



High-level Panel (Phase II)  
First Meeting  
Trondheim, 30-31 May 2013  
Hotel Clarion and Congress

**REPORT OF THE FIRST MEETING OF THE HIGH-LEVEL PANEL (HLP) ON GLOBAL  
ASSESSMENT OF RESOURCES FOR IMPLEMENTING THE STRATEGIC PLAN FOR  
BIODIVERSITY 2011-2020**

1. The first meeting of the High-Level Panel was held to introduce the selected Panel experts and the Research Team representatives (see Annex), as well as to discuss the expected outcomes, the Research Terms of Reference (ToR) and the overall approach of the Panel.
2. Mr. Carlos Manuel Rodriguez was the interim Chair of the HLP.

**SUMMARY**

3. Mr. Ravi Sharma introduced the relevant COP 11 Decisions as well as the Terms of Reference for the HLP. He also highlighted the importance of aligning the Panel's work with various UN processes and initiatives, including the fourth edition of the Global Biodiversity Outlook (GBO 4) and the Post-2015 Development Agenda and Sustainable Development Goals. Later, he also introduced the ToR for the project manager (Consultant).
4. The discussion subsequently turned to the ToR of the HLP, roles and responsibilities of the HLP and the expected outcome of its work.

*Expectations of the report from CBD Executive Secretary, Mr. Braulio Dias*

5. Mr. Dias presented the CBD's vision and discussed the importance of coordinated action and recognition of potential synergies among the Aichi Biodiversity Targets in order to reduce the costs of implementation. He also presented the role and outcomes expected of the Panel and the Research Team, as well as issues related to governance during the process of the assessment.
6. The first report of the High-level Panel presented at COP 11 contributed to the understanding of the global resources required for the Strategic Plan and the twenty Aichi Biodiversity Targets, as well as the amount of funds required to support the implementation of commitments under the CBD for the sixth replenishment period of the Global Environment Facility (GEF 6). The report also helped facilitate negotiations at COP 11 in October 2012 in Hyderabad, India, through WGRI 4.
7. As recommended in the preliminary report of the Panel, Mr. Dias also emphasized the need to improve the Business As Usual (BAU) scenario assumed in the first report by including estimates that consider different development scenarios such as better policies, less perverse incentives and subsidies, national capital accounting (NCA), mainstreaming biodiversity into development policies and increased support for sustainable development (after Rio+20 meeting).

8. The initial findings of the Panel also demonstrated the need to view the Aichi Biodiversity Targets in the context of the global shift towards sustainable development which, in turn, has important implications on how Parties can meet the Targets. Accordingly, the Panel should provide a wider examination of the costs and benefits by taking into consideration the interactions and overlaps between targets, the cost effectiveness of the measures, as well as the range of co-benefits to society that result from the investment and policy developments. The Panel should examine traditional funding sources as well as resource mobilization outside the biodiversity sector (e.g. Clean Development Mechanism) and, most importantly, domestic funding in the context of national planning and sustainable development.
9. In light of the current financial crisis, the Panel is expected to assess potential resource savings and gains by means of reviewing policies, investments, funding, spending and by suggesting new solutions. The Panel is also encouraged to enhance the diversity of indicators for monitoring the implementation of the Strategy for Resource Mobilization beyond the initial framework. Finally, the results of the assessment are expected to portray biodiversity not as problem but as part of the solution to sustainable development and the transformation of societies (i.e. poverty eradication, better water supply, human health).

