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**GEF**

Distr.  
GENERAL

CBD-GEF/WS-Financing/2  
17 July 2001

ORIGINAL: ENGLISH

WORKSHOP ON FINANCING  
FOR BIOLOGICAL DIVERSITY  
Havana, Cuba, 16-17 July 2001  
Item 7 of the provisional agenda\*

## JOINT SUMMARY OF THE CO-CHAIRS OF THE WORKSHOP ON FINANCING FOR BIOLOGICAL DIVERSITY

### INTRODUCTION

#### A. *Background*

1. In its decision V/11, the Conference of the Parties to the Convention on Biological Diversity decided to “Invite(s) the Global Environment Facility to assist the Executive Secretary, in collaboration with the relevant international organizations and institutions, to convene a workshop on financing for biodiversity with a view to sharing knowledge and experience among funding institutions, and to explore the potential of the Global Environment Facility to act as a funding catalyst.” The Conference of the Parties also requested the workshop to provide further advice to the Executive Secretary on developing a format for standardized information on financial support from developed country Parties for the objectives of the Convention.

2. In response to those requests, the Workshop on Financing for Biological Diversity, jointly sponsored by the Secretariat of the Convention on Biological Diversity and the Global Environment Facility, was held in Havana, Cuba, from 16 to 17 July 2001.

#### B. *Attendance*

3. The representatives of funding institutions, development agencies and organizations that are active in the matter of financing for biological diversity were invited to the meeting. A list of participants is contained in annex I to this summary.

### ITEM 1. OPENING OF THE MEETING

4. The Workshop was opened by Mr. Arthur Nogueira, Principal Officer of the Secretariat of the Convention on Biological Diversity at 10:00 a.m. on Monday 16 July 2001.

\* CBD-GEF/WS-Financing/1.

5. On behalf of the two sponsors, the Convention on Biological Diversity and the Global Environment Facility, Mr. Nogueira welcomed all participants and expressed gratitude to the Government of Cuba for hosting this workshop. Noting that the meeting is first and exploratory in its nature, Mr. Nogueira provided a brief description of the developments of financing issues under the Convention. On domestic financing, he noticed two areas of work identified by COP: monitoring of financial support to biological diversity, and promotion of the involvement of private sector. On international grants through the financial mechanism, he pointed out that the relationship between the Convention and the Global Environment Facility has been, through decision III/8, very well established, and this relationship has captured the modern philosophy of financial management requiring the separation of responsibility for guidance-making on one side and implementation on the other, thus setting a model example for financial mechanisms of other international processes. He also felt that the Conference of the Parties needs to take up the task, as envisaged in decision III/8, paragraph 5, of undertaking an assessment of the amount of funds that are necessary to assist developing countries in anticipation of the replenishment of GEF. He highlighted the importance of collaboration with bilateral, regional and multilateral funding sources given to by the Conference of the Parties. He informed participants that the website of the Convention already provided extensive information on biodiversity-related funding institutions. However, he felt that the relationship between the Convention and funding institutions and other organizations, and exchange of information and knowledge on financing for biological diversity still requires further development. The full text of his opening remarks can be found in annex II to this summary.

6. The representatives of the Convention Secretariat and the Global Environment Facility acted as Co-Chairs for the meeting.

7. A full list of documents for the meeting is contained in annex III to the present summary.

## **ITEM 2. ORGANIZATIONAL MATTERS**

### ***2.1. Introduction of participants***

7. At the opening session of the Meeting, on 16 July 2001, participants introduced themselves to each other.

### ***2.2. Adoption of the agenda***

8. The Meeting adopted the following agenda on the basis of the provisional agenda proposed in document CBD-GEF/WS-Financing/1:

1. Opening of the meeting.
2. Organizational Matters:
  - 2.1 Introduction of Participants;
  - 2.2 Adoption of the agenda;
  - 2.3 Organization of work.
3. Sharing knowledge and experience among institutions.

4. The Global Environment Facility as a funding catalyst for identifying and coordinating additional financial resources.
5. Advice on developing a format for standardized information on financial support.
6. Other matters.
7. Joint Summary of the Co-Chairs.
8. Closure of the meeting.

### **2.3. *Organization of work***

9. The Meeting adopted the provisional programme for the organization of work.

### **ITEM 3. SHARING KNOWLEDGE AND EXPERIENCE AMONG INSTITUTIONS**

10. Noting that one of the objectives of the workshop was for institutions to share experience and knowledge identified by decision V/11, Mr. Nogueira invited participants to present their own programmes and activities of relevance to biological diversity.

