

ASSESSING THE FINANCIAL RESOURCES NEEDED TO IMPLEMENT THE STRATEGIC PLAN FOR BIODIVERSITY 2011-2020 AND ACHIEVE THE AICHI BIODIVERSITY TARGETS

By 2015, the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization is in force and operational, consistent with national legislation.

1. INTRODUCTION TO TARGET

The Nagoya Protocol on Access and Benefit-sharing is a supplementary agreement to the Convention adopted by the Conference of the Parties to the Convention on Biological Diversity at its tenth meeting on 29 October 2010 in Nagoya, Japan. It provides a transparent legal framework for the effective implementation of one of the three objectives of the CBD: the fair and equitable sharing of benefits arising out of the utilization of genetic resources. The Protocol covers genetic resources and traditional knowledge associated with genetic resources, as well as the benefits arising from their utilization by setting out core obligations for its contracting Parties to take measures in relation to access, benefit-sharing and compliance.

The target addresses several issues:

- Entry into force of the Nagoya Protocol by 2015: The Nagoya Protocol will enter into force 90 days after the date of deposit of the fiftieth instrument of ratification. As such for this target to be met 50 countries must ratify the Protocol by October 2015 at the latest.

- The Nagoya Protocol is operational, consistent with national legislation by 2015. The extent of the scope of this part of the target can be interpreted in a broader or in a more restrictive way depending on the level of ambition.

- (a) At the minimum, having a Nagoya Protocol that is operational, consistent with national legislation by 2015 could be interpreted as requiring Parties that have ratified the Protocol to have domestic legislative, administrative or policy measures and institutional structures in place in order to be in compliance with the Protocol.
- (b) However, in order to reach the full implementation of the Protocol, in addition to those two requirements Parties would also need to have the capacity and means to effectively implement it.

The following section suggests actions to be carried out by countries and possible supporting activities with a view to meet the target according to these two levels of ambition.

2. ACTIONS

In order to meet the target, at the minimum, countries would need to:

- Deposit the instrument of ratification, acceptance, approval or accession of the Nagoya Protocol as soon as possible to ensure that the Protocol enters into force by 2015.
- Have legislative, administrative or policy measures and institutional structures in place for implementing the Nagoya Protocol by 2015. In accordance with their national circumstances, Parties having ratified the Protocol would need to:
 - Revise legislative, administrative or policy measures already in place or develop new measures in order to meet the obligations set out under the Protocol.
 - Put in place the institutional structures required for implementing the Protocol, including:
 - A national focal point,

- One or more competent national authorities,
- One or more check points, and
- Enabling conditions to actively participate in the ABS Clearing-House.

The following suggests supporting activities with a view to assist countries in meeting the target.

- Awareness-raising and capacity-building and development initiatives with a view to promoting ratification of the Protocol by countries,
- Building the capacity of Parties to develop, implement and enforce domestic legislative, administrative or policy measures on access and benefit-sharing, thereby contributing to the conservation of biological diversity and sustainable use of its components, including through:
 - Identification of relevant actors and existing legal and institutional expertise for the implementation of the Nagoya Protocol;
 - Taking stock of domestic measures relevant to ABS in light of the obligations of the Nagoya Protocol;
 - 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 as users and providers of genetic resources and traditional knowledge associated with genetic resources;
 - Establishment of ways to address transboundary issues; and
- 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, and
- Enabling Parties to actively participate in the ABS Clearing-House.¹

In addition to the actions and activities identified above, at a higher level of ambition, in order to fully implement the Protocol, countries would also need to have the capacity and means to effectively implement it.

With a view to assist Parties to effectively implement the Protocol the following supporting activities are suggested based on the priority activities identified by the Intergovernmental Committee for the Nagoya Protocol in relation to the GEF sixth replenishment period 2014-2018:²

- Building the capacity of Parties to negotiate mutually agreed terms to promote equity and fairness in negotiations in the development and implementation of ABS agreements;
- 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;
- Addressing the capacity needs and priorities of indigenous and local communities and relevant stakeholders, in particular projects that would:
 - Encourage their participation in legal, policy and decision-making processes; and
 - Assisting 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.

