Parties to the Convention on Migratory Species took place in Quito, Ecuador from 4 to 9 November 2014. In paragraphs 20 and 21 of Resolution 11.10, on synergies and partnerships, the Conference of the Parties to CMS welcomed decision XII/30 of the Convention on Biological Diversity as summarized in paragraph 18 above and requested the Standing Committee to develop elements of advice for the Global Environment Facility concerning the funding of the national priorities for CMS. The Conference of the Parties to CMS further requested its Executive Secretary to provide the elements of advice as developed by the Standing Committee in time to be considered by the Conference of the Parties to the Convention on Biological Diversity at its thirteenth meeting, so that they may be referred to the Global Environment Facility through the Conference of the Parties to the Convention on Biological Diversity. Following CMS Resolution 11.10, the 44th meeting of the Standing Committee to CMS, held in Bonn on 14 and 15 October 2015, developed elements of advice and adopted a related decision which has been posted, as transmitted by the CMS secretariat on 11 December 2015, on the above-mentioned dedicated webpage, and included in document UNEP/CBD/COP/13/12/Add.4.

22. *Convention on Wetlands (Ramsar)*. The 12th meeting of the Conference of the Parties to the Ramsar Convention was held in Punta del Este, Uruguay, in 2015. Resolutions XII.4 and XII.7 requested the Ramsar Standing Committee as a high priority task to provide elements of advice, as appropriate, concerning funding of national and transboundary wetlands initiatives, that may be referred to GEF through the Conference of the Parties to the Convention on Biological Diversity; and encouraged eligible Parties to incorporate national wetlands priorities into their national biodiversity strategies and action plans as part of the process for national wetlands priorities to receive financial support through GEF. In Resolution XII.2, the Conference of the Parties approved the Ramsar Strategic Plan 2016-2024 which defines the priorities for the implementation of the Ramsar Convention. The goals and targets of the Ramsar Strategic Plan are fully aligned with the Strategic Plan for Biodiversity 2011-2020 under the Convention on Biological Diversity and its Aichi Targets. In order to provide elements of advice to the Convention on Biological Diversity, the Ramsar Convention Secretariat sent a diplomatic note on 27 July 2015 to all Contracting Parties asking for contributions on national priorities within the respective mandate of the Convention and in accordance with the mandate of GEF. Parties' priorities on national and regional targets that are submitted to the Secretariat by 30 November 2016 will be presented to the

Standing Committee in May 2017. The decisions from the Standing Committee will provide further elements of advice that will be referred to the Secretariat of the Convention on Biological Diversity.

23. *The International Treaty on Plant Genetic Resources for Food and Agriculture (ITPGRFA)*. The sixth session of the Governing Body of the International Treaty on Plant Genetic Resources for Food and Agriculture relevant to the Convention on Biological Diversity was held in Rome from 5 to 9 October 2015. In paragraph 4 of Resolution 7/2015, the Governing Body requested the Bureau, with the support of the Secretariat, to develop elements of advice for the Global Environment Facility concerning the funding of the objectives and priorities of the Treaty, consistent with the mandates of the Global Environment Facility, and requested the Secretary to transmit the elements of advice, as developed, to the thirteenth meeting of the Conference of the Parties to the Convention on Biological Diversity, so that they may be referred to the Global Environment Facility. It further requested the Secretary to include the elaboration of elements of advice to the financial mechanism of the Convention in the agenda of future sessions of the Governing Body, as appropriate. The transmission by the Secretary of the International Treaty of the first set of elements of advice for the guidance to the financial mechanism from the Governing Body has been posted on the above-mentioned dedicated webpage and included in document UNEP/CBD/COP/13/12/Add.4.

24. The potential synergies between biodiversity-related conventions, including the elements of advice received, were considered in the analysis provided in document UNEP/CBD/COP/13/12/Add.3, consistent with paragraph 2 (a) of decision XII/30, and reflected accordingly in the draft four-year outcome-oriented framework of programme priorities contained in annex I, section A. In addition, those elements of advice received that provide specific, detailed priorities, thus providing a finer level of granularity than the four-year framework, are reproduced in annex II to the present note and suggested for transferral to the Global Environment Facility in the draft decision, in accordance with paragraph 2 (a) of decision XII/30.

II. REPORT OF THE COUNCIL OF THE GLOBAL ENVIRONMENT FACILITY

25. In accordance with the memorandum of understanding, the Council of the Global Environment Facility prepares and submits a report for each ordinary meeting of the Conference of the Parties in order to meet the requirements of accountability to the Conference of the Parties. The Conference of the Parties, in decision XII/30, paragraph 8(e), invited the Global Environment Facility to make available a preliminary draft of its report to the Conference of the Parties, particularly focusing on the response of the Global Environment Facility to previous guidance from the Conference of the Parties, to the Subsidiary Body on Implementation prior to the meeting of the Conference of the Parties at which the report will be formally considered, with a view to promoting effective and timely consideration of the information provided in the report. The preliminary report of the Global Environment Facility was issued as UNEP/CBD/SBI/1/8/Add.1 for the first meeting of the Subsidiary Body on Implementation.

26. In decision XII/30, paragraph 12, the Conference of the Parties requested the Global Environment Facility to indicate in its report to the thirteenth meeting of the Conference of the Parties, how it plans to respond to the report on the first determination of funding requirements as noted in [decision XI/5](#), pursuant to paragraph 5.2 of the memorandum of understanding. The final report of the Council of the Global Environment Facility is issued as UNEP/CBD/COP/13/14/Add.1.

III. MONITORING AND EVALUATION

27. In accordance with Article 21, paragraph 3, of the Convention and the memorandum of understanding, the Conference of the Parties has thus far conducted four reviews of the effectiveness of the financial mechanism. In decision X/24, the Conference of the Parties adopted consolidated guidance to the financial mechanism in which it decided that the review of the effectiveness of the financial mechanism would be conducted every four years and that this review should coincide with the meeting of the Conference of the Parties.

28. In decision XII/30, the Conference of the Parties concluded the fourth review of the effectiveness of the financial mechanism with the adoption of a series of actions in order to further improve the effectiveness of the financial mechanism. The fifth review of the effectiveness of the financial mechanism will thus be due at the fourteenth meeting of the Conference of the Parties. In recommendation 1/7, the Subsidiary Body on

Implementation suggested that the thirteenth meeting of the Conference of the Parties adopt terms of reference for the fifth review of the effectiveness of the financial mechanism, and requested the Executive Secretary to prepare, in consultation with the Independent Evaluation Office of the Global Environment Facility, draft terms of reference for the fifth review.

29. The draft terms of reference for the fifth review of the effectiveness of the financial mechanism, contained in annex III to the present note, is based on the terms of reference for the fourth review of the effectiveness of the financial mechanism adopted in decision X/27. It also reflects the suggestion of the Independent Evaluation Office of the Global Environment Facility to undertake a study on biodiversity in its sixth Comprehensive Evaluation of the Global Environment Facility. References to the Protocols of the Convention are added as applicable. Other updated areas include the period to be reviewed, decisions referred to, and related meetings.