11. The representative from Belgium made the first presentation. He provided a brief on both the policy development and project portfolio of the Belgian development aid. Regarding policy development, he highlighted the crucial importance of integrating environmental consideration in general and biodiversity considerations in particular for any sustainable development strategy. The federal budget for development aid attained almost 1 billion euro in 2000, which represented 0.36% of its GDP. In the area of biodiversity, he gave the examples of Belgian support through the GEF, transfer of Belgian clearing-house know-how to several African countries. He felt that a demand-driven approach is the best way to ensure that local needs and constraints are taken into account. In this respect, Belgium set up a corps of development attaches, which work in close cooperation with the local Belgian embassies.

12. The representative of IUCN focused her presentation on innovative financial mechanisms and private sector investment in the area of biological diversity. She informed the workshop that IUCN Economics Unit has worked on these issues for several years and relevant information is available through the website of IUCN. In Africa, IUCN and IFC, with GEF funding, have begun an initiative to identify demonstration projects for involving private sector in biodiversity projects and also for harnessing private financial resources for purposes of conservation. IUCN also examines private business opportunities in the World Heritage biodiversity sites. In Asia, IUCN is supporting countries to develop funding strategies for their national biodiversity strategies and action plans. She opined that information sharing should involve private sector. An important area of work is to consider how to mainstream biodiversity into poverty alleviation policies and strategies.

13. The World Bank representative analyzed the Bank's biodiversity portfolio. The Bank has provided 2.6 billion US dollars to biodiversity projects between 1988 and 1999. He pointed out that 23 percent of this total was from GEF grants, 38 percent from co-financing and 39 percent from money borrowed. He highlighted that the steady increase in money borrowed for conservation is a welcome sign to the Bank. The portfolio for the last two years is being updated

and will also be available through the Bank's website. The Bank has recently produced an environmental indicators map which contains a Bank biodiversity projects mapped against critical biodiversity areas as defined by a compilation of WWF's Global 200 Ecosystems, as hotspots and birdlife's critical areas. He suggested that this could serve as a model for identifying gaps in biodiversity financing. The Bank is quite keen to share that information widely and is placing it on the Bank's website.

14. The representatives from the GTZ provided updated information on the Germany Sector Project "the Implementation of the Convention on Biological Diversity", within which a Project "Implementation of the Cartagena Protocol on Biosafety" is under advanced development. They also informed the workshop that Germany has developed "Program of Action 2015: The German Government's Contribution Towards Halving Extreme Poverty Worldwide (April, 2001)", which contains the provisions on biological diversity. The German Sector project "protected area management" placed a strong focus on sustainable financing. A publication on a recent regional workshop in Nicaragua was presented and a comprehensive guide for financing protected areas will be published in September 2001 on CD Rom, on the web and in print. It is an effort to support practitioners and decision makers, coordinated with IUCN and other conservation organizations.

15. The representatives of Canada demonstrated a wide array of modalities to support biodiversity. In addition to its direct support to the Secretariat of the Convention, to the clearing-house mechanism, to the participation of developing countries in the Convention process, Canada has provided substantial financial support to biodiversity projects through the Canadian International Development Agency (CIDA), IDRC and other governmental agencies, and also through the Global Environment Facility. CIDA is being restructured to give more emphasis to international environmental conventions. They observed that certain recipient Parties are sometimes not well prepared for the CBD meetings, and this has led to the concern over the effectiveness of financial support provided to facilitate the participation of developing countries in the CBD processes. They highlighted the importance of economic dimension of biodiversity, and felt that linkages with development themes will assist with the consideration of support to biodiversity by funding institutions. For instance, further elaboration on access to genetic resources and benefit-sharing, intellectual property rights, and poverty alleviation have the potential for generating interests in financing biodiversity projects. They felt that coordination of funding needs to be carried out in developing countries, and knowledge of access to funding institutions should be widely disseminated.

16. The ITTO representative informed the workshop that the mandates of ITTO are to promote sustainable management of tropical forest in general and conservation of biological diversity in particular. ITTO has developed several guidelines of relevance to the forest biological diversity, including those for the sustainable development of natural tropical forests (1990), for the establishment and sustainable management of planted tropical forests (1993), on the conservation of biological diversity in tropical production forests (1999), and on fire management in tropical forests (1997). ITTO has developed criteria for the measurement of sustainable tropical forest management (1992), criteria and indicators for sustainable management of natural tropical forests (1998), and manuals for the application of criteria and indicators for sustainable management of natural tropical forests (1999). Project activities are an important aspect of ITTO work. Since its inception, ITTO has funded more than five hundred projects, pre-projects and activities valued at some US\$200 million. ITTO also works to develop transboundary conservation areas, and two of such conservation projects covers a total area of almost one million hectares.