*Lessons from HLP I by Mr. Carlos Manuel Rodriguez*

10. Mr. Rodriguez presented a summary of the key findings and messages of the preliminary assessment of the HLP and noted the important lessons that had to be considered in the second phase of the Panel's work. He highlighted the report's recommendations on potential future steps, including the further work needed to assist Parties in understanding the required level of investment and ongoing costs to implement and meet the Aichi Biodiversity Targets.
11. Future research must provide a comprehensive assessment of the inter-linkages and co-dependencies across Targets and between Targets as well as policy goals, as well as provide an in-depth analysis of the availability/eligibility of other sources of financing (e.g. results from GEF 6 Biodiversity Strategy). It was recommended to avoid linkages that are too complex, and instead to select direct links for the report in order to facilitate understanding and implementation. The report also underscores the opportunities of potential synergies due to overlap between Aichi Biodiversity Targets in order to avoid double counting.
12. The Panel also recognizes the importance of a strong communication strategy by, for instance, presenting the Panel's results in a policy relevant form. It is furthermore important for the Panel, in its second phase, to enhance its visibility through the use of the website and observers' multiplier capacity, as well as engaging in other platforms (e.g. linking the HLP website to the World Bank website). There will also be possibilities to raise awareness and networking possibilities at the Intergovernmental Platform on Biodiversity and Ecosystem Services (end of 2013) and the Open Working Group on Sustainable Development Goals (Feb 2014).
13. Further research is needed to develop and refine the current estimates in order to: i) address gaps in the coverage of the Target clusters established for the underpinning research for this assessment, as well as ii) address the gaps in information and data highlighted by Target-by-Target assessments and by the aggregated assessment.
14. It was also recommended to consider adopting the "Stern Approach" by analyzing the impact risks caused by *no-biodiversity policy* BAU scenario, which presents the costs of inaction. However, this approach needs careful observation, discussion and evaluation of discount rates.

Overview of BIOFIN by Mr. Nik Sekhran, UNDP

15. The Biodiversity Finance Initiative (BIOFIN) is a three-year project (to be completed in 2015) whose objective is to include biodiversity in the financing architecture of countries. The initiative is currently involved in 10 countries: Argentina, Ecuador, Kazakhstan, Malaysia, Seychelles, South Africa, Philippines, Uganda, Botswana and India. The methodology follows the public expenditure review processes:
  - a) Sectoral review: identify sectoral drivers of loss, assess sectoral institutions and actors review biodiversity expenditures;
  - b) Institutions and institutional effectiveness: assess costs of strategies and actions, current biodiversity spending, and calculate the financial gap; and
  - c) Mobilize financial resources: identify finance actors and mechanisms and develop resource mobilization plan.
16. BIOFIN builds on existing knowledge where possible (TEEB work, NBSAPs). Countries and governments need to co-lead for ultimate results and team with their finance ministries. The result will be to identify the strategy needed to achieve the biodiversity goals. Cost co-efficients are being developed by the initiative and the HLP is considering using the same co-efficients. There are a number of different financial mechanisms, including Payment for Ecosystems (PES), conservation license plates, elimination of subsidies, airport departure fees, taxes and surcharges, revolving funds, tax credits, and market incentives.
17. There is a lot of overlap with the HLP's work, including political analysis, costs, parameters of change / development options. Mr. Sekhran will share the BIOFIN workbook with the HLP members. Although BIOFIN can share some data with the HLP, countries' sovereignty must be respected.

Introduction to the draft research TOR to support the HLP by Dr. Claire Brown, UNEP-WCMC, and Mr. Matt Rayment, ICF GHK

18. The starting point of the second phase of the High-level Panel is the HLP I which submitted its report to COP 11. HLP II will enhance the initial findings through a more in-depth analysis of methods, case studies and extrapolation based on better numbers. There is also a need to examine countries by groups (e.g. size of economies, possibly also at the continental level).

