

**Suggestions and comments
on the Methodological and Implementation Guidance
for the “indicators for monitoring the implementation
of the Convention’s strategy for resource mobilization”**

Government of Japan

With regard to the Notification 2011-190 which requests Parties to review the above mentioned draft guidance, the Government of Japan provides following suggestions and comments.

The Convention on Biological Diversity (CBD) secretariat has prepared Methodological and Implementation Guidance, which provides effective means in capturing the status of resource mobilization by categorizing necessary information and biodiversity-related activities. Japan expects further elaboration of the Guidance and Preliminary Reporting Framework, because this type of guidance could be useful in figuring out the global trend of the strategy for resource mobilization.

It should be noted that the present Framework has many points which are difficult for the Parties to describe. Japan concerns that, if the present Framework were utilized before adequate review and discussion, Parties would not be able to achieve required results in spite of enormous administrative efforts. Japan, through the process of preparing recent submissions of its view on indicators of resource mobilization and innovative financial mechanisms, has found that collecting information on resource mobilization is a challenging task, for which an effective reporting framework must be fully elaborated. Japan believes that, the reporting framework needs to be refined in order for all Parties to submit complete data based on the present framework and objectives of strategy of resource mobilization (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).

The section “review of the indicators adopted in decision X/3 (II)” points out that there are many overlaps among indicators. In this respect, the Preliminary Reporting Framework (Annex I) of the Guideline may contribute to avoiding overlaps and providing calculation methods for some indicators. To improve the framework for actual use, it is desirable that

some ambiguous points, like how to avoid or accommodate overlapping, are to be made clearer before information submission by Parties.

Grasping OOF on biodiversity, private and market financial flows accurately is a difficult task. There are also uncertainties on what kind of information Parties should provide, for indicators 14 and 15 related to the Nagoya Protocol. Consequently, further consideration and elaboration are needed for filling out items of the present Framework, and information gathering should be initiated after its further revision. Specific examples should also be presented as much as possible on the information to be provided for each indicator.

The section on “information needed for the indicators and rational for the reporting framework (III)” suggests the idea of dividing the Preliminary Reporting Framework into several sections. Although this method as a whole is considered useful for Parties, further improvement is necessary because Parties may not be able to effectively fill out all the sections of the Framework. As for the item 4.2.1, it is difficult to define subsidies harmful to biodiversity as “removed, reformed or phased out”. Although the tool has been prepared by OECD for the purpose of identifying harmful subsidies, this is not ready for an immediate use to smoothly submit information on strategy for resource mobilization. Thus, an additional study should be conducted for incorporating existing tools into the Reporting Framework.

It should be also noted that there is a dialogue on fishery subsidies in the WTO regime. Taking such an ongoing dialogue into account, fishery subsidies need to be excluded. It seems that there are some other issues, for which coordination with other conventions and frameworks is needed. As to the item 4.2. and 4.4., additional information is needed, together with specific examples, in order to judge what information is required.

On the section of “categorization of biodiversity activities to identify funding (IV)”, reporting framework is divided into the categories from A to D. If this newly introduced classification becomes a part of the Framework, there are some points for Parties to discuss and decide what kinds of categories are needed, and how to utilize categorized information. “5. Activity Classification” in the reporting framework mixes up the actor-based information with the activity-based information. Japan considers that whether actors are “environmental agencies” or not in “Default Description” of the categories A to D has little to do with identifying activities of CBD and the Strategic Plan. More acceptable definitions of categories need to be formulated through discussion among Parties. There are also

overlaps between Category D and A or C, and these overlaps need to be solved before utilizing the Framework.

On the section of “implementation guidance (V)”, there are many ambiguous points in the “institutional mapping” on its structure and who is to prepare it. In addition, to make the “implementation guidance” an effective tool to avoid overlapping in counting, specific examples of other treaties need to be provided.

On the section of “consideration of baseline (VI)”, Japan is of the opinion that it is desirable to set the “baseline period” rather than “baseline year” in order to “avoid the results being overly influenced by conditions that may exist in any one year”. If Parties are required to gather multi-year information, the process will become more complicated and burdensome, for the process of collecting data imposes an enormous burden on Parties. There is a trade-off between accuracy of data and its collecting cost. Therefore, it is advisable to have sufficient discussion on deciding whether baseline years have satisfaction ground and whether employing “baseline years” is appropriate or not. Enough consideration should also be given to the adequacy of the Reporting Framework and categorization.

On the section of “next steps and related initiatives (VII)”, Japan considers that it will be a heavy administrative burden to submit information by using the present Preliminary Reporting Framework. Considering that works on the strategic resource mobilization are at its initial step, current framework needs several annotations indicating that, for some items, Parties can submit report with blank cells in the reporting framework, if they think that the definition of item is obscure. To avoid insufficient consequence, Parties and CBD secretariat have to work on the refinement toward an ideal Reporting Framework in an appropriate forum including the WGRI-4 and COP11.