

**INPUT TO THE REPORT OF THE HIGH-
LEVEL PANEL ON GLOBAL ASSESSMENT
OF RESOURCES FOR IMPLEMENTING
THE STRATEGIC PLAN FOR
BIODIVERSITY 2011-2020**

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**CLUSTER REPORT ON RESOURCE REQUIREMENTS FOR
THE AICHI BIODIVERSITY TARGETS**

TARGET 20: ENABLING ACTIVITIES

**AUTHORS: RAVI SHARMA, MARKUS LEHMANN, VALERIE
NORMAND, JOHN SCOTT, DAVID DUTHIE, EDJIGAYEHU SEYOUM-
EDJIGU, BEATRIZ GOMEZ AND DAVID COOPER (CBD
SECRETARIAT)**

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

TARGET 20

Target 20 relates to a cluster of Aichi Targets grouped under *Enabling Activities* for the purpose of the present assessment. Under this cluster are found five targets: Aichi Target 16 to Target 20. As defined by the Global Environment Facility (GEF) enabling activities are defined as '*activities that prepare the foundation to design and implement effective response measures to achieve Convention objectives*'. Following the definition, some of the Aichi Targets of this cluster do not involve recurrent costs for achieving them since recurrent costs arise once implementation starts e.g. Target 16. Furthermore, the resource needs of the targets in this particular cluster are estimated separately for each Target in question.

1. INTRODUCTION TO TARGET 20

By 2020, at the latest, the mobilization of financial resources for effectively implementing the Strategic Plan for Biodiversity 2011-2020 from all sources and in accordance with the consolidated and agreed process in the Strategy for Resource Mobilization should increase substantially from the current levels. This target will be subject to changes contingent to resources needs assessments to be developed and reported by Parties.

Definition, Interpretation and Rationale

Most countries indicate in their fourth national reports that limited capacity, both financial and human is a major obstacle to the implementation of one or more of the three goals of the Convention. National investment to strengthen capacity is poorly documented globally. However, in at least some biodiversity-rich countries, such as Mexico, that are documented, investment is increasing, and diversifying. Estimates for total current financing of biodiversity is of the order of \$36-38 billion US annually with around \$20-22 billion US being spend in developed countries and around \$15-16 billion US being spend in developing countries. Of this, some \$24 billion US is from domestic government spending (around \$16 billion US in developed countries and around \$8 billion US in developing countries). Market-based spending on biodiversity is currently rather limited. International financing for biodiversity conservation has been increasing and has been estimated to have grown by approximately 38% in real terms since 1992. Despite this increase, the capacity for implementing the Convention, in terms of trained staff and financial resources, is limited in most countries, especially in developing countries, and in particular the least developed countries and small island developing states. Currently, it is estimated that international financing for biodiversity, as reported to the OECD, is approximately \$3.1 billion US per year. (Various authors as cited by SCBD: <http://www.cbd.int/sp/targets/rationale/target-20/>)

A number of studies have attempted to estimate the funding needs for biodiversity. Some of the most well documented estimates have focused on the costs associated with protected area networks both at a regional and global scale. Estimates focusing on protected areas generally fall in the range of \$20 billion to \$50 billion a year. It is estimated that spending on tropical terrestrial protected areas needs to increase from about \$1 billion per year to about \$13 billion per year, while an additional \$6-20 billion US a year is needed for marine protected areas. Estimates that also include maintenance of biodiversity outside protected areas or for total ecosystem protection in the context of climate change mostly fall in the range of \$300–400 billion US per year. (Various authors as cited by SCBD: <http://www.cbd.int/sp/targets/rationale/target-20/>)

