





Convention on Biological Diversity

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CONFERENCE OF THE PARTIES TO THE CONVENTION ON BIOLOGICAL DIVERSITY Ninth meeting Bonn, 19–30 May 2008 Agenda item 3.8

DECISIONS ADOPTED BY THE CONFERENCE OF THE PARTIES TO THE CONVENTION ON BIOLOGICAL DIVERSITY AT ITS NINTH MEETING

IX/11. Review of implementation of Articles 20 and 21

A. In-depth review of the availability of financial resources

The Conference of the Parties,

Recalling Articles 20 and 21 and related provisions of other Articles of the Convention,

Recalling that in decision VIII/13, the Conference of the Parties decided to conduct an in-depth review of the availability of financial resources, including through the financial mechanism, at its ninth meeting,

Taking note of the report of the Executive Secretary (UNEP/CBD/COP/9/16),

Concerned that the lack of sufficient financial resources continues to be one of the main obstacles to achieving the Convention's three objectives, including the 2010 biodiversity target, as well as the Millennium Development Goals,

Underlining that effective national systems and a supportive international regime on access and benefit-sharing could support sustainable use and conservation of biodiversity and its associated ecosystem services, including through generating financial returns,

Recognizing that local communities and governments in developing countries, in particular the least developed countries and small island developing States, may be subject to high conservation opportunity costs,

Resolving to significantly reduce the gaps in funding for biological diversity,

- Encourages the Parties and relevant organizations to improve the existing financial information 1/ through enhancing accuracy, consistency and delivery of existing data on biodiversity financing and improved reporting on funding needs and shortfalls for the Convention's three objectives, and, in this context, requests the Executive Secretary to regularly update and further develop the Convention's online network on finance;
- Encourages the Parties and relevant organizations to intensify efforts to assess, as appropriate, the economic costs of the loss of biodiversity and its associated ecosystem services and of the failure to take measures to fulfil the three objectives of the Convention, as well as the benefits of early action to reduce loss of biological diversity and its associated ecosystem services, in order to inform decision-making and awareness-raising, inter alia through contributing to the "Global Study on the Economics of Ecosystems and Biodiversity;"2/
- Urges the Global Environment Facility to continue to mobilize co-financing and other 3. modes of financing for its projects related to implementation of the Convention, and requests the Global Environment Facility to continue to leverage financial resources to support the Convention's objectives:
- 4. Urges Parties and Governments, where appropriate, to create the enabling environment to mobilize private and public-sector investments in biological diversity and its associated ecosystem services;
- 5. Recommends that Parties and relevant organizations identify, engage and increase South-South cooperation as a complement to North-South cooperation to enhance technical, financial, scientific and technological cooperation and innovations, for biological diversity;
- Urges the Parties and Governments to continue to enhance national administrative and 6. managerial capacities, thus enabling more efficient resource utilization and enhancing positive impacts;
- 7. Urges Parties, the Global Environment Facility, and relevant organizations to include gender, indigenous peoples and local communities perspectives in the financing of biodiversity and its associated ecosystem services;
- 8. *Invites* the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol to request the Adaptation Fund Board to consider the co-benefits of biodiversity and its associated ecosystem services in projects supported by the Adaptation Fund, where eligible Parties have identified it as a priority;
- Requests the Executive Secretary to compile existing guidelines and best practices for mainstreaming financing of biodiversity and its associated ecosystem services into overall and sectoral planning as well as on financial needs assessment and make this information publicly available;
- Encourages Parties and other Governments to build on existing knowledge of biodiversity and poverty alleviation mainstreaming 3/ to integrate biodiversity into national development policies and plans.

Such as data from the national reports, the OECD Rio markers, funding to GEF, and a selection of the larger 1/ international conservation NGOs.

This study is coordinated by the European Commission and Germany

<u>2/</u> <u>3/</u> For example, those that have been developed through the Millennium Ecosystem Assessment and the UN Poverty and Environment Initiative,

B. Strategy for resource mobilization in support of the achievement of the three objectives of the Convention

The Conference of the Parties,

Recalling its decision VIII/13,

Noting the inputs on the development of the strategy for resource mobilization provided by the secretariat of the Global Environment Facility (UNEP/CBD/COP/9/INF/14),

Taking note of the draft strategy for resource mobilization prepared by the Executive Secretary after informal consultations with the Parties and relevant organizations (UNEP/CBD/COP/9/16/Add.1/Rev.1, annex),

