



## Convention on Biological Diversity

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### INDICATORS FOR MONITORING THE IMPLEMENTATION OF THE STRATEGY FOR RESOURCE MOBILIZATION: METHODOLOGICAL GUIDANCE AND IMPLEMENTATION GUIDELINES

#### INTRODUCTION

1. In decision X/3A, paragraph 7, the Conference of the Parties adopted a set of fifteen indicators for monitoring the implementation of the strategy for resource mobilization, based on its mission and eight goals, and by paragraph 8(a) of the same decision, the Conference of the Parties invited Parties and other Governments to implement the indicators set out in paragraph 7 and associated targets following collection of information from the Parties and advice of the Executive Secretary to the Conference of the Parties at its eleventh meeting, consistent with target 20 of the Strategic Plan for Biodiversity 2011-2020, in accordance with the established process.

2. In decision X/3A, paragraph 8(b), the Conference of the Parties invited Parties, other Governments and levels of governments, relevant international organizations, and civil-society organizations, “in response to the indicators adopted and other information pertinent to the indicators, to submit information not later than 30 June 2011 for the Executive Secretary to compile and present a synthesis of this information”. The Executive Secretary transmitted the request from the Conference of the Parties through CBD Notification 2011-061, and also organized an informal expert consultation on resourcing indicators via electronic means from 20 June -1 July 2011. Submissions were received from: European Union (<http://www.cbd.int/financial/doc/eu-2011-061-resourcing-indicators-en.pdf>), Finland and United Kingdom (<http://www.cbd.int/financial/doc/finland-uk-resource-mobilization-2011-en.pdf>), Japan (<http://www.cbd.int/financial/doc/japan-resource-mobilization-2011-en.pdf>) and (<http://www.cbd.int/financial/doc/japan-resource-mobilization-indicators-en.pdf>), Canada (<http://www.cbd.int/financial/doc/canada-resource-mobilization-indicators-2011-en.pdf>), China (<http://www.cbd.int/financial/doc/china-resource-mobilization-indicators-en.pdf>), India (<http://www.cbd.int/financial/doc/india-resource-mobilization-indicators-en.pdf>), and Norway (<http://www.cbd.int/financial/doc/norway-resource-mobilization-indicators-2011-en.pdf>). The received information was available on the webpages indicated above.

3. In decision X/3A, paragraph 8(d), the Conference of the Parties requested the Executive Secretary “to compile information from all sources, including but not limited to the Biodiversity Indicator Partnership, to give methodological guidance to the above indicators, including collaborating with the Development Assistance Committee of the Organization for Economic Co-operation and Development (OECD/DAC) and informed by the work of the ad hoc technical expert group on indicators for the Strategic Plan for Biodiversity 2011-2020”, and in paragraph 8(e), the Conference of

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the Parties requested the Executive Secretary “to provide guidelines to the Parties during 2011 for the implementation of this methodology on the application of indicators and establishment of a baseline year”. The Secretariat of the Organization for Economic Co-operation and Development participated in the informal expert consultation on resourcing indicators. The present note provides the information on methodological guidance and guidelines for the implementation of this methodology.

4. In paragraph 8 of decision X/3A, the Conference of the Parties also provided the following further instruction for action:

“(f) Invites Parties to apply the methodology during 2011-2012 to measure gaps and needs as well as progress in the increase in, and mobilization of, resources against the indicators set out in paragraph 7 of the present decision, using the baseline year established above;

“(g) Invites Parties to present relevant information to the Secretariat in a timely manner;

“(h) Requests the Executive Secretary to compile and consolidate information from all relevant sources, and on this, determine baselines to be presented to the Conference of the Parties at its eleventh meeting for agreement by the Parties”

5. The present note provides methodological guidance and implementation guidelines as requested by the Conference of the Parties in decision X/3. The methodological guidance and implementation guidelines will be used as a living document and may be updated or revised periodically on the basis of experiences gained and new knowledge acquired. Questions related to the methodological guidance should be communicated to: [secretariat@cbd.int](mailto:secretariat@cbd.int) and/or [financialaffairs@cbd.int](mailto:financialaffairs@cbd.int).

## I. METHODOLOGICAL GUIDANCE

6. This methodological guidance provides a common understanding of indicators adopted by the Conference of the Parties in decision X/3A, paragraph 7, which have been elaborated within the context of the strategy for resource mobilization. Section A tabulates the relationship between the goals and objectives and indicators. Sections B-J contains definitions, rationale, methods of computation and data sources of the indicators under each goal of the strategy for resource mobilization.

### A. Goals, objectives and indicators

<b>GOALS AND OBJECTIVES</b>	<b>INDICATORS FOR MONITORING PROGRESS</b>
From the Strategy for Resource Mobilization (decision IX/11)	From decision X/3
<b>MISSION</b>	
<p>1. 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.</p>	<p>Aggregated financial flows, in the amount and where relevant percentage, of biodiversity-related funding, per annum, for achieving the Convention's three objectives, in a manner that avoids double counting, both in total and in, inter alia, the following categories:</p> <ul style="list-style-type: none"> <li>(a) Official Development Assistance (ODA);</li> <li>(b) Domestic budgets at all levels;</li> <li>(c) Private sector;</li> <li>(d) Non-governmental organizations, foundations, and academia;</li> <li>(e) International financial institutions;</li> <li>(f) United Nations organizations, funds and programmes;</li> <li>(g) Non-ODA public funding;</li> <li>(h) South-South cooperation initiatives;</li> <li>(i) Technical cooperation</li> </ul>
<b>Goal 1: Improve information base on funding needs, gaps and priorities</b>	
<p>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:</p> <ul style="list-style-type: none"> <li>(a) OECD/DAC Rio markers on biodiversity;</li> <li>(b) National reports of Parties;</li> <li>(c) Trends in funding to GEF;</li> <li>(d) Funding flows through a selected number of the large international NGOs.</li> </ul> <p>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.</p> <p>1.3. To improve priority-setting for guiding resource allocation to biological diversity and its associated ecosystem services.</p>	<p>1A. Number of countries that have: (a) Assessed values of biodiversity, in accordance with the Convention;</p> <p>1B. Number of countries that have: (b) Identified and reported funding needs, gaps and priorities;</p> <p>1C. Number of countries that have: (c) Developed national financial plans for biodiversity;</p> <p>1D. Number of countries that have: (d) Been provided with the necessary funding and capacity building to undertake the above activities</p>
<b>Goal 2: Strengthen national capacity for resource utilization and mobilize domestic financial resources for the Convention's three objectives</b>	
<p>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</p>	<p>2. Amount of domestic financial support, per annum, in respect of those domestic activities which are intended to achieve the objectives of this Convention;</p>

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-for-nature swaps.