The capacity which currently exists in countries needs to be safeguarded and increased from current levels, in line with the process laid out in the Strategy for Resource Mobilization, in order to enable countries to meet the challenges of implementing the Convention's revised Strategic Plan. The fulfilment of this target will also have implications on the feasibility of achieving the other 19 targets contained in the revised Strategic Plan. While a full and precise costing of the actions needed to implement the revised Strategic Plan is not available, a rough comparison of estimates of current financing with the estimates on financing needs provided above reveals that, while existing financing is in the order of a tens of billions of dollars a year (including international aid flows in the order of a few billion dollars a year), total needs are of the order of a few hundreds of billions of dollars a year (including a tens of billions for protected areas a year). A recent review concludes "Scaling up successful approaches requires much greater investment in biodiversity conservation, by at least an order of magnitude". A proportionately greater increase is required in developing countries as compared to developed countries. This

might be achieved through a combination of aid flows, domestic spending, and market mechanisms. Meeting the MDG-related commitment for aid flows to reach 0.7 per cent GNI implies a doubling of aid and would also imply a doubling (or greater) of biodiversity-related aid, if the current percentage of aid that is biodiversity-related remains constant. Substantial increases in market-related mechanisms may be realized given the additional resources which are expected to become available through mechanisms such as "REDD-plus", and schemes related to ecosystem-based adaptation to climate change, and payment for ecosystem services. (Various authors as cited by SCBD: <http://www.cbd.int/sp/targets/rationale/target-20/>)

Assumptions

All countries will need to collect and compile information on biodiversity financing levels as well as the sources of funds be it through domestic or international flows, evaluate and mobilize financial resources in order to effectively implement the Strategic Plan for Biodiversity 2011-2020 and adapt their information to and report using the new reporting framework. The mobilization of financial resources should also increase substantially.

It is assumed that the exercise will require all countries some level of spending in order to accomplish the tasks: efficiently reallocating existing resources, increasing and allocating new funds to biodiversity, and reporting among others. The target will also be subject to changes contingent to resources needs assessments to be developed and reported by Parties. The need for revision and updates on a regular basis (every two years) is expected to be possible and probably necessary in the present assessment. It is further assumed that some activities that will be undertaken under other Targets (e.g. 2 and 3) contribute to Target 20 as well.

Challenges

The note on the implementation of this target indicates that this target should be seen as a common commitment by donors and recipient countries to take action, as appropriate, to both increase development cooperation funds available for biodiversity relevant activities, consistent with the Paris Declaration, and also to give appropriate priority in the use of those funds. It does not necessarily require the earmarking of funds by those donors which provide budget-wide support to developing countries. It assumes that developed countries will comply with their commitments under the Monterrey Consensus. In accordance with the Convention, financing will be from both domestic and international sources, including innovative financing mechanisms, in line with the Convention's Strategy for Resource Mobilization adopted at the ninth meeting of the Conference of the Parties to the Convention on Biological Diversity. Financing that is envisaged to become available for reducing emissions from deforestation and forest degradation is expected to provide substantial biodiversity co-benefits. Financing envisaged for adaptation also has a potential to become available for biodiversity-friendly ecosystem-based adaptation. Funds already committed for these purposes, as part of the Copenhagen Accord, are at least an order of magnitude higher than funds currently committed for biodiversity. The increase in capacity included as part of this target should be conducted bearing in mind the provisions of Article 20 of the Convention and on the resources needs assessment to be conducted and reported on by Parties during the eleventh meeting of the conference of the Parties in 2012 (<http://www.cbd.int/sp/targets/rationale/target-20/>).

However, the main challenge is that although these various sources of funds could be available, the amounts of fund that could be available from each are not well and reliably known. Paucity of data and information on funding from different sources and the exact sources of funds in the different countries is a major constraint. The use of the new reporting framework of the Strategy for Resource Mobilization applies to all countries.

Links to the CBD and COP Decisions

This target is related to Articles 20 on financial resources and 21 on the financial mechanism of the CBD and relevant decisions on the Strategy for Resource Mobilization.