¹ Priority activities identified by the Intergovernmental Committee for the Nagoya Protocol in relation to the GEF sixth replenishment period 2014-2018 (Recommendation 2/1 of the Intergovernmental Committee for the Nagoya Protocol, Annex II, paragraph 1 (a) and (e)).

² Recommendation 2/1 of the Intergovernmental Committee for the Nagoya Protocol, Annex II, paragraph 1(b) (c) (d) and (f).

- Supporting Parties in raising awareness to the importance of genetic resources and traditional knowledge associated with genetic resources

The supporting activities listed in this section could serve as basis for the assessment of resource requirements to meet the target according to the two different levels of ambition.

3. METHOD OF ASSESSMENT

The Nagoya Protocol is a new international treaty adopted in October 2010, and as a new instrument there is limited information available on assessment of resources needed with a view to make it operational.

In addition, the amount of resources required to meet the target will greatly vary from country to country depending on:

- The degree of complexity of the ratification procedures;
- The degree of development of the ABS national frameworks;
- The existing level of capacity on ABS; and
- The variety and complexity of national circumstances that are to be taken into account for making the Protocol operational (Ex. Number of indigenous and local communities, number of administrative structures involved in the process, conflicting legislation, etc).

Taking into account (a) the limited information available and (b) the great variety of country needs and circumstances for making the Protocol operational at the national level, next section provides a preliminary assessment of resource needs per country to meet target 16 with a view to assist discussions on the issue.

The assessment of resource needs is mainly based in SCBD in-house expertise, using the following sources of information as references during the assessment:

- In the GEF project on “*Development of National Biosafety Frameworks*”³ of 2001, the required amount for preparing a national biosafety framework was estimated in 320.000 USD per country. This amount could serve as a guidance to estimate the cost of developing ABS legislative, administrative or policy measures, but accounting this figure for inflation to bring the amount up to the level of 2012 (415.000 USD per country).
- In the “Full assessment of the amount of funds needed for the implementation of the Convention for the sixth replenishment period of the trust fund of the GEF” developed by an expert group for its consideration by COP11, the cost for ABS capacity-building activities in relation to Target 16 was estimated on 300.000-600.000 USD per country.⁴
- Other sources of references and information consulted include the following GEF projects on ABS:
 - Capacity-building for the early entry into force of the Protocol on ABS;
 - Strengthening the implementation of access to genetic resources and benefit-sharing regimes in Latin America and the Caribbean;
 - Capacity building for access and benefit-sharing and Conservation and Sustainable Use of Medicinal Plants in Ethiopia; and
 - Strengthening the implementation of the Biological Diversity Act and Rules with focus on its ABS provisions in India.

4. ASSESSMENT OF RESOURCE NEEDS

³ For more information see the project brief at:

http://www.thegef.org/gef/sites/thegef.org/files/gef_prj_docs/GEFProjectDocuments/Biodiversity/Global%20-%20Development%20of%20National%20Biosafety%20Frameworks/Project%20Document%20for%20WP.pdf

⁴ For more information see UNEP/CBD/WG-RI/4/INF/10

The following tables provide a preliminary assessment of resource needs per country to meet target 16 according to two levels of ambition as set out in section 2 above. The estimated costs provided do not include recurrent costs for implementing the Protocol. The tables can serve as basis for discussion by the panel.