17. According to the representative of GTZ for the Mesoamerican Biological Corridor, the project was an example of partnership between bilateral development agency and the GEF. He pointed out that loss of biodiversity is loss of options for future development. Biodiversity is inter-sectoral, cutting across agriculture, energy, tourism, etc.. There is a need to use economic means for conservation: for instance, development-oriented work will become more and more important. Donor coordination should occur at different levels, including local, national and regional.

18. The representative of the Biodiversity Support Program introduced an innovative funding mechanism: the USAID-funded consortium of World Wildlife Fund (WWF), The Nature Conservancy (TNC) and World Resources Institution (WRI). Between 1988 and 2001, the program provided US\$85 million to 2,500 grants and contracts. She also provided a brief on nine best practice principles for donors recommended by a roundtable meeting convened under the Program, including a written policy and safeguards, direct relationship with indigenous peoples, relationship based on respect, mutual learning, and reciprocal accountability, empowerment and engagement of indigenous social and political structures, long-term consideration, transparency, inclusion of indigenous peoples in addressing key social issues, prioritization of indigenous rights and environmental concerns in bilateral and multilateral negotiations along with better donor coordination. She identified a number of concerns in fitting into donors framework, including deadlines and timeframes, proposals and reporting burden, languages, one-way evaluation, no opportunities to negotiate, subordination to other sectoral agendas, etc.

19. The representative of the Food and Agriculture Organization (FAO) briefed the workshop on the recent development on the International Undertaking on Plant Genetic Resources. He highlighted that the mandates of the FAO on poverty alleviation, rural development and food security are very much related to conservation and sustainable use of biological diversity in the field of agriculture. The project information of relevance to biodiversity is available on the website of the FAO.

20. The representatives of Spain informed the workshop that Spain has adopted a new Cooperation Law which identifies environment as one of the six priority thematic lines for future cooperation (e.g. together with health, education or fighting poverty), and also integrates environment as a horizontal issue and a necessary component in every cooperation activity. Spain has developed two specific cooperation programmes for the conservation of biodiversity: the ARAUCARIA for Latin America and the AZAHAR for the Mediterranean basin. The ARAUCARIA has been providing around 10 million US dollars each year. The Spanish Cooperation Agency, AECI, is further developing policies to integrate environmental matters into its operation.

21. The representative of UNEP introduced its work related to funding issues. A resources mobilization unit is responsible for coordinating funding issues and an economics unit located in Geneva is studying economic aspects of biodiversity. He introduced the ongoing efforts to promote collaboration and synergies on environmental treaties as well as the work on international environmental governance, and pointed out that compliance with international environmental treaties is very much related to timely and equitable financing and good governance issues.

22. The representative nominated by Sweden felt that two areas of work are important: internal policy of donor agencies and governments, and policy dialogue. Efforts should be made to integrate biodiversity into mainstream development activities and policies such as the HIPC's initiatives.

23. The participants felt that the workshop provided a useful forum for institutions to exchange information and experience on financing for biological diversity. A number of issues have been identified, including:

- A number of funding institutions are in the process of formulating development cooperation policies and action plans. This provides a good opportunity for considering the biodiversity concerns. However, how to phrase and mainstream biodiversity into various policy documents needs to be further developed.
- Linkage between biological diversity and development themes is very important. More effective use of such a linkage should be promoted by both donors and recipients.
- The biodiversity concerns should be addressed in the development of major international development initiatives, such as the Highly Indebted Poor Countries (HIPC) Debt Initiative, Poverty Reduction Strategy Papers (PRSPs) and Comprehensive Development Frameworks (CDF).
- A demand-driven approach is generally accepted. Such approach should take into account local needs and constraints and facilitate access. Experience and best practice in this connection should be shared.
- Innovative financial mechanisms and private sector investment should be further elaborated.
- There is an interest in financing biodiversity projects through loans from international funding institutions. Further research needs to be carried out on this emerging issue.
- The effectiveness of financial support for the participation of developing country Parties in the CBD meetings needs to be examined, and options to be developed.
- There is a need for better information about funding needs.
- The need for guidelines, criteria and indicators on financing for biodiversity can be examined.
- Donor coordination is important at all levels, and information sharing is considered one of the concrete steps to achieve such coordination.
- Development-oriented methods need to be explored.
- Common elements of requirements for biodiversity-related project proposals should be developed in order to avoid duplicated efforts for recipient countries to meet project proposal requirements of different donor institutions. Recipient countries may provide, and donors avail themselves of, such information through the clearing-house mechanism.
- The difficulties in fitting into donors framework need to be examined from both donor and recipient sides.