Having considered recommendation 2/2 of the second meeting of the Ad Hoc Open-ended Working Group on Review of Implementation, regarding options and a draft strategy for resource mobilization in support of the implementation of the Convention on Biological Diversity (UNEP/CBD/COP/9/4, annex I),

- 1. *Adopts* the strategy for resource mobilization in support of the achievement of the objectives of the Convention on Biological Diversity annexed to the present decision;
- 2. Also invites the Parties and relevant organizations, including United Nations development system, the World Bank, regional development banks and all other relevant international and regional bodies, as well as non-governmental organizations and business sector entities to take prompt actions to implement the strategy for resource mobilization in support of the achievement of the Convention's three objectives;
- 3. *Invites* Parties to come forward with early commitments of additional funding in support of the strategy for resource mobilization in accordance with Article 20 of the Convention;
- 4. *Invites* Parties to come forward with new and innovative financing mechanisms in support of the strategy for resource mobilization in accordance with Article 20 of the Convention, *requests* the Executive Secretary to support diffusion of such initiatives and *requests* the Global Environment Facility to support diffusion, and facilitate replication and scaling-up, of such initiatives that have proved to be successful;
- 5. *Decides* to review the implementation of the strategy for resource mobilization at its tenth meeting, and that the Executive Secretary shall prepare the necessary documentation pertinent to these goals for consideration by the Conference of the Parties;
- 6. *Invites* Parties to submit views on concrete activities and initiatives including measurable targets and/or indicators to achieve the strategic goals contained in the strategy for resource mobilization and on indicators to monitor the implementation of the strategy;
- 7. Requests the Executive Secretary to prepare a compilation of the information provided in accordance with paragraph 6 of the present decision, including options on monitoring progress towards the goals and objectives of the resource mobilization strategy, and make it available three months prior to the third meeting of the Ad Hoc Open-ended Working Group on Review of Implementation of the Convention;

- 8. Requests the Ad Hoc Open Ended Group on Review of Implementation of the Convention to prepare at its third meeting a list of concrete activities and initiatives to achieve the strategic goals of the strategy for resource mobilization and on indicators to monitor the implementation of the Strategy, and submit it for consideration of the Conference of the Parties, at its tenth meeting;
- 9. Decides to adopt the following process in preparing for the implementation of goal 4 of the strategy 4:
- (a) Requests the Executive Secretary to prepare a document on policy options concerning innovative financial mechanisms, with inputs from regional centers of excellence in a geographically balanced way and forward it to the Ad Hoc Working Group on Review of Implementation of the Convention;
- (b) Requests the Ad Hoc Working Group on Review of Implementation of the Convention to identify a series of options and policy recommendations concerning innovative financial mechanisms, based on the above information and the submissions received from Parties in response to the invitation contained in paragraph 6 of the present decision;
- (c) *Requests* the Ad Hoc Working Group on Review of Implementation of the Convention submit the results for consideration by the Conference of the Parties at its tenth meeting.

Annex

STRATEGY FOR RESOURCE MOBILIZATION IN SUPPORT OF THE ACHIEVEMENT OF THE CONVENTION'S THREE OBJECTIVES FOR THE PERIOD 2008-2015

I. THE URGENCY

- 1. The loss of biological diversity and the consequent decline in ecosystem services is increasing at an unprecedented rate, and the causes of this loss are mostly steady or even increasing in intensity in the coming decades.
- 2. The loss of biological diversity has led to far-reaching environmental, social, economic and cultural impacts, exacerbated by the negative effects of climate change, and its consequences are harshest for the poor.
- 3. The loss of biological diversity and its associated ecosystem services poses a significant barrier to achieving sustainable development and the Millennium Development Goals.
- 4. The Convention on Biological Diversity is the foremost international legal instrument to address the loss of biological diversity and ensure attendant ecosystem services. The lack of financial resources is a major impediment to achieve the Convention's three objectives.
- 5. To achieve the Convention's three objectives can be financially affordable and feasible. In a multitude of decisions, the Parties have acknowledged the urgent need for adequate financing.

 $[\]underline{4}$ / Germany offered to finance the operation of the Ad Hoc Technical Expert Group on Innovative Financial Mechanisms.

- 6. The resource mobilization strategy aims to assist the Parties to the Convention and relevant organizations to mobilize adequate and predictable financial resources to support the achievement of the Convention's three objectives including the achievement by 2010 of a significant reduction of the current rate of biodiversity loss at the global, regional and national level as a contribution to poverty alleviation and to the benefit of all life on Earth.
- 7. The strategy considers the full range of possible local, national, regional and international funding sources, both public and private. It is geared towards implementation during an initial period up to 2015, coinciding with the international development planning cycle, including the Millennium Development Goals.

