



ROYAL NORWEGIAN MINISTRY OF
CLIMATE AND ENVIRONMENT

Convention on Biological Diversity
413 St-Jacques Street West, Suite 800,
Montreal, Quebec H2Y 1N9

Your ref

Our ref
19/425-27

Date
29 November 2019

Submission from Norway on the CBD Strategy for Resource Mobilization and Aichi Biodiversity Target 20

With reference to notification 2019-086, Norway is pleased to submit our views on the CBD Strategy for Resource Mobilization and Aichi Biodiversity Target 20 as a basis for the elaboration of the Post 2020 targets on resource mobilization. We note that the questionnaire closely follows the questions raised to the panel of experts in Decision 14/22 and have used the proposed format to facilitate the Panels' use of our inputs.

(a) *Please provide your evaluation of the structure, content and effectiveness of the Strategy for Resource Mobilization adopted by decision [IX/11](#),¹ indicating as much as possible the gaps in meeting the targets.*

Norway has not performed a formal evaluation of the structure, content and effectiveness of the Strategy for Resource Mobilization, but reading it carefully 11 years after its adoption, we note that there are several overlaps between the eight goals. We question the need to continue to be as prescriptive and action oriented, especially in the sub-goals. Our largest programs supporting biodiversity goals are part of our REDD programs, and are relevant for both goal 1, 3, 4, 5 and 8.

We also note the different attention the different goals have attained under the resource mobilization agendas of the COPs. While trends in financing of GEF have taken ample negotiating time in every meeting, limited attention have been given to Goal 4 on new innovative financing.

¹ <https://www.cbd.int/doc/decisions/cop-09/cop-09-dec-11-en.pdf>

In document CBD/SBSTTA/23/2 add 2, the Secretariat notes that the success of Aichi target 11 is the result of ample financial resources and support through the secretariat. They also note that target 11 is easier to achieve as it is under the auspices of the national ministries responsible of following-up on CBD. Given the broad specter of actors and sectors driving biodiversity loss, this is a good illustration of the need to obtain a broader approach to resource mobilization in the post 2020 targets.

(b) Please provide a summary of your experiences in achieving Aichi Biodiversity Target 20 and implementing the Strategy for Resource Mobilization, and their adequacy, and your views on the need for appropriate further action.

- Goal 1: Improve information base on funding needs, gaps and priorities*
- Goal 2: Strengthen national capacity for resource utilization and mobilize domestic financial resources for the Convention's three objectives*
- Goal 3: Strengthen existing financial institutions and, promote replication and scaling-up of successful financial mechanisms and instruments*
- Goal 4: Explore new and innovative financial mechanisms at all levels with a view to increasing funding to support the three objectives of the Convention*
- Goal 5: Mainstream biological diversity and its associated ecosystem services in development cooperation plans and priorities including the linkage between Convention's work programmes and Millennium Development Goals*
- Goal 6: Build capacity for resource mobilization and utilization and promote South-South cooperation as a complement to necessary North-South cooperation*
- Goal 7: Enhancing implementation of access and benefit-sharing initiatives and mechanisms in support of resource mobilization*
- Goal 8: Enhance the global engagement for resource mobilization in support of the achievement of the Convention's three objectives*

The eight goals of the Strategy for Resource Mobilization are to a varied extend reflected in Aichi target 20:

"By 2020, at the latest, the mobilization of financial resources for effectively implementing the Strategic Plan for Biodiversity 2011-2020 from all sources, and in accordance with the consolidated and agreed process in the Strategy for Resource Mobilization, should increase substantially from the current levels."

Norway has reported on our national and international funding for biodiversity (goal 1). ODA for biodiversity have been reported by using the OECD DAC Rio markers for biodiversity. According to data available in CBD CHM, annual financial support provided to domestic biodiversity related activities, based on reporting from 76 governments amounted to USD 48,96 billion USD in 2015. However, this number may cover finance received by private and international sources in addition to government expenditures. In addition, data is lacking from 60% of all parties to CBD. In comparison finance for biodiversity channeled through the ten largest Payment for Ecosystem Services (PES) schemes are estimated to USD 12 billion per year, while Biodiversity Offsets mobilize an estimated 4,8 billion per year.

