



**STATEMENT BY**

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CONVENTION ON BIOLOGICAL DIVERSITY**

**ON THE OCCASION OF**

**DIALOGUE SEMINAR ON SCALING UP FINANCE FOR BIODIVERSITY**

**QUITO, ECUADOR  
6 March, 2012**

Su Excelencia, Ministra de Ambiente, Marcela Aguiñaga, Su Excelencia Embajadora de Ambiente de Suecia, Annika Markovic, señoras y señores, es un gran placer y honor para mí, dirigirme a ustedes el día de hoy, tras haber tomado recientemente el cargo como Secretario Ejecutivo del Convenio sobre la Diversidad Biológica.

El tema de la diversidad biológica, no sólo ha sido mi misión oficial por los últimos años 30 años, sino que es también donde se encuentra mi corazón. Es una ocasión muy especial para mí, dirigirme a ustedes en mi región, por primera vez, como miembro de la Secretaría del CDB.

Quiero agradecer a los Gobiernos de Ecuador, Suecia, Noruega, Japón e India por organizar este diálogo informal, en esta ciudad tan hermosa e histórica de Quito, la cual fue declarada por UNESCO como el primer Patrimonio Cultural de la Humanidad.

Estimados colegas, Ecuador es uno de los países mega-diversos en donde aproximadamente 16 por ciento de su territorio se encuentra protegido, cubriendo 4 millones de hectáreas. La impresionante biodiversidad en Ecuador es un buen recordatorio de los servicios ecosistémicos tan vitales que la naturaleza le ofrece a la humanidad; como la producción de alimento, la purificación del agua, la fertilidad de los suelos y la regulación del clima. Ecuador también tiene desde luego, una gran diversidad cultural y estamos todos en deuda con los esfuerzos de las comunidades indígenas y locales para proteger su rico patrimonio natural.

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Knowing biodiversity's role as the basis for life-support systems, it is unacceptable to see its decline globally. Two thirds of the ecosystem services are being degraded according to the 2005 Millennium Ecosystem Assessment. As Pavan Sukhdev, who led the international study TEEB, will inform us later today that the annual biodiversity loss can be estimated to be worth around 2 to 4.5 trillion dollars. But this loss cannot be described only in dollar terms --- much of the loss is irreversible and as such is unacceptable, especially for the indigenous and local communities dependent on such biodiversity for their culture and livelihoods.

Whilst biodiversity loss holds such great risks, sustainable ecosystem management of is a strategy that can contribute to poverty alleviation, sustain indigenous cultures and can help mitigate and adapt to climate change. Sound management of biodiversity and ecosystem services is often a highly cost-effective way for both mitigation and for adapting to climate change. But countries repeatedly cite that the lack of adequate, sustainable and predictable financial resources is one of the key obstacles to achieving the three objectives of CBD.

The issue of financial resources is an unfinished business from the otherwise immensely successful COP10 held in Nagoya, Japan. The Convention needs to agree on a feasible strategy to mobilize the technical, human and financial resources to enable Parties achieve the 2020 Aichi Biodiversity targets. The eleventh meeting of the Conference of Parties (COP-11) to be held in Hyderabad, India on 8-19 October this year is expected to adopt targets to mobilize financial resources from all sources to achieve the Aichi Biodiversity Targets.

A number of decisions have been adopted by COPs on the subject of resource mobilization providing a direction for Parties to structure their decisions at COP11. However, we are also aware that differences remain on some issues which require more dialogue and this is precisely

the objective of this 4 days seminar. The objective of this seminar is to look at the big picture, on how to mobilize the required financial support at local, national and global level to achieve the 2020 Aichi Biodiversity Targets.

#### WHAT HAS BEEN DONE SINCE COP10?

The CBD Secretariat has implemented several decisions since Nagoya which should facilitate the discussions on this subject at WGRI-4 and COP11.

Firstly, a Methodological and Implementation Guidance to apply the 14 indicators adopted at COP10 for monitoring resource mobilization efforts is now available after incorporating comments and submissions from Parties. This Guidance to be discussed at WGRI-4 for further fine-tuning includes the following three elements that form the basis for considering the resource mobilization targets at COP11.

