



Convention on Biological Diversity

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**Conference of the Parties to the
Convention on Biological Diversity
Sixteenth meeting**
Cali, Colombia, 21 October–1 November 2024
Agenda item 11
Resource mobilization and financial mechanism

Resource mobilization*

Draft decision submitted by the President

The Conference of the Parties,

Recalling Article 20 of the Convention as the basis for providing and mobilizing resources from all sources and the relevance of Articles 11 and 21 in this regard,

Recalling the Kunming-Montreal Global Biodiversity Framework, including its Section C, Goal D and Target 19, as well as Goal C and Targets 13, 14, 15, 16, 18, and 20, and emphasizing the importance of biodiversity mainstreaming for strengthening resource mobilization and the effective and efficient use of resources, in order to support the conservation and sustainable use of biodiversity,

Alarmed by the continued loss of biodiversity and the threat that such loss poses to nature and human well-being, and *emphasizing* the importance of urgently increasing the mobilization of financial resources from all sources, domestic and international, public and private, with a view to closing the biodiversity financing gap and making adequate and predictable resources available in a timely manner for the effective implementation of the Kunming-Montreal Global Biodiversity Framework,

Recognizing an increase in development finance for biodiversity, while also acknowledging that a significant gap remains in achieving Target 19 (a),

Recalling its decision 15/7 of 19 December 2022 and the adoption of the strategy for resource mobilization for phase I (2023–2024),

Welcoming the establishment of the Global Biodiversity Framework Fund by the Global Environmental Facility, and welcoming the contributions made to date to the Fund, while acknowledging the urgent need to scale them up to contribute towards reaching Target 19 (a) of the Kunming-Montreal Global Biodiversity Framework,

Considering decision 16/-- which operationalizes the “Cali Fund” to serve as the global fund for digital sequence information on genetic resources as per decision 15/9,

* The present document is being issued without formal editing.

Taking note of ongoing efforts to accelerate the reform of the international financial architecture and stressing the importance of ensuring that the reform contributes to closing the biodiversity finance gap,

Stressing the importance of evidence-based dialogues and the need to assess lessons learned and experiences from existing financing mechanisms to inform policy decisions related to biodiversity finance,

Taking note of the benefits of optimizing co-benefits and synergies of finance targeting the biodiversity and climate crisis while recognizing the need to enhance the transparency, reporting and accountability thereof in line with the mandates of the respective multilateral environmental agreements,

Acknowledging the benefits of timely deliberations in the design of effective, comprehensive, and long-lasting solutions to close the biodiversity finance gap;

Recognizing that the complexity and fragmentation of the biodiversity financing landscape requires a comprehensive approach to enhance the complementarity, effectiveness, and predictable scaling-up of finance from all sources,

Recognizing that, despite the important role of indigenous peoples and local communities, women and youth representatives in the implementation of the Convention and its Protocols and in the achievement of the Framework, they often lack adequate access to biodiversity finance,

Reiterating that the provision and mobilization of resources from all sources for the implementation of the Convention and its protocols as well as the achievement of the Goals and Targets of the Kunming-Montreal Global Biodiversity Framework should follow a human rights-based and gender-responsive approach,

Recalling paragraphs 40 to 43 of, and annex II to, decision 15/7, and noting with appreciation the work of the Advisory Committee on Resource Mobilization, and noting that the voluntary actions identified in Annex II of CBD/SBI/REC/4/3 and the concluding chapter on the exploration of the biodiversity finance landscape,¹ could improve the biodiversity finance landscape,

Expressing its appreciation to the Governments of the Democratic Republic of the Congo and Colombia for hosting the meetings of the Advisory Committee, as well as to the European Union and the Government of the United Kingdom of Great Britain and Northern Ireland for the financial support provided,

1. *Urges* Parties to continue and enhance their efforts to substantially and progressively increase the level of financial resources from all sources, in an effective, timely and easily accessible manner, including domestic, international, public and private resources, in accordance with Article 20 of the Convention, to reach Target 19 of the Framework to mobilize at least 200 billion United States dollars per year by 2030;