IV. DETERMINATION OF FUNDING REQUIREMENTS

30. In decision XII/30, paragraph 11, the Conference of the Parties decided, in anticipation of the seventh replenishment of the Global Environment Facility Trust Fund, to undertake, at its thirteenth meeting, the second determination of funding requirements for the implementation of the Convention and its Protocols, in line with the terms of reference contained in the annex to the decision. In accordance with these terms of reference, and with the approval of the Bureau of the twelfth meeting of the Conference of the Parties, the team of five experts tasked with the assessment is composed of two experts from developing country Parties (Mr. Carlos Manuel Rodriguez, nominated by Costa Rica, and Mr. Appukuttan Nair Damodaran, by India), two from developed country Parties (Ms. Maria Schultz, nominated by Sweden, and Mr. Yasushi Hibi, by Japan), and one from an international non-governmental organization (Mr. Günter Mitlacher, nominated by GEF CSO Network). Building upon the experience gained from a top-down approach to the GEF-6 funding needs assessment, the expert team decided to apply a bottom-up approach by developing a questionnaire to gather funding need information based on intended project concepts. The questionnaire was circulated to Parties on 19 August 2015 by notification 2015-094, with an initial deadline for submission by 19 October 2015 and an extended deadline, communicated by notification 2015-124 on 6 November 2015, by 4 December 2015. A draft assessment report was considered by the Subsidiary Body on Implementation at its first meeting, and further to its recommendation 1/7, notification 2016-059 was sent on 16 May 2016, inviting Parties to urgently submit the completed questionnaire by 31 August 2016. In order to encourage further submissions, several outreach activities were undertaken by the expert team throughout the whole period, including at the margins of the twentieth meeting of the Subsidiary Body on Scientific, Technical and Technological Advice and of the first meeting of the Subsidiary Body on Implementation, as well as at the regional preparatory meetings for the thirteenth meeting of the Conference of the Parties. All related information was made available through the clearing-house mechanism of the Convention, at <https://www.cbd.int/financial/gef7needs.shtml>.

31. The summary of the final report of the expert team on a full assessment of the funds needed for the implementation of the Convention and its Protocols for the seventh replenishment period of the Trust Fund of the Global Environment Facility is provided in UNEP/CBD/COP/13/12/Add.2, and the full report is made available as an information document.

32. By 25 September 2016, 60 countries, or 42 per cent of the 143 GEF-recipient countries, had submitted the questionnaire indicating their funding needs resulting from a total of 200 project concepts: 26 countries from Africa, 15 from the Asia and Pacific region, 12 from Latin America and the Caribbean, and 7 from Eastern Europe. Submitting countries account for 65 per cent of the GEF-6 STAR allocation. In addition to the information submitted through the questionnaire, and pursuant to its terms of reference, the expert team analysed funding information contained in national reports, national biodiversity strategies and action plans, financial reports and resource mobilization strategies, and found that the questionnaires provided the most comprehensive and specific information. Pursuant to recommendation 1/7, the expert team also took into account the comments emanating from the first meeting of the Subsidiary Body on Implementation as well as from further submissions.

33. In querying both the total project costs and the expected financing from GEF-7, the questionnaire enabled the reporting of comprehensive biodiversity finance planning, matching the contributions from GEF with other international and domestic sources. The aggregate funding need of the 60 countries submitting the

questionnaire totals US\$ 8.329 billion for the GEF-7 period, of which about US\$ 2.739 billion is expected from the GEF Trust Fund. This would correspond to US\$5.938 billion expected from co-financing, or to an expected average co-financing ratio of approximately 1:2. Based on these numbers, the expert team used two models to extrapolate global funding needs:

- Model A used the GEF-6 allocation of non-reporting countries as an estimate of their funding needs during GEF-7;
- Model B calculated the increase in expected funding from GEF-7 of the 60 reporting countries over their GEF-6 allocation, and applied the same multiplier to the GEF-6 allocation of non-reporting countries.

34. Under both models, the reported total project costs were used to estimate the corresponding funding need from GEF-7 resulting from different co-financing ratios that were observed in the past. Under both models, the amount of the GEF-6 Focal Area Set-Aside was included in the final numbers. The results of these extrapolations are provided in the table below for the reported co-financing ratio of 2:1 and the GEF-5 average co-financing ratio of 4:1 as reported by the GEF.

35. One important parameter that fundamentally affects the calculated funding needs is the increase in expected funding from GEF-7, compared to the GEF-6 level. There is considerable variability among reporting countries in this regard, with expected increases, expressed in form of multipliers, ranging from 1.2 to 76.0. According to the report, there is no clear explanation as to why countries calculated such different funding needs from the current GEF-6 cycle to the next; however, most reporting countries have multipliers below or closely above 10. To check on the effect of the few cases with very large multipliers, the results were recalculated omitting the “outliers” with a multiplier above 15. Omitting these outliers, due to their relatively small GEF-6 allocation, would not significantly affect the result under the 4:1 co-financing ratio.

Table. Extrapolation of global GEF-7 funding needs (in billions of United States dollars)			
		Co-financing ratios	
		2:1 (as reported)	4:1 (GEF-5 average)
Model A	Absolute numbers	3.357	2.284
	Increase over GEF-6	2.6	1.8
Model B	Absolute numbers	4.476	2.844
	Increase over GEF-6	3.5	2.2
For information: GEF-6 biodiversity allocation: US\$ 1.296 billion			
<i>Explanations:</i>			
Model A: reported total funding needs/expectations from GEF-7; GEF-6 allocation for non-reporting countries			
Model B: reported total funding needs/expectations from GEF-7; same average increase over GEF-6 applied to non-reporting countries			
<i>Source:</i> extracted from the summary of the report of the expert team (UNEP/CBD/COP/13/12/Add.2)			

36. In conclusion, the “bottom-up approach” adopted by the current needs assessment seems to be, in principle, a useful tool for estimating GEF funding needs based on information provided by Parties. According to the conclusions of the full report, the robustness of the results clearly depends on the overall response rate, but also, and even more importantly, on a common understanding, or “protocol”, with regard to incremental cost reasoning and expected co-financing, taking into account national absorption capacities. In this regard, the expert team pointed again to the considerable variability of countries’ expected funding increases, and called for further refinements of the methodology in future assessment exercises. Moreover, the aim for more synergistic implementation of related multilateral environmental agreements and the Sustainable Development Goals can also have an impact on the level of assessed funding needs. These *caveats* need to be taken into account when considering the report of the expert team. Furthermore, the future design of the GEF funding needs assessment, in accordance with section 5 of the memorandum of understanding, should build upon the experiences gained and lessons learned from both the top-down approach used for undertaking the GEF-6 funding needs assessment and the bottom-up approach used for undertaking the present needs assessment.

V. RECIPROCAL REPRESENTATION AND INTER-SECRETARIAT COOPERATION

37. In decision XII/30, paragraph 9, the Conference of the Parties encourages the Executive Secretary and the Chief Executive Officer of the Global Environment Facility to continue to strengthen inter-secretariat cooperation and collaborate with the Independent Evaluation Office of the Global Environment Facility and the Global Environment Facility agencies. Section III provides a briefing on the results of collaboration with the Independent Evaluation Office of the Global Environment Facility.

38. As mentioned in the report of the Global Environment Facility contained in document UNEP/CBD/COP/13/12/Add.1, the GEF and CBD secretariats developed a series of joint workshops on implementing the Convention and its Protocols in conjunction with 13 expanded constituencies workshops (ECWs) during 2015 that covered all regions and countries that receive support from the Global Environment Facility. During these workshops, the Secretariat of the Convention provided updates on the implementation of the Convention and its Protocols, in particular the Strategic Plan for Biodiversity 2011-2020 as well as financial reporting requirements, while the GEF Secretariat presented programming opportunities to implement the Strategic Plan for Biodiversity 2011-2020 through the GEF-6 Biodiversity Strategy and other programming windows during the sixth replenishment of the Global Environment Facility. In 2016, the GEF and CBD secretariats in collaboration with other convention secretariats, including the United Nations Framework Convention on Climate Change (UNFCCC), the United Nations Convention to Combat Desertification (UNCCD) and the Stockholm Convention and the Interim Secretariat of the Minamata Convention, piloted an ECW session on synergies and integration in March 2016, marking the first time that these secretariats have participated together within the ECW programme.