## **DECISIONS TAKEN BY HLP**

### 19. Work Schedule of HLP II (2013-2014)

#### **2013**

30 June	Outline of the research TOR reviewed
22 July	Research begins
22 November	First draft to HLP
2-4 December	<b>Second HLP Meeting</b> in India

#### **2014**

1 Feb-15 Mar	Preparation of 15 page summary in discussion with the HLP & Chair/WCMC take lead
17 March	Revised draft including 15 pg summary for peer and HLP review
14 April	Deadline for comments on the review
5-7 May	<b>Third HLP Meeting</b> in Costa Rica (or Quito)
23 May	Delivery of final report to the CBD Secretariat
23-27 June	Presentation of preliminary findings to WGRI-5
14-17 July	<b>Final HLP meeting</b> in Cambridge, United Kingdom
31 July	Final report to be submitted to CBD Secretariat
6-17 October	Presentation of report to COP-12

#### Procedural issues

20. With regard to communication tools for development of the High-Level Panel report, it was noted that, due to the number of members, full participation in teleconferences would probably be challenging to coordinate. The importance of ensuring a smooth and rapid contracting of research contributions through UNEP-WCMC was emphasized. The role of Panel members, especially with regard to their engagement with other relevant institutions and ambassadorial functions, also needs to be clarified.

#### Chair of the High-level Panel

21. Mr. Carlos Manuel Rodriguez was unanimously elected to chair the HLP.

#### Coordination with other initiatives

22. The Panel members agreed on the importance of coordinating the HLP assessment with other CBD initiatives, especially bottom-up initiatives (country-country analyses). This includes, for instance, defining the relationship with GBO 4 whose objective is to summarize the latest data on the status and trends of biodiversity and draws conclusions relevant to the further implementation of the Convention. The HLP should consider using the modeling work of GBO 4 scenarios on biodiversity and ecosystems. The research overlap between UNEP-WCMC (on GBO 4) and the HLP provides important opportunities for synergy that could benefit both studies. Thoughts on the methodology developed for BIOFIN were also discussed and it was suggested to coordinate the assessment with UNDP and the team working on BIOFIN.

#### Peer review

23. The draft reports will include a peer review process.

#### Outreach

24. The CBD secretariat puts together a website for the HLP which is linked to relevant sites in UNDP, OECD, World Bank, FAO, etc.

#### Collection and provision of relevant data

25. The OECD will be used as a source for data and analysis on subsidy removal in the energy sector (with WB, OPEC), on relevant private sector investments, and other relevant data and analysis, as relevant<sup>1</sup>. The TEEB and BIOFIN will also provide some data for the Panel. Finally, UNEP-WCMC will investigate whether the WAVES data can be useful to HLP's work. The Secretariat (research – UNEP-WCMC) will be in charge of collecting all the information that is already available in one central state.

#### Research questions derived from TORs

- 26. Benefits:** *What will be the benefits of delivering the Aichi Targets? What evidence is there of the nature, scale and value of these benefits, both for biodiversity and for wider society and the economy, at the project, country and international scale? What will be the implications (including costs) of inaction with respect to the delivery of the Targets, and what evidence is there of the scale of these costs of inaction?*
27. The first two questions are partially covered by TEEB. It will be important to clarify that there are other economic benefits. The benefit argument needs to be disaggregated in the different Aichi Targets, and there is also a need for prioritization because examining Aichi Targets alone will not provide useful information.
- 28. Investment needs:** *What investments are needed to deliver the Aichi Biodiversity Targets? Where should these investments be focused? Which Targets will these investments help to meet, and what are the synergies and overlaps between Targets? What types of on-going expenditures will be required?*
29. It is recommended to add the order in which investments should be made (e.g. enabling investments, capacity-building, infrastructure) in a structured and ordered manner. The BIOFIN workbook will provide a useful methodology for this. The need to be aware of the capacity of countries to generate numbers was also highlighted.
30. Given the links of the HLP assessment with the work of BIOFIN on investment and WAVES on the benefits, it was suggested to partner with these two initiatives in order to make a stronger case. The need to be careful about unit costs that differ between countries was also mentioned. It has therefore been suggested to consider using the World Bank's purchasing power parity and shadow pricing that is also important, and taking the issue of deflator into account.