3A. Amount of funding provided through the Global Environment Facility and allocated to biodiversity focal area

3B. Level of CBD and Parties' support to other financial institutions that promote replication and scaling-up of relevant successful financial mechanisms and instruments

3C. Amount of financial resources from all sources from developed countries to developing countries to contribute to achieving the Convention's objectives

3D. Amount of financial resources from all sources from developed countries to developing countries towards the implementation of the Strategic Plan for Biodiversity 2011-2020

#### **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.

4A. Resources mobilized from the removal, reform or phase-out of incentives, including subsidies, harmful to biodiversity, which could be used for the promotion of positive incentives, including but not limited to innovative financial mechanisms, that are consistent and in harmony with the Convention and other international obligations, taking into account national social and economic conditions

4B. Number of initiatives, and respective amounts, supplementary to the financial mechanism established under Article 21, that engage Parties and relevant organizations in new and innovative financial mechanisms, which consider intrinsic values and all other values of biodiversity, in accordance with the objectives of the Convention and the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of the Benefits Arising out of Their Utilization

#### **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.
- 5.2. 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.

5A. Number of international financing institutions, United Nations organizations, funds and programmes, and the development agencies that report to the Development Assistance Committee of Organisation for Economic Co-operation and Development (OECD/DAC), with biodiversity and associated ecosystem services as a cross-cutting policy

5B. Number of Parties that integrate considerations on biological diversity and its associated ecosystem services in development plans, strategies and budgets

#### **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

6A. Number of South-South cooperation initiatives conducted by developing country Parties and those that may be supported by other Parties and relevant partners, as a complement to necessary North-

activities.	South cooperation;
6.2. To identify, engage and increase South-South cooperation as complement to North-South cooperation to enhance technical, technological, scientific and financial cooperation.	6B. Amount and number of South-South and North-South technical cooperation and capacity-building initiatives that support biodiversity;
6.3. To promote exchange of experience and good practice in financing for biological diversity.	
<b>Goal 7: Enhancing implementation of access and benefit-sharing initiatives and mechanisms in support of resource mobilization</b>	
7.1. To raise awareness and build the capacity of different stakeholders to implement access and benefit-sharing initiatives and mechanisms.	7. Number of access and benefit-sharing initiatives and mechanisms, consistent with the Convention and, when in effect, with the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of the Benefits Arising out of Their Utilization, including awareness-raising, that enhance resource mobilization;
7.2. To promote exchange of experiences and good practices in access and benefit sharing.	
<b>Goal 8: Enhance the global engagement for resource mobilization in support of the achievement of the Convention's three objectives</b>	
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.	8. Number of global initiatives that heighten awareness on the need for resource mobilization for biodiversity;

### ***B. Mission***

**Aggregated indicator:** Aggregated financial flows, in the amount and where relevant percentage, of biodiversity-related funding, per annum, for achieving the Convention's three objectives, in a manner that avoids double counting, both in total and in, *inter alia*, the following categories:

- (a) Official Development Assistance (ODA);
- (b) Domestic budgets at all levels;
- (c) Private sector;
- (d) Non-governmental organizations, foundations, and academia;
- (e) International financial institutions;
- (f) United Nations organizations, funds and programmes;
- (g) Non-ODA public funding;
- (h) South-South cooperation initiatives;
- (i) Technical cooperation

### **Definitions**

Aggregated financial flows per annum refer to total amount of funding for biodiversity objectives from all sources, private and public, domestic and external alike, at all levels per annum. There are two major causes of double counting: transfers and inter-organizational transactions. Transfers between central government and local governments, sponsorship between corporations and non-governmental organizations, transactions among non-governmental organizations should be counted once.

Official Development Assistance (ODA) comprises contributions of donor government agencies, at all levels, to developing countries (“bilateral ODA”), which are concessional in character with a grant element of at least 25 percent (using a fixed 10 percent rate of discount) (note: this definition is used in international aid statistics. To avoid double counting with ODA through multilateral institutions, this line is limited to bilateral ODA). Donor government agencies normally are members of the Development Assistance Committee (DAC) of Organization for Economic Cooperation and Development (OECD).

Domestic budgets at all levels include general government budgets at national, regional/provincial and local levels. Budget support provided from foreign governments should be separately counted from domestic budgets. Where sub-national governments do not have own sources of revenue, domestic budgets at all levels are only budgets of national government, including transfer to sub-national governments.

The private sector comprises private corporations, households and non-profit institutions serving households. Private sector contributions from foreign countries such as multinational corporations are also included.

Non-governmental organizations are legally constituted organizations that operate independently from any government, either to raise awareness by lobbying, press work and activist events or to mobilize financial resources, materials and volunteers to develop and implement localized projects and programmes in the field. Foundations are a legal category of non-profit organizations that typically either donate funds and support to other organizations, or provide the source of funding for its own charitable purposes. Academia refers to all institutions aimed at advancing knowledge development, including educational establishments and research institutions. International non-governmental organizations and their local branches, foreign foundations and academia are included.

International financial institutions include Global Environment Facility, the World Bank Group and regional development banks. As Global Environment Facility provides funding mostly through other international financial institutions, funding from the Global Environment Facility and associated agencies should be counted separately. Private international financial institutions belong to the private sector.

United Nations organizations, funds and programmes encompass those intergovernmental bodies that are mandated to report directly to the United Nations General Assembly or the United Nations Economic and Social Council, as well as those specialized agencies and related organizations and funds.

Non-ODA public funding, also called “other official flows” (OOFs), refers to transactions by the official sector with countries on the List of Aid Recipients which do not meet the conditions for eligibility as Official Development Assistance, either because they are not primarily aimed at development, or because they have a Grant Element of less than 25 per cent.

South-South cooperation initiatives involve the exchange of resources, technology, and knowledge between developing countries, designed to deliver capacity building and technology support activities in developing countries and regions of the South, as a complement to North-South cooperation to enhance technical, financial, scientific and technological exchanges and innovations for biodiversity.

Technical cooperation includes both the provision of education or training at home or abroad, and the provision of consultants, advisers and similar personnel serving in recipient countries. There are investment-related technical cooperation (IRTC) and free-standing technical cooperation (FTC) initiatives.

### **Rationale**

Complete information of biodiversity financing is essential for celebrating financial accomplishments, understanding gaps and envisaging future actions. It offers an early sign for predicting the progress



made in achieving nationally approved goals and targets that contribute to globally agreed targets, and enables the global community to consider corrective measures.

The indicator addresses all sources of funding, as indicated in the mission of the Strategy for Resource Mobilization, and thus provides a powerful tool in monitoring the implementation of Articles 20, 21, 8(m) and 9(e) of the Convention.