39. During the intersessional period, two joint retreats were organized between the GEF and CBD secretariats in Montreal, Canada. At the meeting held in July 2015, the GEF Secretariat proposed that for its report to the Conference of the Parties, GEF would provide reports on resource programming that is mapped to the programmes of the GEF-6 biodiversity strategy and the Aichi Targets. At the meeting in July 2016, the two secretariats jointly recognized the importance of making progress on sectoral and cross-sectoral mainstreaming.

VI. SUGGESTED DRAFT DECISION

40. In the light of the above, the Conference of the Parties may wish to consider the following draft decision:

The Conference of the Parties,

Recalling the decisions and elements of decisions related to guidance to the financial mechanism that were adopted by the Conference of the Parties at its tenth to twelfth meetings,

Having considered recommendation 1/7 of the Subsidiary Body on Implementation,¹

Recognizing the opportunities for synergistic implementation of the Convention and updated national biodiversity strategies and action plans and of related multilateral environmental agreements, as well as of the 2030 Agenda for Sustainable Development² and the Sustainable Development Goals, in particular Sustainable Development Goals 14 and 15,

Having also considered the report of the Council of the Global Environment Facility,³

1. *Adopts* the consolidated guidance to the financial mechanism, including the four-year framework of programme priorities (2018-2022) for the seventh replenishment of the Global Environment Facility Trust Fund, as contained in annex I to the present decision, and *decides* to retire the previous decisions and elements of decisions, as related to the financial mechanism and limited only to those provisions related to the financial mechanism;

¹ See UNEP/CBD/COP/13/6, sect. I.

² General Assembly resolution 70/1, annex.

³ UNEP/CBD/COP/13/12/Add.1.

2. *Invites* the Global Environment Facility, donor Parties and Governments, relevant global and regional partner organizations, and the Executive Secretary to promote a successful implementation of the four-year framework of programme priorities (2018-2022) for the seventh replenishment of the Global Environment Facility Trust Fund;

3. *Encourages* the Global Environment Facility to continue and further strengthen integrated programming as a means to harness opportunities for synergy in implementing related multilateral environmental agreements as well as the 2030 Agenda for Sustainable Development² and the Sustainable Development Goals, in particular Sustainable Development Goals 14 and 15;

4. *Requests* the Global Environment Facility to include information regarding the individual elements of the consolidated guidance, including the four-year outcome-oriented framework of programme priorities, in its future reports to the Conference of the Parties;

5. *Emphasizes* the primary role of recipient Parties in ensuring the achievement of the outcomes set out in the four-year framework of programme priorities (2018-2022) for the seventh replenishment of the Global Environment Facility Trust Fund;

6. *Requests* the Executive Secretary to transmit to the Council of the Global Environment Facility the elements of advice received from the Convention on the Conservation of Migratory Species of Wild Animals and the International Treaty on Plant Genetic Resources for Food and Agriculture, as contained in annex II to the present decision, and *invites* the Global Environment Facility to consider these elements of advice together with the consolidated guidance to the financial mechanism, including the four-year framework of programme priorities (2018-2022) for the seventh replenishment of the Global Environment Facility Trust Fund;

7. *Adopts* the terms of reference for the fifth review of the effectiveness of the financial mechanism, including for the Cartagena Protocol on Biosafety and the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization as contained in annex III to the present decision, and *requests* the Executive Secretary to make sure that the report on the fifth review of the effectiveness of the financial mechanism is available for consideration by the second meeting of the Subsidiary Body on Implementation;

8. *Takes note* of the report on a full assessment of the amount of funds needed for the implementation of the Convention and its Protocols for the seventh replenishment period of the Global Environment Facility⁴ and *expresses* its appreciation to the members of the expert group for the preparation of the assessment;

9. *Requests* the Executive Secretary to transmit to the Global Environment Facility the report on the assessment of needs for the seventh replenishment of the Global Environment Facility Trust Fund, for consideration by the Global Environment Facility, and *invites* the Global Environment Facility to indicate, in its regular report to the Conference of Parties, how it has responded during the replenishment cycle to this assessment;

10. *Urges* the Global Environment Facility, in the process of the seventh period of replenishment of the Global Environment Facility Trust Fund, to give due consideration to all aspects of the expert team's needs assessment report, including the levels of funding for biodiversity;

11. *Invites* the secretariats of the Global Environment Facility and the Convention on Biological Diversity as well as partner organizations to promote the realization of project funding needs as expressed in the national responses to the expert team's questionnaire on funding needs for the seventh replenishment period;

12. *Takes note* of the ongoing collaboration between the secretariats of the Global Environment Facility and of the Convention on Biological Diversity, and *encourages* the Executive Secretary and the Secretariat of the Global Environment Facility to further enhance effective inter-secretariat cooperation in accordance with the memorandum of understanding.

⁴ UNEP/CBD/COP/13/12/Add.2.

*Annex I***CONSOLIDATED GUIDANCE TO THE FINANCIAL MECHANISM****A. Four-year framework of programme priorities for the seventh replenishment period (2018-2022) of the Global Environment Facility Trust Fund**

1. This four-year outcome-oriented framework of programme priorities provides guidance to the Global Environment Facility (GEF) for the seventh replenishment period 2018-2022. It utilizes the Strategic Plan for Biodiversity 2011-2020 and the Convention's Protocols to set priorities for the financial mechanism, building on the GEF-6 biodiversity focal area strategy and the GEF-6 programming directions, and, hence, is expected to be a key catalyst in translating national biodiversity strategies and action plans into programmes and projects that can be co-financed through the financial mechanism.
2. The seventh replenishment cycle of the GEF Trust Fund will come at a critical juncture for the Convention, as it will cover the last two years of the Strategic Plan for Biodiversity 2011-2020, and the first two years of a successor framework. It is for this reason that the four-year framework highlights areas where additional funding from the GEF will provide the necessary support to achieve those Aichi Biodiversity Targets which are relatively within reach, such as Aichi Biodiversity Target 11, and critical areas with observed implementation gaps, such as target 12, as well as prioritized support for key enabling activities, in particular those which will become important for the post-2020 period, under a successor framework to the current Strategic Plan. The framework also seeks to facilitate the seventh replenishment of the GEF Trust Fund commensurate with the funding needs identified in the needs assessment in response to paragraph 11 of decision XII/30.
3. The framework cannot be implemented without financial resources available from the financial mechanism, but its effective implementation will also depend upon the engagement of all relevant stakeholders, including businesses and subnational governments, as well as indigenous peoples and local communities. Particular attention needs to be paid to the gender dimension as well as to respecting, preserving and maintaining traditional knowledge, innovations, and practices of indigenous peoples and local communities, as well as their customary use of biological resources, with the full and effective participation of indigenous and local communities, at all relevant levels. Effective communication to raise public awareness and promote engagement, whenever critical for achieving the conservation and sustainable use of globally important biodiversity, must be an integral part of project design and it can also contribute to achieving more sustainable consumption patterns, as per Aichi Biodiversity Target 4. Capacity-building and technical support may be provided to recipient countries under the Convention and its Protocols as well as by global and regional partner institutions. Activities undertaken under the framework should be informed by improved biodiversity monitoring programmes.
4. In line with the findings of the mid-term review of implementation of the Convention and its Protocols, implementation of the four-year framework should include an enhanced focus on policy frameworks and the promotion of policy coherence to achieve the expected outcomes.
5. The framework recognizes the opportunities for synergy, inherent in the unique institutional design of the Global Environment Facility, with related multilateral environmental agreements, as well as synergies with the implementation of the 2030 Agenda for Sustainable Development and the Sustainable Development Goals, in particular Sustainable Development Goals 14 and 15. GEF support towards implementation of the Convention and its Protocols as well as of updated national biodiversity strategy and action plans can harness such synergies and, in this vein, the framework encourages integrated approaches to project design as well as global and regional projects, noting that regional approaches are indispensable for addressing certain elements of the biodiversity agenda, such as migratory species. It encourages collaboration at national level among national focal points of the Convention and its Protocols, of related environmental agreements, and of GEF, including through GEF-supported projects.