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<sup>1</sup> Note that, in 2012, the OECD released *The OECD Environmental Outlook to 2050: The Consequences of Inaction*. One of the four thematic chapters was on biodiversity (including modeling of business-as-usual projections). One of the underlying objectives of this publication was to ensure cross-cutting implications, including on climate change, water, and human health, were examined.

31. **Resource requirements:** *What evidence is there of resource needs at the project and country level? How does this evidence compare with the analysis presented in the HLP's report to COP-11? What evidence is there for current allocations relative to needs? What are the implications for the resources required to deliver the targets, individually and collectively?*
32. One of the questions posed is whether the Panel should examine what is spent on agriculture and what should be done if it is positive and negative to biodiversity. The agenda must be looked at broadly in order to capture the kind of policy and funding that are used or needed. It is necessary to remind that the Panel's work is on resource needs; for instance, NBSAPs, which are highly qualitative, need additional information from other sources (e.g. forestry, agriculture) to make them workable for cost estimates and investment needs. The Panel should examine the main drivers in order to determine the costs for biodiversity conservation. There will be a range of investments that depend on the policy framework in place in the individual sites and countries.
33. **Policy alignment and Development:** *How do the identified investment needs and the benefits they will achieve align with other policy agendas, such as the Post-2015 UN Development Agenda and the Sustainable Development Goals? To what extent can we identify synergies and opportunities for joint delivery at the country and programme level? What are the implications for the overall resource requirements to meet the Aichi Targets, and the degree to which additional resources need to be targeted to them? To what extent increased governance, institutional and policy development at the country level can contribute in a cost-efficient manner to deliver actions to achieve the Targets?*
34. The alignment of the Panel's work with the Post-2015 UN Development Agenda should not be an issue because the Aichi Biodiversity Targets reflect sustainable development. The role of governance in contributing to the more efficient use of finance and the use of biodiversity finance more generally (reflected in the first draft of the Open Working Group on Sustainable Development Goals) is important.
35. **Cost effectiveness:** *How can the Aichi Targets be delivered at least cost, taking account of the synergies between the targets and the investments required, the sequencing of actions and the synergies with other policy agendas? What evidence is there of the cost effectiveness of different investments, taking account of biodiversity gain and contribution to the Targets relative to cost? What are the implications for the sequencing and/or prioritisation of investments in moving towards achieving the Targets?*
36. Sequencing and/or prioritization of investments takes place both between Targets and within Targets. The question that must be examined is how this happens. It is preferable for governments to examine how policies are changed first, owing to influence of basic governance. In order to implement a PES scheme, contract law, land rights, etc. must already be in place. For instance, in Costa Rica the legal framework was created first.
37. It was suggested to present the "readiness" and "preparedness" of countries as a crucial stepping stone for the more effective use of biodiversity funds. In other words, more emphasis should be placed on priming opportunities and readiness.
38. **Benefits and costs:** *What does the evidence tell us about the balance between the benefits and costs of meeting the Targets? How can this evidence be used to make the case for the investments required?*
39. What are the market benefits and non-market benefits, as well as social benefits, which are not accounted for? How does water security play into the policy decision and investments to be made and

prioritized? What is the time horizon for the benefits? The time horizon must be specified in three steps. It is also important to question the capacity to spend funds (“readiness argument”, see above) by doing a cost-benefit analysis of the returns gained by ready countries versus non-ready countries.