### **Method of computation**

Aggregated financial flows of biodiversity-related funding = funding from (bilateral) official development assistance (ODA) + funding from domestic budgets at all levels + funding from private sector + funding from non-governmental organizations, foundations, and academia + funding from international financial institutions + funding from United Nations organizations, funds and programmes + non-ODA public funding + funding from South-South cooperation initiatives + funding from technical cooperation

Funding from (bilateral) official development assistance (ODA) =  $\sum$  (funding from individual bilateral development cooperation agencies)

Percentage of funding from (bilateral) official development assistance (ODA) =  $\frac{\text{Funding from (bilateral) official development assistance (ODA)}}{\text{aggregated financial flows of biodiversity-related funding}} \times 100\%$

Funding from domestic budgets at all levels =  $\sum$  (funding from central government, regional/provincial governments, and local/municipal governments)

Percentage of funding from domestic budgets at all levels =  $\frac{\text{Funding from domestic budgets at all levels}}{\text{aggregated financial flows of biodiversity-related funding}} \times 100\%$

Funding from private sector =  $\sum$  (funding from domestic businesses, multinational corporations, individuals)

Percentage of funding from private sector =  $\frac{\text{Funding from private sector}}{\text{aggregated financial flows of biodiversity-related funding}} \times 100\%$

Funding from non-governmental organizations, foundations, and academia =  $\sum$  (funding from national and international non-governmental organizations, foundations and academia)

Percentage of funding from non-governmental organizations, foundations, and academia =  $\frac{\text{Funding from non-governmental organizations, foundations, and academia}}{\text{aggregated financial flows of biodiversity-related funding}} \times 100\%$

Funding from international financial institutions =  $\sum$  (funding from Global Environment Facility, World Bank, regional development banks)

Percentage of funding from international financial institutions =  $\frac{\text{Funding from international financial institutions}}{\text{aggregated financial flows of biodiversity-related funding}} \times 100\%$

Funding from United Nations organizations, funds and programmes =  $\sum$  (funding from United Nations Development Programme and other United Nations system organizations)

Percentage of funding from United Nations organizations, funds and programmes =  $\frac{\text{Funding from United Nations organizations, funds and programmes}}{\text{aggregated financial flows of biodiversity-related funding}} \times 100\%$



Non-ODA public funding =  $\sum$  (non-ODA funding from individual bilateral development cooperation agencies)

Percentage of non-ODA public funding =  $\text{Non-ODA public funding} \div \text{aggregated financial flows of biodiversity-related funding} \times 100\%$

Funding from South-South cooperation initiatives =  $\sum$  (funding from other developing countries)

Percentage of funding from South-South cooperation initiatives =  $\text{Funding from South-South cooperation initiatives} \div \text{aggregated financial flows of biodiversity-related funding} \times 100\%$

Funding from technical cooperation =  $\sum$  (funding from individual technical cooperation entities, normally of developed countries)

Percentage of funding from technical cooperation =  $\text{Funding from technical cooperation} \div \text{aggregated financial flows of biodiversity-related funding} \times 100\%$

### **Data collection and source**

Most country Parties to the Convention on Biological Diversity have compiled financial data to support the development or preparation of national reports and national biodiversity strategies and action plans. Financing data related to biodiversity objectives are generally available at national level from national and international institutions involved or identified in national reporting and biodiversity planning. But countries may have their own approaches to collecting and compiling financial data that suit their own national circumstances.

External official financial data are compiled by the Development Assistance Committee of the Organization for Economic Cooperation and Development.

Financial information on national and international institutions that have not been involved or identified in national reporting and biodiversity planning may be significant in certain countries. Additional survey and estimation procedures must be thus carried out at the national level, in order to capture the full picture of biodiversity funding.

### **Periodicity of measurement**

Annually, as per the legislative requirement of decision X/3

### ***C. Information base on funding needs, gaps and priorities (goal 1)***

**Indicator 1A:** Number of countries that have: (a) Assessed values of biodiversity, in accordance with the Convention;

**Indicator 1B:** Number of countries that have: (b) Identified and reported funding needs, gaps and priorities;

**Indicator 1C:** Number of countries that have: (c) Developed national financial plans for biodiversity;

**Indicator 1D:** Number of countries that have: (d) Been provided with the necessary funding and capacity building to undertake the above activities

### **Definitions**

Valuation of biodiversity and ecosystem services comprises assessments at national, local and project levels, which may be undertaken by national or international experts. Many economic assessments may be undertaken at the ecosystem/biome level. Most economic valuation exercises are organized as project activities, and one project may contain several valuations at different locations and different levels. All

these valuations are expected to feed into a nation-wide assessment of economic values of biodiversity, using the recent experience of The Economics of Ecosystems and Biodiversity (TEEB).

Funding needs, gaps and priorities are identified and reported periodically at the national level, on the basis of the Convention and its global biodiversity strategy for the period 2011-2020. These studies are not only technical assessments, but also based on consensus of all relevant national stakeholders. The identification of funding needs, gaps and priorities is often part of a national biodiversity strategy and action plan process, but may also be undertaken separately in some countries where national biodiversity strategies and action plans have already been revised and updated.

National financial plans for biodiversity are normally part of national biodiversity action plans and are designed to implement country-specific resource mobilization strategies as part of national biodiversity strategies. National financial plans are expected to coincide with national budgetary cycles and take into account the replenishment cycle of the Global Environment Facility Trust Fund.

Necessary funding and capacity building to undertake the valuation and planning activities comprises all projects that are financed externally, by both bilateral and multilateral funding sources. Most of these activities may be financed by the Global Environment Facility.

### **Rationale**

Economic valuation and financial costing provide economic justifications for financial flows and investments into biodiversity activities through conventional cost-benefit analyses. A participatory financial planning process can bring all interested stakeholders together periodically in reviewing progress and status, debating funding needs, gaps and priorities and developing scale-up funding measures. External funders are increasingly interested in receiving national information related to economic values, funding needs, gaps and priorities as well as national financial plans for biodiversity. A global sense of economic values, funding needs, gaps and priorities is believed to contribute to informed decisions on resource mobilization by the Conference of the Parties.

### **Method of computation**

Number of countries that have assessed values of biodiversity =  $\sum$  (Individual countries that have completed a nation-wide assessment of biodiversity values)

Number of countries that have identified and reported funding needs, gaps and priorities =  $\sum$  (Individual countries that have completed an exercise of identifying funding needs, gaps and priorities)

Number of countries that have developed national financial plans for biodiversity =  $\sum$  (Individual countries that have completed the preparation of national financial plans for biodiversity)

Number of countries that have been provided with the necessary funding and capacity building to undertake the valuation and planning activities =  $\sum$  (Individual countries that have received funding and capacity building related to economic valuation and financial planning)

### **Data collection and source**

Value assessment, identification of funding needs, gaps and priorities, and national financial plans are considered as part, or an extension, of national biodiversity strategies and action plans, and thus must be monitored continuously at the national level. Countries can answer closed-ended dichotomous questions about the status of value assessment, identification of funding needs, gaps and priorities, and national financial plans at an interval of every four years.

### **Periodicity of measurement**

Economic valuation and financial planning must adapt to evolving and changing circumstances and thus need to be updated regularly, for instance every four years, in order to enhance its relevance and usefulness.

#### *D. Domestic financial resources (goal 2)*

**Indicator 2:** Amount of domestic financial support, per annum, in respect of those domestic activities which are intended to achieve the objectives of this Convention

##### **Definition**

Domestic financial support to biodiversity may originate from general governments, non-governmental sector, foundations and academic, domestic businesses and households. Financial contributions from non-governmental sector, domestic businesses and households are voluntary in nature, and do not include taxation-related contributions.