#### **ITEM 4. THE GLOBAL ENVIRONMENT FACILITY AS A FUNDING CATALYST FOR IDENTIFYING AND COORDINATING ADDITIONAL FINANCIAL RESOURCES**

24. The workshop took up Item 4 at its second session in the afternoon of Monday, 16 July 2001. The representative of the Global Environment Facility (GEF) made a presentation on GEF's biodiversity-related programs and project portfolio. He stressed the collective goal of facilitating collaborative international effort to meet the challenges of global environmental management within the context of national sustainable development framework. He identified the following key strategic elements:

- seek/promote active fora for dialogue with partners and networks;
- clarify partners' differentiated roles based on comparative advantage;
- leverage financial resources for program and project level interventions;
- identify key operational principles; and
- adhere to agreed operational principles.

25. The GEF representative provided the following examples of operational principles on financing for biodiversity:

- build capacity
- ensure national ownership and leadership
- ensure multi-stakeholder consultation and decision-making
- adopt holistic approaches including the addressing of key underlying causes of biodiversity loss
- integrate biodiversity considerations in wider sustainable development efforts
- promote partnerships
- adopt a learning by doing approach
- combine programmatic and project-based approaches
- combine process as well as product-based approaches
- promote regional and sub-regional approaches

26. With regard to exploring the potential of the GEF to act as a funding catalyst, the workshop recognized the importance of (i) the usefulness of comprehensive data and information sharing of environment investments among donor organizations and development agencies to facilitate and support strategic and workprogram planning and resources allocation, including the country-responsiveness and prioritizing of GEF funding; and (ii) the role and impact of the GEF in leveraging and mobilizing additional external resources for environment investments. In doing so, the workshop reviewed and discussed experiences and issues, and provided substantial input and proposals for moving forward. During these discussions, substantive reference was made to the outcome of the Information-Sharing and Data-Exchange Workshop, that was held jointly by GEF and UNEP in March 2000 (the Summary Outcome is attached as Annex IV).

27. With regard to comprehensive data and information sharing among donor organizations and development agencies to support and facilitate the identification, coordination and reporting of environment investments and funding, the workshop encourages the GEF, in consultation with the Secretariat of the Convention on Biological Diversity, to take the lead in exploring appropriate modalities for improving the centralized availability of and access to relevant information on environment investments and project activities world-wide. In doing so, the workshop requests that the GEF take into account (i) complementary information/data initiatives and efforts being undertaken by other organizations/agencies; (ii) current reporting requirements/obligations of the donor organizations and development agencies; and (iii) the availability of adequate resources required for the centralized maintenance or coordination of up-to-date information.

28. With regard to the role and impact of GEF in mobilizing and leveraging additional financial resources outside GEF funding, the workshop requests and urges the GEF to (i) further develop, enhance and strengthen its catalytic role in identifying and encouraging co-financing resources, particularly from the private sector; and (ii) take definitive actions to explore and

examine innovative and creative financing modalities to leverage increased access to funds from the private sector and non-traditional sources of funding.

**ITEM 5.           ADVICE ON DEVELOPING A FORMAT FOR STANDARDIZED  
INFORMATION ON FINANCIAL SUPPORT**

29.     Item 5 was considered in the afternoon of Monday, 16 July 2001. Questions were on the objectives of the reporting format and the relationship between this format and other existing reporting processes.

30.     It was generally felt that a reporting format depends greatly on what the reports try to achieve. The existing decisions adopted by the Conference of the Parties have identified the need for standardized information, but do not provide any guidance on the rationale for the reporting format. In other words, why does the Conference of the Parties need such information? Several objectives were suggested:

- To assess the progress made in the implementation of the provisions of the Convention on financial resources.
- To identify funding gaps.
- To help utilize scarce resources efficiently.
- To assist with the generation of funding information in a comparable manner.
- To enable Parties to fulfill their commitments on national reporting in the field of financial resources.
- To exchange information among donors and between donors and recipients.
- To assist with the consideration by the Conference of the Parties of the matter on financial resources.
- For Research and analysis.
- To track changes over time on the sources, amounts and targets of biodiversity funding.

31.     A number of observations were raised on developing the format for standardized information.

- Level of details of information affects the efforts needed to generate required information. To collect information is often time consuming and costly. Sometimes it is very difficult to get information for what is asked for.
- Information sharing and database on financing for biodiversity is under development. If an information sharing and database system can be established, detailed project-level information can be generated and this would impact on developing a format for standardized information.
- The reporting format should be also useful to developing countries and countries with economies in transition in developing their funding strategies and monitoring and reporting on their financial support to biodiversity.
- Geographical locations of financing should be contained in the standardized information.
- Lists of biodiversity projects/activities can be integrated into the database and information sharing system under development. The experience of developing the Biosafety Clearing-House can be considered in developing the database and information sharing system.



