

Methodologies for financial reporting and planning under the CBD

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International expert workshop on identifying, accessing, compiling and aggregating domestic and international biodiversity-related investments and impacts

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Convention on
Biological Diversity



The Global Context

- Article 20 of the Convention
- COP-10: Strategic Plan for Biodiversity 2011-2020 plus 'implementation machinery':
 - ✓ review, update and revise, as appropriate, NBSAPs;
 - ✓ Develop national target(s);
 - ✓ Adopt revised NBSAPs as a policy instrument;
- Aichi Target 20 of the Strategic Plan for Biodiversity 2011-2020:

Substantial increase from the current levels by 2020, at the latest, of the mobilization of financial resources for effectively implementing the Strategic Plan for Biodiversity 2011-2020 from all sources...
- UNU-IAS gap analysis of existing NBSAPs:
 - many existing NBSAPs do not adequately address the mobilization of resources necessary for their implementation

COP-12: financial targets

- Adoption of financial targets, under Aichi Target 20: (decision XII/3):
 - Doubling international biodiversity-related funding flows to developing countries by 2015...
 - Inclusion of biodiversity in national priorities or development plans by 2015...
 - Reporting domestic biodiversity expenditures, as well as funding needs, gaps and priorities, by 2015
 - Preparation of national financial plans for biodiversity by 2015 and assessment and/or evaluation of the values of biodiversity
 - Mobilize domestic financial resources from all sources to reduce the gap between identified needs and available resources at domestic level

COP-12: financial reporting and planning

- Adoption of a financial reporting framework for reporting by end of 2015
- Noted with appreciation the work of the UNDP biodiversity finance (BIOFIN) initiative for supporting development of national resource mobilization strategies (recalling X/3, para 2)
- Requested the Executive Secretary to convene the present workshop...

Workshop objective

- Decision XII/3, para 32(c): to provide voluntary guidance for Parties, with a view to facilitating:
 - financial reporting on domestic expenditures
 - and the development of national finance plans.

“...considering the lack of clarity and difficulties in estimating ‘funding need’ and ‘funding gap’ it appears that much more thought and deliberations would be required, so as to develop further guidance...”

(submission from India commenting on the draft financial reporting framework)

Workshop tasks

- to look at methodologies for identifying, accessing, compiling and aggregating domestic and international biodiversity-related investments and impacts, with a view to:
 - a. Presenting, sharing and reviewing experiences;
 - b. Assessing experiences and methodologies applied in other sectors with a view to identifying opportunities for methodological transfer;
 - c. Identifying options for convergence towards, and possible elements of, a common methodology.

Workshop structure

- Day 1: international funding streams
- Day 2: domestic funding streams: ex post assessments (expenditure review)
 - Including measuring contribution of collective action
 - Dialogue workshop thereon to take place in June 2015, in Guatemala
- Day 3: domestic funding streams: ex ante assessments (costing)
- Identification of common themes/threads: further discussion in break-out groups
- Collection of material

Lead questions

- a. What are the main methodologies (and associated definitions) available, including from other sectors?
- b. What is their respective scope and what are important common features and critical differences?
- c. What are the main challenges faced in using the methodologies and are some methodologies better suited to particular circumstances and, if so, to which ones?
- d. What are possible areas of convergence towards (elements of) a common methodology (and associated definitions)?
- e. What are remaining critical (data and methodological) gaps and challenges and what would need to be done to address these?
- f. Who should be responsible for, or lead, further methodological development, with what resources? What next steps?

Possible common themes

- Conceptualizing/defining the term “biodiversity-related” investment
- Coefficients - attributing the percentage of financial resources to “indirect” biodiversity activities (<100% attributable)
- Private sector – including NGOs and businesses
- Sub-national level – expenditures by provincial and local governments
- Biodiversity-harmful expenditures
- Assessing impacts in a finance context

4 break out groups

- Conceptualizing/defining the term “biodiversity-related” investment
Facilitator: Lyes Ferroukhi
Technical support: Jamison Ervin
- Coefficients - attributing the percentage of financial resources to “indirect” biodiversity activities (<100% attributable)
Facilitator: Andreas Gettkant
Technical support: Markus Lehmann
- Private sector – including NGOs and businesses
Facilitator: Gabriela Blatter
Technical support: David Meyers
- Assessing impacts in a finance context
Facilitator: Carlos Manuel Rodriguez
Technical support: Marlon Flores

Thursday: break out groups

Continuation of the work of the group on coefficients

- With capacity support from the definitions group
- Task: further look into areas of convergence/next steps
 - What meaningful guidance can be given the short run (basic principles/criteria)
 - What can be medium- to long-term aims/objectives
- Facilitator: Ms. Gabriela Blatter

Group on negative/harmful expenditures

- Task:
 - How could it be meaningfully reflected in expenditure review?
 - What are the challenges?
 - What could be next steps?
- Facilitator: Mr. Carlos Munoz Pina

Group on using SEEA?

Way ahead

Decision XII/3, para 32:

Requests the Executive Secretary:

(b) to initiate technical work (...) by organizing a technical expert workshop on identifying, accessing, compiling and aggregating domestic and international biodiversity-related investments and impacts, with a view to (i) presenting, sharing and reviewing existing national experiences; (ii) assessing experiences and methodologies applied in other sectors with a view to identifying opportunities for methodological transfer; and (iii) identifying options for convergence towards, and possible elements of, a common methodology;

(c) To make the report of the workshop referred in paragraph 32 (b) above available as an element of voluntary guidance for Parties, with a view to facilitating financial reporting on domestic expenditures and the development of national finance plans;

Way ahead

Outputs

- Main body of report: Factual record
 - including discussion on collective action methodologies
- Annex: Guidance document reflecting: existing methodologies and experiences, options for convergence towards, and elements of a common methodology.
 - using record of discussions and outputs of break-out groups

For reporting: practical, step-by-step guidance for reporting framework, cross-referencing the report above

Process

Factual report out asap for review by group

Early harvest on collective action

Early harvest on definitions and coefficients

Annex by July

Practical guidance by September