





Convention on Biological Diversity

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AD HOC OPEN-ENDED WORKING GROUP ON REVIEW OF IMPLEMENTATION OF THE CONVENTION

Fifth meeting Montreal, 16-20 June 2014 Item 6.1 of the Provisional Agenda

STRATEGY FOR RESOURCE MOBILIZATION: REVIEW OF GOALS 2, 5, 6, 7 AND 8

Note by the Executive Secretary

I. INTRODUCTION

- 1. Recalling decision IX/11, the eleventh meeting of the Conference of the Parties, through decision XI/4, paragraph 10, requested the Ad Hoc Open-ended Working Group on the Review of Implementation of the Convention, at its fifth meeting, to review the strategy and requested the Executive Secretary to prepare for this review, including by completing the review of implementation of Goals 2, 5, 6, 7 and 8 of the strategy for resource mobilization, based on the input provided by Parties and other relevant stakeholders as well as additional relevant sources of data (decision XI/4, paragraph 10).
- 2. In response, the Executive Secretary has prepared the note on the strategy for resource mobilization (UNEP/CBD/WGRI/5/4), including the summary information of the requested review. The present note complements the working document by providing more detailed information on the review of implementation of Goals 2, 5, 6, 7 and 8 of the strategy for resource mobilization. Section II is devoted to domestic financing (goal 2) and section III dedicated to mainstreaming (goal 5). Section IV covers resource mobilization through access and benefit sharing agreements (goal 7). Capacity building (goal 6) and awareness raising (goal 8) are dealt with in section V. As the recommendation on resource mobilization is already provided in the document UNEP/CBD/WG-RI/5/4, the present note will not repeat those already developed in that working document.
- 3. This note has benefited from the information available on the webpages on financial resources and the financial mechanism, as well as the draft 2014 edition of the Global Monitoring Report on the implementation of the strategy for resource mobilization. For earlier submissions from Parties and relevant organizations, please refer to section III of the document on review of implementation of the strategy for resource mobilization: note by the Executive Secretary (UNEP/CBD/WG-RI/4/6, dated 11 April 2012).

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II. DOMESTIC RESOURCE MOBILIZATION

Goal 2: Strengthen national capacity for resource utilization and mobilize domestic financial resources for the Convention's three objectives

Strategic objective 2.1: To strengthen institutional capacities for effective resource mobilization and utilization, including strengthening capacities of relevant ministries and agencies to make the case for including biodiversity and its associated ecosystem services in discussions with donors and relevant financial institutions.

4. One critical element of national capacity to make the case for resource mobilization is information and awareness about potential values of biodiversity and ecosystem services. According to the webpage on value assessment (https://www.cbd.int/financial/values/), the cases of economic valuation have been noted in 123 Parties across all the geographical regions, as shown in table 1. Many valuation case studies and examples are focused on particular biomes and species, especially in the 1990s and the early 2000s. The most recent economic valuation examples have become broader in scope, providing economy-wide or region-wide assessments of biodiversity and ecosystem services.

Table 1. Geographical distribution of valuation cases

Continent	Countries with valuation examples		
Africa	Eastern Africa: Comoros, Djibouti, Eritrea, Ethiopia, Kenya, Madagascar, Malawi, Mozambique, Rwanda, Seychelles, Uganda, United Republic of Tanzania, Zambia, Zimbabwe		
	Middle Africa: Cameroon, Democratic Republic of the Congo		
	Northern Africa: Algeria, Egypt, Sudan		
	Southern Africa: Botswana, Namibia, South Africa, Swaziland		
	Western Africa: Benin, Burkina Faso, Ghana, Guinea, Mali, Mauritania, Niger, Nigeria, Senegal		
Americas	Caribbean: Antigua and Barbuda, Bahamas, Barbados, Cuba, Dominican Republic, Grenada, Jamaica, Trinidad and Tobago		
	Central America: Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama		
	South America: Argentina, Bolivia (Plurinational State of), Brazil, Chile, Colombia, Ecuador, Guyana, Paraguay, Peru, Uruguay, Venezuela (Bolivarian Republic of)		
	Northern America: Canada, United States of America		
Asia	Central Asia: Kazakhstan, Tajikistan, Turkmenistan, Uzbekistan		
	Eastern Asia: China, Japan, Mongolia, Republic of Korea		
	South Eastern Asia: Cambodia, Indonesia, Lao, Malaysia, Philippines, Thailand		
	Southern Asia: Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, Sri Lanka		
	Western Asia: Azerbaijan, Georgia, Israel, Jordan, Kuwait, Oman		
Europe	Eastern Europe: Bulgaria, Hungary, Poland, Republic of Moldova, Romania, Russian Federation		

	Northern Europe: Denmark, Estonia, Finland, Iceland, Ireland, Norway, Sweden, United Kingdom
	Southern Europe: Croatia, Greece, Italy, Slovenia, Spain
	Western Europe: Austria, Belgium, France, Germany, Netherlands, Switzerland
	European Union
Oceania	Australia, Fiji, Kiribati, Marshall Islands, Micronesia (Federated States of), New Zealand, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu

Source: https://www.cbd.int/financial/values/

- 5. In Africa, more economic valuation examples are found in Southern Africa and Eastern Africa than in Northern Africa and Middle Africa. The Green Economy Assessment in Kenya estimated economic benefits to be USD 45 billion by 2030 as well as greater food security, a cleaner environment and higher productivity of natural resources. Uganda was able to report that annual contribution of ecosystem services decreased from US\$5,097 million in 2005 to US\$4,405 million in 2010. Tanzania indicated that continued biodiversity loss, unsustainable utilization and associated degradation of a wide range of ecosystem services amounts to at least five percent (5%) of the national GDP and affects most severely the poor communities who depend most directly on their immediate environment for survival.
- 6. Most countries in Americas have experienced economic valuation of biodiverstiy and ecosystem services at both the project level and national levels. Mexico has undertaken several versions of national environmental accounting since the early 1990s. Guatemala recently completed a national accounting of the values of ecosystem services. A distinct feature of economic valuation in this continent is clearer link between nature valuation and economic decision-making. There was an analysis of ecosystem services and cost-benefits of the case of BR-319 Road in Brazilian Amazon. In the United States, valuation of ecosystem services was found for compensation payments after Exxon Valdes oil spill (Alaska, USA, 1991).
- 7. In Asia, the number of economic valuation examples is reasonably high in such countries as China, Japan, India, Indonesia, and Philippines. Estimated values of ecosystem services provided by forests in China in 2000, such as goods provided, carbon sequestration and oxygen release, water regulation, soil conservation, environment purification, nutrient cycling, recreation and biodiversity conservation, amounted to 14.2% of China's gross domestic products. In Hainan Island of China, the regulation function of its ecosystems valued eight times more than the value of goods produced, and value of ecosystem services provided in Xishuangbanna eleven times more than the total value of GDP of the region. India, Indonesia, Japan Republic of Korea, and Philippines have all explored green national accounts.
- 8. Many European countries have demonstrated a leading role in advancing economic valuation methodology and application, such as Denmark, Finland, France, Germany, the Netherlands, Norway, Sweden and United Kingdom. In the Republic of Moldova, the quantified value of ecosystem services (taking only few sectors into consideration) equated to some 41% of GDP, and both the public and the private sector benefited from the values of ecosystem services. In the case of eco-tourism sector in 2011, 13% of the value was earned by the national budget, while 78% was earned by private enterprises. In agriculture sector, only 11% of the benefits were earned by the budget while the private sector earned 86%. A study in the Netherlands noted that the integration of green-blue developments within spatial plans provides large net social returns, such as savings on health care costs, increased value of real estate, savings on energy costs and savings in disposal and purification costs of rainwater. The benefits are about 1.5 to 2 times higher than the costs for investment and maintenance. The Netherlands adopted 'Natural Capital Agenda 2013', aiming at sustainable production and consumption sustainable trade chains, sustainable fisheries and protection of marine biodiversity, sustainable agriculture and protection

of biodiversity, natural capital accounting. United Kingdom conducted economic valuation of the benefits of ecosystem services delivered by the UK Biodiversity Action Plan.

9. In Oceania, Australia and New Zealand led the process of economic assessment of biodiversity and ecosystem services. In 2012, the Australian Bureau of Statistics (ABS) produced a publication "Completing the Picture - Environmental Accounting in Practice" to inform government decision-makers, policy analysts, scientists, industry and other groups on how environmental accounts, including biodiversity accounts, could be used and further developed in Australia. The ABS aims to produce Australian Environmental-Economic Accounts (AEEA) on a more regular basis. The AEEA are based on the international standard System of Environmental-Economic Accounts (SEEA) framework. The New Zealand **Treasury** has produced the Living Standards Framework (www.treasury.govt.nz/abouttreasury/higherlivingstandards), which goes beyond GDP to incorporate a range of material and non-material factors that impact on wellbeing (including natural capital) in its definition of Living Standards. This Framework is centred on four main capital stocksfinancial/physical, human, social, and natural. It describes the interrelationships among the stocks and flows, and highlights the need for responsible management in order to improve the living standards of both current and future New Zealanders. It identifies biodiversity, as well as the atmosphere, freshwater, soil, and fish stocks, as being of particular importance to living standards in New Zealand.

Strategic objective 2.2: To prepare national financial plans in the context of national biodiversity strategies and action plans that can be implemented by local, national, regional and international stakeholders.

10. National financial planning appears to be among the weakest in the latest revisions of national biodiversity strategies and action plans submitted since COP-10. The funding information gathered from the 25 revised/updated national biodiversity strategies and action plans up to 2020 has demonstrated varied approaches to national financial planning, and the process of national financial planning was not adequately completed in terms of full involvement of all relevant stakeholders, establishment of financial baselines, financial costs of planned actions and programmes, and setting of national targets by many countries, development and adoption of country-specific resource mobilization strategy and action plan. As shown in table 2, no latest national biodiversity strategies and action plans contain information on all these essential features of a financial planning process, raising questions about the improvement of this round of biodiversity planning over the past rounds in terms of financial planning.

Table 2. Stock-taking of 25 latest national biodiversity strategies and action plans received since COP-10

Country	Reported information on financial planning			
Australia	Targeting: by 2015, a doubling of the value of complementary markets for ecosystem services			
Belarus	Organizing: Organizations in charge of funding-related provisions			
Belgium	Strategy: Objective 15			
	Action plan: Four action points			
Cameroon	Targeting: Similar to Aichi Target 20			
	Strategy: A resource mobilization strategy and action plan (though not included)			
	Action plan: Three action points			
Colombia	Base-lining: Comprehensive assessment of domestic investment and external assistance			
Dominica	Strategy: Establish a financial mechanism			

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	Action plan: Financial plan to be formulated			
Dominican	Base-lining: assessment of budget expenditure and investment			
Republic	Targeting: target to undertake, by 2016, a national campaign for financial support			
	Action plan: two-point action plan			
El Salvador	Organizing: Governmental financial institutions			
Estonia	Costing: total cost of the development plan for 2012–2020 is 582.2 million euros			
	Action plan: Six action points			
European Union	Strategy: better uptake and distribution, rationalize and maximize co-benefits, and diversify and scale up			
	Action plan: several points of action			
Finland	Targeting: similar to Aichi target 20			
France	Targeting: strategic goal to invest in a common good			
Ireland	Base-lining: status of funding			
	Targeting: target for substantially strengthened support			
Italy	Base-lining: current funding instruments			
	Strategy: funding mechanisms			
Japan	Action plan: support for and cooperation with developing countries			
Malta	Action plan: financing biodiversity (two actions), and pro-biodiversity business and a green economy (three actions)			
Myanmar	Base-lining: annual expenditure of forest department			
Serbia	Base-lining: financial framework for biodiversity protection			
	Strategy: three relevant objectives on protected areas system financing, financial framework, and financing the Strategy			
	Action plan: strategic financial plan to be developed			
Spain	Base-lining: diagnosis of resource mobilization			
	Costing: estimation of budget requirements by objectives			
	Strategy: three related strategic goals			
	Action plan: nine action points			
Suriname	Costing: summary of the financial funds			
	Strategy: strategic objective for adequate financing via targeted budgeting and subsidies, project-based and programme financing by bilateral and multilateral agreements and donor funds, sustainable international financing			
Switzerland	Costing: detailed ascertainment of the actual requirements to be determined			
	Strategy: strategic goals to evaluate financial incentives, and strengthen international commitments			
	Action plan: action fields			

Timor-Leste	Organizing: Inter-agency committee	
	Strategy: partnership strategy	
	Action plan: four actions	
Tuvalu	Strategy: institute appropriate funding levels	
	Action plan: Two points	
United	Action plan: two priority actions	
Kingdom		
Venezuela	Organizing: Working group	

Source: https://www.cbd.int/nbsap/about/latest/default.shtml

Strategic objective 2.3: To strengthen capacity for integration of biodiversity issues and its associated ecosystem services into national and sectoral planning, and promote budgetary allocations for biological diversity and its associated ecosystem services in national and relevant sectoral budgets.