32. Participants commented on the ongoing work by the Organization for Economic Cooperation and Development to collect information concerning aids targeting at the Rio conventions. It was felt that to certain extent, the data collected through the OECD/DAC statistics may be used for the purpose of the Convention. It was also noted that the OECD/DAC efforts do not cover all funding efforts, and it is unclear whether the efforts will be built into OECD's regular data collection activities. There is a need for identifying gaps in that reporting process and developing options under the Convention.

33. It was recognized that the format is mainly for use by official donor agencies and other governmental entities. The need for information regarding innovative financial mechanisms and private investments for biodiversity was highlighted.

34. It was suggested that donor countries and donor agencies might need different reporting formats. There is a need for standardization of these reports formats.

35. Developing the format for standardized information needs to take into account the use of the clearing-house mechanism for information dissemination.

#### **ITEM 6. OTHER MATTERS**

36. It was suggested that the document on financial resources to be prepared by the Convention Secretariat for consideration by the sixth meeting of the Conference of the Parties be discussed prior to its finalization at the second meeting of the Open-ended Inter-sessional Meeting on the Strategic Plan, National Reports and the Implementation of the Convention from 19-21 November 2001.

37. The Convention Secretariat made a presentation on the section on financial resources and mechanism of the website of the Convention.

#### **ITEM 7. JOINT SUMMARY OF THE CO-CHAIRS**

38. The Workshop considered and provisionally adopted the draft joint summary of the meeting at its third session on 17 July 2001.

39. It was agreed that the joint summary would be circulated electronically to all participants.

#### **ITEM 8. CLOSURE OF THE MEETING**

40. After closing remarks on behalf of the two sponsors, Mr. Tay declared the Workshop closed at 1 p.m. on Tuesday, 17 July 2001.

*Annex I*

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*Annex II*  
Mr. Arthur Nogueira's Opening Remarks

Distinguished Participants,  
Ladies and Gentlemen,

On behalf of Mr. Hamdallah Zedan, Executive Secretary of the Convention on Biological Diversity, and on behalf of Mr. Mohamed El-Ashry, the Chief Executive Office and Chairman of the Global Environment Facility, the other sponsor of the meeting, it gives me great pleasure to open this Workshop on Financing for Biological Diversity.

As you are all aware, the second part of the sixth meeting of the Conference of the Parties to the United Nations Framework Convention on Climate Change has also commenced this morning in Bonn, Germany. Mr. Zedan and Mr. El-Ashry have prior commitments for that meeting, and thus could not be here to attend this workshop. Nevertheless, they want to receive progress report as our workshop proceeds.

This being said, now I can express, also on behalf of my co-chair, Mr. Boon-Tiong Tay, our warm welcome to you all to this Workshop. We thank the Government and People of the Republic of Cuba for making the workshop possible.

Distinguished Participants,

With 180 Parties, the Convention on Biological Diversity has become one of the international legal instruments that have been most widely ratified by Governments. However, as the Convention envisages in its preamble and Article 20, its implementation will to a great extent depend on the availability of both domestic and international financial resources. For this reason, please allow me to give you a brief on the development of the matter on financial resources under the Convention and explain why the agenda before you as identified by the fifth meeting of the Conference of the Parties is very important to the further development.

Articles 20 and 21 of the Convention contain the provisions on financial resources, and also provide a chart on the areas of work in this particular area under the Convention. Mainly there are the following topical fields of efforts to be made:

Firstly, under paragraph 1 of Article 20, each Contracting Party undertakes to provide financial support and incentives in respect of those national activities which are intended to achieve the objectives of this Convention.

Secondly, under paragraph 2 of Article 20 and paragraphs 1, 2, and 3 of Article 21, the developed country Parties shall provide new and additional financial resources to enable developing country Parties to meet the agreed full incremental costs of implementing measures which fulfil the obligations of this Convention and to benefit from its provisions. Such costs are agreed between a developing country Party and the institutional structure, in accordance with policy, strategy, programme priorities and eligibility criteria and an indicative list of incremental costs established by the Conference of the Parties.

Thirdly, under paragraph 3 of Article 20 and paragraph 4 of Article 21, the developed country Parties may provide, and developing country Parties avail themselves of, financial resources related to the implementation of this Convention through bilateral, regional and other multilateral

channels. In this case, the Contracting Parties shall consider strengthening existing financial institutions to provide financial resources for the conservation and sustainable use of biological diversity.