In document CBD/COP/14/6, the Secretariat notes that the progress on reporting against the targets for resource mobilization is slowly progressing. While the reporting on ODA has been

following suit, with 95% of the countries reporting (target 1(a)), the reporting on the four targets for national resource mobilization (target 1(b)-(e)) has been more limited to address progress. The noted persistent difficulties in developing and reporting national finance plans is deemed worrying.

It has been argued that biodiversity financing reporting has a lot to learn from the climate finance reporting. Norway has been actively involved in both and would recommend the biodiversity reporting to focus more on the impacts than on the funding streams as such. Good results and good enabling environments attract investments from both public and private sectors. The ongoing work in OECD Environment Directorate on developing a methodology for a comprehensive overview of global biodiversity finance reveal substantial differences in reporting between countries in reporting on both national and international expenditures on biodiversity.

Transparency in the reporting is important. The revision of the Rio marker guidance for CRS reporting on biodiversity to be adopted by OECD in 2019 will improve coherence of ODA reporting on biodiversity from OECD countries. Extension and expansion of the Biodiversity Finance Initiative (BIOFIN) project can improve the reporting of domestic funding. Several initiatives are developed for improved transparency of the finance sector and private investors. Of special interest in this regard are Impact Investments.

To strengthen national capacity for resource mobilization (goal 2), Norway has supported TEEB, BIOFIN, WAVES and the establishment of a Centre for Biodiversity Policy and Law in Chennai, India.

To explore new and innovative financial mechanisms (goal 4), Norway, together with Partners, initiated the Quito Dialogue and have gained extensive experiences through different REDD programs and initiatives (see paragraph (e) below for more details). In this regard it should be noted that what was innovative in 2008, is not necessarily very innovative today, 11 years later. The number of mechanisms available has exploded in the last 11 years, as have the lessons learned from their implementation.

Norway have given high priority to implementation of access and benefit sharing initiatives (goal 7) and have supported the ABS Initiative for Africa, implemented by GIZ. However, the funding stream for biodiversity from ABS as envisaged in 1992 have still not materialized.

(c) *Please provide any relevant information that would support the estimation of the resources from all sources needed for different scenarios of the implementation of the post-2020 framework;*

Norway questions the need for working hard to define one aggregated number for the sources needed as the basis for the post 2020 framework. Estimation of resources needed is a daunting task at the global level. The CBD High-Level Panel estimated in 2014 the global finances to reach the 20 Aichi Biodiversity Targets to be USD 150-440 billion USD annually. The value of this estimate was questioned, as it was not based on national level calculations. The BIOFIN Program was launched in 2014 to support countries in both the costing of national biodiversity

action plans and to identify sources to cover the costs. This bottom-up approach is supported by developing and updating the BIOFIN methodology, summarised in the 2014 and 2016 Workbook. The BIOFIN methodology is implemented in 36 countries across three regions and offer a web-based catalogue of over 150 different finance solutions. It is important to note, however that such estimates will be up to national political debate. The benefit with the BIOFIN approach is that it is not only looking at numbers but of biodiversity as an integral part of national policies and budgets. It may be tempting, but not very useful to add up these national numbers to get a global number. Some reasons for the challenges in getting these numbers right, are, inter alia, choice of activity to protect biodiversity, inclusion of downstream costs and/or benefits, choice of and efficiency of operator, use of new or well-known technology.

(d) *Please provide your views on the possible structure and content of a draft resource mobilization component of the post-2020 biodiversity framework, as a follow-up to the current Strategy for Resource Mobilization;*

Norway recommends building on the Aichi 20 target and the experiences gained, as reflected in decisions 14/22, 14/15 and 14/16. However, we find it premature to outline the possible structure and content of a draft resource mobilization component at this stage in the process, before we have any reporting from the expert panel and before we have had our first meeting in the expert group. We would expect that an outline will start to materialize during the second expert meeting in April, and then to be further developed and aligned with the other elements of the post 2020 framework in the following SBI and OEWG meetings.

(e) *Please provide your views and any relevant information concerning options and approaches for mobilizing and providing additional resources from all sources;*

Norway will underline the need for taking a broad perspective on resource mobilization, as indicated above by referring to the three relevant decisions of COP 14; including the decision on safeguards (14/15) and on methodological guidance concerning the contributions of indigenous peoples and local communities (14/16) in addition to the decision on resource mobilization (14/22).