- 11. National inclusion of biodiversity is biodiversity action that is institutionalized, intentional and planned through national public organizations and/or private bodies, and in their totality constitute the formal biodiversity management system of a country. Mainstreaming often refers to institutionalized aspects of national inclusion while integration is used to describe planned dimension. Almost all countries reported certain sectoral and cross-sectoral inclusion of biodiversity, but some appears to be incidental or random inclusion as they are not institutionalized, intentional or planned. In particular, financial inclusion of biodiversity is not well developed, and only a small number of countries reported such inclusion (https://www.cbd.int/financial/bioinclusion/).
- 12. While broadening national inclusion of biodiversity was a major issue of the past decade, deepening national inclusion has become an emerging challenge for this decade. In particular, financial inclusion of biodiversity is not well developed, and only a small number of countries reported such inclusion, such as Mexico, Kyrgyz Republic, Mozambique, Comoros, Burundi, Tunisia, Norway, Viet Nam, Ecuador, Chile, Netherlands, and France. A few countries also considered biodiversity in development assistance projects, including Japan, Czech Republic, Chad, Ireland, Denmark, Australia, Namibia, Colombia, Niger, Guinea Bissau and Panama.
- 13. Croatia indicated that the integration of biological diversity has been achieved at the legislative level (it has been integrated into strategic documents) and in sectors of agriculture, forestry, hunting, fisheries, environmental protection, nature protection, marine, etc. However, in most of the sectors, no operational mechanisms for implementation have been established. Similarly in Zambia, the poverty reduction strategy paper and national development plan have stand-alone sections on the environment or natural resources (which include biodiversity), but with no real demonstrated linkages to other sectors. These government documents are generally not influencing the main forces affecting degradation because they mostly fail to establish systems and processes that engage the dominant sectors of society and government. Algeria left funding needs of biodiversity to be taken care of in national socioeconomic development plans. Burkina Faso noted that biodiversity conservation and sustainable use must go harmony with other national strategies and plans and sectoral development plans that exist or are being developed or planned. Belgium promotes integration of biodiversity into development plans of partner countries. France undertakes to turn biodiversity into a driver for development. Developing countries and development partners of developed countries need to redouble efforts to integrate biodiversity and ecosystem services into development plans and strategies, particularly whenever they are updated.

Strategic objective 2.4: To develop and implement economic incentives that are supportive of the Convention's three objectives at local and national levels, consistent and in harmony with the other relevant international obligations.

14. Half of the Parties to the Convention have demonstrated some examples of using fiscal incentives to support the Convention's three objectives (https://www.cbd.int/financial/fiscalreform/). Fiscal measures include favourable taxation for biodiversity, tax increase for non-biodiversity friendly economic activities, greening the tax system, reform of non-tax revenues, fiscal structural adjustment, removal of adverse subsidies, integration of biodiversity into national budgets, green public procurement, intergovernmental fiscal transfer, stimulus packages, etc. Table 3 demonstrates the distribution of countries with information on fiscal incentives, with the largest number of such Parties located in Europe.

Table 3. Information on fiscal incentives

Continents	Countries with information on fiscal incentives
Africa	Botswana, Cameroon, Chad, Ethiopia, Ghana, Kenya, Madagascar, Malawi, Mali, Mauritius, Morocco, Namibia, Rwanda, Senegal, Seychelles, South Africa, Sudan, United Republic of Tanzania, Uganda, Zambia
Americas	Antigua and Barbuda, Belize, Brazil, Canada, Chile, Colombia, Cuba, Dominican Republic, Ecuador, Mexico, United States of America, Venezuela
Asia	Afghanistan, Armenia, Cambodia, China, Georgia, India, Indonesia, Iran, Israel, Japan, Jordan, Kazakhstan, Lao PDR, Lebanon, Mongolia, Nepal, Pakistan, Philippines, Republic of Korea, Syria, Turkey, Uzbekistan
Europe	Albania, Austria, Belarus, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, European Union, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Norway, Norway, Poland, Portugal, Republic of Moldova, Romania, Russian Federation, Slovakia, Slovenia, Spain, Sweden, Switzerland, Ukraine, United Kingdom
Oceania	Australia, Marshall Islands, New Zealand, Niue, Palau, Solomon Islands

Source: https://www.cbd.int/financial/fiscalreform/

15. Developing a fiscal system for biodiversity and ecosystem services needs to go beyond the piece-meal approach by adopting one or two fiscal measures such as subsidy removal or tax exemption. In some cases, it may entail the level of efforts that are no less than those experienced in the Structural Adjustment Program of the International Monetary Fund and the World Bank. A number of European countries established a green fiscal commission or green tax commission involving inter-ministerial working groups formed entirely of civil servants, to Parliamentary Committees with expert input, to groups formed of external experts to groups with fuller stakeholder representation. The main functions of those commissions include: developing and evaluating new green fiscal reform options for consideration by government, evaluating existing (environmental or non-environmental) measures in place, developing principles or guidance for implementation of green fiscal reforms, improving implementation of measures, gaining stakeholder involvement and buy-in to proposals. Canada's National Round Table on the Environment and the Economy (NRTEE) also provided a platform for exploring ecological fiscal reforms.

Strategic objective 2.5: To consider the enhancement of existing, or the establishment of new, domestic funds and funding programmes through voluntary contributions, including for official development assistance, where biodiversity is identified as a priority by developing country Parties in poverty reduction strategies, national development strategies, United Nations development assistance

frameworks and other development assistance strategies, that include innovative financing instruments to achieve the Convention's three objectives.

