



Convention on  
Biological Diversity

# **Progress related to the Strategy for Resource Mobilization under the Convention**

International Workshop on Financing for Biodiversity  
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# Disclaimers



- The cause-effect relationship has not been tested
- The observed progress may not **necessarily** attributed to the Strategy for Resource Mobilization
- If related, it may not **entirely** be attributed to the Strategy

# Sources of information



Convention on  
Biological Diversity

COP-10

Report on the review of implementation

Global monitoring report

COP-11

Report on the review of implementation

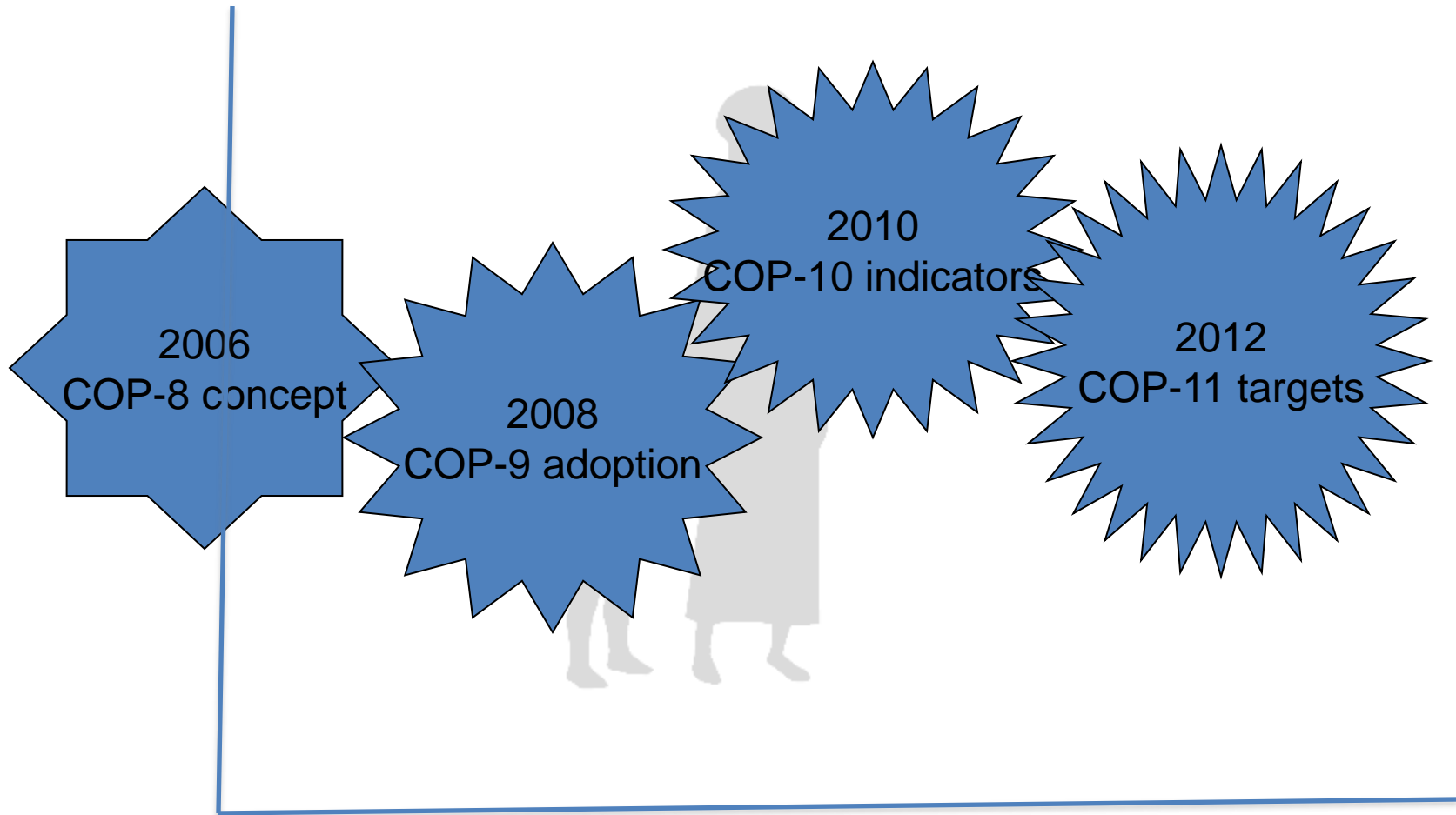
Global monitoring report

COP-12

Report on the review of implementation

Global monitoring report

# Overall Progress: Mission (indicator 1)



# Private sector financial flows (1/2)



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- Ninety-one Parties, about 47 percent of the CBD membership, have demonstrated a wide range of enabling measures and partnership arrangements.
- Nine countries have established a time series of trends over six years in private sector financing for biodiversity and ecosystem services, and only one-fifth of the countries indicate some increase in private sector funding, with a downward trend for the rest.
- The importance of private/market financing also varies across countries. Private/market financing accounts for 33% -38% of total financing in 2010-2011 in United Kingdom, 8% - 7.3% in 2009-2010 in Canada, and 19.6% in 2010 in France