Clarification of concepts and measures to protect local and indigenous peoples affected by investments are essential, as are commitments of local, regional and national governments. Norway, together with Sweden and India, initiated the Quito dialogues in 2010 to clarify central concepts of innovative financing. The conclusion was to recommend using the term “biodiversity financing” instead of the term “innovative financing” and to develop safeguards for biodiversity financing as reflected in decision 14/15.

National policies and budgets as well as the national investment environment are of crucial importance to attract both national and international funding. It entails both security of investments, risk reductions, and assessments of potential impacts and economic returns.

Tropical forests contain as much as 80% of terrestrial biodiversity. The international community must mobilize several billion dollars per year in predictable and results-based REDD+ incentive payments to reward tropical forest countries that slow and reverse tropical

forest loss. Nature based solutions can bring very important synergies between CBD and UNFCCC.

Nature based solutions is said to be 30 - 36 % of the climate solution and are attracting an increasing number of investments. While some of the practical efforts to combat climate change are combating biodiversity loss as well, others are drivers. As pointed out in doc CBD/SBSTA/23/2 climate change has become the third largest driver of biodiversity loss. At the same time biodiversity is essential for both adaptation and increased resilience to climate change. The post 2020 targets on resource mobilization for biodiversity should aim at better integration with appropriate climate finance mechanisms.

Oceans have so far been given limited attention in the CBD. Knowledge-based integrated ocean management is key to a stable basis for safeguarding biodiversity and well-functioning marine ecosystems as well as facilitating a viable and sustainable ocean economy. Integrated ocean management, including measures for both sustainable use and conservation of marine ecosystems should therefore be promoted and financed through both national and international mechanisms and programs for development.

(f) *Please provide your views and any relevant information on possible ways to strengthen the engagement of a wider range of financial and private institutions, at all levels and from all sources, to support the implementation of the post-2020 framework;*

To attract new partners to support the post 2020 framework, a large number of initiatives could be taken, and we look forward to looking into this in more detail as the post 2020 framework develops and more studies will be on the table. At this stage we would suggest elaborating on the following:

- Smart targets and indicators, focusing on results/impacts for transformative changes to halt biodiversity loss/bend the curve;
- Build on the TEEB results to elaborate the values of biodiversity;
- Build on Biofin experiences for costing and financing of NBSAPs;
- Elaborate the use of the post 2020 targets for reaching the SDGs;
- Build on the Addis Ababa Action Agenda for financing development;
- Increase transparency of plans, investments, results and experiences of implementation;
- Strengthen enabling conditions for national and international private investments;
- Approach existing funds and financing mechanisms and include them in the strategy, considering the similarities and differences of climate-and biodiversity finance as outlined in para (e) above;
 - Build on the experiences of climate finance and link up to established climate finance mechanisms, including GCF, AF, LDCF and ProBlue;
 - Impact investments, green bonds.
- Elaborate the possibilities of voluntary transfers of resources for benefit sharing linked to the utilization of biodiversity

(g) *Please provide your views and any relevant information on possible ways to further mainstream biodiversity into national economic budgets and development plans, including key productive sectors;*

The IPBES report is clear on its message that the sustainable development goals will not be reached if the downward trend of biodiversity is continuing. Biodiversity loss should be costed and integrated properly in the cost benefit analyses at all levels. The Economics of Ecosystems and Biodiversity (TEEB) project gave several examples on how the lack of such costing at project levels implied that private economic gains were given with large public economic costs.

The Biodiversity Finance Initiative (BIOFIN) has provided a comprehensive methodology to generate national baseline data on biodiversity expenditures, current financial needs, defining and implementing the most optimal biodiversity financing solutions for a country. BIOFIN has demonstrated that countries such as Indonesia are receptive to embrace innovative thinking and methodologies on finance for nature, centered around a new dialogue between ministries of finance and environment and engaging the private sector. Several new or improved biodiversity mechanisms and laws has been adopted in the Philippines, Kazakhstan, Peru, Colombia and other countries due to this innovative work.

Yours sincerely

Torstein Lindstad (by authorization)
Deputy Director General

Siri Hals Butenschøn
Senior Adviser

This document is signed electronically and has therefore no handwritten signature