16. National environmental funds are among the most popular tools to mobilize resources for biodiversity and ecosystem services, as shown in table 4. A 2013 survey of thirty-six conservation trust funds, 49% from Latin America and Caribbean, 28% Africa and 25% Asia and others, indicated over \$672 million in US equivalent dollars under their management (https://www.cbd.int/financial/environmentfunds). An earlier survey of some twenty funds observed that the total amount contributed by donors to conservation funds probably exceeds \$1.2 billion, of which around \$800 million already given out as grants for biodiversity conservation, environmental protection and sustainable development, mostly in the Latin American and Caribbean (LAC) region (https://www.cbd.int/doc/meetings/cop/cop-11/information/cop-11-inf-16-en.pdf). The most successful conservation funds in raising additional capital are those which have managed to start a "virtuous cycle" by attracting initial contributions from at least one or two key international donors, and demonstrating a high level of accountability and results during their start-up phase (i.e., their first one to five years of grant making).

Table 4. Environmental funds

Continent	Countries with environmental funds		
Africa	Eastern Africa: Burundi, Comoros, Djibouti, Eritrea, Ethiopia, Kenya, Madagascar, Malawi, Mauritius, Mozambique, Rwanda, Seychelles, Uganda, United Republic of Tanzania, Zambia, Zimbabwe		
	Middle Africa: Angola, Cameroon, Central African Republic, Chad, Republic of Congo, Democratic Republic of the Congo, Gabon, Sao Tome and Principe		
	Northern Africa: Algeria, Egypt, Morocco, Sudan, Tunisia		
	Southern Africa: Botswana, Lesotho, Namibia, South Africa, Swaziland		
	Western Africa: Benin, Burkina Faso, Cape Verde, Cote d'Ivoire, Gambia, Ghana, Guinea, Guinea Bissau, Liberia, Mali, Mauritania, Niger, Nigeria, Senegal, Sierra Leone, Togo		
Americas	Caribbean: Antigua and Barbuda, Bahamas, Cuba, Dominica, Dominican Republic, Grenada, Haiti, Jamaica, Saint Kitts and Nevis, Saint Lucia, Trinidad and Tobago		
	Central America: Belize, Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama		
	South America: Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Guyana, Paraguay, Peru, Suriname, Uruguay, Venezuela		
	Northern America: Canada, United States of America		
Asia	Central Asia: Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, Uzbekistan		
	Eastern Asia: China, Japan, Mongolia, Republic of Korea		
	Southern Asia: Afghanistan, Bangladesh, Bhutan, India, Iran, Maldives, Nepal, Pakistan, Sri Lanka		
	South-Eastern Asia: Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, Timor-Leste, Viet Nam		
	Western Asia: Armenia, Azerbaijan, Cyprus, Georgia, Israel, Jordan, Kuwait, Lebanon,		

	Qatar, Saudi Arabia, Syria, Turkey, United Arab Emirates, Yemen		
Europe	Eastern Europe: Albania, Belarus, Bulgaria, Czech Republic, Hungary, Poland, Republic of Moldova, Romania, Russian Federation, Slovakia, Ukraine		
Northern Europe: Estonia, Latvia, Lithuania, Norway, United Kingdom of Greand Northern Ireland			
	Southern Europe: Albania, Bosnia and Herzegovina, Croatia, Greece, The former Yugoslav Republic of Macedonia, Malta, Montenegro, Serbia, Slovenia, Spain		
	Western Europe: Belgium, European Union, France, Germany		
Oceania	Australia, Cook Islands, Fiji, Kiribati, Micronesia (Federated States of), Nauru, New Zealand, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Vanuatu		

Source: https://www.cbd.int/financial/environmentfunds/

17. The contribution of environmental funds to biodiversity conservation can be significant. Suriname Conservation Foundation covers 100 percent of costs of the Central Suriname Nature Reserve though lesser percentages of other protected areas. Peru's PROFONANPE provides for 75 percent of costs of national protected area system, Bolivia's FUNDESNAP 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. Nevertheless, a number of environmental funds appear undercapitalized, particularly in Africa, due to several reasons: original capital base fell short of expected needs or was intended as a first infusion with the intention that additional funds would flow to the funds; demand for conservation support exceeded initial estimates; endowment returns failed to keep pace with inflation; or the funds suffered a decline in asset base due to negative returns.

18. Based on the country experience following further actions can be considered to maximize the utility of national environmental funds: the importance and role of national environmental funds are duly recognized and explored in national biodiversity strategies and action plans as well as in other national strategic documents; international donors and public-private partnerships are encouraged to promote additional resource flows to environmental funds and make full use of the potential of environmental funds; national environmental funds and sectoral funds are persuaded to increase their allocations to biodiversity and ecosystem services; capacity building and technical assistance is provided to new environmental funds and best practice and lessons learned are shared among fund practitioners; national environmental funds are promoted as a force of co-financing and execution for attracting internationally-financed projects on biodiversity and ecosystem services; national environmental funds are encouraged to pilot, replicate, participate in and make full use of emerging markets for ecosystem services; a global survey of environmental funds is conducted at least biennially in order to monitor trends, identify gaps and develop options.

Strategic objective 2.6: To establish enabling conditions for private sector involvement in supporting the Convention's three objectives, including the financial sector.

19. About 47% of the CBD membership is known to have examples of private sector involvement, (https://www.cbd.int/financial/privatefunding). Table 5 provides the information about geographical distribution of private sector financing. The variety of private sector engagement includes: financial sector integration and greening banks, businesses providing biodiversity services, markets and enabling policies for sustainable enterprises, privatization, private-public partnership, industry-specific initiatives,

easements and covenants, co-management, credit policy and insurance schemes, access to stock markets, corporate social responsibility, among others.

