

CONTEXT: CBD COP DISCUSSIONS

- Paragraph 8 of SRM calls «to substantially enhance international financial flows and domestic [...] in support of the effective implementation of the Convention's three objectives and the 2010 target» (decision X/11)
- **Decision XI/4** calls to «double total biodiversity-related international financial resource flows to developing countries» (paragraph 7(a))

HOW TO OPERATIONALIZE SUCH OBJECTIVES? WHAT TOOLS & POLICIES?

CONTEXT: CBD COP DISCUSSIONS (2) OPERATIONALIZATION

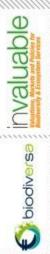
- SRM, goal 4 calls to "explore new and innovative financial mechanisms at all levels with a view to increasing funding to support the three objectives of the Convention"
- The Strategic Plan for Biodiversity 2011-2020 calls for "developing innovative mechanisms" (decision X/2, paragraph 23)
- Aichi Target 3 sets that "positive incentives for the conservation and sustainable use of biodiversity are developed and applied"



CONTEXT: CBD COP DISCUSSIONS (3) 6 types of IFMs for biodiversity

(Ad Hoc Open ended WGRI, 2012)

- i. Payments for ecosystem services
- ii. Biodiversity offset mechanisms
- iii. Environmental fiscal reforms
- iv. Markets for green products
- v. Biodiversity in international development finance
- vi. Biodiversity in climate change funding



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CONTEXT: CBD COP DISCUSSIONS (4)

Quito Dialogue Seminars

- **Terminology issue**: "the expression 'markets for biodiversity' should be avoided [...] it is important to be clear about what kind of market is being discussed"
- IFMs: understanding advantages and risks
 - Reform of harmful subsidies, green taxes, taxes on financial flows
 - Payments for ecosystem services, offset mechanisms, certification schemes
 - Habitat or species banking, ITQs, TDRs
- The need for safeguards and right-based approaches

INVALUABLE CONTRIBUTION

Clarify the potential of market-based instruments (MBIs) to better integrate biodiversity & ecosystem services (B&ES) into society, based on appropriate institutional arrangements for relevant public policies and an improved utilization of relevant knowledge

INVALUABLE CONTRIBUTION (2) THEORY AND DISCOURSES

- Elaborate a comprehensive theoretical framework, to develop a typology of instruments, and identify their scope of application
- Conduct a historical account of discourses & notions of MBIs (institutions, epistemic communities, social networks and individuals)
- Analyse the role of stakeholders' motivations and governance for the management of B&ES.

INVALUABLE CONTRIBUTION (3) PRACTICE

- Develop a conceptual and methodological framework for comparative case-study research
- Investigate the role of Biodiversity Offsets and PES in reinforcing public conservation policies, and examine their supporting governance frameworks and outcomes to date, drawing comparative lessons across case studies.

INVALUABLE CONTRIBUTION (4) SCIENCE POLICY-INTERFACE

- Assess effectiveness of Science Policy Interface bodies and activities in MBIs for B&ES
- Apply innovative participatory modelling tools to explore scenarios of integration of MBIs in public policy
- Analyse links between economic valuation in MBIs and legal frameworks which support (or not) such use

SIDE EVENT RATIONALE & OUTLINE

- Discuss new and innovative financial mechanisms (incl. PES) VERSUS/AND collective action and non-market-based approaches for achieving the objectives of the Convention (item 12 & 14: key actions for the Strategic Plan for Biodiversity 2011-2020 & resource mobilization)
- Respond to the need to understand behavioral change and the performance of economic instruments, as well as improved guidance and tools to develop positive incentives (item 12: key technical and scientific needs)

SIDE EVENT RATIONALE & OUTLINE (2)

- Inform the possible adoption of voluntary guidelines on safeguards (PIC, institutions, sustainability) in biodiversity financing mechanisms (Item 14: resource mobilization)
- Support better integration of science and policymaking and improve science-policy interfaces in MBIs (item 12: key technical and scientific needs)





