







Twelfth meeting of the Conference of the Parties to the Convention on Biological Diversity (CBD COP 12) 6 - 17 October 2014 Pyeongchang, Republic of Korea

Position Paper on Agenda Item 14: Resource Mobilization

(UNEP/CBD/COP/12/1/Add.2)

Mobilize, Prioritise, and Act

The group of NGOs consisting of Conservation International (CI), BirdLife International, The Nature Conservancy (TNC), and WWF commend the ongoing process to review and improve the implementation of the Strategy for Resource Mobilization (SRM) in order for Parties to achieve the Strategic Plan for Biodiversity (2011-2020).

The draft Fourth Global Biodiversity Outlook (GBO 4, UNEP/CBD/SBSTTA/18/2, UNEP/CBD/SBSTTA/18/INF/2) shows that implementation of 46 out of 55 target elements has progressed at an insufficient rate. The report suggests that the majority of them are still achievable, but that meeting them will be challenging. Doing so will require innovative and bold activities from all Parties with a sustained focus on biodiversity in a wide range of policy areas for the second half of this decade, including actions to accelerate resource mobilization at all levels.

1. Enhance Action for Resource Mobilization from all sources

We welcome the commitments made by Parties at COP 11 and the efforts to scale up resources that have followed. However, the current level of financial investments – two years after Hyderabad – is still insufficient to achieve the Aichi Targets.

We believe that the available data on global and national biodiversity financing appropriately indicates the order of magnitude of funding needed per year to implement the Aichi Targets successfully. Notably, the High-Level Panel's report estimated that between US\$ 150 billion and US\$ 440 billion per year would be required to meet the Aichi Targets by 2020 (UNEP/CBD/WGRI/5/INF/8). Regional- and country-scale evidence considered during the second phase of the HLP-led assessment broadly supports these estimates of global needs and, in the case of some targets, finds them conservative.

Hence, these estimates should be considered sufficient for accelerating direct actions towards adequately reducing the funding gaps.

Every year that passes without significant measures taken for improving, conserving and restoring our natural capital will further increase the future costs of addressing the biodiversity crisis that we are currently confronting.

We therefore call on all Parties:

- a) to fully implement COP 11 decision XI/4 without further delay, and
- b) to urgently increase investments from all sources towards biodiversity conservation and ecosystem services to avoid further loss and as a way to secure livelihoods, reduce poverty and foster sustainable development.

2. Secure international financial flows to developing countries and target setting

The Hyderabad commitment to double international financial resource flows to developing countries by 2015 was a significant step towards reducing the overall financial gap of resources needed (Dec. XI/4, para 7a).

The recent increase of donor pledges to the Global Environment Facility (GEF) for the GEF-6 period from 2014-2018 is commendable and indicates that developed country Parties are acting to fulfill their obligations as specified under Article 20 of the Convention. However, it also indicates that we will most likely fall short of meeting the Hyderabad commitment, because the GEF funding alone will be insufficient. Hence, more efforts and political will are needed to mobilize funding through bilateral development aid, voluntary contributions, and to redirect financing from other sector budget lines that could bring immediate benefits for biodiversity.

Parties decided that at COP 12 they would review progress towards the target on international financial resource flows with the aim of adopting a final target, using the information and data provided by Parties (Dec. XI/4, para 22). Despite the request for additional data and information, we strongly urge developed counties to accelerate efforts to meet their commitment to double international financial flows to developing countries by 2015 as a minimum step. In addition, developed country Parties should foresee to provide resources above the 2015 target level when requested by developing countries that have met all of the commitments under decision XI/4 and that have identified specific priority activities for biodiversity conservation. International public finance will be indispensable to complement and facilitate national level efforts – particularly where needs are greatest.

We therefore call on developed country Parties:

- a) to accelerate efforts to mobilize funding to meet the 2015 target on international financial flows as a minimum step (Decision XI/4, para 7a),
- b) to make their expenditure transparent in order to track progress towards achieving the 2015 target of doubling international financial flows, and
- c) to foresee providing resources above the 2015 target level when requested by developing countries that have met all of the commitments under decision XI/4 and that have identified specific priority activities for biodiversity conservation.

3. Prioritize biodiversity and domestic resource mobilization

At COP 11, Parties committed to include biodiversity in their national priorities and development plans and to make appropriate financial provisions by 2015 (Dec XI/4, para 7b). However, according to the Global Monitoring Report on the implementation of the Resource Mobilization Strategy (UNEP/CBD/WGRI/5/INF/4), not much progress has been made since COP 11. We share the view of the High-Level Panel, presented at WGRI-5 in UNEP/CBD/WGRI/5/INF/8, that there is a strong need for:

- a change in the way resources are allocated in economies, including national budgets, to get the best outcomes for biodiversity and sustainable development,
- the establishment of an appropriate and coherent political and institutional framework in all countries,
- more political will of governments to increase domestic resources to achieve the targets of NBSAPs. In order to be successful in mobilizing additional resources, biodiversity should be "on the top of President's desk" (quote from Quito II seminar report, UNEP/CBD/WGRI/5/INF/9).

We therefore call on all Parties:

- a) to prioritize biodiversity in their national programs and plans according to Decision XI/4 para 7b,
- b) to significantly increase public domestic resources and provide the enabling environment for increased private financing,
- c) to urgently mobilize additional resources through various biodiversity financing mechanisms (BFM) and adopt the guidelines for BFM safeguards (UNEP/CBD/WGRI/5/L. 11), and
- d) by 2016, to meet at least 50% of their resource needs, and have a clear plan in place for meeting the remaining 50% of their resource needs by 2020.