Table 5. Examples of private sector involvement

Continent	Countries with information on private sector financing			
Africa	Benin, Chad, Comoros, Egypt, Ghana, Kenya, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Nigeria, Rwanda, Seychelles, South Africa, Swaziland, Tanzania, Uganda, Zambia, Zimbabwe			
Americas	Argentina, Barbados, Belize, Brazil, Canada, Chile, Colombia, Ecuador, Guyana, Honduras, Mexico, Peru, United States of America			
Asia	Armenia, Azerbaijan, Bangladesh, China, Georgia, India, Indonesia, Israel, Japan, Kazakhstan, Kyrgyz Republic, Lao, Lebanon, Malaysia, Mongolia, Nepal, Oman, Pakistan, Philippines, Republic of Korea, Singapore, Saudi Arabia, Sri Lanka, Thailand, Turkey, Turkmenistan, Viet Nam			
Europe	Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, European Union, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Malta, Netherlands, Norway, Poland, Portugal, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, United Kingdom			
Oceania	Australia, Fiji, Micronesia, New Zealand, Solomon Islands			

Source: https://www.cbd.int/financial/privatefunding/

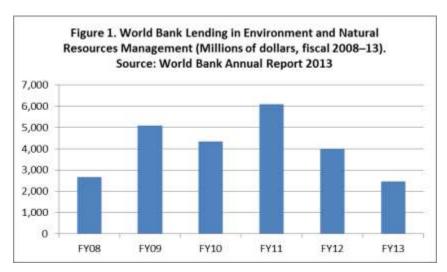
20. Further work on private sector and business involvement could consider the following: Governments will initially gain substantial revenues by passing ownership and management burdens to the private sector, but will have to subsidize the private sector management until market forces of biodiversity and ecosystem services have come into full play. As governments do not assume the role of direct ownership and management, policy attention will be focused on regulatory, legal and administrative frameworks for biodiversity and ecosystem services, and the biodiversity outcomes will depend upon regulatory and enforcement effectiveness as well as competition within the private sector.

III. MAINSTREAMING FOR RESOURCE MOBILIZATION

Goal 5: Mainstream biological diversity and its associated ecosystem services in development cooperation plans and priorities

Strategic objective 5.1: To integrate considerations on biological diversity and its associated ecosystem services into the priorities, strategies and programmes of multilateral and bilateral donor organizations, including sectoral and regional priorities, taking into account the Paris Declaration on Aid Effectiveness.

21. The World Bank provides loan through the International Bank for Reconstruction and Development and grants through the International Development Association. Its environment strategy 2012-2022, entitled as "Toward a Clean, Green Resilient World", explores the role of biodiversity and ecosystems, valuing ecosystem services and financing environmental services in developing countries. The World Bank biodiversity project portfolio is provided at https://www.cbd.int/financial/donorentities. Overall, the World Bank lending in environment and natural resources management increased considerably in the period from fiscal year 2008 to fiscal year 2011, and the level in fiscal year 2013 was actually lower than that of fiscal year 2008 in nominal term, as shown in figure I.



22. There are many good examples of biodiversity integration in bilateral donor organizations. USAID has published annual reports of Biodiversity Conservation Forestry Programs for a number of years by now (https://www.cbd.int/financial/donorentities). The recent attention to climate change has succeeded in introducing three features in most donor agencies: announcing an explicit policy statement on climate-change mitigation and adaptation, establishing a visible operational institutional unit for climate change, and creating a pool of dedicated staff on climate change. This good practice can be easily replicated for biodiversity and ecosystem services. The level of funding from bilateral donors can be tracked through the Rio Markers of the Creditor Reporting System under the Organization for Economic Cooperation and Development. The peer review reports on individual bilateral donor's performance often include environmental issues, and the peer-review mechanism thus may also be replicated for mainstreaming integration of biodiversity and ecosystem services by bilateral donor organizations.

Strategic objective 5.2: To integrate considerations on biological diversity and its associated ecosystem services in economic and development plans, strategies and budgets of developing country Parties.

23. Most developing country Parties have integrated consideration of biodiversity and ecosystem services in economic and development plans, often under the heading of environmental protection. But some integration appears to be incidental or random as there has not been any institutionalized, intentional or planned process involved. In particular, financial integration for biodiversity and ecosystem services is generally lacking (https://www.cbd.int/financial/bioinclusion/). Future steps should make the integration of biodiversity and ecosystem services more financially meaningful.

Strategic objective 5.3: To integrate effectively the three objectives of the Convention into the United Nations development system, as well as international financial institutions and development banks.

24. Approximately 27 per cent of all direct contributions to the multilateral system in 2011 were channelled through the United Nations development system, making the Organization the largest multilateral partner of DAC countries. Contributions from developing countries (excluding local resources) 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. Total contributions for operational activities for development of the United Nations system in 2011 amounted to some \$22.8 billion, about the same as in 2010 in nominal terms and 6.9 per cent less in real terms. About 67 per cent of funding was directed to longer-term development-related activities against 33 per cent to activities with a humanitarian assistance focus (source: Report of the Secretary-General on Analysis of funding of operational activities for development of the United Nations system for 2011, A/68/97–E/2013/87, 24 June 2013).

25. Within the United Nations development system, the General Assembly, by Resolution 67/212 on 21 December 2012, decided to devote one of the special events of the Second Committee during the sixty-eighth session of the General Assembly, as part of the United Nations Decade on Biodiversity and to further efforts to improve coherence, to a joint briefing by the United Nations entities. Resolution 68/214, adopted on 20 December 2013, took note with appreciation of the realization of the joint briefing by the United Nations Environment Programme, the World Intellectual Property Organization, United Nations Educational, Scientific and Cultural Organization, the United Nations Development Programme, the United Nations Conference on Trade and Development, the secretariat of the International Treaty on Plant Genetic Resources for Food and Agriculture and the secretariat of the Convention on Biological Diversity on the implementation of the objectives of the Convention, including actions undertaken to promote access to genetic resources and the fair and equitable sharing of benefits arising from their utilization and associated traditional knowledge held on 30 October 2013, and noted that similar interactions should be encouraged. Further involvement of all United Nations entities with funding for operational activities, including regional economic commissions, can be explored through such interactions.

Strategic objective 5.4: To strengthen cooperation and coordination among funding partners at the regional and subregional levels, taking into account the Paris Declaration on Aid Effectiveness.