# Non-governmental financial flows (2/2)



- Overall upward trend in the countries where information has become available, despite some headwinds in 2012.
- The importance of this source of funding range from 4% of total financing in 2010 in United Kingdom, 5.9% in 2009 in Canada, 8% in 2010 in France and 17% in 2012 in Switzerland.
- The combined revenues of seven largest non-governmental organizations, namely WWF, Birdlife International, Flora and Fauna International, Wildlife Conservation Society, World Resource Institute, Conservation International and The Nature Conservancy, from all sources, recovered from a dip in 2009, but declined noticeably in 2012, mainly due to the decreased revenues of the Nature Conservancy

# 3. Domestic Mobilization (1/2)



- A total of 126 Parties, which represents 65 per cent of the CBD membership, have assessed and/or evaluated the values of biodiversity. **TARGET MET**
- The number of countries that have identified and reported funding needs, gaps and priorities, developed national financial plans for biodiversity, with the necessary funding and capacity-building is still vaguely defined as there is no elaborated framework to follow and thus serve as a criterion for judgment making. Only a few countries have made known their resource mobilization plan or strategy. An assessment of the 25 revised/updated national biodiversity strategies and action plans has demonstrated weaknesses in varied approaches to national financial planning. **TARGET LIKELY TO BE MISSED**

# Domestic Mobilization (2/2)



- The 168 countries, some 87 percent of the CBD membership, are broadly evenly distributed among different developing regions as well as in the developed world, and a large number of countries have more than one environmental fund, with significant contribution to biodiversity conservation.
- Suriname Conservation Foundation covers 100 percent of costs of Central Suriname Nature Reserve, Peru's PROFONANPE provides for 75 percent of costs of national protected area system, Bolivia's FUNDESNA is responsible for 50 percent of total costs of national protected area system, Ecuador's FAN shares 20 percent of costs of national protected areas system, and Mexico's FMCN shoulders 14 percent of total costs of the national protected areas system



## 4. Domestic Expenditure



Over 55 percent of the CBD membership has made efforts to compile and report domestic biodiversity expenditure, but only 44 countries were able to establish time series data for certain periods of time. Over 86 percent of the time series experienced some fiscal fluctuations in financing biodiversity, but their overall trends still went up nominally. Only six countries (14 percent) saw that their budgetary allocations to biodiversity and the environment decreased consecutively over the years. **TARGET LIKELY TO BE MISSED**

# Africa: Domestic Expenditure



- Burundi: allocations from the budget to the Ministry in charge of Agriculture and Livestock have gradually increased to above 10% of the annual state budget.
- Ethiopia: directly related central biodiversity expenditure increased from USD 2 million in 2006 to USD 10 million in 2010.
- Namibia: approximately 2.9% of total expenditure and 0.9% of GDP was spent on biodiversity in 2010.
- Gambia: Allocation to Department of Parks and Wildlife increased from D3.34 million in 2007 to D5.07 million in 2012.

# Americas: Domestic Expenditure



- Cuba: biodiversity expenditure increased from 399.2 million pesos in 2010 to 488.5 million pesos in 2012.
- Brazil: all level biodiversity spending increased from 2,813.35 million US dollars in 2006 to 3,858.73 in 2010.
- Columbia: the percentage share of the environmental sector was 0.71% in 1998, 0.27% in 2009, and 0.39% in 2013.
- Canada: a 2012 survey - an estimated \$41.3 billion in nature-related expenditures

# Asia: Domestic Expenditure



- Kazakhstan: steady increase from \$ 212.8 million in 2010 to \$ 253.9 million in 2014. Investments for transition to a “green economy” - 1% of GDP until 2050.
- China: the investments increased from 9.7 billion yuan RMB in 2001 to 21.77 billion yuan RMB in 2011, with the average annual increase of 13.7%.
- India: central and state biodiversity expenditure increased from 1.06 billion US dollars in 2006 to 1.55 billion US dollars in 2010.