Priority Cluster I: Mainstream biodiversity across sectors as well as landscapes and seascapes

Priority A: Improve policies and decision-making, informed by biodiversity and ecosystem values

Expected Outcome 1: Financial, fiscal, and development policies and planning⁵ are informed by biodiversity and ecosystem values.

Expected Outcome 2: Identified significant incentives, including subsidies, harmful for biodiversity of global significance are eliminated, phased out, or reformed, consistent and in harmony with the Convention and other international obligations and taking into account national socioeconomic conditions.

Expected Outcome 3: Economic sectors affecting globally significant biodiversity adopt greener supply chains and/or cleaner production processes, thus minimizing their impacts on biodiversity.

Priority B: Manage biodiversity in landscapes and seascapes

Expected Outcome 4: Loss, fragmentation, and degradation of globally significant natural habitats, and associated extinction debt, is reduced, halted or reversed, including through monitoring, spatial planning, incentives, restoration, and strategic establishment of protected areas and other measures.

Priority C: Harness biodiversity for sustainable agriculture

Expected Outcome 5: Biodiversity supporting key agricultural ecosystems, such as through pollination, biological pest control, or genetic diversity, is conserved and managed, contributing to sustainable agricultural production.

Priority cluster II: Address direct drivers to protect habitats and species

Priority D: Prevent and control invasive alien species

Expected Outcome 6: Management frameworks for invasive alien species are improved, focussing in particular on the preventive management of high-risk pathways.

Priority E: Reduce pressures on coral reefs

Expected Outcome 7: Anthropogenic pressures on coral reefs and associated ecosystems, including pollution, overfishing and destructive fishing, and unregulated coastal development, are reduced, thus contributing to ecosystem integrity and resilience.

Priority F: Enhance the effectiveness of protected area systems

Expected Outcome 8: The area of protected areas under effective management is significantly increased.

Expected Outcome 9: The ecological representativeness of protected areas and their coverage of areas of particular importance for biodiversity is increased, especially for threatened species.

Priority G: Combat illegal and unsustainable use of threatened species

Expected Outcome 10: Illegal, unregulated and unsustainable taking, and/or trafficking of threatened species of flora and fauna, including marine species, is reduced and both demand and supply of related products is addressed.

Priority Cluster III: Further develop biodiversity policy and institutional framework

Priority H: Implement the Cartagena Protocol on Biosafety⁶

Expected Outcome 11: The number of ratifications of the Cartagena Protocol on Biosafety and the Nagoya–Kuala Lumpur Supplementary Protocol on Liability and Redress is increased.

⁵ Both at national and subnational levels.

⁶ In abeyance, pending decision of the Conference of the Parties serving as the meeting of the Parties at its ninth meeting.

Expected Outcome 12: National implementation of the Cartagena Protocol on Biosafety and the Nagoya–Kuala Lumpur Supplementary Protocol on Liability and Redress is enhanced.

Priority I: Implement the Nagoya Protocol on Access to Genetic Resources and Benefit-sharing⁷

Expected Outcome 13: The number of ratifications of the Nagoya Protocol is increased.

Expected Outcome 14: Number of countries that have adopted legislative, administrative or policy measures on access and benefit-sharing to implement the Protocol is increased.

Priority J: Improve biodiversity policy, planning, and review

Expected Outcome 15: Parties deliver their reporting obligations under the Convention and the Protocols, through submission of relevant national reports and of relevant information through the clearing-houses.

Expected Outcome 16: National policy and institutional frameworks are reviewed, their effectiveness assessed, and gaps identified.

Expected Outcome 17: The review and, as appropriate, revision and update, of national biodiversity strategies and action plans in the light of a successor framework to the Strategic Plan for Biodiversity 2011-2020, is implemented, incorporating an enhanced focus on achieving policy coherence.

B. Consolidated previous guidance to the financial mechanism

A. Policy and Strategy

6. Financial resources should be allocated to projects that fulfil the eligibility criteria and are endorsed and promoted by the Parties concerned. Projects should contribute to the extent possible to build cooperation at the subregional, regional and international levels in the implementation of the Convention. Projects should promote the utilization of local and regional expertise. The conservation of biological diversity and sustainable use of its components is one of the key elements in achieving sustainable development and therefore contributing to combating poverty.⁸

B. Programme priorities

7. The Global Environment Facility should provide financial resources to developing country Parties, taking into account the special needs of the least developed countries and the small island developing States, as well as Parties with economies in transition, for country-driven activities and programmes, consistent with national priorities and objectives and in accordance with the following programme priorities, recognizing that economic and social development and poverty eradication are the first and overriding priorities of developing countries, and taking fully into consideration all relevant decisions from the Conference of the Parties.⁹

Article 1. Objectives

8. Projects that utilize the ecosystem approach, without prejudice to differing national needs and priorities which may require the application of approaches such as single species conservation programmes.¹⁰

9. Ecosystem resilience and climate change¹¹

(a) Capacity-building with the aim of increasing the effectiveness in addressing environmental issues through their commitments under the Convention on Biological Diversity, the United Nations Framework

⁷ In abeyance, pending decision of COP-MOP 2.

⁸ Decision X/24, annex, A.

⁹ Decision X/24, annex, paragraph 4; and decision X/25, paragraph 1.

¹⁰ Decision X/24, annex, paragraph 4.15.

¹¹ Decision X/24, annex, paragraph 4.23; decision X/25, paragraphs 21 and 22; and also decision X/33, paragraphs 6 and 16; decision XI/21, paragraph 4.

Convention on Climate Change, and the United Nations Convention to Combat Desertification, inter alia, by applying the ecosystem approach;

(b) Developing synergy-oriented programmes to conserve and sustainably manage all ecosystems, such as forests, wetlands and marine environments, that also contribute to poverty eradication;

(c) Country-driven activities, including pilot projects, aimed at projects related to ecosystem conservation, restoration of degraded lands and marine environments and overall ecosystem integrity that take into account impacts of climate change.

10. Marine and coastal ecosystems:¹²

(a) Projects that promote the conservation and sustainable use of marine and coastal biodiversity under threat, and implement the elaborated programme of work on marine and coastal biodiversity and the programme of work on island biodiversity;

(b) Country-driven activities aimed at enhancing capabilities to address the impacts of mortality related to coral bleaching and physical degradation and destruction of coral reefs, including developing rapid response capabilities to implement measures to address coral-reef degradation, mortality and subsequent recovery;

(c) Implementation of training and capacity-building and other activities related to ecologically or biologically significant marine areas (EBSAs);

(d) Support for capacity-building in order to further accelerate existing efforts towards achieving the Aichi Biodiversity Targets in marine and coastal areas.