II. MISSION

8. The target of the strategy for resource mobilization is to substantially enhance international financial flows and domestic funding for biological diversity in order to achieve a substantial reduction of the current funding gaps in support of the effective implementation of the Convention's three objectives and the 2010 target. This target for global resource mobilization should be viewed as a flexible framework for the development of measurable targets and/or indicators addressing all relevant funding sources, according to national priorities and capacities, and taking into account the special situation and needs of developing countries.

III. GUIDING PRINCIPLES

- 9. The strategy calls for special consideration to the following guiding principles during its implementation:
 - (a) Promote efficiency and effectiveness;
 - (b) Build synergies;
 - (c) Support innovation;
 - (d) Strengthen capacity;
 - (e) Raise awareness;
 - (f) Take into account gender and socio-economic perspectives.

IV. STRATEGIC GOALS AND OBJECTIVES

10. Concrete activities and initiatives to achieve the following strategic goals should be developed as well as indicators to monitor the implementation of the Strategy, all within appropriate timeframes:

Goal 1: Improve information base on funding needs, gaps and priorities

- 1.1. To improve the existing financial information base-through enhancing accuracy, consistency and delivery of existing data and improved reporting on funding needs and shortfalls for the Convention's three objectives. Funding trends could be measured through the following indicators:
 - (a) OECD DAC Rio markers on biodiversity;

- (b) National reports of Parties;
- (c) Trends in funding to GEF;
- (d) Funding flows through a selected number of the large international NGOs.
- 1.2. To assess economic costs of the loss of biodiversity and its associated ecosystem services, of the failure to take measures to fulfill the three objectives of the Convention, and benefits of early action to reduce loss of biological diversity and its associated ecosystem services.
- 1.3. To improve priority-setting for guiding resource allocation to biological diversity and its associated ecosystem services.

Goal 2: Strengthen national capacity for resource utilization and mobilize domestic financial resources for the Convention's three objectives

- 2.1. To strengthen institutional capacities for effective resource mobilization and utilization, including strengthening capacities of relevant ministries and agencies to make the case for including biodiversity and its associated ecosystem services in discussions with donors and relevant financial institutions.
- 2.2. To prepare national financial plans in the context of national biodiversity strategies and action plans that can be implemented by local, national, regional and international stakeholders.
- 2.3 To strengthen capacity for integration of biodiversity issues and its associated ecosystem services into national and sectoral planning, and promote budgetary allocations for biological diversity and its associated ecosystem services in national and relevant sectoral budgets.
- 2.4. To develop and implement economic incentives that are supportive of the Convention's three objectives at local and national levels, consistent and in harmony with the other relevant international obligations.
- 2.5 To consider the enhancement of existing, or the establishment of new, domestic funds and funding programmes through voluntary contributions, including for official development assistance, where biodiversity is identified as a priority by developing country Parties in poverty reduction strategies, national development strategies, United Nations development assistance frameworks and other development assistance strategies, that include innovative financing instruments to achieve the Convention's three objectives.
- 2.6. To establish enabling conditions for private sector involvement in supporting the Convention's three objectives, including the financial sector.

Goal 3: Strengthen existing financial institutions and, promote replication and scaling-up of successful financial mechanisms and instruments

- 3.1. To enhance efforts in mobilizing co-financing and other modes of project financing for biological diversity.
- 3.2. To strive to increase official development assistance associated with biological diversity, where biodiversity is identified as a priority by developing country Parties in poverty reduction strategies, national development strategies, United Nations development assistance frameworks and other development assistance strategies and in accordance with priorities identified in national biodiversity strategies and action plans.

- 3.3. To mobilize public sector investments in biological diversity and its associated ecosystem services.
- 3.4. To mobilize private sector investments in biological diversity and its associated ecosystem services.
- 3.5. To establish, as appropriate, new and additional funding programmes through voluntary contributions to support the three objectives of the Convention.
- 3.6. To fulfil the implementation of the provisions of the Monterrey Consensus on mobilizing international and domestic funding as related to biodiversity.
- 3.7. To continue to support, as appropriate, domestic environmental funds as essential complements to the national biodiversity resource base.
- 3.8. To promote biological diversity in debt relief and conversion initiatives, including debt-fornature swaps.