# Europe: Domestic Expenditure



Denmark: 226.59 million USD in 2006; 370.43 in 2012

Norway: 2,376.94 million NOK in 2006; 3,698.89 in 2010

Croatia: 61.59 million euros in 2006; 73.21 in 2010

Greece: 53.32 million euros in 2007; 110.74 in 2013

Italy: 1,378.99 million euros in 2010; 1,813.48 in 2012

France: 1,064 million euros in 2007; 1,589 in 2011,

Netherlands: 301.2 million euros in 2007; 551.2 in 2010

Switzerland: 578.6 million CHF in 2006; 748.8 in 2011

## 5. GEF Funding



Some 35 countries have pledged resources in the fifth and sixth replenishments of the Global Environment Facility Trust Fund: 17 participating countries increased their pledges for the sixth replenishment over the fifth replenishment, 4 maintained their level, and 14 were not able to sustain their efforts.

The grand total of the sixth replenishment of the GEF Trust Fund increased to a total of \$4.433 billion by around 4% nominally, and decreased by over 10% in real term, over that of the fifth replenishment. The targeted allocation to biodiversity focal area was increased nominally by 7%, from GEF5 to GEF6

## 6. Support to financial institutions



The grant facilities of the major international financial institutions have seen increased replenishment results in the recent negotiations except for the International Development Association.

- International Fund for Agricultural Development (IFAD): 25% increase in IFAD9 over IFAD8
- Asian Development Fund: 11.1% increase in SDR (9.5% in USD terms) over ADF X
- African Development Fund: a slight increase over their contributions for ADF-12 (2011-2013)
- International Development Association: IDA17

## 7. INTERNATIONAL MAINSTREAMING



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Nearly all members of the 29 OECD/DAC have established certain policies and programmes related to biodiversity and ecosystem services. Several standing-alone policies

Switzerland decided not to make the environment a cross-cutting issue in the 2013-16 Dispatch as the environment is now an integral part of Switzerland's overall approach to development, which aims to support global sustainable development. Its two agencies, SDC and SECO, have guidance and policies for taking account of the environment in programming.



## 8. DEVELOPMENT INTEGRATION



A total of 165 Parties are known to undertake integration efforts, that is, 85 per cent of the number of Parties to the Convention has considered biodiversity in their national priorities or development plans. **TARGET MET**

Many reported efforts appear to be incidental or random inclusion, not institutionalized, intentional or planned. Only a dozen of countries indicated that biodiversity was explicitly considered in integrating into national budgetary processes

## 9. SOUTH SOUTH COOP (1/2)



- Contributions from developing countries (excluding local resources) through the United Nations development system for operational activities for development totalled \$562 million in 2011 and have increased by some 16 per cent in nominal terms since 2006. About half of this funding was in the form of core contributions.
- Thirty five Parties, including several developed countries, are known to have undertaken South-South cooperation initiatives, and they account for less than one fifth of the CBD membership.

## 9. SOUTH SOUTH COOP (2/2)



- While there are examples of biodiversity projects in South-South cooperation, information is very limited, nor to mention any time series data.
- No concrete progress in the consideration of establishing a South-South biodiversity cooperation trust fund.
- Triangular cooperation: agreements for Sustainable Development signed between the Netherlands, Bhutan, Costa Rica, and Benin have fostered technical and policy exchange with Costa Rica for Bhutan and Benin. Japan Platform for SSC

# **10. TECHNICAL COOPERATION AND CAPACITY BUILDING**



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- Twelve developed countries indicated that the amount of technical cooperation funding have increased in the period 2010-2012, while nine reporting developed countries, which represents nearly 43 percent of the reporting countries, saw fluctuations, with decreasing trends, in their technical cooperation funding.

# 11. GLOBAL AWARENESS INITIATIVES



- United Nations Conference on Sustainable Development or Rio +20, resolutions on biodiversity by the United Nations General Assembly
- NOT Annual Ministerial Reviews and Development Cooperation Forums of the United Nations Economic and Social Council, annual meetings of governing boards of International Monetary Fund and the World Bank, Group of Eight (G-8), Group of Twenty Finance Ministers and Central Bank Governors (G-20)
- Intergovernmental Committee of Experts on Sustainable Development Financing through the UN System Task Team Working Group on Financing for

## 12. INTERNATIONAL FLOWS



- 2010-2012: 14 countries showed a declining trend in biodiversity-related ODA, and thus outnumbered the countries that demonstrated increasing support. About 15% of the decline is attributed to the fall.

### **TARGET PROBABLY TO BE MISSED**

- Latest information: 17 of its 28 member countries increased their ODA in 2013, while 11 reported a decrease. Development aid rose by 6.1% in real terms in 2013 to reach the highest level ever recorded of USD 134.8 billion in net official development assistance, marking a rebound after two years of falling volumes.