Main CBD decisions that related to this Target are

COP-10: Decision X/3. Strategy for resource mobilization in support of the achievement of the Convention's three objectives:

- Concrete activities and initiatives including measurable targets and/or indicators to achieve the strategic goals contained in the strategy for resource mobilization and on indicators to monitor the implementation of the Strategy
- *X/3 para 7 (2):*
 - a) Assessed values of biodiversity, in accordance with the Convention;
 - b) Identified and reported funding needs, gaps and priorities;
 - c) Developed national financial plans for biodiversity;
 - d) Been provided with the necessary funding and capacity building to undertake the above activities

COP-9: Decision IX/11 - Strategy for Resource Mobilization

- Goal 1: Improve information base on funding needs, gaps and priorities, will be taken care of in NBSAPS.
- Goal 2: Strengthen national capacity for resource utilization and mobilize domestic financial resources for the Convention's three objectives;
- Goal 3: Strengthen existing financial institutions and, promote replication and scaling-up of successful financial mechanisms and instruments;
- Goal 4: Explore new and innovative financial mechanisms at all levels with a view to increasing funding to support the three objectives of the Convention;
- Goal 5: Mainstream biological diversity and its associated ecosystem services in development cooperation plans and priorities including the linkage between Convention's work programmes and Millennium Development Goals;
- Goal 6: Build capacity for resource mobilization and utilization and promote South-South cooperation as a complement to necessary North-South cooperation; and
- Goal 7 Enhancing implementation of access and benefit-sharing initiatives and mechanisms in support of resource mobilization

COP-10: Decision X/25: Additional guidance to the financial mechanism

- *Country-specific resource mobilization strategies,*
 6. *Requests* the Global Environment Facility to provide timely and adequate financial support to updating national biodiversity strategies and action plans, which may include the development of country-specific resource mobilization strategies.
- *Indicators and monitoring*
 8. *Requests* the Global Environment Facility to provide support to respond to the capacity needs of eligible Parties in developing national targets and monitoring frameworks in the context of updating their national biodiversity strategies and action plans;

Link to other Targets

As part of a cluster consisting of enabling activities, this Target is related to the Targets of its cluster most especially Target 17 that also deals with National Biodiversity Strategic Action Plan (NBSAPs), National Reports and the Clearing House Mechanism for effective dissemination, exchange and sharing of information and the creation of an overall country-specific resource mobilisation strategies with all other biodiversity related strategies. This Target is also related to Target 2 on the integrate biodiversity and ecosystems services into national accounting and reporting systems; Target 3 in terms of developing financial mechanisms and positive incentives in the framework of fiscal reforms; and Target 1 awareness of biodiversity values among many others.

2. ACTIONS

In 2011, with the support of the Japan Biodiversity Fund, the CBD Secretariat organized regional workshops for Parties to help them elaborate country-specific resource mobilization strategies in the framework of updated biodiversity strategies and action plans in response to Decisions X/2 and X/3 (source CBD Secretariat).

The GEF funded project *Support to GEF Eligible Parties (LDCs & SIDs) for the Revision of the NBSAPs and Development of Fifth National Report to the CBD- PHASE II* (<http://www.thegef.org/gef/content/support-gef-eligible-parties-ldcs-sids-revision-nbsaps-and-development-fifth-national-report>) has provided resources to a

number of countries to update their NBSAPs, which should include a country-specific resource mobilization strategy, and supports Parties in achieving Target 17.

Currently, not a single GEF eligible country has already elaborated its country-specific resource mobilization strategy since COP 10, as reported by the CBD Secretariat (<http://www.cbd.int/nbsap/about/latest/>).

It is not envisioned that a complete country-specific strategy on resource mobilization that includes an assessment of funding needs and the establishing of a monitoring and reporting framework with required indicators will be fully finalized by all GEF eligible countries until 2015. A certain number of developing countries may require more time to complete their strategy, needs assessments and monitoring facilities and may also need additional financial support.

Activity 1: Develop country specific resource mobilization strategies and reporting framework.

It is considered that all countries still need to finalize their strategy for resource mobilization and prepare the enabling environment including capacity building to establish a set of indicators and the required monitoring and reporting system. Reports should also be in line of the Resource Mobilisation Strategy's Reporting Framework.