##### **Rationale**

The stewardship of biodiversity and ecosystem services has been traditionally ensured by domestic users, particularly by indigenous peoples and local communities. The associated financial contributions, however, have never been counted appropriately. Although the loss of biodiversity and ecosystem services has been recognized as a common concern, domestic financial contributions have been largely ignored or not duly recognized globally. This has led to further problems in considering the linkage and synergies between domestic and foreign financial support. Global discussions of biodiversity financing cannot proceed appropriately without the information concerning domestic financial support to domestic biodiversity activities.

##### **Method of computation**

Amount of domestic financial support to domestic biodiversity activities =  $\sum$  (central government allocations, regional/provincial government allocations, local/municipal government allocations, domestic private sector, non-governmental organizations, foundations and academia)

##### **Data collection and source**

Governmental data generally can be found from governmental budgetary documents. Financial data for the private sector, non-governmental organizations, foundations and academia may be obtained through respective associations, or survey and estimation procedures. The minimal scope of the latter data should cover those entities identified and recognized in national biodiversity strategies and action plans as well as national reporting.

##### **Periodicity of measurement**

Annually, as per the legislative requirement of decision X/3

#### *E. International funding (goal 3)*

3A. Amount of funding provided through the Global Environment Facility and allocated to biodiversity focal area

3B. Level of CBD and Parties' support to other financial institutions that promote replication and scaling-up of relevant successful financial mechanisms and instruments

3C. Amount of financial resources from all sources from developed countries to developing countries to contribute to achieving the Convention's objectives

3D. Amount of financial resources from all sources from developed countries to developing countries

**Definition**

The Global Environment Facility operates the financial mechanism of the Convention on Biological Diversity, and provides a window of biodiversity focal area to finance national biodiversity projects and activities in eligible countries. As global environmental issues are often inter-connected, other financing focal areas of the Global Environment Facility can be of material relevance to biodiversity objectives.

Level of CBD and Parties' support to financial institutions, other than the Global Environment Facility, measures a country's efforts to support the case of biodiversity within the governance process of all financial institutions such as multilateral and regional development banks, national development banks and export credit agencies, which aim to promote replication and scaling-up of relevant successful financial mechanisms and instruments. Replication refers to an action or process of reproducing or duplicating relevant successful financial mechanisms and instruments in a geographically different context, including measures to revise or adapt these mechanisms and instruments in the new environment. Scaling-up means the migration of a mechanism or instrument from the experiment scale to the full implementation scale, often resulting in mainstreaming and/or increase in expenditure for biodiversity.

The phrase "all sources from developed countries" refers to both public and private sources from developed countries, including official development assistance, private sector, non-government organizations, foundations, and academia, international financial institutions, United Nations organizations, funds and programmes, non-ODA public funding, and technical cooperation. It does not include domestic budgets or South-South cooperation initiatives.

The three-fold objectives of the Convention on Biological Diversity are: 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.

The Strategic Plan for Biodiversity 2011-2020 includes 20 headline targets for 2015 or 2020, organized under five strategic goals, including: addressing the underlying causes of biodiversity loss by mainstreaming biodiversity across government and society, reducing the direct pressures on biodiversity and promote sustainable use, improve the status of biodiversity by safeguarding ecosystems, species and genetic diversity, enhancing the benefits to all from biodiversity and ecosystem services, and enhancing implementation through participatory planning, knowledge management and capacity-building.

**Rationale**

The extent to which developing countries and countries with economies in transition effectively achieve global biodiversity objectives depends on the effective utilisation of financial resources made available by developed countries as economic and social development and eradication of poverty are the first and overriding priorities of the developing countries. The resources from the Global Environment Facility thus far have considerably contributed to the policy, regulatory, administrative and budgetary changes for biodiversity in many developing countries and countries with economies in transition. External finances continue to be critical for sustaining biodiversity achievements and aiming for further and rapid advancement towards the 2020 global targets for resources-constraining countries, particularly the least developed countries and Small Island Developing States.

**Method of computation**

Amount of funding provided through the Global Environment Facility and allocated to biodiversity focal area =  $\sum$  (biodiversity project proposals approved by the Council or the Chief Executive Officer of the Global Environment Facility)

Alternatively, amount of funding provided through the Global Environment Facility and allocated to biodiversity focal area = biodiversity funding allocated by the System for Transparent Allocation of Resources (STAR) of the Global Environment Facility

Level of CBD and Parties' support to other financial institutions that promote replication and scaling-up of relevant successful financial mechanisms and instruments =  $\sum$  (number of decisions advanced by a country and taken by governing bodies of financial institutions that promote replication and scaling-up of relevant successful financial mechanisms and instruments in support of biodiversity objectives)

Amount of financial resources from all sources from developed countries to developing countries to contribute to achieving the Convention's objectives =  $\sum$  (Resources transferred from each developed country to a developing country that contribute to achieving the Convention's objectives)

Amount of financial resources from all sources from developed countries to developing countries towards the implementation of the Strategic Plan for Biodiversity 2011-2020 =  $\sum$  (Resources transferred from each developed country to a developing country towards the implementation of the Strategic Plan for Biodiversity 2011-2020)

### **Data collection and source**

The Global Environment Facility publishes all project proposals approved officially and resource allocations by country and by focal areas on its website. The focal points of the Global Environment Facility can provide complementary information on the status of utilization of country allocations for biodiversity project activities.

Decisions to promote replication and scaling-up of relevant successful financial mechanisms and instruments by financial institutions are publicly available in the public domain. Countries may ascertain the extent and nature of their involvement in advancing the adopted decisions.

The Organization for Economic Cooperation and Development provides biodiversity funding information generated by the Rio Markers of the Creditor Reporting System (CRS) on its website. The data is maintained by statistical professionals and updated regularly.

Financial support from developed countries through multilateral channels can be obtained from the Ministry of Finance or national coordination office for international cooperation. Financial support of individual developed countries is proportional to their contribution to multilateral institutions.

Countries need to undertake additional data collection efforts in order to compile biodiversity-related funding information concerning the private sector, non-governmental organizations, foundations and academia of developed countries.

### **Periodicity of measurement**

Every four years, coinciding with the reporting cycle of the Convention and the replenishment cycle of the Global Environment Facility Trust Fund

## ***F. New and innovative financial mechanisms (goal 4)***

4A. Resources mobilized from the removal, reform or phase-out of incentives, including subsidies, harmful to biodiversity, which could be used for the promotion of positive incentives, including but not limited to innovative financial mechanisms, that are consistent and in harmony with the Convention and other international obligations, taking into account national social and economic conditions

4B. Number of initiatives, and respective amounts, supplementary to the financial mechanism established under Article 21, that engage Parties and relevant organizations in new and innovative financial mechanisms, which consider intrinsic values and all other values of biodiversity, in

accordance with the objectives of the Convention and the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of the Benefits Arising out of Their Utilization

### **Definition**

Subsidies are current unrequited payments that government units make to enterprises and households, including cash transfers, tax exemptions, below-cost pricing of capital and natural resources, and price controls, in an effort to stimulate economic growth and exports, to support particular industries, to maintain or create jobs, and to improve the welfare of the poor. Incentives, including subsidies, harmful to biodiversity, tend to promote unsustainable use of biodiversity and ecosystem services (e.g., water, forests and fisheries), increase the direct pressures on biodiversity and ecosystem services (e.g., pollutants, climate change), and add to the underlying causes of biodiversity loss.