26. As the largest providers of multilateral financial and technical resources in their respective regions, regional development banks are the principal funding partners for biodiversity and ecosystem services at the regional and subregional levels. Table 6 provides an overview of regional development bank financing. The combined lending of the regional development banks (African Development Bank, Asian Development Bank, Development Bank of Latin America, European Bank for Reconstruction and Development, Inter-American Development Bank, Islamic Development Bank) was US\$ 55 billion in 2012, 64 per cent higher than that from the World Bank (International Bank for Reconstruction and Development and International Finance Corporation). Regional development banks also provide concessional loans and grants, which were US\$ 6.22 billion in 2012, lower than the International Development Association that provided US\$ 16.3 billion in the same period.

Table 6. Overview of regional development bank lending

Regional	Type of Financing	Type of Borrower	Year	New
development bank			Founded	Commitments,
				2012 (Billion
				\$)
African	Non-concessional	Middle-income governments,	1964	3.2
Development	loans, equity	some creditworthy low income		
Bank (AfDB)	investments, and	governments, and private sector		
	loan guarantees	firms in the region		
African	Concessional	Low-income governments in the	1972	2.9
Development Fund	loans and grants	region		
(AfDF)				
Asian	Non-concessional	Middle-income governments,	1966	10.1
Development	loans, equity	some creditworthy low-income		
Bank (AsDB)	investments, and	governments, and private sector		
	loan guarantees	firms in the region		
Asian	Concessional	Low-income governments in the	1973	3.0
Development Fund	loans and grants	region		
(AsDF)				
Development	Loans	States, private companies and	1970	9.3
Bank of Latin		financial institutions		
America (CAF)				

European Bank	Non-concessional	Primarily private sector firms in	1991	11.8
for	loans equity	developing countries in the		
Reconstruction	investments, and	region, also developing country		
and Development	loan guarantees	governments in the region		
(EBRD)				
Inter-American	Non-concessional	Middle-income governments,	1959	10.80
Development	loans and loan	some creditworthy low-income		
Bank (IDB)	guarantees	governments, and private sector		
		firms in the region		
Fund for Special	Concessional	Low-income governments in the	1959	0.32
Operations (FSO)	loans	region		
Islamic	Equity capital and	Member countries	1975	9.8
Development	grant loans			
Bank				

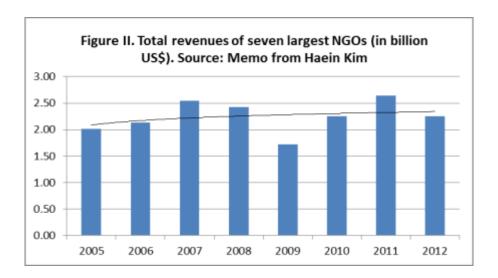
Source: Nelson, Rebecca M. (2013) Multilateral Development Banks: Overview and Issues for Congress, November 8, 2013, Congressional Research Service; and Annual Reports of the banks.

A meeting with regional development banks was organized by the Secretariat on 28 May 2014 in 27. Cancun, Mexico to explore regional perspectives on promoting technical and financial contribution in support of the Strategic Plan for Biodiversity 2011-2020. While most regional development banks have safeguard policies on natural habitats, the meeting noted that considerable space existed for enhancing their financial and technical assistance to biodiversity and ecosystem services. African Development Bank has a policy on the environment, and works to ensure protection and sustainable management of natural habitats in its projects. Asian Development Bank has comprehensive policy requirements and procedures to promote environmental and social sustainability and to help ensure the prevention and mitigation of undue harm to people and the environment. Its integrated Safeguard Policy Statement (SPS) includes policy requirements for sustainable management, protection, conservation, maintenance, and rehabilitation of natural habitats and modified habitats. It requires use of precautionary approach to potential impacts on natural habitats. Inter-American Development Bank Environmental Safeguards and Compliance Policy requires promotion of environmental governance, sustainable use of natural resources, reversal of environmental deterioration for sustainable management of natural habitats as well as protective safeguards. It requires a precautionary approach, favouring avoidance of impacts, and where unavoidable, requiring mitigation, and if not fully mitigated, compensation. European Bank for Reconstruction and Development Performance Requirement 6, concerning Biodiversity Conservation and Sustainable Management of Living Natural Resources, requires sustainable management, protection, and conservation of modified and natural habitats. It establishes an overarching objective of protecting and conserving biodiversity (including "no net loss" through avoidance, mitigation, or offsetting impacts) and establishes limitations on projects in modified, natural, and critical habitats.

Strategic objective 5.5: To enhance financial, scientific, technical and technological cooperation with international organizations, non-governmental organizations, indigenous peoples' organizations and public institutions for biological diversity and its associated ecosystem services.

28. Funding through international nongovernmental organizations – a proxy indicator for measuring the private source of funding – largely follows the pattern of official development assistance marked for biodiversity. The combined revenues of 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 (shown in graph II). In November 2013, the Council of the Global Environment Facility decided to grant the status of direct access to Conservation International and the World Wildlife Fund-US (WWF-US). The funding

activities of these organizations will become more in line with the requirement of the Convention as they must operate within the framework of the financial mechanism.



IV. MOBILIZATION THROUGH ACCESS AND BENEFIT SHARING

Goal 7 Enhancing implementation of access and benefit-sharing initiatives and mechanisms in support of resource mobilization

Strategic objective 7.1: To raise awareness and build the capacity of different stakeholders to implement access and benefit-sharing initiatives and mechanisms.

29. Capacity building and awareness raising for access and benefit sharing has been mainly through the Convention Secretariat and the projects financed by the Global Environment Facility, as shown in table 7. Under the Nagoya Protocol Implementation Fund (NPIF) during the last three years, the GEF Secretariat has approved 11 proposals at country and regional levels in support of ratification and/or implementation of the Protocol, which will benefit 61 GEF eligible countries. The projects have supported activities to facilitate early entry into force and creating enabling conditions at national and regional levels for the implementation of the Nagoya Protocol, as well as opportunities leading to the development and implementation of ABS agreements between providers and users of genetic resources that actively inform national implementation of the Nagoya Protocol.