4. Accelerate Monitoring and Reporting

We recognize that according to the Global Monitoring Report on the implementation of the Resource Mobilization Strategy (UNEP/CBD/WGRI/5/INF/4), not much progress has been made since COP 11 to achieve the agreed targets of Decision XI/4 para 7c) on reporting domestic expenditure, funding needs, gaps and priorities by 2015, and para 7d) on preparing national financial plans by 2015. Developing country Parties should also provide adequate data and information for future decisions on international financial flows.

We therefore call on Parties:

- a) to accelerate their monitoring and reporting on domestic biodiversity spending, gaps and needs by 31 December 2015, using the revised reporting systems, and
- b) to have all necessary assessments and resource mobilization strategies in place by 2016.

5. Enhance capacity for efficient use of funding

Closing the funding gap is crucial to enabling achievement of the Aichi Targets; however, ensuring that countries are well positioned to access, absorb and make use of increased funding flows is equally important. Strengthening in-country institutional frameworks, including cross-sectoral planning and coordination mechanisms, will not only improve the absorptive capacity of recipient countries, but will also ensure the effective and efficient spending of all resources.

These efforts will also enable stronger coordination of donor engagements at the national level to ensure country ownership in line with the internationally agreed development effectiveness principles. In addition, with stronger institutional frameworks in place, it will be easier to mainstream biodiversity, develop synergies with sustainable development, and link biodiversity and climate finance to achieve multiple benefits. In some countries, this process has included the establishment of inter-ministerial commissions with all relevant line ministries, including the Finance or Treasury ministries, and is administered by an executive office, which is seen as a major step forward to efficiently use the provided funding.

We therefore call on developed and developing country Parties:

- a) to collaborate to increase country capacity to absorb financial resources for efficient implementation of the Strategic Plan,
- a) to establish appropriate governance structures to efficiently allocate and spend the provided funding,
- b) to ensure transparency and accountability of all financial flows for biodiversity from all sources,
- c) to initiate at COP 12 the scaling up of targeted technical support and capacity-building for appropriate resource mobilization and management, to be funded by developed country Parties in response to specific needs articulated by developing countries.
- 6. Speed-up efforts on implementation of Aichi Target 2 (incorporating biodiversity values),
 Aichi Target 3 (harmful subsidies), and Aichi Target 4 (sustainable consumption and
 production)

The benefits of delivering specific Aichi Targets under Goals B and C are likely to significantly outweigh costs. In particular, inter-linkages and synergies between Targets mean that the resourcing and implementation of any one target may influence the investment needs of another. In that context, the implementation of targets under Goal A are expected to reduce costs of achieving targets under Goals B, C, and D. In particular, the removal of harmful subsidies under Target 3 will reduce the overall costs for achieving the CBD's objectives.

However, the draft executive summary of GBO-4, presented at SBSTTA-18 (UNEP/CBD/SBSTTA/18/2, UNEP/CBD/SBSTTA/18/INF/2), states that progress towards targets under Goal A has been made, but at an insufficient rate. For example, some progress on Target 2 on incorporating biodiversity values has been made, while Target 3 on harmful subsidies shows no significant progress and elements of Target 4 on impacts of

consumption and production on natural resources are moving away from the 2020 goal. Therefore, there is a strong need to speed-up efforts on these three targets.

We therefore call on Parties:

- a) to speed-up implementation of Aichi Target 2 on incorporating biodiversity values into national accounting and in all planning and policy processes at all levels of government, including plans for development and poverty reduction,
- b) to make significant progress on Aichi Target 3 and adopt the milestones, contained in Annex I to the draft decision (UNEP/CBD/COP/12/1/Add.2), as a roadmap for the full implementation of this target, and
- c) to enhance progress on Aichi Target 4 by developing positive incentives, regulations and guidelines to encourage business engagement in sustainable production, and sector specific actions, in particular for fish and seafood to deliver on Target 6, and on agriculture, aquaculture and forestry to deliver on Target 7.

7. <u>Provide means of implementation for biodiversity and ecosystem related Sustainable Development Goals (SDG) and targets</u>

Many Parties and civil society organizations have promoted the integration of the Strategic Plan for Biodiversity 2011-2020 and its Aichi Targets into the framework for the Sustainable Development Goals (SDG) within the post-2015 UN development agenda (UNEP/CBD/WGRI/5/INF/12), and has been reflected in the Outcome Document of the Open Working Group on SDG (as of 19th July 2014).

Adequate financing for the implementation of the Strategic Plan will significantly contribute towards the achievement of the SDGs between 2015 and 2020 and lays the groundwork for additional actions through to 2030.

However, given the extended timeframe of the post-2015 agenda until 2030, additional financing and means of implementation will be necessary for biodiversity-related actions contributing to the achievement of the SDGs. Currently only 1% of ODA globally goes to biodiversity, as reported in the Second Dialogue Seminar on Scaling up Finance for Biodiversity (UNEP/CBD/WGRI/5/INF/9); this will need to be increased in order to ensure achievement of both the Aichi Targets and the SDGs.

We therefore call on Parties:

- a) to welcome and support the integration of biodiversity and ecosystem aspects into the proposed SDGs and targets as proposed by the Open Working Group on SDGs, and
- b) to agree on substantial means of implementation for biodiversity and ecosystem related goals and targets in order to achieve adequate resource mobilization through 2030.

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September 2014

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