Innovative financial mechanisms aim at improving financial performance by generating new and additional financial resources, by increasing cost efficiencies or by improving capacity to innovate. The phrase “new and innovative” involves a degree of novelty and uncertainty. An innovative financial mechanism is new to the world when it is the first to introduce the mechanism for all regions and institutions, domestic and international, but a financial mechanism can be innovative to an institution or country even if a funding process, technique or system has already been implemented by other institutions or other countries. As innovative financial mechanisms are associated with uncertainty over their outcome, not all the results of innovative financial mechanisms are known beforehand, e.g. whether analytical work will lead to the successful development of a replicable financial mechanism or how much time and resources will be needed to ensure its implementation and how successful it will be. Innovative financial mechanisms as identified by the Conference of the Parties include payment for ecosystem services, biodiversity offset mechanisms, markets for green products, biodiversity-business partnerships, new forms of charity, environmental fiscal reforms, new and innovative sources of international development financing, and consideration of biodiversity in climate change funding schemes.

An initiative on innovative financial mechanisms refers to the exploratory stage in developing innovative financial mechanisms, testing or piloting implementation of innovative financial mechanisms, or being adapted to new environment of application.

### **Rationale**

Innovative financial mechanisms have the potential to generate substantial financial resources and also bring new perspectives on biodiversity financing. Removal, reform or phase-out of perverse incentives can considerably reduce the financial needs of addressing the adverse impacts of these incentives, even when the freed resources are returned to general budgetary accounts, not to biodiversity allocations per se. Regulated by appropriate safeguards, markets for green products and ecosystem services provide a new avenue of generating financial resources by market creation and trade expansion. The market and trade opportunities for biodiversity and ecosystem services can bring effective transformation to the prevailing economic and financial analysis of unsustainable development projects.

### **Method of computation**

Resources mobilized from the removal, reform or phase-out of incentives, including subsidies, harmful to biodiversity =  $\sum$  (reduced amount of existing unrequited payments that government units make to enterprises and households that are harmful to biodiversity)

Number of initiatives that engage Parties and relevant organizations in new and innovative financial mechanisms =  $\sum$  (Number of innovative financial mechanism initiatives in which a country is engaged)



Amounts involved in initiatives that engage Parties and relevant organizations in new and innovative financial mechanisms =  $\sum$  (Monetary amounts involved in innovative financial mechanism initiatives in which a country is engaged)

### **Data collection and source**

Subsidy reforms are often heavily debated in a country's legislative process and generally included in governmental budgetary announcements.

Development and pilot of innovative financial mechanisms entails certain degree of consent, even official approval, from relevant government authorities. Such government authorities can be identified and used as the source of information.

### **Periodicity of measurement**

Every four years, coinciding with the reporting cycle of the Convention and the replenishment cycle of the Global Environment Facility Trust Fund

## ***G. Mainstreaming of biodiversity finance (goal 5)***

**Indicator 5A:** Number of international financing institutions, United Nations organizations, funds and programmes, and the development agencies that report to the Development Assistance Committee of Organization for Economic Co-operation and Development (OECD/DAC), with biodiversity and associated ecosystem services as a cross-cutting policy

**Indicator 5B:** Number of Parties that integrate considerations on biological diversity and its associated ecosystem services in development plans, strategies and budgets

### **Definition**

There are three scenarios for “biodiversity and associated ecosystem services as a cross-cutting policy”: a standing-alone policy document on biodiversity and associated ecosystem services; biodiversity and associated ecosystem services as a visible chapter in environmental policy document(s) or sustainable development policy document(s); biodiversity and associated ecosystem services as a visible section in overall institutional policy document(s).

Nearly all countries that are Parties to the Convention on Biological Diversity have some measures of integrating consideration of biodiversity and ecosystem services in national and sectoral development plans and strategies, in particular in national sustainability strategies and agricultural plans. The phrase “integrate considerations on biodiversity and ecosystem services” means at least one standing-alone paragraph considering biodiversity and ecosystem services in development plans and strategies or a standing-alone item or line considering biodiversity and ecosystem services in national budget documents.

### **Rationale**

Policy statements provide a guide and reference in developing budgetary prioritization, and policy changes eventually result in budgetary re-allocations. Although biodiversity and ecosystem services are increasingly referred to as a cross-cutting policy and in development plans, strategies and budgets, frequent re-adjustments of national policies and agency priorities require persistent advocacy for the importance of biodiversity and ecosystem services and regular re-emphasis of biodiversity and ecosystem services in the framework of national policies and agency priorities.

### **Method of computation**

Number of international financing institutions, United Nations organizations, funds and programmes, and the development agencies that report to the Development Assistance Committee of Organization for



Economic Co-operation and Development (OECD/DAC), with biodiversity and associated ecosystem services as a cross-cutting policy =  $\sum$  (Number of bilateral, regional and multilateral agencies and institutions, with which a country works, that have biodiversity and associated ecosystem services as a cross-cutting policy)

Number of Parties that integrate considerations on biological diversity and its associated ecosystem services in development plans, strategies and budgets =  $\sum$  (Number of development plans, strategies and budgets considering biodiversity and ecosystem services)

#### **Data collection and source**

Policy documents of financial institutions and development agencies are publicly available, for instance, through an institutional website, from concerned organizations.

National and sectoral development plans, strategies and budgets are also public documents and available for consultation.

#### **Periodicity of measurement**

Every four years, coinciding with the reporting cycle of the Convention and the replenishment cycle of the Global Environment Facility Trust Fund

### ***H. Capacity building and South-South cooperation (goal 6)***

**Indicator 6A:** Number of South-South cooperation initiatives conducted by developing country Parties and those that may be supported by other Parties and relevant partners, as a complement to necessary North-South cooperation

**Indicator 6B:** Amount and number of South-South and North-South technical cooperation and capacity building initiatives that support biodiversity

#### **Definition**

South-South Cooperation describes the exchange of resources, technology, and knowledge between developing countries. It is an essential cross-cutting mechanism designed to deliver capacity building and technology support activities in developing countries and regions of the South, as a complement to North-South cooperation, to enhance technical, financial, scientific and technological exchanges and innovations for biodiversity.

South-South cooperation initiatives refer to both active biodiversity projects and activities initiated between developing countries. South-South cooperation may be financially and/or technically supported by developed countries and international development institutions. Such an arrangement is also called “triangular cooperation”.