Table 7. Capacity-building and awareness raising

Africa, Asia and the Pacific

- Project: Ratification and Implementation of the Nagoya Protocol for the Member countries of the Central African Forests Commission COMIFAC
- Project: Ratification and Implementation of the Nagoya Protocol in the Countries of the Pacific Region
- Access and benefit sharing projects in Bhutan, Cook Islands, Fiji, Kenya, Gabon
- Regional Capacity-building Workshop on the Nagoya Protocol on Access and Benefit-sharing for Middle East region and Djibouti, Libya, Mauritania, April 2013, Amman, Jordan
- Sub-regional Capacity-building Workshop on the Nagoya Protocol for the Pacific, November 2013, Suva, Fiji
- Sub-regional Capacity-building Workshop on the Nagoya Protocol for East, South and South-East Asia, December 2013, Chennai, India
- ABS Clearing-House Capacity-building Workshop, February 2014, Pyeongchang, Republic of Korea

	 Sub-regional Capacity-building Workshop on the Nagoya Protocol on Access and Benefit-sharing for West Asia and North Africa, June 2014, Dubai, United Arab Emirates
Latin America	Access and benefit sharing projects in Colombia, Costa Rica, Panama
and the Caribbean	 Regional Capacity-building Workshop for Latin America on Nagoya Protocol on Access and Benefit-sharing, March 2014, Montevideo, Uruguay
	 Sub-regional Capacity-building Workshop on the Nagoya Protocol for the Caribbean, May 2014, Georgetown, Guyana
Eastern Europe	 Regional Capacity-building Workshop on the Nagoya Protocol on ABS for Central and Eastern Europe and Central Asia, December 2012, Budapest, Hungary
	 Sub-regional Capacity-building Workshop on the Nagoya Protocol for Central and Eastern Europe and Central Asia, March - April 2014, Minsk, Belarus

Source: https://www.cbd.int/meetings/ and https://www.cbd.int/meetings/ and https://www.thegef.org/gef/meetingdocs/97/1035

Strategic objective 7.2: To promote exchange of experiences and good practices in access and benefit sharing.

- 30. Access and benefit-sharing initiatives and mechanisms have been spreading out across different regions gradually (https://www.cbd.int/financial/abs). Examples include the Union for Ethical BioTrade (UEBT), UNCTAD BioTrade and ACP-ABS Initiative. Latin America has seen higher frequency of agreements on access to genetic resources and benefit-sharing than other regions. In Africa, northern Africa is less known to have agreements on access to genetic resources and benefit sharing than other African subregions. In Asia, western Asia has not seen as many agreements as other Asian subregions. Not many agreements on access to genetic resources and benefit-sharing have been observed in the European continent, particularly southern Europe. Most agreements on access to genetic resources and benefit-sharing offer financial payments in the range between a few thousands of dollars to one million dollars.
- 31. Further actions need to build on the upcoming successful entry into force of the Nagoya Protocol and continue to promote its universal acceptance and accession. Additional ideas include: fiscal support for national strategies and policies for industries that use genetic resources as input; integration of access to genetic resources and benefit sharing into national industrial strategies and policies; favourable tax and other measures introduced for those revenues resulting from access to genetic resources and benefit-sharing and that are returned to conservation and sustainable use projects and activities; and capacity-building and technical cooperation partnerships are promoted between countries that have developed experiences in access and benefit-sharing agreements and those that lack such experience.

V. CAPACITY-BUILDING AND AWARENESS RAISING FOR RESOURCE MOBILIZATION

Goal 6: Build capacity for resource mobilization and utilization and promote South-South cooperation as a complement to necessary North-South cooperation

Strategic objective 6.1: To build local, national and regional capacities on resource mobilization skills, financial planning and effective resource utilization and management, and support awareness raising activities.

32. Recent capacity-building activities for resource mobilization included the regional and subregional workshops organized by the Secretariat of the Convention, the Global Environment Facility, the United Nations Development Programme, through its BioFIN initiative, and other partners, as shown in table 8, and the Japan Biodiversity Fund workshops for NBSAP revision organised through 2011-

- 2013. A series of post-TEEB subregional workshops on valuation and incentive measures also covered critical aspects of the resource mobilization agenda. Through its country support programme, the Global Environment Facility has organized annual subregional workshops to provide training and sharing of information and experiences on resource mobilization, particularly regarding access to funding of the financial mechanism. In cooperation with UNEP and the UNDP BIOFIN initiative, the Convention Secretariat has also organized regional workshops specifically dedicated to resource mobilization, building on the national biodiversity strategy and action plan workshops in the past two years. Nevertheless, the capacity building efforts are not planned and organized in a systematic manner and often generic in nature. Almost no capacity building has been advanced on effective resource utilization and management. The inadequacy of financial planning capacity can also be seen in the new submissions of national biodiversity strategy and action plan as summarized in section II.
- 33. The Biofin initiative of the United Nations Development Programme (UNDP), launched in October 2012, seeks to support countries to address the biodiversity finance challenge in a comprehensive manner, including by building a sound business case for increased investment in the management of ecosystems and biodiversity, and in the development of national finance plans. With financial support provide by the European Union and the Governments of Germany and Switzerland, the Biofin initiative currently provides such support to 19 core pilot countries, and aims to upscale its methodology to other countries, in the context of the ongoing revision of National Biodiversity Strategies and Action Plans (NBSAPs).

Table 8. Capacity-building workshops dedicated to resource mobilization in the past two years

Africa	GEF ECW Sahel West Africa (March 2013), GEF ECW Senegal (March 2013), GEF		
	ECW Rwanda (May 2013), GEF ECW Congo, Brazzaville (June 2013), ECW Zambia		
	(July 2013), GEF ECW Coastal West Africa (October 2013), GEF ECW Morocco		
	(December 2013), CBD Regional Workshop on Resource Mobilization for Africa		
	(Entebbe, Uganda, February 2014)		
Asia and the	GEF ECW Delhi, India (November, 2012), GEF ECW Antalya, Turkey (December		
Pacific	2012), GEF ECW Cambodia (March 2013), GEF ECW Tajikistan (April 2013), ECW		
	Pacific Islands (October 2013), CBD Regional workshop for resource mobilization for		
	Asia and the Pacific (Bangkok, Thailand, May 2014)		
Latin America	GEF ECW Honduras (February 2013), GEF ECW Chile (April 2013), GEF ECW		
and the	Dominican Republic (July 2013), CBD Regional Workshop for Latin America and the		
Caribbean	Caribbean on Resource Mobilization (Brasilia, Brazil, April 2014)		
Eastern Europe	ECW Eastern Europe (September 2013), CBD Regional Workshop on Resour		
	mobilization for Central and Eastern Europe and Central Asia (Vilm, Germany, May		
	2014)		

Strategic objective 6.2: To identify, engage and increase South-South cooperation as complement to North South cooperation to enhance technical, technological, scientific and financial cooperation.