ACTIONS AND SUPPORTING ACTIVITIES REQUIRED TO MEET TARGET 16 AT A MINIMUM LEVEL OF AMBITION	Estimated costs in USD per country
Action: Deposit the instrument of ratification, acceptance, approval or accession of the Nagoya Protocol	20.000-50.000
<i>Supporting activity:</i> Awareness-raising and capacity-building and development initiatives with a view to promoting ratification of the Protocol by countries	20.000
Subtotal:	40.000-70.000
Action: Revise legislative, administrative or policy measures already in place or develop new measures in order to meet the obligations set out under the Protocol.	50.000-150.000
<i>Supporting activity:</i> Building the capacity of Parties to develop, implement and enforce domestic legislative, administrative or policy measures on access and benefit-sharing, thereby contributing to the conservation of biological diversity and sustainable use of its components	100.000-200.000
<i>Supporting activity:</i> Identification of relevant actors and existing legal and institutional expertise for the implementation of the Nagoya Protocol	10.000
<i>Supporting activity:</i> Taking stock of domestic measures relevant to ABS in light of the obligations of the Nagoya Protocol;	10.000
<i>Supporting activity:</i> Establishment of ways to address transboundary issues	20.000
Subtotal:	290.000-390.000
Action: Put in place the institutional structures required for implementing the Protocol, including a national focal point, one or more competent national authorities and one or more check points.	20.000-100.000
<i>Supporting activity:</i> Enabling Parties to actively participate in the ABS Clearing-House.	30.000
Subtotal	50.000-130.000
TOTAL	280.000-590.000

ADDITIONAL ACTIONS AND SUPPORTING ACTIVITIES REQUIRED TO MEET TARGET 16 AT A HIGHER LEVEL OF AMBITION	Estimated costs in USD per country
Action: Building the capacity and providing the means for effective implementation of the Protocol	
<i>Supporting activity:</i> Building the capacity of Parties to negotiate mutually agreed terms to promote equity and fairness in negotiations in the development and implementation of ABS agreements.	100.000-300.000

<i>Supporting activity:</i> Build 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.	100.000-300.000
<i>Supporting activity:</i> Addressing the capacity needs and priorities of indigenous and local communities and relevant stakeholders, in particular projects that would: <ul style="list-style-type: none"> • Encourage their participation in legal, policy and decision-making processes; and • Assisting 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. 	100.000-300.000
<i>Supporting activity:</i> Supporting Parties in raising awareness to the importance of genetic resources and traditional knowledge associated with genetic resources	100.000
Subtotal	400.000-1.000.000

5. RESULTS

The following table summarizes the estimated resources required per country for meeting target 16 according to the different level of ambition in relation to the interpretation of the target as explained in section 2 above.

Estimated resources required at a minimum level of ambition per country	Estimated resources required at a higher level of ambition per country
280.000-590.000 USD	680.000-1.590.000 USD

However, in order to meet the target, at a minimum level, 50 countries would need to ratify the Protocol and make it operational at the national level before 2015. The following table contains an estimate of overall resources required based on the results of the assessment as per table above, while providing for different scenarios regarding the number of countries meeting target 16.

Number of countries meeting the target	Overall resources required at a minimum level of ambition (million USD)	Overall resources required at a higher level of ambition (million USD)
50 countries	14-29,5	34-79,5
100 countries	28-59	68-159
150 countries	42-88,5	102-238,5
All Parties to the CBD	54-113,8	131-306,8

There is no available information on the current levels of investment and expenditure. The results presented include the estimate of resources required from donor support and national contributions.

6. DISCUSSION

Benefits of delivering the target

The fair and equitable sharing of the benefits arising out of the utilization of genetic resources is one of the three objectives of the Convention on Biological Diversity. The Nagoya Protocol is based on the

fundamental principles of access and benefit-sharing enshrined in the CBD. It supports the implementation of the third objective of the Convention by providing greater legal certainty and transparency for both providers and users of genetic resources. It helps to ensure benefit-sharing, in particular when genetic resources leave the country providing the genetic resources, and it establishes more predictable conditions for access to genetic resources.

By enhancing legal certainty and promoting benefit-sharing, the Nagoya Protocol encourages the advancement of research on genetic resources which could lead to new discoveries for the benefit of all. The Nagoya Protocol also creates incentives to conserve and sustainably use genetic resources, and thereby enhances the contribution of biodiversity to development and human well-being.

In addition, by setting-out clear provisions on access to traditional knowledge associated with genetic resources, the Nagoya Protocol will assist in strengthening the ability of indigenous and local communities to benefit from the use of their knowledge, innovations and practices. The Nagoya Protocol will also provide incentives for the promotion and protection of traditional knowledge by encouraging the development of community protocols, minimum requirements for mutually agreed terms and model contractual clauses related to access and benefit-sharing of traditional knowledge associated with genetic resources.