South-South and North-South technical cooperation initiatives include both the provision of education or training at home or abroad, and the provision of consultants, advisers and similar personnel serving in recipient countries.

South-South and North-South capacity building initiatives comprise capacity assessment, capacity building and capacity development activities. Capacity assessment is a structured and analytical process whereby the various dimensions of capacity are assessed within the broader context of biodiversity management systems. Capacity building involves the development of human, material and financial resources and provides means by which skills, experience, technical and management capacity are developed, often through the provision of technical assistance, short/long-term training, and specialist inputs (e.g., computer systems). Capacity development refers to the national process of developing,

enhancing and organizing their systems, resources and knowledge in order to perform functions, solve problems and achieve biodiversity objectives.

### **Rationale**

Resource mobilization capacities are the prerequisites for successful resource mobilization campaigns, but the field of biodiversity and ecosystem services has not been able to attract and retain a critical mass of financial experts, particularly in developing countries and countries with economies in transition. South-South cooperation, technical cooperation and capacity building are effective tools to expedite the process of generating necessary financial capacities.

### **Method of computation**

Number of South-South cooperation initiatives =  $\sum$  (Number of South-South biodiversity cooperation agreements between a country and other developing countries)

Number of technical cooperation and capacity building initiatives =  $\sum$  (Number of technical cooperation and capacity building projects and activities agreed between a country and other developing countries or developed countries)

Amount involved in technical cooperation and capacity building initiatives =  $\sum$  (amount involved in technical cooperation and capacity building projects and activities agreed between a country and other developing countries or developed countries)

### **Data collection and source**

A South-South cooperation initiative must be based on an official agreement made by involved developing countries, and thus should be considered at the agreement level. An official agreement on South-South cooperation may include just one project activity, or a package of several projects. Such official agreements may be obtained from relevant responsible government authorities.

A technical cooperation initiative or a capacity building initiative may refer to only an activity of a large project, or one standing-alone project/activity, or include a group of projects/activities. Government agencies are always part of technical cooperation and capacity building initiatives, and such information thus can be obtained through surveys from relevant government units and associated entities.

### **Periodicity of measurement**

Every four years, coinciding with the reporting cycle of the Convention and the replenishment cycle of the Global Environment Facility Trust Fund

## ***I. Access and benefit sharing initiatives and mechanisms (goal 7)***

**Indicator 7:** Number of access and benefit sharing initiatives and mechanisms, consistent with the Convention and, when in effect, with the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of the Benefits Arising out of Their Utilization, including awareness-raising, that enhance resource mobilization

### **Definition**

Access and benefit sharing initiatives and mechanisms are those initiated in accordance with the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of the Benefits Arising out of Their Utilization, including awareness-raising, that enhance resource mobilization. Global understanding of access and benefit sharing initiatives and mechanisms will evolve around the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of the Benefits Arising out of Their Utilization. A key consideration should be whether an initiative or mechanism is aimed at enhancing resource mobilization.

An access and benefit sharing initiative refers to the initial stage in accomplishing set objectives that enhance resource mobilization, and may include access and benefit sharing measures, schemes, agreements, plans and strategies. An access and benefit-sharing mechanism refers to the fundamental arrangement that intends to transform individual performance of connected basic components into a system on access and benefit sharing that operates to achieve set objectives that enhance resource mobilization.

### **Rationale**

Genetic resources are widely used in several important industries with considerable financial benefits. In accordance with the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of the Benefits Arising out of Their Utilization, countries have committed to encourage users and providers to direct benefits arising from the utilization of genetic resources towards the conservation of biological diversity and the sustainable use of its components. Access and benefit sharing initiatives and mechanisms thus will emerge as a new source of funding for biodiversity objectives.

### **Method of computation**

Number of access and benefit sharing initiatives and mechanisms =  $\sum$  (Number of access and benefit sharing initiatives and mechanisms a country has been involved, including awareness-raising, that enhance resource mobilization)

### **Data collection and source**

Information on access and benefit sharing initiatives and mechanisms may be obtained from national focal points and competent authorities of the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of the Benefits Arising out of Their Utilization.

### **Periodicity of measurement**

Every four years, coinciding with the reporting cycle of the Convention and the replenishment cycle of the Global Environment Facility Trust Fund

## ***J. Awareness-raising for resource mobilization (goal 8)***

<b>Indicator 8:</b> Number of global initiatives that heighten awareness on the need for resource mobilization for biodiversity
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### **Definition:**

Global awareness-raising initiatives extend influence over more than one geographical region of the United Nations. Such initiatives include events, projects, and programmes organized at a trans-regional scale, and that have explicit purposes of heightening awareness on the need for resource mobilization for biodiversity.

### **Rationale**

Global awareness initiatives on funding needs provide a platform for all stakeholders to join their efforts to mobilize resources. Such initiatives can attract better media coverage and reach more audience, including high-level politicians, with more powerful political messages and more convincing evidences worldwide.

### **Method of computation**

Number of global awareness initiatives on biodiversity funding needs =  $\sum$  (Number of global initiatives in which a country is involved that heighten awareness on the need for resource mobilization for biodiversity)

### **Data collection and source**

Global awareness-raising initiatives generally involve national focal points of the Convention or their designated representatives. Information about the global initiatives on funding needs can be available at national focal points of the Convention.

### **Periodicity of measurement**

Every four years, coinciding with the reporting cycle of the Convention and the replenishment cycle of the Global Environment Facility Trust Fund

## **II. IMPLEMENTATION GUIDELINES**

7. In decision X/3A, paragraph 8(e), the Conference of the Parties requested the Executive Secretary to provide guidelines to the Parties during 2011 for the implementation of this methodology on the application of indicators and establishment of a baseline year. The implementation guidelines have put forward a number of suggestions on the implementation of resource mobilization indicators. Section A advises on general considerations during the implementation of adopted indicators. Sections B-I contain suggestions on issues related to collection and presentation of indicator information.

### **A. General considerations**

8. In designing national implementation of the resource mobilization indicators, attention should be paid to the need for an integrated system of comprehensive, internally consistent, and internationally comparable indicator information that is sensitive and relevant to biodiversity policy and that takes into account the need for timeliness and precision. The following may be used as a general guide for implementation:

- **Comprehensiveness.** All biodiversity activities should be counted, including not only conservation activities, but also measures related to sustainable use and access and benefit-sharing. Within the sphere of conservation, both in-situ-conservation including ecosystem restoration and ex-situ conservation should be counted.
- **Consistency.** Useful funding information must be able to detect funding trends over time, so that analysts and decision makers can be informed whether funding efforts are in the increase or in the decline.
- **International comparability.** The transformation of national observations into cross-country comparable data can enhance a greater level of communication among policy-makers and researchers. International comparability will be important for internationally aggregating national data.
- **Timeliness.** Indicator data must be readily available when important financial decisions are taken that have a bearing on biodiversity objectives.
- **Precision.** A reasonable level of precision must be pursued and maintained for indicator data, in order to avoid misleading information.
- **Policy sensitivity.** Indicator data should always be organized on the basis of policy needs. This will provide necessary focus and cost effectiveness for data collection.