2. *Urges* developed countries, and countries that voluntarily assume the obligations of the developed country Parties, to continue and enhance their efforts to increase total biodiversity-related international financial resources, including official development assistance, to developing countries, in particular the least developed countries and small island developing States, as well as countries with economies in transition, to reach Target 19 (a) by mobilizing at least 20 billion dollars per year by 2025 and at least 30 billion dollars per year by 2030;

3. *Urges* Parties to continue and enhance their efforts towards achieving Target 18 by eliminating, phasing out or reforming incentives, including subsidies, harmful for biodiversity, in a proportionate, just, fair, effective and equitable way, while substantially and progressively reducing them by at least \$500 billion per year by 2030, starting with the most harmful incentives, and scale up positive incentives for the conservation and sustainable use of biodiversity;

4. *Adopts* the revised resource mobilization strategy for the period 2025-2030, as outlined in annex I;

¹ CBD/SBI/4/INF/10.

5. *Encourages* all Parties, other governments, organizations, multilateral development banks, the private sector and other stakeholders to use the strategy as flexible guidance in mobilizing new and additional resources from all sources and aligning financial flows to implement the Convention and its Protocols as well as to achieve the Goals and the Targets of the Kunming-Montreal Global Biodiversity Framework, commensurate with their ambition;
6. *Emphasizes* that the strategy for resource mobilization is to be implemented consistent with the considerations provided in Section C of the framework, taking into account national circumstances and priorities, while clarifying that its purpose is to encourage action without affecting existing obligations and mandates.
7. *Recalls* its decision to keep the implementation of the strategy for resource mobilization under review at each meeting of the Conference of the Parties, starting at the seventeenth meeting, through the global stocktake, establishing an iterative process to facilitate any further adaptation of the strategy and associated institutional arrangements to allow for the timely mobilization of resources in support of the implementation of the Kunming-Montreal Global Biodiversity Framework by 2030;
8. *Invites* Parties as well as indigenous peoples and local communities, subnational governments, cities and other local authorities, intergovernmental organizations, other multilateral environmental agreements, non-governmental organizations, women, youth, research organizations, the business and finance community and representatives of sectors related to or dependent on biodiversity, to provide relevant information, including on good practices, innovations, challenges and lessons learned, in line with decision 15/6 of 19 December 2022, in order to support the aforementioned review;
9. *Urges* Parties, the private sector, financial institutions and multilateral development banks to put in place and enforce social and environmental safeguards and apply a human rights-based approach in developing or scaling up biodiversity and finance instruments, in particular for innovative schemes, in line with the voluntary guidelines for safeguards in biodiversity financing mechanisms in annex III to decision XII/3 of 17 October 2014 and decision 14/15 of 29 November 2018;
10. *Encourages* Parties to develop, update and implement national biodiversity finance plans or similar instruments, based on an assessment of biodiversity expenditures and finance needs, and based on national biodiversity strategies and action plans, to support adequate and timely mobilization of domestic, international, public and private financial resources for the effective implementation of the Kunming-Montreal Global Biodiversity Framework;
11. *Encourages* developed country Parties to reflect in their national finance plans or similar instruments, their financial contribution to the implementation of the Convention, in developing country Parties;
12. *Encourages* developing country Parties, as appropriate, to provide information in their national biodiversity finance plans, on financial, technology development and transfer, and capacity-building support needed, received, and used, to implement their national biodiversity strategies and action plans
13. *Encourages* all Parties, and invites other Governments, to take the strategy for resource mobilization into consideration when developing, updating and/or implementing national biodiversity strategies and action plans and national targets, as well national biodiversity finance plans or similar instruments;
14. *Recognizes* the ongoing work by all actors to strengthen, simplify, reform and leverage synergies among existing instruments for biodiversity finance, with a view to closing the biodiversity finance gap;

15. *Acknowledges* that strategies for resource mobilization have also been adopted under the other Rio conventions and other global biodiversity-related conventions and multilateral agreements, and encourages increased cooperation and synergies in their implementation, convinced of the need to significantly enhance the transparency in accounting and reporting of financial contributions across the efforts to optimize co-benefits and synergies, in line with the mandate of the respective Multilateral Environmental Agreements;

16. *Calls upon* developed countries and Parties which voluntarily assume the obligations of the developed country Parties, and invites other Governments, as well as non-sovereign contributors, such as the private sector and philanthropic organizations to make or increase their contributions to the Global Biodiversity Framework Fund;