- It provides detailed explanations on the 14 indicators agreed at COP10 for monitoring mobilization of resources for biodiversity and attempts to group them together for clarity.
- It develops a simple reporting framework to enable Parties to report on the expenditure incurred on biodiversity related activities.
- And it advances options for baselines that are necessary for negotiating resource mobilization targets at COP11.

Furthermore, the secretariat has also established a five member expert team to conduct a full assessment of the amount of funds that are necessary to assist developing countries and countries with economies in transition, for the sixth replenishment period of the Global Environment Facility. This is the first time that the Convention is conducting such an assessment prior to replenishment of the GEF.

I am pleased to note that the five experts who concluded their third meeting this weekend in Quito are all present here to provide highlights from the first draft produced by them in a very efficient manner. Their work not only includes global data but also national-level assessments being conducted in a sample of 8 developing countries.

The Secretariat is also organizing regional workshops to help Parties elaborate country-specific financial plans in the framework of updated biodiversity strategies and action plans. This includes assisting Parties in assessing and incorporating values of biodiversity within their national development plans and aims to improve their information base and strengthen national and regional capacity including that of existing financial institutions. This work is being done thanks to the generous contribution provided by the Government of Japan.

As an additional contribution to the preparations for the eleventh meeting of the Conference of Parties, the Governments of India and the United Kingdom are co-sponsoring a global assessment of the resources required to achieve the 2020 Aichi Biodiversity Targets. The assessment will be conducted through a regionally balanced high-level panel of around 8 members, chaired by Pavan Sukhdev. Pavan take advantage of expert resent here to have a first scoping meeting today in Quito. The panel will be assisted by research work commissioned by the CBD Secretariat the UK

government while the high-level panel will provide overall guidance to this work, ensure peer review and prepare a synthesis of the results at COP11.

The value of all this work is not only to identify the financial resources required to achieve the convention objectives, but to look at possible mechanisms that have the potential to deliver the funds and associated activities. As the study of the the Economics of Biodiversity and Ecosystem Services (TEEB) report points, that the return on investments in conserving biodiversity remains very high. The funds required will have to be mobilized from all possible sources, ODA, domestic budgets at national and local levels, from different sectors, private capital and philanthropy. While political will is required to increase public funds it would be important that additional finance be generated by tapping new sources or by engaging new partners, including the private sector.

The active exploration of innovations in development finance dates back to the 2001 United Nations Zedillo Report and follow-up studies. A decade-long search for “innovative” or alternative sources of Official Development Assistance (ODA) to help finance achievement of the Millennium Development Goals (MDGs) has yielded a number of new ideas and initiatives. From 2000 through 2008, innovative fund-raising efforts at the global level yielded an estimated US\$57 billion, or about 4.5 percent of total gross official development flows. While exploring new and innovative financial mechanisms it is of utmost importance that necessary safeguards are designed to avoid perverse outcomes for biodiversity and to ensure preservation of rights of the local communities and values of indigenous local communities.

All these are complex issues requiring an informed debate and understanding of varied opinions. I believe that this dialogue provides us an excellent opportunity to have such a discussion as in this room today we have representatives from over 40 Governments around the world, together with a significant number of intergovernmental and non-governmental organizations, development agencies, social movements, farmer organizations, local communities and Indigenous Peoples organizations and scientists.

The dialogue conveners have chosen a very able facilitator from Quito, Ms Pippa Heylings from Fundación Futuro Latinoamericano (FFLA) to assist us in having constructive discussions covering all relevant issues and capturing every opinion. The facilitator will be assisted by Ms Maria Schultz of Sweden and Mr. M.F. Farooqui of India as co-chairs. {Both of them need no introduction, as they have played a leading role in the discussions on this subject in CBD meetings for the past few years.}

In conclusion let me reiterate that the purpose of the dialogue seminar is to explore and contribute to understanding and seek to clarify areas of convergence and divergence regarding ways to scale up the mobilization of financial resources to support the achievement of the 2020 Aichi Biodiversity Targets. The meeting is being held under the Chatham House Rules, which means that participants are free to use the information received, but except for formal presentations neither the identity nor the affiliation of the speaker, nor that of any other participant, may be revealed. The rule allows people to speak as individuals and to express views that may not be those of their organizations, and therefore, encourages free discussion. Speakers are free to voice their own opinions,

With these remarks I welcome you all to this 4 day discussion which will include an exciting field trip and look forward to hearing and understanding the varied views on this important topic.

Thank you.