11. Projects focusing on the identified national priorities, as well as regional and international actions that assist the implementation of the expanded work programme on forest biological diversity considering conservation of biological diversity, sustainable use of its components and fair and equitable sharing of the benefits from genetic resources in a balanced way, underscoring the importance of ensuring long-term conservation, sustainable use, and benefit-sharing of native forests, and the use of the clearing-house mechanism to include activities that contribute to halting and addressing deforestation, basic assessments and monitoring of forest biological diversity, including taxonomic studies and inventories, focusing on forest species, other important components of forest biological diversity and ecosystems under threat;¹³

12. Projects that assist with the implementation of the programme of work on biological diversity of inland water ecosystems, and which help Parties to develop and implement national, sectoral and cross-sectoral plans for the conservation and sustainable use of biological diversity of inland water ecosystems, including comprehensive assessments of the biological diversity of inland waters, and capacity-building programmes for monitoring the implementation of the programme of work and the trends in inland water biological diversity and for information gathering and dissemination among riparian communities;¹⁴

13. Projects that promote the conservation and sustainable use of biological diversity in arid and semi-arid areas, including the implementation of the Convention's programme of work on biodiversity of dry and sub-humid lands;¹⁵

14. Projects which promote the conservation and sustainable use of biological diversity in mountainous areas.¹⁶

¹² Decision X/24, annex, paragraphs 4.19, 4.20 ; decision X/25, paragraphs 18, 19; decision XI/5, paragraph 17; decision XII/30, paragraph 22; and also decision X/29, paragraphs 20, 38, 74; decision XI/17, paragraph 22; decision XI/18, paragraph 25; decision XII/23, paragraph 17.

¹³ Decision X/24, annex, paragraph 4.16.

¹⁴ Decision X/24, annex, paragraph 4.18.

¹⁵ Decision X/24, annex, paragraph 4.21.

15. Projects which implement the Convention's programme of work on agricultural biodiversity, and that assist with the implementation of the Plan of Action for the International Initiative for the Conservation and Sustainable Use of Pollinators;¹⁷

Article 5. Cooperation

16. Consideration of establishing a South-South biodiversity cooperation trust fund for the implementation of the Strategic Plan for Biodiversity 2011-2020 based on voluntary contributions;¹⁸

Article 6. General measures for conservation and sustainable use

17. Review, revision, updating, and implementation of national biodiversity strategies and action plans;¹⁹

18. Further development of approaches on the integration of biodiversity into poverty eradication and development processes.²⁰

Article 7. Identification and monitoring

19. Development and implementation of national biodiversity targets, indicator framework, and monitoring programmes;²¹

Article 8. In-situ conservation

20. Community conserved areas, national and regional systems of protected areas, further development of the portfolio on protected areas towards comprehensive, representative and effectively managed protected area systems addressing system wide needs, country driven early action activities of the programme of work on protected areas to enable its full implementation, projects that demonstrate the role-protected areas play in addressing climate change, and address the long-term financial sustainability of protected areas, including through different mechanisms and instruments;²²

21. Diversity of species and genetic resources:²³

(a) Projects that promote the conservation and/or sustainable use of endemic species;

(b) Implementation of the Global Strategy for Plant Conservation 2011-2020;

(c) National and regional taxonomic capacity-building activities for the Global Taxonomy Initiative, and project components that address taxonomic needs in the achievement of the Convention's objectives;

(d) Projects that assist with the development and implementation, at national and regional levels, of the invasive alien species strategies and action plans, in particular those strategies and actions related to geographically and evolutionarily isolated ecosystems, capacity-building to prevent or minimize the risks of the dispersal and establishment of invasive alien species, improved prevention, rapid response and management measures to address threats of alien invasive species.

¹⁶ Decision X/24, annex, paragraph 4.22.

¹⁷ Decision X/24, annex, paragraph 4.17.

¹⁸ Decision X/25, paragraph 16; decision XI/5, paragraph 26; and also decision X/23, paragraph 7; decision XI/8.D, paragraph 2.

¹⁹ Decision X/24, annex, paragraph 4.1; decision X/25, paragraphs 2, 3 and 4; decision XI/5, paragraph 27; and also decision X/2, paragraphs 9 and 11; decision X/5, paragraph 4; decision XI/2, paragraph 7; decision XII/2, A, paragraph 2, and B, preamble.

²⁰ Decision X/25, paragraph 5; and also decision X/6, paragraph 10.

²¹ Decision X/24, annex, paragraphs 4.2 and 4.3; decision X/25, paragraphs 7 and 8; and also decision X/7, paragraph 7; decision X/39, paragraphs 8 and 13; decision XI/3, C, preamble.

²² Decision X/24, annex, paragraph 4.4; decision X/25, paragraphs 10 and 11; decision XI/5, paragraph 18; and also decision X/31, paragraphs 9, 10 and 13; decision XI/24, paragraphs 1 and 3.

²³ Decision X/24, annex, paragraph 4.5; decision X/25, paragraph 9; decision XI/5, paragraphs 16 and 19; and also decision X/17, paragraph 5; decision XII/15, preamble.

*Article 8(j) and related provisions*²⁴

(a) Including indigenous peoples and local communities' perspectives in the financing of biodiversity and ecosystem services;

(b) Building the capacity to develop and implement strategies and systems for the protection and retention of traditional knowledge, and understand the elements of the Tkarihwaié:ri Code of Ethical Conduct to Ensure Respect for the Cultural and Intellectual Heritage of Indigenous and Local Communities;

(c) Implementation of programmes and projects that strengthen the involvement of indigenous peoples and local communities, advance community conservation, promote customary sustainable use of biological diversity;

Article 9. Ex-situ Conservation

Article 10. Sustainable use of components of biological diversity

22. Implementation of the Addis Ababa Principles and Guidelines at the national level to ensure that the use of biological diversity is sustainable.²⁵

23. Sustainable tourism that contributes to the objectives of the Convention;²⁶

Article 11. Incentive measures

24. Development and implementation of innovative measures, including in the field of economic incentives and those which assist developing countries to address situations where opportunity costs are incurred by local communities and to identify ways and means by which these can be compensated;²⁷

Article 12. Research and training

25. Project components addressing targeted research which contributes to conservation of biological diversity and the sustainable use of its components including research for reversing current trends of biodiversity loss and species extinction;²⁸

Article 13. Public education and awareness

26. Development and implementation of communication, education and public awareness priority activities at national and regional levels;²⁹

Article 14. Impact assessment and minimizing adverse impacts

Article 15. Access to genetic resources

27. Nagoya Protocol on Access to Genetic Resources and Benefit Sharing³⁰

(a) Projects that support the ratification and implementation of the Nagoya Protocol on access to genetic resources and benefit sharing;

²⁴ Decision X/24, annex, paragraph 4.6; decision X/25, paragraph 12; decision XI/5, paragraph 24; decision XII/30, paragraph 21; and also decision X/42, paragraph 6; decision XI/3, B, paragraph 7; decision XI/14, paragraphs 8 and 9.

²⁵ Decision X/24, annex, paragraph 4.7.

²⁶ Decision XII/30, paragraph 23 and also decision X/22, paragraph 13(e).

²⁷ Decision X/24, annex, paragraph 4.8.

²⁸ Decision X/24, annex, paragraph 4.9.

²⁹ Decision X/24, annex, paragraph 4.10.

³⁰ Decision X/24, annex, paragraph 4.11; decision X/25, paragraph 13; decision XI/5, paragraphs 21, 22 and 23, and appendix I; decision XII/30, paragraphs 13, 16, 17, 18, 19, 20, and appendix II; and also decision X/1, paragraph 14; decision XI/1, D, paragraph 2 and E, paragraph 2; NP-1/6; NP-1/8, annex I, paragraph 29(a); and NP-1/9, annex, paragraph 34.