Similar to the GEF contribution for revising NBSAPs, an amount of \$200,000 US (for staff costs, workshops, material, institutional capacity building) per country is considered for the lower estimate of the range could be considered for activities related to the development of country specific resource mobilization strategies and the respective monitoring and reporting system. For the higher estimate of the range the amount is doubled (i.e. to \$400,000 per country). This is because some of the work of this exercise is expected to be accomplished during the preparation of the National Biodiversity Strategic Action Plans (Target 2)

Once the reports are properly designed and completed, it is assumed that all countries will need to revise their assessments and reports every two years incurring about half of the initial amount, i.e. \$100,000 US to \$200,000 per country.

Activity 2: Implement country-specific resource mobilization strategies

The implementation of the country-specific strategy for resource mobilization falls under the responsibility of Parties and is closely linked to activities, such as

- Those related to Targets 2 and 3;
- Creation of enabling environment and institutional capacity building as regulation and governance of funds and mechanisms that are created, including compliance measures and participatory approaches of governance of financial mechanisms (Activity 1)
- Improvement of efficiency in use of funds, both ODA and domestic funds (Activity 1)
- Development of indicators and a monitoring and reporting framework to follow up on the country-specific resource mobilizations strategies (Activity 1)

Basic information on financing is accessible at the CBD website (<http://www.cbd.int>). In addition, the results of the *Dialogue Seminar on Scaling up Biodiversity Finance, Quito 6-9 March 2012* are useful sources of information on how to scale up biodiversity funding (information, presentations and literature can be found at: <http://www.dialogueseminars.net/>). This information can be used to develop country-specific resource mobilization strategies.

This activity is considered to be mainly funded under Target 2, 3 and 17 and through domestic budgets.

3. METHOD OF ASSESSMENT

The low estimate of cost per country is based on the amount used by the GEF-6 assessment (Scenario 1) and the high estimate of cost per country is double the amount used in Scenario 1 (Scenario 2). These amounts are expected to reflect cost ranges in the different countries. These are conservative estimates for the task. However, some of the inputs that could help achieve this Target are assumed or expected to come from work on Target 2 and 3 and other assessment.

4. ASSESSMENT OF RESOURCE NEEDS

The following table provide a preliminary assessment of the resource needs per country to meet Target 20 based on resource needs for the activities described above. The estimated costs involve an initial expenditure of \$200,000 to \$400,000 per country followed by 4 revisions at approximately every two years (recurrent expenditures) to meet the Target during the period 2013-2020. The two scenarios represent ranges of values of the different activities. The tables can serve as basis for discussion by the panel.

Table 0.1 gives the breakdown of estimated resource needs per country. As indicated in the previous sections it would cost on average about \$200,000 to \$400,000 to accomplish Action 1 that deals with the development of country-specific resource mobilization strategies and reporting framework initially and about \$400,000 to \$800,000 more in recurrent costs, for a total of \$600,000 to \$800,000 per country during the period 2013-2020. Action 2 is not costed since the implementation of the strategies falls under the responsibility of the Parties and it is also linked to other Targets and also activities in Action 1.

Table 0.1 Breakdown of estimated resource needs per country

ACTIONS/ACTIVITIES REQUIRED TO MEET TARGET 20	Estimated costs per country		Recurrent Expenditure - Every 2 years		Recurrent Total (2013-2020)	
	Scenario 1	Scenario 2	Scenario 1	Scenario 2	Scenario 1	Scenario 2
(in US \$)						
Action 1: Develop country specific resource mobilization strategies and reporting framework (with revision and update every two years - 4 revisions) 1.1 Finalize the strategy for resource mobilization 1.2 Prepare the enabling environment/capacity building to establish a set of indicators and the required monitoring and reporting system	200,000	400,000	100,000	200,000	400,000	800,000
Action 2: Implement country-specific resource mobilization strategies The implementation of such strategies falls under the responsibility of the Parties and is also linked to other Targets and activities.	0	0	0	0	0	0
TOTAL AMOUNT NEEDED PER COUNTRY	200,000	400,000	100,000	200,000	400,000	800,000

5. RESULTS

Tables 0.2-A summarizes the estimated resources required per country for meeting Target 20. The results indicate the need for \$600,000 to \$1,200,000 per country to achieve Target 20 over the period 2013-2020 or about \$75,000 to \$150,000 US per year and per country.