## ANNEX

### Participants of the first meeting of the High-Level Panel on Global Assessment of Resources for Implementing the Strategic Plan

30-31 May 2013, Trondheim, Norway

<b>HIGH-LEVEL PANEL MEMBERS</b>		
<b>Chair</b>		
<i>Mr. Carlos Manuel Rodriguez, Costa Rica</i>		
<b>Africa</b>		
1. Madagascar	Ms. Laurette H. Rasoavahiny	Director, Conservation of Biodiversity and Protected Areas Ministry of Environment and Forests
2. Botswana	Dr Hillary Masundire	Senior Lecturer, Department of Biological Sciences University of Botswana
3. South Africa	Mr. Fundisile Mketeni	Deputy Director General, Biodiversity and Conservation Department of Environmental Affairs
<b>Asia</b>		
4. Philippines	Ms. Rina Maria P. Rosales	Resource Economist Resources Environment Economic Center for Studies
5. China	Mr. Zhu Liucai	Director, Foreign Economic Cooperation Office Department of International Cooperation Ministry of Environmental Protection
6. India	Dr A Damodaran	Professor, Faculty of Economics and Social Sciences Indian Institute of Management
<b>Europe</b>		
7. Sweden	Ms. Maria Schultz	Director, SwedBio Stockholm Resilience Centre
8.	<i>TBC</i>	
9. United Kingdom	Mr. Bob Watson	Co-chair, UK National Ecosystem Assessment
<b>JUSSCANNZ<sup>2</sup></b>		
10. Norway	Mr. Tom Rådahl	Secretary General Ministry of the Environment
11. Canada	Dr Ussif Rashid Sumaila	Director, Fisheries Centre and Fisheries Economics University of British Columbia
12. South Korea	Dr Tae Yong Jung	Professor, Korea Development Institute (KDI) School of Public Policy and Management
<b>Latin America</b>		
13. Costa Rica	Mr. Carlos Manuel Rodriguez	Vice President and Senior Advisor, Global Policy Conservation International
14. Brazil	Mr. Roberto Brandão Cavalcanti <sup>3</sup>	Secretary Biodiversity and Forests of the Ministry of Environment
15. Mexico	Ms. Mariana Bellot Rojas	General Director Institutional Development

<sup>2</sup> JUSSCANNZ: Acronym for Japan, United States, Switzerland, Canada, Australia, Norway, New Zealand.

<sup>3</sup> Sent their apologies for inability to attend the first meeting.



		National Commission for Protected Areas (CONANP)
<b>Representatives of United Nations Agencies and International Organizations</b>		
16. World Bank	Dr Valerie Hickey	Biodiversity Specialist
17. UNDP	Mr. Nik Sekhran	Head of the Biodiversity Programme, Bureau for Development Policy
18. UNEP	Mr. Bakary Kante <sup>3</sup>	Director, Division of Environmental Law and Conventions
19. GEF	Mr. Mark Zimsky	Senior Biodiversity Specialist, Natural Resources
<b>RESEARCH TEAM REPRESENTATIVES</b>		
UNEP-WCMC	Mr. Jerry Harrison	Head of Development
	Dr Claire Brown	Senior Programme Officer, Ecosystem Assessment
ICF GHK	Mr. Matt Rayment	Principal Officer, ICF GHK
<b>SECRETARIAT OF THE CONVENTION ON BIOLOGICAL DIVERSITY</b>		
Mr. Braulio Ferreira de Souza Dias		Executive Secretary
Mr. Ravi Sharma		Principal Officer, Technical Support for Implementation
Mr. Tristan Tyrrell <sup>4</sup>		HLP Project Manager (Consultant)
<b>GOVERNMENT AND INTERNATIONAL ORGANISATION OBSERVERS</b>		
Norway	Ms. Tone Solhaug	Senior Adviser Department for Biodiversity, Outdoor Recreation and Cultural Heritage Ministry of Environment
India	Mr. Hem Pande	Additional Secretary Ministry of Environment and Forests
United Kingdom	Mr. Jeremy Eppel	Deputy Director International Biodiversity, Ecosystems and Evidence Department for Environment, Food and Rural Affairs
European Commission	Ms. Laure Ledoux	Biodiversity Directorate General for the Environment
OECD Secretariat	Dr Katia Karousakis	Economist Climate Change, Biodiversity and Development Division

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<sup>4</sup> Appointed June 17, 2013