34. Globally speaking, the number of South-South biodiversity cooperation examples has been increasing, with new initiatives such as the Central African Forest Commission (COMIFAC), and India-Brazil-South Africa (IBSA) Trilateral. In recent years, China signed agreements of cooperation with many developing countries in areas related to biodiversity, organized a number of capacity development workshops for developing countries from the sub-regions such as South and Southeast Asia, established a Center for China-ASEAN Environmental Cooperation - the first platform China has established for South-South environmental cooperation and regional environmental cooperation. Table 9 provides the information on countries known with South-South activities. A number of potential areas can be explored in order to leverage South-South cooperation: encouraging information sharing on South-South cooperation or triangular cooperation; building partnerships, catalysing knowledge transfer and

supporting knowledge management systems, analysing and monitoring progress, planning and policy support, and capacity-building.

Table 9. Countries with South-South cooperation activities

Region	Countries	
Africa	Benin, Cameroon, Guinea, Mauritius, Morocco, Namibia, Rwanda, South Africa, Tunisia	
Asia and the Pacific	Bangladesh, Bhutan, China, India, Indonesia, Kuwait, Qatar, Saudi Arabia, Singapore, Solomon Islands, Turkey, United Arab Emirates	
Latin America	Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, Mexico, Peru, Uruguay	

Source: https://www.cbd.int/financial/southsouth.shtml

35. Triangular cooperation has proved to be catalytic in leveraging South-South cooperation for biodiversity. For instance, the 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 established a platform for South-South technical cooperation & capacity building - Integrated Biodiversity and Ecosystem and Management in Sabah, Malaysia (previously Program for Bornean Biodiversity and Ecosystems Conservations (BBEC) (2007- 2012)). Triangular cooperation may be particularly useful in replicating best practices of innovative financial mechanisms such as payment for ecosystem services, biodiversity offsets, environmental fiscal reforms and market for green products, on which some Southern countries have developed pertinent skills, experience or resources relevant for another Southern country while a third actor may be able to provide additional capacity to support their application. The South-South cooperation fund for biodiversity, which was suggested by the tenth meeting of the Conference of the Parties, has still not been established.

Strategic objective 6.3: To promote exchange of experience and good practice in financing for biological diversity.

36. Tremendous efforts have been made at the Secretariat to promote exchange of experience and good practice in financing for biodiversity. As shown in table 10, over 3,500 counts of information pieces on the full range of financing subjects have been collected, compiled and made available through the clearing house mechanism of the Convention. While the number of counts will continue to grow, efforts are also being made to fine tune the information and provide regular summary and synthesis of the available data. Moreover, the series of workshops, referenced above, also supported the exchange of pertinent experiences and good practices at regional and sub-regional levels.

Table 10. Information counts on main financing subjects

Subject	Information counts
International financial flows	Information on 32 countries available
National inclusion of biodiversity	168 pieces of national information
Domestic biodiversity expenditures	230 pieces of national information
National financial plans	251 pieces of national and general information
Value assessment	491 pieces of national and general information
Environmental funds	227 pieces of national and general information
Private sector funding	163 pieces of national and general information
Public sector investment	9 pieces of national and general information
Debt relief and conversion for nature	77 pieces of national and general information
Payment for ecosystem services	339 pieces of national and general information
Biodiversity offset mechanisms	74 pieces of national and general information
Environmental fiscal reforms	229 pieces of national and general information
Market for green products	107 pieces of national and general information
Charitable giving and foundations	43 pieces of national and general information
Innovative development finances	74 pieces of national and general information
Climate funding	112 pieces of national and general information
Mainstreaming at donor organizations	198 pieces of national and general information
Monterrey consensus	83 pieces of national and general information
South-South and Technical Cooperation	36 pieces of national and general information
Access and Benefit-Sharing	over 130 pieces of national information and others

Source: https://www.cbd.int/financial/default.shtml

Goal 8: Enhance the global engagement for resource mobilization in support of the achievement of the Convention's three objectives

Strategic objective 8.1: To raise public awareness of the importance of biological diversity and the goods and services that it provides at all levels in support of resource mobilization.

- 37. Global awareness-raising initiatives extend influence over more than one geographical region of the United Nations, which can be effectively pursued through the international high-profile political and economic processes by making explicit statements on the need for resource mobilization for biodiversity. The strategy for resource mobilization was part of the resolutions of United Nations General Assembly in 2010 and 2011 and of G8 Declaration in 2011, but not taken up by Group of 77, United Nations Economic and Social Council Annual Ministerial Reviews and Development Cooperation Forums, annual meetings of governing boards of International Monetary Fund and the World Bank, United Nations Financing for Development process, Group of Twenty.
- 38. United Nations Conference on Sustainable Development or Rio +20 points to a positive trend in further exploring financial solutions in the coming years, by stating "We welcome the Strategy for Resource Mobilization in support of the achievement of the Convention on Biological Diversity's three objectives, including the commitment to substantially increasing resources from all sources in support of biodiversity, in

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accordance with decisions taken at the Tenth Conference of the Parties." In its most recent resolution 68/214, the United Nations General Assembly only stressed the need for further consideration of the evaluation of all resources mobilized in terms of the biodiversity outcomes achieved, and in this regard welcomed the decision of the parties to the Convention on an overall substantial increase in total biodiversity-related funding for the implementation of the Strategic Plan for Biodiversity 2011–2020 from a variety of sources, including national and international resource mobilization, international cooperation and the exploration of new and innovative financial mechanisms.

39. It is evident that the global engagement for the strategy for resource mobilization through the principal international processes, such as G-7 and G20, requires countries hosting and chairing meetings to demonstrate leadership in advancing the global engagement goal, with technical support of the Convention Secretariat and other related secretariats. A working group, composed of active members of these major international processes and associated governance, could be a way forward in order to inform the global engagement of relevant processes.