Table 0.2-A Summary of total resource needs per country

ACTIONS/ACTIVITIES REQUIRED TO MEET TARGET 20	Total Amount per Country 2013-2020		Average Annual Amount per country 2013-2020	
	Scenario 1	Scenario 2	Scenario 1	Scenario 2
(in US \$)				
Action 1: Develop country specific resource mobilization strategies and reporting framework (with revision and update every two years - 4 revisions) 1.1 Finalize the strategy for resource mobilization 1.2 Prepare the enabling environment/capacity building to establish a set of indicators and the required monitoring and reporting system	600,000	1,200,000	75,000	150,000
Action 2: Implement country-specific resource mobilization strategies The implementation of such strategies falls under the responsibility of the Parties and is also linked to other Targets and activities.	0	0	0	0
TOTAL AMOUNT NEEDED PER COUNTRY	600,000	1,200,000	75,000	150,000

Table 0.2-B shows the results for 50 and 197 countries. The results indicate the need for \$30 million to \$60 million US or an average annual amount of \$3.75 million to \$7.5 million US for 50 countries during the period 2013-2020. The amounts will double where the number of countries is raised to 100. Globally (i.e. 197 countries) would require \$118.2 million to \$236.4 million US with an average annual amount of \$14.78 million to \$29.55 million US for the period 2013-2020.

Table 0.2-B Summary of total resource need for 50, and 197 countries

ACTIONS/ACTIVITIES REQUIRED TO MEET TARGET 20	Total Amount , 2013-2020		Average Annual Amount 2013-2020	
	Scenario 1	Scenario 2	Scenario 1	Scenario 2
50 countries	(in US \$)			
Action 1: Develop country specific resource mobilization strategies and reporting framework (with revision and update every two years - 4 revisions)	30,000,000	60,000,000	3,750,000	7,500,000
1.1 Finalize the strategy for resource mobilization				
1.2 Prepare the enabling environment/capacity building to establish a set of indicators and the required monitoring and reporting system				
197 countries	(in US \$)			
Action 1: Develop country specific resource mobilization strategies and reporting framework (with revision and update every two years - 4 revisions)	118,200,000	236,400,000	14,775,000	29,550,000
1.1 Finalize the strategy for resource mobilization				
1.2 Prepare the enabling environment/capacity building to establish a set of indicators and the required monitoring and reporting system				
Total for 197 countries (Global)	118,200,000	236,400,000	14,775,000	29,550,000

Note: Since Activity 2 was not costed, it is not included in this Table.

6. DISCUSSION

The above required amounts to achieve this target could be subject to change as also indicated in the Target 20 definition itself. The required amounts are needed to be able to get to the implementation stage. Implementation is the responsibility of the Parties. The recurrent costs are essential for this Target since once the resource mobilization strategies and the reporting framework are developed, they will need to be regularly evaluated and updated at least every two years as assumed in the above assessment.

Although there could be differences in resource needs from country to country, there is a high level of confidence in the estimated amounts that are presented for the selected activity. Since the estimation partly drew lessons from the GEF, the total amounts are expected to be representative of costs per country on average. Hence, these amounts are also used to estimate the global amounts.

Just like the case of Target 17, the estimates may be sensitive to changes and shocks in socio-economic, political and climatic conditions among other, that affect the amount and types of resources in a country. Where major changes/shocks occur, adjustments and revisions to the country specific resource mobilization strategies and all related activities will also be required much sooner than planned and could cost more. Work for other Targets such as Target 2, 3 and 17 are also expected to contribute by providing input to Target 20. However, if this does not happen overall, Target 20 may cost much more. Hence, the above estimates can be viewed as conservative.