- (b) Building the capacity 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;
 - (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;
- (c) Building the capacity 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;
- (d) 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;
- (e) 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;
- (f) Enabling Parties to actively participate in the Access and Benefit-sharing Clearing-House and use the best available communication tools and Internet-based systems for access and benefit-sharing;
- (g) 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;
- (h) Making financial resources available to assist Parties in preparing their national report;
- (i) Supporting the implementation of the strategic framework for capacity-building and development in support of the implementation of the Protocol.

Article 16. Access to and transfer of technology

28. Preparation of national assessments of technology needs for implementation of the Convention, and promotion of access to, transfer of and cooperation for joint development of technology;³¹

Article 17. Exchange of information

Article 18. Technical and scientific cooperation

29. Strengthening biodiversity information systems such as, inter alia, training, technology and processes related to the collection, organization, maintenance and updating of data and information, and building capacity for the clearing-house mechanism, such as training in information and communication technologies and web content management that enable developing countries and countries with economies in transition to fully benefit from modern communication, including the Internet;³²

Article 19. Handling of biotechnology and distribution of its benefits

30. Cartagena Protocol on Biosafety:³³

(a) Ratification and implementation of the Cartagena Protocol on Biosafety and the Nagoya–Kuala Lumpur Supplementary Protocol on Liability and Redress;

(b) Development and implementation of national biosafety frameworks, in particular biosafety legislation;

(c) Identification of living modified organisms or specific traits that may have adverse effects on the conservation and sustainable use of biological diversity, taking also into account risks to human health;

(d) Building, consolidating and enhancing sustainable human resource capacity in risk assessment and risk management;

(e) Capacity-building on socioeconomic considerations;

(f) Capacity-building to take appropriate measures in cases of unintentional release of living modified organisms;

(g) Enhancing capacity for public awareness, education and participation regarding the safe transfer, handling and use of living modified organisms, including for indigenous and local communities;

(h) Public participation and information sharing, and use of the Biosafety Clearing-House;

(i) National reports under the Cartagena Protocol on Biosafety;

Article 20. Financial resources

31. Development and implementation of country-specific resource mobilization strategies;³⁴

Article 21. Financial mechanism

32. The Global Environment Facility should take the following action to further improve the effectiveness of the financial mechanism:³⁵

(a) Including gender in the financing of biodiversity and ecosystem services;³⁶

³¹ Decision X/24, annex, paragraph 4.12; decision X/25, paragraph 14; and also decision X/16, paragraph 3(c).

³² Decision X/24, annex, paragraph 4.13; decision X/25, paragraph 15; and also decision X/15, paragraph 4.

³³ Decision X/24, annex, paragraph 4.14; decision X/25, paragraph 20; decision XI/5, paragraph 28 and appendix II; decision XII/30, paragraphs 13 and 15, and appendix I; and BS-V/5; BS-V/2, preamble; BS-V/14, paragraph 6; BS-V/16, annex I, paragraph 15; BS-VI/5; BS-VI/2, preamble; BS-VI/3, annex I, paragraphs 31 and 34; BS-VI/14 preamble; BS-VII/5; BS-VII/2, preamble, paragraphs 5 and 6.

³⁴ Decision X/25, paragraph 6; and also decision X/3, paragraph 4.

³⁵ Decision X/24, annex, E, paragraph 2.

³⁶ Decision X/24, annex, E, paragraph 2.8; decision XII/7, annex, II, paragraph 7.

(b) Project procedures.³⁷

- Further streamline its project cycle with a view to making project preparation simpler, more transparent and more country-driven;
- Further simplify and expedite procedures for approval and implementation, including disbursement, for GEF-funded projects, based on a flexible and national demand driven approach, and avoid additional and lengthy processes;
- Develop policies and procedures that fully comply with the guidance from the Conference of the Parties in a straightforward and timely manner;
- Increase its flexibility to respond to the thematic longer-term programme of work of the Convention on Biological Diversity, in accordance with the guidance of the Conference of the Parties;
- Improve project information system, including through data sets and web-based data tools, to increase the accessibility of project information and allow for better tracking against the guidance from the Conference of the Parties;
- Consider the benefits to Parties, particularly small island developing States, of an appropriate balance between national and regional projects in the implementation of decisions of the Conference of the Parties;

(a) *Catalytic role and co-financing*³⁸

- Mobilize co-financing and other modes of financing for its projects related to implementation of the Convention, further clarify the concept and application of co-financing for biodiversity projects, and apply co-financing arrangements in ways that do not create unnecessary barriers and costs for recipient Parties to access GEF funds;
- Support diffusion, and facilitate replication and scaling-up, of new and innovative financing mechanism initiatives that have proved to be successful;
- Enhance its catalytic role in mobilizing new and additional financial resources while not compromising project goals;

(b) *Incremental costs*³⁹

- Apply in a more flexible, pragmatic and transparent manner the incremental cost principle;

(c) *Sustainability*⁴⁰

- Promoting exchange of experience and lessons learned in addressing sustainability of funded projects on biological diversity.

(d) *Country ownership*⁴¹

- Promote genuine country ownership through greater involvement of participant countries in GEF-funded activities;
- Promote utilization of regional and local expertise and be flexible to accommodate national priorities and regional needs within the objectives of the Convention;

³⁷ Decision X/24, annex, E, paragraph 2.1; decision XI/5, paragraphs 3 and 4 and decision XII/30, paragraph 8(b).

³⁸ Decision X/24, annex, E, paragraph 2.2; decision XI/5, paragraph 5 and decision XII/30, paragraphs 7 and 8(a).

³⁹ Decision X/24, annex, E, paragraph 2.3.

⁴⁰ Decision X/24, annex, E, paragraph 2.9.

⁴¹ Decision X/24, annex, E, paragraph 2.5.

- Encourage collaboration at national level between national focal points for the Convention, for related environmental agreements and for the Global Environment Facility, including through the projects supported by the Facility, and including through regional and national workshops for the focal points;

(e) *Compliance and collaboration of agencies*⁴²

- Promote efforts to ensure that the implementing agencies fully comply with the policy, strategy, programme priorities and eligibility criteria of the Conference of the Parties in their support for country-driven activities funded by the Global Environment Facility;
- Undertake efforts to improve the efficiency, effectiveness and transparency of the process of cooperation and coordination between the implementing agencies with a view to improving the processing and delivery systems of the Global Environment Facility, and to avoid duplication and parallel processes;

(f) *Monitoring and evaluation*⁴³

- Consult with the Executive Secretary in relevant review processes undertaken by the Global Environment Facility that affect the financial mechanism of the Convention;
- Include in its monitoring and evaluation activities the assessment of the compliance with the policy, strategy, programme priorities and eligibility criteria established by the Conference of the Parties;
- Elaborate and transmit to the Conference of the Parties, well-summarized evaluation products and full evaluation reports relevant to biological diversity and to the guidance provided by the Conference of the Parties;
- Include in its regular report findings, conclusions and recommendations of all relevant evaluations of the GEF Evaluation Office;

(g) *Small grants programme*⁴⁴

- Continue its expansion of the Small Grants Programme of the Global Environment Facility to other developing countries, in particular the least developed countries and the small island developing States;

Article 22. Relationship with other international conventions

33. Projects and activities to improve synergies among relevant multilateral environment agreements;⁴⁵

Article 26. Reports

34. Preparation of the future national reports;⁴⁶

C. Eligibility criteria

*Convention on Biological Diversity*⁴⁷

35. Only developing countries that are Parties to the Convention are eligible to receive funding upon the entry into force of the Convention for them. In accordance with the provisions of the Convention, projects that seek to meet the objectives of conservation of biological diversity and sustainable use of its components are eligible for financial support from the institutional structure.

36. The Global Environment Facility continues to provide financial resources to Parties with economies in transition for biodiversity-related projects.