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

- 4.1. To promote, where applicable, schemes for payment for ecosystem services, consistent and in harmony with the Convention and other relevant international obligations.
- 4.2. To consider biodiversity offset mechanisms where relevant and appropriate while ensuring that they are not used to undermine unique components of biodiversity.
- 4.3. To explore opportunities presented by environmental fiscal reforms including innovative taxation models and fiscal incentives for achieving the three objectives of the Convention.
- 4.4. To explore opportunities presented by promising innovative financial mechanisms such as markets for green products, business-biodiversity partnerships and new forms of charity.
- 4.5. To integrate biological diversity and its associated ecosystem services in the development of new and innovative sources of international development finance, taking into account conservation costs.
- 4.6. To encourage the Parties to United Nations Framework Convention on Climate Change and its Kyoto Protocol to take into account biodiversity when developing any funding mechanisms for climate change.

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

- 5.1. To integrate considerations on biological diversity and its associated ecosystem services into the priorities, strategies and programmes of multilateral and bilateral donor organizations, including sectoral and regional priorities, taking into account the Paris Declaration on Aid Effectiveness.
- To integrate considerations on biological diversity and its associated ecosystem services in economic and development plans, strategies and budgets of developing country Parties.

- 5.3. To integrate effectively the three objectives of the Convention into the United Nations development system, as well as international financial institutions and development banks.
- 5.4. To strengthen cooperation and coordination among funding partners at the regional and subregional levels, taking into account the Paris Declaration on Aid Effectiveness.
- 5.5. To enhance financial, scientific, technical and technological cooperation with international organizations, non-governmental organizations, indigenous peoples' organizations and public institutions for biological diversity and its associated ecosystem services.

Goal 6: Build capacity for resource mobilization and utilization and promote South-South cooperation as a complement to necessary North-South cooperation

- 6.1. To build local, national and regional capacities on resource mobilization skills, financial planning and effective resource utilization and management, and support awareness raising activities.
- 6.2. To identify, engage and increase South-South cooperation as complement to North-South cooperation to enhance technical, technological, scientific and financial cooperation.
- 6.3. To promote exchange of experience and good practice in financing for biological diversity.

Goal 7 Enhancing implementation of access and benefit-sharing initiatives and mechanisms in support of resource mobilization

- 7.1. To raise awareness and build the capacity of different stakeholders to implement access and benefit-sharing initiatives and mechanisms.
- 7.2. To promote exchange of experiences and good practices in access and benefit sharing.

Goal 8: Enhance the global engagement for resource mobilization in support of the achievement of the Convention's three objectives

8.1. To raise public awareness of the importance of biological diversity and the goods and services that it provides at all levels in support of resource mobilization.

V. IMPLEMENTATION

- 11. The effective implementation of the strategy for resource mobilization will require an unremitting effort of all relevant stakeholders of the Convention at all levels. Political will and commitment to better recognize the importance of biological diversity in sustainable development must be reinforced in order to achieve the funding target.
- 12. The strategy for resource mobilization is intended to assist Parties in establishing national targets, goals and objectives as well as actions and timeframes, and in considering the establishment of financial mechanisms and other options, to implement the financial provisions of the Convention at all levels, based on success stories and good practices. Each Party should consider appointing a "resource mobilization focal point" to facilitate national implementation of the strategy for resource mobilization. National implementation should include, as appropriate, the design and dissemination of a country-specific resource mobilization strategy, with the involvement of key stakeholders such as non-governmental organizations, indigenous peoples and local communities, environmental funds, businesses and donors, in the frame of updated national biodiversity strategies and action plans.

- 13. The Global Environment Facility, in collaboration with the Executive Secretary, is invited to consider how it can contribute to the implementation of the strategy for resource mobilization, and report back to the Conference of the Parties through the third meeting of the Working Group on Review of Implementation of the Convention, including consideration of a plan to address the strategy for resource mobilization, in consultation with the GEF implementing agencies;
- 14. The Conference of the Parties will review the implementation of the strategy for resource mobilization at its regular meetings, with the following focus:

	Focus issues	Standing issues	
COP 9	Adoption of the strategy		
COP 10	Goals 1, 3 and 4	Goals 6 and 8	
COP 11	Goals 2, 5 and 7	Goals 6 and 8	
COP 12	Comprehensive review of the implementation of the strategy		

- 15. The Executive Secretary should prepare periodic global monitoring reports on the implementation of the strategy for resource mobilization, for consideration by the Conference of the Parties, and promote, in collaboration with the Global Environment Facility, exchange of experience and good practice in financing for biological diversity.
 - C. Message on biological diversity and finance to the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus

The Conference of the Parties,

Noting General Assembly resolution 62/187 of 19 December 2007 on Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus adopted by the General Assembly of the United Nations,