### **B. Baseline year**

9. Countries have demonstrated different cycles of biodiversity planning in the past two decade, and national implementation of resource mobilization needs to be designed in a way that national decision makers can be informed of their funding status and trends in a timely manner. As funding from the Global Environment Facility as the financial mechanism of the Convention is increasingly integrated into national biodiversity planning processes, biodiversity planning in many countries is converging to the replenishment cycles of the Global Environment Facility Trust Fund. The past data have also shown the existence of significant fluctuations in biodiversity funding over years. To ensure a meaningful comparison of data over time, a simple four-year average of biodiversity finances for the period 2007-2010 should be used as the baseline year. For process-based indicators, the baseline year refers to the whole period 2007-2010.

### ***C. Format of presentation of indicator information***

10. In paragraph 8(f) of decision X/3A, the Conference of the Parties invited Parties to apply the methodology during 2011-2012 to measure gaps and needs as well as progress in the increase in, and mobilization of, resources against the indicators set out in paragraph 7 of the present decision, using the baseline year established above, and by paragraph 8(g), invited Parties to present relevant information to the Secretariat in a timely manner. The format of presentation of indicator information is provided in annex I of the present document. The structure for each section of presentation is as follows: first, apply relevant resource mobilization indicators, and second, describe the pertinent underlying information for these indicators. As the overall purpose of this exercise is to track any progress in implementation, the underlying information is considered as equally important as the indicators per se.

### ***D. Timing of presentation of indicator information***

11. As mentioned above, the Conference of the Parties invited Parties to apply the methodology during 2011-2012 to measure gaps and needs as well as progress in the increase in, and mobilization of, resources against the indicators, and by paragraph 8(h) of decision X/3A, the Conference of the Parties requested the Executive Secretary “to compile and consolidate information from all relevant sources, and on this, determine baselines to be presented to the Conference of the Parties at its eleventh meeting for agreement by the Parties”. To enable the Conference of the Parties to make a decision on resource mobilization at its eleventh meeting, which will be held in October 2012, Parties should present the requested indicator information to the Secretariat as soon as possible, no later than 31 August 2012.

### ***E. Organization of data collection and compilation***

12. The resource mobilization focal points appointed by national focal points of the Convention in accordance with decisions IX/11 and X/3 should manage the collection and presentation of indicator data at the national level. Where appropriate, he/she will be assisted by the Secretariat and other resource mobilization focal points that have advanced experience in data collection and presentation.

### ***F. Scope of indicator data***

13. In-situ convention activities are generally accepted as biodiversity activities under the Government Finance Statistics of the International Monetary Fund and the Creditor Reporting System of the Organization for Economic Cooperation and Development. But the Convention on Biological Diversity also covers ex-situ conservation, sustainable use, access and benefit-sharing. If there is a doubt on whether an activity can be classified as a biodiversity activity, the following procedure may be followed:

- Check whether it is being covered by national biodiversity strategies and action plans. If it is within the scope of a national biodiversity strategy and action plan and sometimes national reports, the said activity should be treated as a biodiversity activity;
- If national biodiversity strategies and action plans or national reports do not cover the said activity, check whether it is being undertaken by a recognized biodiversity institution. If it is being undertaken by a recognized biodiversity institution, the said activity should be treated as a biodiversity activity;
- If the said activity is being undertaken by an organization that is not specialised in biodiversity activities, check whether the primary purpose of the said activity is to sustain and enhance biodiversity objectives. If its primary purpose is to serve the purposes of biodiversity, the said activity should be treated as a biodiversity activity;
- If none of the above criteria can be met and there is no sufficient reason for rejecting an activity as a biodiversity activity, professional judgment should be made on the proportion of the said activity that can be considered for biodiversity purposes. A note should be made

on these activities and this information should be included in the presentation to the Secretariat.

### ***G. Approaches to data collection***

14. Most countries have undertaken an institutional analysis for national biodiversity strategies and action plans and national reporting, and the identified national institutions that contribute to biodiversity objectives can be used as the basis for data collection. In general, funding by these institutions to biodiversity may account for the largest portion of biodiversity finances at the national level, including government agencies, non-governmental organizations, businesses, foundations and academia including research institutions. Ideally, countries should undertake a complete institutional mapping exercise for purposes of data collection. Alternatively, a country can focus its presentation on biodiversity financing of these institutions identified in its national biodiversity strategy and action plan and national reports.

15. Many countries have been able to produce biodiversity financing data of relevant governmental ministries, particularly of central governments. Additional efforts are needed to collect relevant financing data from state/provincial governments and local or municipal governments. In some countries, government-owned public corporations and public-private partnerships may also play an important role in financing biodiversity objectives. Double counting should be avoided when intergovernmental fiscal transfers are involved.

16. Funding information on biodiversity from businesses can be gathered from trade organizations or business associations, particularly when these organizations have environmental programmes. However, the information available from published documents is usually insufficient, and supplementary must be found through direct inquiries, such as surveys and reasoned estimations. In some case, subjective estimation may have to be used by assessing the opinion of experts such as managers of businesses. Double counting should be avoided when purchases involve businesses, governments and non-governmental organizations.

17. The number of non-governmental organizations, foundations and academia can range from only a few in some countries to tens of thousands in other countries. Normally all non-governmental organizations, foundations and academia including research institutions should be declared to relevant governmental authorities. As they usually are not obliged to provide a detailed report on their activities, precise and complete information on the financing of these organizations may have to be obtained by surveys and reasoned estimations. Experts (managers of certain biodiversity entities, directors of finance departments, personnel in the biodiversity planning department, managers of professional associations, and so on) can make, through their knowledge of the field, a fairly accurate judgment of the estimated level of relevant biodiversity financing. Double counting should be avoided when biodiversity transactions involve non-governmental organizations, foundations and academia including research institutions.

18. Most countries have some coordination mechanism for approving external public funding for biodiversity, and in some cases, private sector investments. Information on external funding can be obtained from such coordination mechanisms, mostly located in the ministry of finance or international cooperation departments of relevant ministries. The websites of relevant international donors generally provide needed funding information. The Development Assistance Committee of the Organization for Economic Cooperation and Development compiles aid data targeting the objectives of the Rio Conventions through its Creditor Reporting System (it is called “Rio markers”), and this can be an important source of information on foreign assistance for biodiversity.

### ***H. Presentation of indicator data***

19. Indicator data may be compiled and organized according to the national need for monitoring the implementation of national biodiversity strategies and action plans. To facilitate global compilation of

country data, countries should present detailed indicator data they have compiled to the Secretariat, not just an aggregated number.

### ***I. Financial support to data collection and presentation***

20. The data collection and presentation involves substantial investment of man-powers that are not readily available in many developing countries. The average cost of applying the resource mobilization indicators is expected to be in the range of US\$15,000-\$20,000. Donors are encouraged to provide timely financial support to the efforts of developing countries and countries with economies in transition to collect and present indicator information.

