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EXECUTIVE SECRETARY

CONVENTION ON BIOLOGICAL DIVERSITY

Conversation with

The Council of the Global Environment Facility

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**Convention on
Biological Diversity**

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Madam Naoko Ishii,
Distinguished members of the Council,
Ladies and Gentlemen,

I am pleased to join this conversation on the relations with the Conventions, and communicate to you the recent developments under the Convention on Biological Diversity, particularly these related to the operation of the Facility, including the guidance to the financial mechanism adopted by the twelfth meeting of the Conference of the Parties to the Convention (COP12) which was concluded earlier this month.

Status of global biodiversity

During COP12, the CBD Secretariat launched the Global Biodiversity Outlook 4 - a global progress report card on the implementation of the Strategic Plan for Biodiversity 2011-2020 and its 20 Aichi Biodiversity Targets. According to the report, there has been significant progress towards meeting some components of the majority of the Aichi Biodiversity Targets, but in most cases, considerable additional action is required to keep the Strategic Plan on course.

The positive developments are reported on Targets 16, 17 and 11:

- 1) The Nagoya Protocol on access and benefit sharing entered into force on 12 October 2014, in advance of the deadline of 2015, though efforts are needed to ensure that all Parties will put in place, by 2015, legislative, administrative or policy measures and institutional structures for implementing the Protocol.
- 2) Updating national biodiversity strategies and action plans continues to gain momentum: more than 40 per cent of the Parties are expected to have completed their NBSAPs by now, and about 90 per cent by the end of 2015.
- 3) Nearly a quarter of countries have already passed the target of protecting 17 per cent of their land area, and at this rate of growth, the percentage targets would be met for terrestrial areas by 2020. Nonetheless, more than half of marine regions have less than five per cent of their area protected.

For the majority of the targets, additional efforts are required to ensure that they are achieved by 2020, for example, Targets 10, 8, 5 and 12:

- 1) Pressures from both land-based and marine activities continue to increase: the percentage of reefs rated as threatened increased by nearly one third in the decade to 2007, overfishing and destructive fishing methods affect around 55 per cent of reefs, one quarter of reefs are affected by coastal development and pollution from land including nutrients from farming and sewage, and around one tenth suffer from marine-based pollution.
- 2) Nitrogen and phosphorus pollution continues to pose a very significant threat to biodiversity and ecosystem services globally, and the current trends likely are moving us

further away from the targets of bringing excess nutrients to levels not detrimental to biodiversity function and biodiversity.

- 3) The total area of land remaining in natural or semi-natural conditions has shown a downward trend in recent decades and would decline further by 2020 if recent trends continue.
- 4) The average risk of extinction for birds, mammals, amphibians and corals shows no sign of decreasing. For some groups such as freshwater fish, the number of observed extinction has continued unabated for the past century.

Against this backdrop, COP-12 agreed to a series of decisions on biodiversity and climate change and disaster risk reduction, ecosystem conservation and restoration, marine and coastal biodiversity including ecologically or biologically significant marine areas, invasive alien species, global strategy for plant conservation, synthetic biology.

The gaps identified in the global progress report card also point to the areas in which the GEF support can be most effective in enabling changes. As these are mostly being addressed by the GEF-6 biodiversity strategy, other focal area strategies and the 2020 GEF Strategy, GEF is well positioned to support countries to achieve better results in its next report card.

Status of biodiversity financing

A global monitoring report on biodiversity financing was also issued for COP-12. The report observed various signs of increased financial support to biodiversity in the past few years, and cautioned that additional efforts are needed in order to meet the global target to double biodiversity-related international financial resources flows to developing countries and countries with economies in transition. The findings of the report include:

- 1) Official development assistance related to biodiversity experienced downward pressures in 2011-2012 after the peak in 2010, and this declining trend needs to be reversed along with the recovering official development assistance;
- 2) Domestic budgets for biodiversity and ecosystem services have demonstrated upward trends in a number of reporting countries;
- 3) Overall private sector funding to biodiversity registered a downward trend in the recent years;
- 4) Funding from non-governmental organizations, foundations and academia has been increasing both domestically and internationally in the past decade;
- 5) Examples of South-South Cooperation and innovative financial mechanisms such as payment for ecosystem services, biodiversity offsets, green markets, and environmental fiscal reforms were observed in a large number of countries.

At COP12, the Parties reaffirmed the funding targets established at COP11, and decided to review progress towards the funding targets, their adequacy, and appropriate action. COP12 also adopted the voluntary guidelines on safeguards for new and innovative financial mechanisms, paving the way for further developing biodiversity financing mechanisms. These developments should create favorable conditions for the financial mechanism to mobilize co-financing and develop new funding instruments.

Contribution to sustainable development

The theme of COP12 was biodiversity for sustainable development. A number of decisions adopted by the Parties are thus of direct relevance to sustainable development.

- 1) Further engagement with the post-2015 United Nations Development Agenda and sustainable development goals and the recognition of the Chennai Guidance for Implementation of the Integration of Biodiversity and Poverty Eradication
- 2) Adoption of the milestones for reforming national economic incentives system in support of the Convention's three objectives
- 3) Consideration of the linkages between biodiversity and human health
- 4) Application of the CBD Guidelines on Biodiversity and Tourism Development
- 5) Integration of biodiversity consideration into sustainable urbanization and land use including local transport, spatial planning, water and waste management
- 6) Further development and implementation of the Global Partnership for Business and Biodiversity

These developments speak directly to the GEF6 integrated pilots and the 2020 GEF Strategy. The political consensus at CBD and the project strategies of the financial mechanism are clearly supporting each other.

Guidance to the financial mechanism

I am pleased to convey the COP12 decision on the financial mechanism to the GEF Council, and the edited final text of the decision will be communicated to the GEF Secretariat in the coming weeks. The decision covers all the elements of the Memorandum of Understanding, including:

- 1) New guidance on customary sustainable use, marine and coastal biological diversity, biodiversity and tourism development, Cartagena Protocol on biosafety, and Nagoya Protocol on access and benefit sharing;
- 2) Reporting of the GEF Council to be available to the Subsidiary Body on Implementation, including information on how it plans to respond to the CBD needs

assessment report and demonstration of progress in programming resources towards achieving the Aichi biodiversity targets;

- 3) Conclusion of the fourth review of the effectiveness of the financial mechanism and a series of action adopted to improve the effectiveness of the financial mechanism;
- 4) Adoption of the terms of reference for the second determination of funding requirements for the implementation of the Convention and its Protocols, in anticipation of the seventh replenishment of the GEF Trust Fund;
- 5) Continuation to strengthen inter-secretariat cooperation

Final remarks

Finally, I would like to mention that COP12 introduced several changes to its working methods and processes to enable a more focus on implementation effectiveness and efficiency, for example:

- 1) Establish a subsidiary body on implementation or replace the Ad Hoc Open-ended Working Group on Review of Implementation of the Convention;
- 2) Hold concurrent meetings for the Convention and its two Protocols;
- 3) Consider the high level segment of the Conference of the Parties as a high level segment of the Convention and its two Protocols;
- 4) Develop a pilot voluntary peer review process for national biodiversity strategies and action plans.

These changes will entail a more engaging, interactive and dynamic relationship between the Convention and the financial mechanism at all levels. I look forward to working with the Council, Chief Executive Officer, the GEF Secretariat and agencies to make this relationship more mutually supportive and integrated with the post-2015 sustainable development agenda.