⁴² Decision X/24, annex, E, paragraph 2.4.

⁴³ Decision X/24, annex, E, paragraph 2.6.

⁴⁴ Decision X/24, annex, E, paragraph 2.7.

⁴⁵ Decision XI/5, paragraph 20; decision XII/30, paragraphs 1, 2, 3, 4, and 14; and also decision XI/6, paragraph 16.

⁴⁶ Decision X/24, annex, paragraph 4.24; decision X/25, paragraph 17; decision XI/5, paragraph 25; and also decision X/10, paragraph 5.

⁴⁷ Decision X/24, annex, C, paragraphs 1 and 2.

*Cartagena Protocol on Biosafety*⁴⁸

37. All developing countries, in particular the least developed and small island developing States, as well as countries with economies in transition, including countries among these that are centres of origin and centres of genetic diversity, which are Parties to the Cartagena Protocol on Biosafety, are eligible for funding by the Global Environment Facility.

38. All developing countries, in particular the least developed and small island developing States, as well as countries with economies in transition, including countries among these that are centres of origin and centres of genetic diversity, which are Parties to the Convention and provide a clear political commitment towards becoming Parties to the Protocol, shall also be eligible for funding by the Global Environment Facility for the development of national biosafety frameworks and the development of national biosafety clearing-houses and other necessary institutional capabilities to enable a non-Party to become a Party. Evidence of such political commitment shall 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.

*Nagoya Protocol on Access to Genetic Resources and Benefit-sharing*⁴⁹

39. All developing countries, in particular the least developed and small island developing States, as well as countries with economies in transition, which are Parties to the Nagoya Protocol, are eligible for funding by the Global Environment Facility in accordance with its mandate;

40. Developing countries, in particular the least developed countries and small island developing States among them, and countries with economies in transition that are Parties to the Convention and provide a clear political commitment towards becoming Parties to the Protocol, shall also be eligible for funding by the Global Environment Facility⁵⁰ for the development of national measures and institutional capabilities in order to enable them to become a Party. Evidence of such political commitment, accompanied by indicative activities and expected milestones, shall take the form of a written assurance to the Executive Secretary that the country intends to become a Party to the Nagoya Protocol on completion of the activities to be funded.

D. Reporting from the GEF Council to the Conference of the Parties

41. The report from the Council of the Global Environment Facility to the Conference of the Parties should be made available three months prior to an ordinary meeting of the Conference of the Parties as well as with updates as appropriate, and in accordance with rules 28 and 54 of the Rules of Procedure for meetings of the Conference of the Parties, the Executive Secretary should make it available in all six official languages of the United Nations.⁵¹

42. The Global Environment Facility should improve results-based reporting on the total contribution of the Global Environment Facility to achieving the objectives of the Convention, including the Facility's contribution to incremental-cost financing and leveraging co-financing.⁵²

43. The Global Environment Facility should report on its implementation of the four-year outcome oriented framework of programme priorities and how it responds to the individual elements.⁵³

44. The Global Environment Facility should make available a preliminary draft of its report to the Conference of the Parties, particularly focusing on the response of the Global Environment Facility to previous guidance from the Conference of the Parties, to the Subsidiary Body on Implementation prior to the meeting of

⁴⁸ Decision X/24, annex, C, paragraphs 3 and 4.

⁴⁹ Decision XII/30, paragraphs 19 and 20.

⁵⁰ The original phrase here "for up to four years after the Nagoya Protocol has entered into force" is proposed for deletion. See UNEP/CBD/NP/COP-MOP/2/5.

⁵¹ Decision X/24, annex, D, paragraph 1.

⁵² Decision X/24, annex, D, paragraph 2.

⁵³ Decision XI/5, paragraph 1.

the Conference of the Parties at which the report will be formally considered, with a view to promoting effective and timely consideration of the information provided in the report.⁵⁴

45. The Global Environment Facility should explore ways to balance the comprehensiveness and conciseness of the report of the Global Environment Facility, acknowledging the need to demonstrate progress in programming resources towards achievement of the Aichi Biodiversity Targets.⁵⁵

46. The Global Environment Facility should indicate in its report to the Conference of the Parties, how it plans to respond to the report on the determination of funding requirements, pursuant to paragraph 5.2 of the Memorandum of Understanding.⁵⁶

E. Review of the effectiveness of the financial mechanism

47. The review of the effectiveness of the financial mechanism will be conducted every four years and this review should coincide with the meeting of the Conference of the Parties.⁵⁷

F. Replenishment of the GEF Trust Fund

48. The updated list of developed country Parties and other Parties that voluntarily assume the obligations of developed country Parties in accordance with Article 20, paragraph 2 of the Convention, is contained in the annex to decision VIII/18.⁵⁸

49. The developed country Parties and others are invited to increase their financial contributions through the financial mechanism during the replenishment of the Global Environment Facility Trust Fund.⁵⁹

50. The Global Environment Facility is urged, in the process of replenishment, to give due consideration to all aspects of the needs assessment report on the levels of funding for biodiversity.⁶⁰

51. The needs assessment report should be transmitted to the Global Environment Facility for consideration, so that the Global Environment 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.⁶¹

52. In anticipation of the next replenishment of the Global Environment Facility Trust Fund, the determination of funding requirements should be undertaken for the implementation of the Convention and its Protocols.⁶²

G. Inter-Secretariat cooperation

53. Participation of a representative of the Subsidiary Body on Scientific, Technical and Technological Advice of the Convention and of the Scientific and Technical Advisory Panel of the Global Environment Facility is requested in respective meetings of the Subsidiary Body on Scientific, Technical and Technological Advice and the Scientific and Technical Advisory Panel on a reciprocal basis.⁶³

54. The Executive Secretary should promote, in collaboration with the Global Environment Facility, exchange of experience and good practice in financing for biological diversity.⁶⁴

⁵⁴ Decision XII/30, paragraph 8(e).

⁵⁵ Decision XII/30, paragraph 8(d).

⁵⁶ Decision XII/30, paragraph 12.

⁵⁷ Decision X/24, annex, E, paragraph 1; decision XI/5, paragraph 7.

⁵⁸ Decision X/24, annex, F.

⁵⁹ Decision XI/5, paragraph 6.

⁶⁰ Decision XI/5, paragraphs 12, 8-11 and 14.

⁶¹ Decision XI/5, paragraph 15.

⁶² Decision XII/30, paragraphs 6 and 11.

⁶³ Decision X/24, annex, G, paragraph 1.

⁶⁴ Decision X/24, annex, G, paragraph 2.

55. The Executive Secretary and the Chief Executive Officer of the Global Environment Facility should continue to strengthen inter-secretariat cooperation and collaborate with the Independent Evaluation Office of the Global Environment Facility and the Global Environment Facility agencies.⁶⁵

H. Other Matters related to Guidance

56. Guidance to the financial mechanism should be incorporated into a single decision, including the identification of priority issues which will provide support for cross-cutting issues and capacity-building, especially for developing countries and countries with economies in transition, in a manner that: (a) is transparent; (b) allows participation; and (c) allows full consideration of its other decisions.⁶⁶

57. Guidance to the financial mechanism, for a specific replenishment period, consists of a consolidated list of programme priorities that defines what to be financed, and an outcome oriented framework, taking into account the strategies and plans under the Convention and its Protocols, and associated indicators. With a view to further streamlining guidance to the Global Environment Facility, proposed new guidance for the financial mechanism will be reviewed to avoid or reduce repetitiveness, to consolidate previous guidance where appropriate and to prioritize guidance in the context of the Aichi Biodiversity Targets.⁶⁷

58. While the Subsidiary Body on Scientific, Technical and Technological Advice should consider the financial implications of its proposals, its recommendations will only include advice to the Conference of the Parties regarding financial matters, including guidance to the financial mechanism, when the Conference of the Parties has so requested.⁶⁸

⁶⁵ Decision X/24, annex, G, paragraph 3; decision XI/5, paragraph 13 and decision XII/30, paragraphs 8(c) and 9.