Highlighting the need for a full integration of financing for biodiversity and its associated ecosystem services at the above-mentioned Follow-up International Conference on Financing for Development,

Having considered recommendation II/2, paragraph 3, of the Ad Hoc Open-ended Working Group on Review of Implementation of the Convention that, at its ninth meeting, the Conference of the Parties should mandate its President to transmit a message on biodiversity and financing for development to the Follow-up International Conference on Financing for Development,

Taking note of the draft of the message prepared by the Executive Secretary after informal consultations with Parties and relevant organizations,

- 1. Adopts the message on finance and biological diversity annexed to the present decision, as an input of the Convention on Biological Diversity to the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus to be held in Doha from 29 November to 2 December 2008;
- 2. Requests the President of the ninth meeting of the Conference of the Parties to transmit the message on finance and biological diversity to the President of the United Nations General Assembly for consideration by the Follow-up International Conference on Financing for Development;
- 3. *Instructs* the Executive Secretary to promote awareness of the message on finance and biological diversity and participate actively in the process of the Follow-up International Conference on Financing for Development, and report thereon to the Conference of the Parties at its tenth meeting.

Annex

BONN MESSAGE ON FINANCE AND BIOLOGICAL DIVERSITY

We, the participants in the ninth meeting of the Conference of the Parties to the Convention on Biological Diversity,

Recalling that the Convention on Biological Diversity is the foremost international legal instrument for the conservation of biological diversity, the sustainable use of its components and the fair and equitable sharing of the benefits arising out of the utilization of genetic resources, including by appropriate access to genetic resources and by appropriate transfer of relevant technologies, taking into account all rights over those resources and to technologies, and by appropriate funding,

Deeply concerned by the unprecedented rate of loss of biodiversity and associated decline in ecosystem services of our planet and its far-reaching environmental, social, economic and cultural impacts, exacerbated by the negative impacts of climate change,

Deeply concerned also that the consequences of biodiversity loss and ecosystem disruption are harshest for the poor and that biodiversity loss and degradation of ecosystem services pose a significant barrier to achieving sustainable development and the Millennium Development Goals,

Recalling the urgent need to redouble efforts to meet the 2010 biodiversity target of achieving, by 2010, a significant reduction in the rate of loss of biodiversity,

Emphasizing that the enhanced phase of implementation of the three objectives of the Convention requires that biodiversity considerations be mainstreamed into national development and poverty-reduction plans, policies and strategies, as well as into development-cooperation planning,

Highlighting the need to integrate financing for biodiversity and its associated ecosystem services into the decisions of the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus, to be held in Doha from 29 November to 2 December 2008,

Hereby declare that its elements should include the following:

- 1. Governments and relevant organizations should increase financial resources for the effective and efficient_implementation of national biodiversity strategies and action plans, in particular to achieve the 2010 biodiversity target as part of Goal 7, on environmental sustainability, of the Millennium Development Goals, taking into account the strategy on resource mobilization in support of the Convention's three objectives, as adopted by the ninth meeting of the Conference of the Parties, in Bonn;
- 2. The international development and financial cooperation system, including the World Bank, the International Monetary Fund, regional development banks and bilateral development agencies, as well as the United Nations funds, programmes and agencies, are invited to increase direct investment and technical assistance in biodiversity projects and strive to mainstream biodiversity and its associated ecosystem services considerations into their overall programme of work to maximize potential for synergy;
- 3. Governments and relevant organizations should integrate into their strategies for poverty reduction and development the contribution of biodiversity and its associated ecosystem services, to poverty eradication, national development and human well-being, as well as the economic, social, cultural, and other values of biodiversity as emphasized in the Convention on Biological Diversity;

- 4. Governments and relevant organizations should support the development and completion for adoption of an international regime on access and benefit-sharing, by 2010, in the framework of the Convention on Biological Diversity;
- 5. Governments and relevant organizations should develop and implement effective and innovative mechanisms, at local, national and international levels to promote the three objectives of the Convention, taking into account the value of biodiversity and the ecosystem services it generates, and the contribution of indigenous peoples and local communities in maintaining it, including their rights to use their natural resources;
- 6. The business community, including the financial-services sector, should be encouraged to fully engage in the implementation of the three objectives of the Convention;
- 7. South-South cooperation should be encouraged as an effective complementary tool to North-South cooperation, to promote the transfer of technology and new flows of technical and financial resources to achieve the three objectives of the Convention.

3rd plenary session 30 May 2008