## **ANNEX I. FORMAT FOR PRESENTATION OF INDICATOR INFORMATION ON IMPLEMENTATION OF THE STRATEGY FOR RESOURCE MOBILIZATION FOR THE PERIOD 2007-2010**

Parties are requested to present the following indicator information to the Secretariat as soon as possible, no later than 31 August 2012, to enable the Conference of the Parties to make a decision on resource mobilization at its eleventh meeting, which will be held in October 2012. Responses should be sent to: secretariat@cbd.int.

### **I. Mission**

#### ***Use the following indicator:***

Aggregated financial flows, in the amount and where relevant percentage, of biodiversity-related funding, per annum, for achieving the Convention's three objectives, in a manner that avoids double counting, both in total and in, inter alia, the following categories:

- (a) Official Development Assistance (ODA);
- (b) Domestic budgets at all levels;
- (c) Private sector;
- (d) Non-governmental organizations, foundations, and academia;
- (e) International financial institutions;
- (f) United Nations organizations, funds and programmes;
- (g) Non-ODA public funding;
- (h) South-South cooperation initiatives;
- (i) Technical cooperation

Please indicate if you have encountered any problem with double counting, and how you have avoided double counting in the aggregation.

### **II. Goal 1: Improve information base on funding needs, gaps and priorities**

#### ***Use the following indicators:***

***Indicator 1A.*** Your country has assessed values of biodiversity, in accordance with the Convention

***Indicator 1B.*** Your country has identified and reported funding needs, gaps and priorities

***Indicator 1C.*** Your country has developed national financial plans for biodiversity

***Indicator 1D.*** Your country has been provided with the necessary funding and capacity building to undertake the above activities



- 1.1. A description of actions 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.
- 1.2. A description of assessed 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. A description of improved priority-setting for guiding resource allocation to biological diversity and its associated ecosystem services.

**III. Goal 2: Strengthen national capacity for resource utilization and mobilize domestic financial resources for the Convention’s three objectives**

*Use the following indicator:*

**Indicator 2.** Amount of domestic financial support, per annum, in respect of those domestic activities which are intended to achieve the objectives of this Convention

- 2.1. A description of institutional capacities strengthened 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. A description of national financial plans prepared in the context of national biodiversity strategies and action plans that can be implemented by local, national, regional and international stakeholders.
- 2.3. A description of strengthened 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. A description of economic incentives developed and implemented 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. A description of consideration of 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

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frameworks and other development assistance strategies, that include innovative financing instruments to achieve the Convention's three objectives.

2.6. A description of enabling conditions established for private sector involvement in supporting the Convention's three objectives, including the financial sector.

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

*Use the following indicators*

**Indicator 3A.** Amount of funding provided through the Global Environment Facility and allocated to biodiversity focal area

**Indicator 3B.** Level of CBD and Parties' support to other financial institutions that promote replication and scaling-up of relevant successful financial mechanisms and instruments

**Indicator 3C.** Amount of financial resources from all sources from developed countries to developing countries to contribute to achieving the Convention's objectives

**Indicator 3D.** Amount of financial resources from all sources from developed countries to developing countries towards the implementation of the Strategic Plan for Biodiversity 2011-2020

3.1. A description of enhanced efforts in mobilizing co-financing and other modes of project financing for biological diversity.

3.2. A description of efforts 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. A description of mobilized public sector investments in biological diversity and its associated ecosystem services.

3.4. A description of mobilized private sector investments in biological diversity and its associated ecosystem services.

3.5. A description of new and additional funding programmes established through voluntary contributions to support the three objectives of the Convention.

- 3.6. A description of activities to fulfil the implementation of the provisions of the Monterrey Consensus on mobilizing international and domestic funding as related to biodiversity.
- 3.7. A description of continued support to domestic environmental funds as essential complements to the national biodiversity resource base.
- 3.8. A description of activities to promote biological diversity in debt relief and conversion initiatives, including debt-for-nature swaps.

**V. 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**

*Use the following indicators:*

**Indicator 4A.** Resources mobilized from the removal, reform or phase-out of incentives, including subsidies, harmful to biodiversity, which could be used for the promotion of positive incentives, including but not limited to innovative financial mechanisms, that are consistent and in harmony with the Convention and other international obligations, taking into account national social and economic conditions

**Indicator 4B.** Number of initiatives, and respective amounts, supplementary to the financial mechanism established under Article 21, that engage Parties and relevant organizations in new and innovative financial mechanisms, which consider intrinsic values and all other values of biodiversity, in accordance with the objectives of the Convention and the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of the Benefits Arising out of Their Utilization

- 4.1. A description of measures to promote schemes for payment for ecosystem services, consistent and in harmony with the Convention and other relevant international obligations.
- 4.2. A description of consideration of biodiversity offset mechanisms where relevant and appropriate while ensuring that they are not used to undermine unique components of biodiversity.
- 4.3. A description of efforts 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. A description of activities 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. A description of efforts 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. A description of activities 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.

**VI. 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**

*Use the following indicators:*

**Indicator 5A.** Number of international financing institutions, United Nations organizations, funds and programmes, and the development agencies that report to the Development Assistance Committee of Organisation for Economic Co-operation and Development (OECD/DAC), with biodiversity and associated ecosystem services as a cross-cutting policy

**Indicator 5B.** Your country has integrated considerations on biological diversity and its associated ecosystem services in development plans, strategies and budgets

- 5.1. A description of efforts 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.
- 5.2. A description of efforts 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. A description of efforts 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. A description of efforts 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. A description of efforts 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.

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

*Use the following indicators:*

**Indicator 6A.** Number of South-South cooperation initiatives conducted by developing country Parties and those that may be supported by other Parties and relevant partners, as a complement to necessary North-South cooperation

**Indicator 6B.** Amount and number of South-South and North-South technical cooperation and capacity-building initiatives that support biodiversity

6.1. A description of activities 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. A description of activities to identify, engage and increase South-South cooperation as complement to North-South cooperation to enhance technical, technological, scientific and financial cooperation.

6.3. A description of measures to promote exchange of experience and good practice in financing for biological diversity.

**VIII. Goal 7: Enhance implementation of access and benefit-sharing initiatives and mechanisms in support of resource mobilization**

*Use the following indicator:*

**Indicator 7.** Number of access and benefit-sharing initiatives and mechanisms, consistent with the Convention and, when in effect, with the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of the Benefits Arising out of Their Utilization, including awareness-raising, that enhance resource mobilization

7.1. A description of activities to raise awareness and build the capacity of different stakeholders to implement access and benefit-sharing initiatives and mechanisms.

7.2. A description of activities to promote exchange of experiences and good practices in access and benefit sharing.

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

*Use the following indicator:*

**Indicator 8.** Number of global initiatives that heighten awareness on the need for resource mobilization for biodiversity

8.1. A description of activities 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.