Table 1.1 Gap Analysis for Target 20

Target 20	
Evidence on costs	Strength of evidence (low) – Cost from GEF-6 assessment used; Extent to which further research is required (considerable)
Evidence on current levels of expenditure	Strength of evidence (medium to low for funding levels and funding sources per country and amount necessary to develop strategies Extent to which further research is required (considerable)
Other Targets	

Target 20	
Links to other Targets	Both within its cluster and with other Targets (such as 2, 3, 17) – Link with other targets as well since the Strategies for Resource Mobilisation may impact other Target when it gets to the implementation level.
Evidence on potential co-benefits	Both within the overall cluster and between Targets (possible) Strength of evidence (low) Extent to which further research is required (considerable)
Other policy areas	
Related policy areas outside of biodiversity	e. g. climate change, rural development, health, agriculture, etc. The target deals with strategies of resource mobilization – Where the Strategies are well appropriately and developed, they will contribution to the better achievement of the objectives of the Convention and all other sectors that depend on biological diversity as well.
Evidence on potential benefits to other policy areas	Extent of potential benefits (very high): can contribute to sustainable development Extent to which further research is required (considerable) – Parties have yet to identify all sources of funding, estimate amounts that are available and the gaps thereof and develop strategies among other...

Benefits of delivering the target

"The effective implementation of the strategy for resource mobilization will require an unremitting effort of all relevant stakeholders of the Convention at all levels. Political will and commitment to better recognize the importance of biological diversity in sustainable development must be reinforced in order to achieve the funding target" -- Strategy for resource mobilization, paragraph 11.

"The strategy for resource mobilization is intended to assist Parties in establishing national targets, goals and objectives as well as actions and timeframes, and in considering the establishment of financial mechanisms and other options, to implement the financial provisions of the Convention at all levels, based on success stories and good practices... National implementation should include, as appropriate, the design and dissemination of a country-specific resource mobilization strategy, with the involvement of key stakeholders such as non-governmental organizations, indigenous peoples and local communities, environmental funds, businesses and donors, in the frame of updated national biodiversity strategies and action plans" – Strategy for resource mobilization, paragraph 12. (<http://www.cbd.int/financial/strategy/country-specific/>).

Where Target 20 is met, proactive and strategic measures can be readily taken to conserve, sustainably use and fairly and equitable access and share the benefits of biological resources. Through better funding for biodiversity, the achievement of the Target will not only contribute to sustainable development but also to the well-being of society as a whole.

As far as funding opportunities are concerned, the Global Environment Facility (GEF) is one source of funding. Considering the advantages and benefits of the strategies investments to enable such activities would be worth it. The GEF has also been catalyst for leveraging large amounts of funds for projects with global environmental benefits. So far the funding evidences that are readily available are those from the GEF. Overall, the Target could potentially benefit from internal and external funding sources.

Since many national biodiversity strategies and action plans have not been appropriately implemented in the past decade, the significance of country-specific resource mobilization strategies will reveal gradually over time. According to decision X/3, regional workshops will be organized to support the development of country-specific resource mobilization strategies and monitor their implementation. Global Environment Facility will provide financial support to eligible countries for developing country-specific resource mobilization strategies. The indicative guidelines for country-specific resource mobilization strategies are also available for consultation.

For the biennium 2011-2012, the following activities are expected:

Country-specific resource mobilization strategies will be developed around the world;

Global Environment Facility and other donors extend financial support to the development of country-specific resource mobilization strategies;
Regional and subregional workshops to provide technical support and exchange information and experiences on country-specific resource mobilization strategies, with the possibility of developing regional or subregional resource mobilization strategies. <http://www.cbd.int/financial/strategy/country-specific/>

ICF GHK/ WCMC, First draft, 28.8.12