



STATEMENT BY

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EXECUTIVE SECRETARY

CONVENTION ON BIOLOGICAL DIVERSITY

to the

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**Convention on
Biological Diversity**

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Mrs. Naoko Ishii, GEF CEO; Mr. Francisco Gaetani, ES of the MoE of Brazil; Mr. Aram Harutyunyan, MoE of Armenia
Distinguished Members of the Council,
Ladies and Gentlemen,

I am pleased to join this meeting of the Council of the Global Environment Facility, and I thank Mrs. Naoko Ishii for inviting me to brief the Council on the relevant recent developments under the Convention on Biological Diversity.

Just three weeks ago, the eleventh meeting of the Conference of the Parties to the Convention was concluded in Hyderabad, India. As some of you may recall, the meeting was not an easy one, and went into the early hours of Saturday morning. Financing for biodiversity was the issue in question.

This did not come as a surprise. In adopting the new Strategic Plan for Biodiversity 2010-2020, including a roadmap for its implementation, as well as the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from its Utilization, COP-10 established two critical achievements for guiding our future work. However, you will recall that at its tenth meeting, the Conference of the Parties did not manage to reach consensus on one key issue: namely, to pair the very ambitious commitments of the Strategic Plan with equally ambitious funding commitments necessary to achieve the effective implementation of the Strategic Plan and the Nagoya Protocol. Achieving such a consensus was the single most important task that was transferred to the eleventh meeting of the Conference of the Parties, and I am very happy to report that this task has indeed been accomplished in Hyderabad.

The eleventh meeting of the Conference of the Parties has provided the much-needed boost to implementation by adopting a set of funding targets. Parties agreed to double biodiversity-related international financial flows by 2015 and to at least maintain this level until 2020. This would take place against a baseline figure of average annual national spending on biodiversity between 2006 and 2010. The Conference of the Parties also set targets to significantly increase the number of countries that have included biodiversity in their national development plans and prepared national financial plans for biodiversity, by 2015. All Parties agreed to substantially increase domestic expenditures for biodiversity protection over the same period.

This agreement is a clear demonstration of the determination and strong commitment of Parties towards the implementation of the Strategic Plan for Biodiversity and its 20 Aichi Biodiversity Targets. The critical advancements made by the Conference of the Parties at its eleventh meeting offer both opportunities and challenges for the Global Environment Facility as the Financial Mechanism of the Convention.

Ladies and Gentlemen,

You will recall that the Strategic Plan for Biodiversity 2011-2020 is meant as a flexible framework based on which countries are expected to develop their own national priorities and

targets. This is why the review and, as appropriate, update of national biodiversity strategies and action plans, now well under way in countries, is so important. I wish to acknowledge the support provided by GEF towards this critical work.

At the same time, intense work is also ongoing in many countries towards the speedy ratification of the Nagoya Protocol, again with support provided by GEF. However, more support from GEF, including from the Nagoya Protocol Implementation Fund, will be needed to achieve Aichi Biodiversity Target 16 so that, by 2015, the Nagoya Protocol will be in force and operational.

I wish to mention that there are additional opportunities for closer collaboration between our respective organizations, with a view to generate synergies between the activities of the Secretariat of the Convention to support implementation of the Strategic Plan for Biodiversity, such as those supported by the Japan Biodiversity Fund and by the LifeWeb Initiative, and the relevant GEF implementation and executing agencies. This could include the exchange of information on progress in implementation between the involved GEF agencies and the Secretariat of the Convention, and timely delivery of focused technical support based on each other's comparative advantages.

In this context, GEF could perhaps strengthen its strategic role by identifying opportunities for leveraging finances at the global level, similar to what implementing agencies and countries often do at the national level. You will note that the report of the Expert Team on Needs Assessment makes a strong point on this leveraging potential of GEF to multiply the resources required for biodiversity, and at its eleventh meeting, the Conference of the Parties also called upon GEF to further clarify the concept and application of co-financing for biodiversity projects, and invited GEF to apply co-financing arrangements in ways that do not create unnecessary barriers and costs for recipient countries to access GEF funds.

Promoting the mainstreaming of biodiversity

Actions to mainstream biodiversity considerations across government and society, including economic sectors, are of strategic importance as they can address the underlying causes of biodiversity loss, including production and consumption patterns. Needed actions include education and awareness; appropriate incentive measures; and institutional and policy change. A large body of knowledge on the interdependence between biodiversity and the economy has been developed in the past two decades and in particular through the recent global and national studies on the Economics of Ecosystems and Biodiversity (TEEB). Many concrete policy opportunities have been identified and found entry into the Strategic Plan for Biodiversity, such as:

(a) The need to integrate biodiversity values being a critical part of the 'natural capital of countries' into national and local development and poverty reduction strategies and planning processes, and to incorporate them in national accounting and reporting systems – which is Aichi Biodiversity Target 2;

(b) The need to eliminate, phase out or reform incentive that are harmful for biodiversity, including environmentally-harmful subsidies, and the promotion of positive incentive measures for conservation and sustainable use – which is Aichi Biodiversity Target 3.

Important changes can and must come from the Governments. At a minimum, the objectives of socio-economic policies and biodiversity policies should not run counter to each other. A strategic socio-economic approach for biodiversity and ecosystem services can promote enhanced policy integration and policy coherence and thus contribute not only to better biodiversity policies, but also to more sustainable socio-economic development. Expenditures on biodiversity should be seen as investments with environmental and socio-economic returns to society.

The role of GEF as the financial mechanism of the Convention can also be well magnified through its continuing support to the creation of various financial mechanisms at national or regional levels. Many national and regional environmental funds or conservation funds have been created with support from GEF and have stood the test of time in mobilizing domestic and international resources. This role of incubating new financial mechanisms and encouraging replications can help multiply the impact of using scarce financial resources.