Now, let us have a quick look at how the Conference of the Parties has elaborated the above-mentioned three topics.

The Conference of the Parties has met five times.

On domestic financing, two areas of work have been identified. First is from decision V/11, which, in paragraph 4, urges developed country Parties and encourages developing country Parties to establish a process to monitor financial support to biodiversity, and to provide further information in their national reports on financial support to biodiversity to the Conference of the Parties at its sixth meeting. Second is to promote the involvement of private sector. The initial context of considering the promotion of the involvement of private sector was that it was found that private financial flows between countries were increasing rapidly and became much more significant than official financial assistance prior to the Asian financial crisis in 1997-1998. As a result of that work, decision V/11, paragraph 16, urges Parties to promote the consideration of tax exemptions in national taxation systems for biodiversity-related donations. Many have noticed that the work on domestic financing for biodiversity requires further elaboration by the Conference of the Parties. The recommendations from this workshop would contribute to such elaboration.

On international grants through the financial mechanism, all the relevant provisions of the Convention are under implementation. Despite some initial difficulties, the relationship between the Convention and the institutional structure that operates the financial mechanism now has been, through decision III/8, very well established. At every meeting, the Conference of the Parties provides guidance to the GEF, and at every other meeting, the Conference of the Parties reviews the effectiveness of the financial mechanism. The GEF implements guidance from the Conference of the Parties and provides report to every ordinary meeting of the Conference of the Parties. The second review of the financial mechanism, being prepared by an experienced independent evaluator from Canada, is making progress as scheduled. The relationship between the Convention and the Global Environment Facility has thus captured the modern philosophy of financial management requiring the separation of responsibility for guidance-making on one side and implementation on the other, and setting a model example for financial mechanisms of other international processes.

In addition, some raised that in accordance with decision III/8, paragraph 5, the Conference of the Parties will, in anticipation of the replenishment of GEF, make an assessment of the amount of funds that are necessary to assist developing countries, in accordance with the guidance provided by the Conference of the Parties, in fulfilling their commitments under the Convention over the next GEF replenishment cycle, and will review the amount of funding necessary for the implementation of the Convention, on the occasion of each replenishment of the financial mechanism. It is being felt that such needs assessments and reviews would enhance the basis on which guidance to the financial mechanism is established and firmly place it in the context of the discussions on thematic areas and cross-cutting issues of the Convention.

Another emerging area is how the Global Environment Facility will play its catalytic role as the financial mechanism of the Convention. Those who attended the International Workshop on Financial Support for National Biosafety Frameworks last Saturday here in Havana would have heard repeatedly the call for coordination and establishment of database, though views differed on

the role of the Convention Secretariat and the GEF Secretariat. I would like to point out that technically the database can be jointly developed and co-hosted by the two Secretariats. The two secretariats are committed to working together to better serve the interest of the Convention and the Parties. This workshop will have a chance to discuss this matter further, But I would urge you to focus on the needs and processes for establishing the coordination and database. Our conclusions on these issues will be conveyed to the Conference of the Parties at its sixth meeting to be held in the Hague in April 2001.

Parties are also very interested in the issue of bilateral, regional and multilateral funding sources. All five decisions related to financial resources adopted by the Conference of the Parties, (I/2, II/6, III/6, IV/12 and V/11), have called for collaboration with all funding institutions and programmes in one way or another. Many other decisions also have a bearing on the operations and policies of funding institutions and programmes. The initial effort as seen in decisions I/2 and II/6 was to identify where and how to access funding other than those provided through the financial mechanism. This work has been more or less completed. The result is available on the website of the Convention. Under the section on financial resources, information on relevant funding institutions is largely available and additional information is being added in the coming weeks. Another initial effort contained in decisions II/6 and III/6 was to characterize specific features of biodiversity project activities for consideration by funding institutions and programmes. Efforts (decisions III/6, IV/12 and V/11) were re-directed to promote active collaboration between the Convention and funding institutions and programmers since the third meeting of the Conference of the Parties. These include the attempts to establish reporting relationship between the Convention and funding institutions and other organizations, to promote exchange of information and knowledge on financing for biodiversity through workshops such as this one and to invite funding institutions and other organizations to assist with the implementation of certain decisions. How these provisions will be implemented still remains to be developed.

Distinguished participants,

The agenda before this workshop has evolved out of the above-mentioned context. Its aims are to promote the exchange of information and knowledge among institutions, to explore the role of GEF as a funding catalyst and to advise on developing a format for standardized information. These are inter-linked. Information and knowledge from institutions will be critical for exploring the role of GEF and for developing a reporting format. Likewise, if a database can be established through the Convention and GEF secretariats, this will have an impact on the format needed for standardized information. These linkages would become more apparent when we finish the substantive agenda items before us.