⁶⁶ Decision X/24, annex, B, paragraph 2.

⁶⁷ Decision X/24, paragraphs 1-7 and annex, B, paragraph 3; decision XII/30, paragraphs 5 and 10.

⁶⁸ Decision X/24, annex, B, paragraph 1.

*Annex II***SELECTED⁶⁹ ELEMENTS OF ADVICE RECEIVED FROM THE BIODIVERSITY-RELATED CONVENTIONS****A. Convention on the Conservation of Migratory Species of Wild Animals**

Decision of the CMS Standing Committee with regard to developing elements of advice for the Global Environment Facility concerning the funding of the national priorities for CMS

- Restoring and maintaining ecological corridors for migratory mammals, as outlined in Resolutions 11.1 and 11.25;
- Making infrastructure more wildlife-friendly, including roads, railways, fences, pipelines and other forms of linear infrastructure as outlined in Resolutions 11.1 and 11.24;
- Combatting wildlife crime and strengthening anti-poaching, including community-based approaches, as outlined in Resolution 11.31;
- Regional approaches for tackling the illegal killing of birds, including trapping and poisoning, as outlined in Resolutions 11.1, 11.15 and 11.16;
- Restoring and maintaining global flyways, as outlined in the Programme of Work in Resolution 11.14;
- Reducing marine pollution, including marine debris, noise and unexploded ordinance, as outlined in Resolution 11.30 and elsewhere;
- Minimizing bycatch of CMS-listed marine species and reducing-post release mortality as outlined in Resolution 10.14 and elsewhere;
- Mitigating threats to freshwater fish, such as habitat degradation, barriers to migration, bycatch and overexploitation, as outlined in Resolution 10.12.

B. The International Treaty on Plant Genetic Resources for Food and Agriculture

The Bureau of the Seventh Session of the Governing Body of the International Treaty invites GEF to take these priorities into account, as appropriate and within the context of its mandate, in the design of GEF-7:

1. Information exchange, technology transfer and capacity-building:
 - a. Building strong national programmes is essential for capacity-building in developing countries and furthering the implementation of the Treaty. It is a prerequisite for sustainability of efforts to strengthen and develop national capacities in the conservation and utilization of plant genetic resources for food and agriculture.
 - b. Expanding and improving education and training in developing countries is a sine qua non, in order to build capacity. Education and training is a long lasting investment in the sustainable management of the diversity of plant genetic resources for food and agriculture in developing countries.
2. Managing and conserving plant genetic resources on farm:
 - a. Supporting on-farm management and conservation of plant genetic resources for food and agriculture is the most direct way of reaching farmers, indigenous and local communities in developing countries to whom benefits should flow. It forms a strong contribution to the maintenance of on-farm diversity of plant genetic resources for food and agriculture. Only by strengthening these efforts can on-farm management of diversity complement ex situ conservation.
3. The sustainable use of plant genetic resources:

⁶⁹ See explanation provided in paragraph 24 of the present note.

a. Expanding the characterization and evaluation of collections is necessary to promote and facilitate their use. More complete characterization and evaluation will increase the relevance of germplasm held ex situ and on farm for breeding.

b. Diversification of crop production, genetic enhancement and broadening the genetic base of crops will directly contribute to increasing the sustainability of agricultural production. This will lessen dependence on external inputs, increase productivity, and respond to the challenge of climate change.

Annex III

TERMS OF REFERENCE FOR THE FIFTH REVIEW OF THE EFFECTIVENESS OF THE FINANCIAL MECHANISM

Objectives

1. In accordance with Article 21, paragraph 3, the Conference of the Parties will review the effectiveness of the mechanism, including the criteria and guidelines referred to in Article 21, paragraph 2, with a view to taking appropriate action to improve the effectiveness of the mechanism as necessary. For this purpose, effectiveness will include:

(a) The conformity of the activities of the Global Environment Facility (GEF), 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 and mobilizing new and additional financial resources to enable developing country Parties and Parties with economies in transition to meet the agreed full incremental costs to them of implementing measures which fulfil the obligations of this Convention and its Protocols and to benefit from its provisions, taking into account the need for predictability, adequacy and timely flow of funds;

(c) The efficiency of the financial mechanism in providing and delivering financial resources, as well as, in accordance with the guidance of the Conference of the Parties, overseeing, monitoring and evaluating the activities financed by its resources, as appropriate;

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

(e) The effectiveness and relevance of guidance from the Conference of the Parties to the Global Environment Facility;

(f) The coherence with other Rio conventions.

Methodology

2. The review will cover all the activities of the institutional structure operating as the financial mechanism, in particular for the period from July 2010 to June 2014.

3. The review shall draw upon, inter alia, the following sources of information:

(a) Information provided by developing country Parties, in particular the least developed countries, small island developing States, and countries that are most environmentally vulnerable, as well as Parties with economies in transition, as well as developed country Parties, regarding the financial mechanism;

(b) Reports prepared by the Global Environment Facility, including its reports to the Conference of the Parties, as well as assessments by the GEF agencies;

(c) Reports of the GEF Evaluation Office that relate to GEF biodiversity activities within the framework of the financial mechanism, including the Sixth Comprehensive Evaluation of the GEF (OPS6);

(d) Information provided by other relevant stakeholders.

Criteria

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

(a) The actions taken by the financial mechanism in response to the guidance of the Conference of the Parties, as consolidated in the annex to decision X/24, as well as decisions X/25, XI/5 and XII/30;

(b) The number of developing country Parties, in particular least developed countries, small island developing States and countries that are most environmentally vulnerable, as well as Parties with economies in transition that receive timely, adequate and predictable funds to meet the agreed full incremental cost to them of implementing measures that fulfil the obligations under the Convention and its Protocols;

(c) Views of developing country Parties, in particular least developed countries, small island developing States and countries that are most environmentally vulnerable, as well as Parties with economies in transition as to the performance and conditions for the provision of GEF resources through the Implementing and Executing Agencies;

(d) The quantity, nature and sources of financial resources provided through the financial mechanism for the attainment of the objectives of the Convention and its Protocols;

Procedures for implementation

5. Under the authority and with the support of the Conference of the Parties, the Executive Secretary shall contract an experienced independent evaluator to undertake the review, in accordance with the above objectives, methodology and criteria.

6. The evaluator will design a questionnaire using the criteria adopted in the present terms of reference, to be sent to the Parties and other stakeholders as soon as practicable, and prepare a compilation and synthesis of the information received.

7. The evaluator will undertake such desk studies, interviews, field visits and collaboration with the GEF and its Independent Evaluation Office, as may be required, for the preparation of the review, subject to the availability of resources.

8. The evaluator will undertake regional and subregional consultations with Parties, taking advantage of regional and subregional workshops organized by the Convention Secretariat during the evaluation period;

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

10. Based on the synthesis report and recommendations of the independent evaluator, the Executive Secretary shall prepare, in consultation with the GEF, a draft decision on the fourth review of the financial mechanism, including specific suggestions for action to improve the effectiveness of the mechanism if necessary, for the consideration of the Conference of the Parties at its fourteenth meeting.

11. The Executive Secretary shall submit all the relevant documents to Parties at least three months prior to the fourteenth meeting of the Conference of the Parties.