An important measurement of the Convention's success is the extent to which its objectives are reflected in the day-to-day practice of private businesses, to which biodiversity and ecosystem services are factored into opportunity costs for alternative investments, and to which biodiversity and ecosystem services are treated as assets in the balance sheet of corporations and their depletion as a liability or an expense. Such mainstreaming requires appropriate enabling conditions and leveling market conditions established by Governments, such as by the establishment of green procurement rules; and the establishment of enabling policies by Governments should be facilitated by the financial mechanism.

South-South cooperation has proved to be an effective tool to enhance and complement North-South cooperation, a principle on which the Convention on Biological Diversity is founded. Many success stories in South-South cooperation have come from triangular cooperation – a unique combination of resources and expertise from North and South to the South. The comparative advantage of GEF lies exactly with triangular cooperation. In this regard, the Conference of the Parties, at its eleventh meeting, reiterated its invitation to GEF to consider establishing a South-South biodiversity cooperation trust fund for the implementation of the Strategic Plan for Biodiversity 2011–2020, based on voluntary contributions.

Achieving comprehensiveness

An appropriate balance between global and regional allocations and country allocations can have a bearing on the overall impact of resource utilization on biodiversity. National priority setting alone, in particular when taking place under severe resource constraints, may not take into sufficient account some priorities that were identified at global or regional levels. Global and regional approaches can also be more cost-effective in many circumstances and thus are critical

complements to national allocations. Therefore, global and regional set asides should be endowed with a critical level of resources in order to promote global and regional biodiversity cooperation and promote the achievement of greater impact.

In decision XI/5, the Conference of the Parties explored modalities to minimize funding gaps among various priorities. Specifically, in order to address the drastic decline in international financial assistance to biosafety, decision XI/5 suggests that, in allocating resources under the biodiversity focal area, GEF consider making a notional allocation, or opening a special financial support window, which improves the biosafety share of the biodiversity focal area to support the implementation of the Cartagena Protocol on Biosafety during the sixth replenishment period.

On access and benefit-sharing as well as the Nagoya Protocol Implementation Fund (NPIF), the Conference of the Parties, at its eleventh meeting, recommended that GEF make available the necessary funds for activities to support the speedy ratification, early into force and implementation of the Nagoya Protocol, including financing technical support and capacity-building to Parties, and encouraged close collaboration between the GEF operational focal points and appropriate government authorities on access and benefit-sharing.

Realizing synergies

Synergies among biodiversity-related conventions and Rio conventions have been discussed under the Convention for quite some time and practical ways to achieve synergies remains to be explored. In decision XI/5, the Conference of the Parties requests GEF to continue to support projects and activities to improve synergies among relevant multilateral environment agreements.

As the financial mechanism for multiple conventions, GEF can promote coherence and synergies among its focal areas of biodiversity, land degradation, international waters, and climate-change mitigation and adaptation, within the context of country-driven programmes and priorities. The GEF approach to sustainable forest management is an interesting example, in which investments from different GEF focal areas are pooled to support forest conservation, sustainable use and sustainable management and generate multiple global environmental benefits like biodiversity conservation, carbon sequestration, and protection against desertification. I would like to suggest that the GEF Council support the further establishment of incentive mechanisms, such as the one adopted for forest management, to stimulate countries to prioritize allocation of resources and efforts to create enabling policies and economic incentives to mainstream the biodiversity agenda into the development agenda.

Ensuring effective monitoring and indicators

Effective monitoring is essential for assessing progress towards the targets set globally and at national level, delivering timely and policy relevant indicator information, informing planning processes, and fine-tuning policy implementation. Progress has been made during the eleventh meeting of the Conference of the Parties to develop a list of indicators for assessing progress

towards the goals of the Strategic Plan for Biodiversity 2011-2020 and the Aichi Biodiversity Targets. A number of indicators are ready for use in tracking progress of selected biodiversity parameters, based on the integration of data and information from different sources, including through improved interoperability of different data sets.

Many countries are still at an early stage in the development and application of indicators. Associated constraints will become more apparent as countries are striving to determine appropriate national biodiversity targets and indicators as part of their updated NBSAPs. Technical support and capacity building for national reporting needs to be provided in order to set up and speed up the process of monitoring. The Biodiversity Indicators Partnership and other initiatives are geared towards our ability to assessing progress towards the achievement of the Aichi Biodiversity Targets. Their expertise could also be mobilized to provide country-specific advisory services in the design and application of indicators.

Distinguished Members of the Council,

Ladies and Gentlemen,

Much like the Strategic Plan for Biodiversity 2011-2020 that was adopted for the whole biodiversity community and beyond, the 2020 Vision of GEF can provide the rallying point for the whole GEF partnership and beyond. I believe that the Strategic Plan for Biodiversity 2011-2020 and its Aichi Biodiversity Targets provide strong guidance in developing the 'biodiversity facet' of the GEF 2020 Vision, through which all implementation partners and champions can be involved in regular interaction and improving synergies among relevant multilateral environment agreements and GEF focal areas.

In pursuing all this, GEF should aim at having a greater global impact on the biodiversity agenda, being more strategic, timely and effective to promote the necessary actions needed to face the challenges and opportunities. I urge you all to take the unique opportunity of having an agreed global biodiversity agenda of commitments set by the Conference of the Parties at its eleventh and tenth meetings to mobilize and allocate the necessary funding resources to create the much needed enabling conditions to upscale our actions.

I look forward to cooperating with you on how this vision can be operationalized purposefully, effectively and efficiently.

I count on your commitment, leadership and action, and wish you a productive meeting.

Thank you.