The agenda before us appears to be a little ambitious and challenging, but also very concrete. With your assistance, we believe we can achieve the goals set out by the fifth meeting of the Conference of the Parties.

I thank you very much for your attention.

*Annex III*  
**LIST OF DOCUMENTS**

Provisional agenda	CBD-GEF/WS-Financing/1
Annotations to the provisional agenda	CBD-GEF/WS-Financing/1/Add.1
Joint Summary of the Co-Chairs of the Workshop on Financing for Biological Diversity	CBD-GEF/WS-Financing/2
Format for reporting financial support to biodiversity	CBD-GEF/WS-Financing/INF/1
Compilation of information regarding financial resources contained in the first national reports to the Convention on Biological Diversity	CBD-GEF/WS-Financing/INF/2
Summary Outcome of the GEF-UNEP Information Sharing and Data Exchange Workshop	CBD-GEF/WS-Financing/INF/3

*Information material*

Brochures from the Convention on Biological Diversity

Operational Report On GEF Programs, December 31, 2000

Report of the GEF to the second meeting of the Conference of the Parties to the Convention on Biological Diversity, UNEP/CBD/COP/2/8, August 21, 1995

Report of the GEF to the third meeting of the Conference of the Parties to the Convention on Biological Diversity, UNEP/CBD/COP/3/5, September 18, 1996

Report of the GEF to the fourth meeting of the Conference of the Parties to the Convention on Biological Diversity, UNEP/CBD/COP/4/15, February 24, 1998

Report of the GEF to the fifth meeting of the Conference of the Parties to the Convention on Biological Diversity, UNEP/CBD/COP/5/7, December 14, 1999

Life Support, April 2001



#### Annex IV. Summary Outcome of the GEF/UNEP Information Sharing and Data Exchange Workshop

This Summary Outcome reports on the proceedings and conclusions of an Information Sharing and Data Exchange Workshop, which was organized collaboratively by GEF Secretariat and UNEP, in Paris on March 15<sup>th</sup> and 16<sup>th</sup>, 2001.

#### **Objectives**

1. To discuss strategies/benefits/issues and modalities/mechanisms for information sharing and data exchange that could improve access to information on global environment investment and project activities, which are being funded and implemented by different donor organizations, in order that such information can be utilized to:
  - support decision-making and operational effectiveness;
  - encourage exchange of knowledge and experience among involved organizations and agencies;
  - identify opportunities for coordination and cooperation among donors in projects and financing; and
  - guide policy and strategic planning of investment in the global environment.

#### **Participants**

2. The workshop was attended by representatives from the Canadian International Development Agency, Convention on Biological Diversity Secretariat, Department for International Development - United Kingdom, European Commission, Food and Agriculture Organization, Finnish Aid, French Global Environment Facility, United Nations Environment Programme, UN Framework Convention on Climate Change Secretariat, United Nations Industrial Development Organization and the GEF Secretariat.

#### **Definitions**

3. The following proposed definitions of information sharing and data-exchange were introduced, as the basis for guiding the workshop discussions:
  - **Data Exchange:** Basic sharing of raw data on an organization's environmental investment portfolios/projects/activities.
  - **Information/Knowledge Sharing:** Interactive sharing of functional and practical information/experiences that can mutually and directly benefit the operations of the different organizations/agencies.
  - **Financing-sharing:** Sharing of information to enable the identification of available funding/financing sources for environmental investments.

#### **Main Discussion Points, Issues and Concerns**

4. Each organization made presentations of their respective strategies, framework and systems for information management and information dissemination/sharing. The Workshop discussions of these presentations and subsequent discussions provided an opportunity for the

participants to discuss common issues/concerns/ideas pertaining to (i) possible strategies, benefits and issues of information-sharing and data-exchange; (ii) possible modalities and mechanisms for information-sharing and data-exchange; and (iii) practical next steps and possible collaboration efforts. The following paragraphs highlight the main points, issues and concerns discussed.