## 13. FISCAL INCENTIVES



- Half of the CBD membership has demonstrated certain fiscal measures in favor of biodiversity objectives. Subsidy reform, removal or phase out is mostly reported in the European countries, with technical influence from the European Union and OECD
- Diverse fiscal approaches to biodiversity and ecosystem services in different developing countries, from tax exemptions to green public procurement and intergovernmental fiscal transfers. Resourcing impacts of these fiscal measures are yet to be determined, particularly with regard to subsidy

## 14. NEW AND INNOVATIVE FINANCIAL MECHANISMS



- Examples of payment for ecosystem services in 97 countries, representing just above 50 percent of the CBD membership
- Examples related to biodiversity offsetting in 42 countries, roughly above one fifth of the CBD membership
- Examples concerning market for green products in 82 countries, just above 42 percent of the CBD membership.
- The literature on these innovative financial mechanisms has grown considerably



## 14. PES



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- Uganda: about US\$2 million per year from small PES projects
- South Africa: the budget of Working for Water grew by 151% from R477 million in 2009 to R1.196 billion in 2013
- Japan passed the Act on fulfilment of multifunctional roles of agriculture which legislates the scheme of the Japan direct payment system in June 2014 and will be enforced in April 2015
- United Kingdom (Defra) published the PES Action Plan and Best Practice Guide in May 2013

## 14. OFFSETS



- A proposal for establishing a European compliance market with a size probably equivalent to that of the US market could yield \$10 billion per annum by 2020 in potential resources from the compliance markets of developed countries (as opposed to just \$70 million for voluntary compensation).
- French study: Superoffsetting amounting to 10% of the total cost of compensation operations would therefore generate \$1 billion per annum by 2020

## 14. GREEN MARKETS



- 10% of the world's forests or one third of timber production forests are under “good management” certification, but less than 2% of tropical forests are certified. 30% of the industrial roundwood produced globally is certified, but less than 2% of tropical timber. The potential resources allocated to biodiversity for timber: \$5 to 20 billion per annum.
- Certified coffee accounted for 8% of world coffee exports in 2009 and could reach 20 to 25% by 2015, generating a premium of \$50 to 100 million by 2020.
- Certification in the agriculture sector – including fisheries: \$5 to 10 billion in 2020

## 14. CHARITIES: EUROPE



- 62 foundations provided 1,956 environmental grants in 2011, amounting to €417.7 million.
- The thematic issue category receiving the most funding was biodiversity & species preservation, accounting for 24.2% of grants by value. Combined with 'terrestrial ecosystems & land use' (12.3%), the 'natural environment' categories account for more than a third of the value of all grants given (€152.5 million)

## 14. CHARITIES: USA



- The Foundation Center estimates, environmental funding by U.S. foundations stayed consistent at \$2.7 billion between 2007 and 2009.
- The overall environmental movement experienced a 2.4% drop in funding in 2010 but bounced back in 2011 reaching an all-time high of \$2.8 billion.
- Biodiversity & species preservation account for 14% of the total environmental grants, terrestrial ecosystems & land use 12%, fresh water / inland water ecosystems and coastal & marine ecosystems 20%

## 14. INTERNATIONAL INNOVATIONS



- Air ticket levy by nine countries has raised 1.35 billion USD since 2006
- Financial transaction tax in France allocated 60 million Euros to development in one year (2012-2013)
- Belgium allocated 88 million Euros from the national lottery to a Special Fund for Food Security and Agriculture
- The Group published an expert study on innovative initiatives for biodiversity financing, exploring green markets, converting harmful subsidies and offsetting.

## 14. CLIMATE FINANCING



- A CO<sub>2</sub> charge of \$25/ton could raise revenues of around \$250 billion from OECD countries in 2020, while costing less than 0.1 percent of GDP on average (if revenues are used productively).
- Charges for international aviation and maritime fuels could raise upwards of \$20 billion a year. The Green Climate Fund was designated as an operating entity of the financial mechanism of the UNFCCC, in accordance with its Article 11.

## 15. ACCESS AND BENEFIT SHARING



- In a sample of 44 countries with access and benefit sharing agreements, 65 per cent of them are located in the top 40 countries (about one fifth of CBD membership) of the GEF benefits index for biodiversity.
- Nagoya Protocol Implementation Fund (NPIF)
- Between January 2009 and December 2013, 175 permits have been issued in Australia under the access and benefit-sharing provisions of the Environment Protection and Biodiversity Conservation Regulations 2000



# Tragedy of Trust