a) *Benefits of Information-Sharing*

- must impart individual and collective benefits to participating agencies and development community-at-large
  - benefits and visibility are maximized if participating agencies contribute as coherent group
- improve transparency and coherence in monitoring project pipeline, portfolio and progress/status
- encourage and facilitate collaboration and sharing of experiences, lessons learnt, best practices
- increase coordination, particularly at country-level, in support of priority setting and avoidance of duplicative efforts; therefore improving cost-effectiveness in the use of resources
- enable evaluation of projects, project proposals and project portfolios against broader parameters of existing investments, projects and activities
- support analytical and reporting requirements
- enhance organizational visibility
- allow agencies with little or no information management capacity/resources to maintain and disseminate data pertaining to its environment investments
- facilitate coordination of funding

b) *Information-Sharing stakeholders*

- agencies and organizations which should be involved in further discussion and development of information-sharing
- major bilateral and multilateral donors
- other agencies funding development and environment activities
- secretariats of the multilateral environmental agreements

c) *Potential users of shared information*

- international development agencies and organizations, the Conventions, UN Agencies, development banks
- bilateral and multilateral donors
- national governments, particularly focal points for overseas development assistance and national strategies for sustainable development in recipient countries
- civil society (NGOs, media, public, beneficiaries of projects)

d) *Definitions of global environment investments/projects/activities*

- information-sharing to cover only environment projects and activities
- agencies may have differing definitions of “environment investments, projects and activities”
  - agencies could maintain their respective existing definitions but a matrix could be established that will cross-map and common-categorise the different definitions
- “sharing” should be defined as differentiated from “reporting”

e) *Agree on common data definitions/standards/classification or coding systems*

- identify a common set of currently readily available core basic data, that is typically already being maintained by most development agencies
  - define focal areas, sectors, etc to facilitate accuracy, completeness and consistency of analysis and reporting
  - need to be aware that an agency's individual definition can be geared to serve its direct or immediate objective and purpose
  - consider the use of DAC's sector coding and policy marker system; including the mapping of OECD sector codes to environmental thematic sectors, if appropriate
  - use existing mechanisms for data harmonisation (look-up tables and thesauruses), where possible and new ones developed only where needed
  - recognize the paramount importance of data quality issues
  - adopt metadata standards facilitate data-sharing
- f) *Recognition of ownership of shared information*
- recognise ownership of and credit for any data shared
  - respect confidentiality concerns
  - resolve issues of dual or multiple ownership of data
  - assure and enhance appropriate organizational visibility for and reference to the participating agencies
  - acknowledge data contributions of participating agencies to the Conventions
- g) *Global Host or Global Locator?*
- should information-sharing be managed through a database maintained by a global host or accessible through a global locator/portal
  - the establishment of mechanisms for continuing maintenance and updating of any system is considered crucial to successful information-sharing
  - is shared ownership of the information-sharing system/process and of the data/information therein essential?
- h) *Opportunity to rationalize and streamline Convention reporting requirements*
- determine the benefits and synergies to be gained from common data standards and more realistic reporting requirements among the Conventions, taking into account current reporting requirements
  - the reporting of such data on a consistent comprehensive basis would facilitate more informed planning and decision-making
- i) *Database/website Assistance to developing countries' environment focal point*
- provision of assistance to developing countries' focal points for environment related development in terms of implementing and maintaining their databases and websites on their respective country's environment programmes/projects
- j) *Costs of Information-Sharing*
- important to ensure little or no any additional costs in support of sharing information
  - build on each agency's existing information management systems/processes so that no incremental development and maintenance is necessary; therefore, requiring no retrofit of existing databases to provide data not currently being maintained
  - avoid duplication, where possible, of effort by, for example, encouraging harmonization of reporting requirements amongst the MEAs

## **Conclusions**

5. The Workshop concluded that information sharing was an important operational initiative, which could result in a wide range of potential benefits for all participating agencies and organizations. In arriving at this conclusion, the Workshop discussions focused on the principles and strategies of information sharing and data-exchange, rather than specific tools or technologies. The Workshop decided that:

- data-sharing should focus on environment projects and not on all development projects in general;
- the initial emphasis should be on data-sharing; information/knowledge-sharing or financing-sharing can be considered later; and
- possible collaboration and synergies should be pursued with similar efforts and activities being carried out by other organizations in defining standards for reporting on environment projects and investments.

### **Next Steps**

6. As the next steps to further pursue this information-sharing and data-exchange initiative, the Workshop agreed that the GEF Secretariat should:

- determine what efforts and activities are being carried out in this area and, in particular, to initiate and establish dialogue with the relevant OECD/DAC working groups on environment and on statistics to identify possible synergies and collaboration;
- coordinate closely with the secretariats of the Conventions (in particular, the Convention on Biological Diversity, the UN Framework Convention on Climate Change and the UN Convention to Combat Desertification) to understand their information and reporting requirements so that the Conventions can be proactive with the Parties in guiding, defining and harmonizing reporting requirements; and
- take the lead in encouraging increased dialogue and in enhancing coordination on information sharing between donors and other development agencies and organizations; including preparing a discussion paper to provide the basis for further dialogue and action.