17. *Calls upon* Parties and other relevant actors to improve access to and increase financial resources for indigenous peoples and local communities, women and youth for the implementation of the Framework;

18. *Takes note* that no Party responded to the notification issued by the Executive Secretary as per paragraph 47 of decision 15/7 in line with the provisions of Article 20 and, in this regard, requests the Executive Secretary to consider the best periodicity for the issuance of the new round of notifications for the consideration of the Subsidiary Body at its sixth meeting;

19. *Decides* to establish a dedicated global financing instrument for biodiversity to receive, disburse, mobilize and articulate funding from all sources, under the authority of the Conference of the Parties and to make it fully operational by 2030;

20. *Requests* the Conference of the Parties, at its nineteenth meeting, to reach a conclusion with regard to the designation of the operating entity or entities of the financial mechanism of the Convention, in accordance to Article 21;

21. *Also decides* to establish an intersessional process to determine by the eighteenth meeting of the Conference of the Parties the modalities of the dedicated global financing instrument for biodiversity, including:

- (a) Its governance arrangements
- (b) Its structure and operational arrangements
- (c) Its relationship with existing financing mechanisms for biodiversity, and whether any of these could play a role in the global financing instrument for biodiversity;
- (d) Its role in fostering coordination and complementarity across the biodiversity finance landscape;

22. *Requests* the eighteenth meeting of the Conference of the Parties to define the transitional arrangements from the Global Biodiversity Framework Fund to the dedicated global financing instrument for biodiversity, unless parties decide otherwise in accordance with decision 15/7;

23. *Requests* the Subsidiary Body on Implementation to dedicate its seventh meeting to consider the elements in para 21 and report on the progress made to the 17th Conference of the Parties;

24. *Also requests* the Subsidiary Body on Implementation at its seventh meeting to address the following issues relevant to closing the biodiversity finance gap for further consideration by the Conference of the Parties at its seventeenth meeting and to be taken into account in the process outlined in paragraph 21:

- (a) Review, further to paragraph 7 above, the implementation of the Strategy for Resource Mobilization contained in annex I to the present decision, drawing on annex II A of the present decision, in order to increase the mobilization resources from all sources and instruments;

(b) Review opportunities to strengthen tracking of the various sources of finance to enhance understanding of and transparency around the state of progress towards filling the biodiversity finance gap based on terms of reference as developed by the Subsidiary Body on Implementation at its sixth meeting;

(c) Assess the effectiveness of the Global Environment Facility with the purpose to prepare recommendations for its reform and to present them for consideration of the Conference of the Parties at its seventeenth meeting, for its subsequent submission to the Council of the GEF, based on annex II B of the present decision as further developed by the Subsidiary Body on Implementation at its sixth meeting;

(d) Consider the desirable modalities of the best possible instrument on biodiversity finance, to both inform the assessment referred to in sub-paragraph (c) and the decision-making process referred in paragraph 19, based on annex II C of the present decision as further developed and finalized by the Subsidiary Body on Implementation at its sixth meeting;

(e) Discuss opportunities for broadening the contributors base;

25. *Requests* the Executive Secretary, for consideration by the Subsidiary Body on Implementation at its seventh meeting, and based on the terms of reference developed by its sixth meeting, to:

(a) Prepare documentation to facilitate the review of the implementation of the Strategy for Resource Mobilization, including elements of a draft recommendation addressing opportunities for any further adaptation of the Strategy and associated institutional arrangements, in line with paragraph 7 above;

(b) Commission a study benchmarking the Global Environment Facility against those financial mechanisms or similar instruments of other relevant multilateral environmental agreements, including with regard to funding modalities and financial performance, criteria and process for funding, access and disbursement modalities, monitoring and evaluation, governance, cost-effectiveness of operations, legal nature to inform the assessment in paragraph 24 (c);

(c) Commission a further study to identify opportunities to strengthen tracking of the various sources of biodiversity finance to inform the review in paragraph 24 (b);

26. *Also requests* the Executive Secretary, subject to the availability of resources, to:

(a) Facilitate an international dialogue of Ministers of Environment and Finance from developed and developing countries to accelerate the achievement of Target 19;

(b) Commission, or undertake, alongside relevant international institutions, studies on:

- i The relationship between debt sustainability and the implementation of the Convention
- ii How the guidance on safeguards in biodiversity finance mechanisms adopted in decisions XII/3 and 14/15 has been implemented, identifying good practices and lessons learned, as well as opportunities for improving implementation of the guidance;
- iii The relationship between biodiversity and climate finance;

(c) To integrate a platform in the clearing-house mechanism, in line with the knowledge management strategy, for the purpose of exchanging information on best practices and lessons learned on the implementation of the Framework, in particular for Goal D and Targets 14, 15, 18 and 19, and the resource mobilization strategy;

Annex I

Revised strategy for resource mobilization

Phase II (2025–2030)*

I. Aim

1. The present strategy is aimed at facilitating the mobilization of resources for the implementation of the Convention on Biological Diversity² and its protocols, addressing its three objectives in a balanced manner, by increasing substantially and progressively the level of financial resources from all sources, in an effective, timely and easily accessible manner, including domestic and international, and public and private resources, in accordance with Article 20 of the Convention, so as to implement national biodiversity strategies and action plans, mobilizing at least 200 billion United States dollars per year by 2030. It is also aimed at facilitating the implementation of the Kunming-Montreal Global Biodiversity Framework,³ including by aligning fiscal and financial flows with its goals and targets and by encouraging the private sector to reduce negative impacts and increase positive impacts on biodiversity progressively.

2. The revised strategy will thus provide a solid basis to Parties and other actors, at all levels, for mobilizing adequate resources, commensurate with the ambition of the Framework. It builds on the first phase of the strategy (2023–2024), as contained in annex I to decision 15/7 of 19 December 2022, which was developed to enable a quick-start resource mobilization and to scale up and align resources for the implementation of the Framework. The strategy provides a flexible framework that countries may wish to adapt in the light of the different levels of development and national circumstances. Nothing in the present strategy should be interpreted as modifying the rights and obligations of a Party under the Convention or any other international agreement.

3. The strategy is guided by:

- (a) Articles 20, 21, and 11 of the Convention;
- (b) The Kunming-Montreal Global Biodiversity Framework, including its Section C, Goal D and Target 19, as well as Goal C and Targets 13, 14, 15, 16, 18, and 20;
- (c) The need to increase substantially and progressively the level of financial resources from all sources, in accordance with Article 20 of the Convention, and from a broad range of financial instruments and mechanisms;
- (d) The need to mobilize resources effectively and immediately while preserving a long-term vision of financial resource needs;
- (e) The need for comprehensive, fair, timely, inclusive, simplified, and equitable access to all financing sources, including non-market based approaches, by all Parties, as well as indigenous peoples and local communities, women and youth, and other stakeholders.

II. Enabling actions

4. The strategy can be enabled by the following possible actions:

- (a) Updating and implementing national biodiversity strategies and action plans (NBSAPs) and national targets, including through the NBSAP Accelerator Partnership and similar initiatives;
- (b) Developing, updating and implementing national biodiversity finance plans or similar instruments, according to national needs, priorities and circumstances, with a view to facilitating a

* Medium-term phase in line with decision 15/7, para. 12.

² United Nations, *Treaty Series*, vol. 1760, No. 30619.

³ Decision 15/4, annex.

significant increase in resource mobilization from all sources and improving the information base for funding needs, gaps and priorities;

(c) Increasing cooperation and synergies with the other Rio conventions and other global biodiversity-related conventions and multilateral environmental agreements, in line with respective mandates;

(d) Increasing financial support for the Biodiversity Finance Initiative of the United Nations Development Programme (BIOFIN) and other related initiatives in order to facilitate resource mobilization, including through the implementation of national biodiversity finance plans;

(e) Optimizing inclusive multi-stakeholder partnerships;

(f) Undertaking capacity-building and development, scientific and technological cooperation and technology transfer, in line with Article 16 of the Convention, to support the priorities determined by Parties in their national biodiversity strategies and action plans for the implementation of the Framework;

(g) Ensuring equitable, affordable and timely access to financial resources and capacity-building for all Parties, especially developing country Parties, in particular least developed countries and small island developing States, as well as countries with economies in transition;

(h) Ensuring timely access to financial resources and capacity-building for indigenous peoples and local communities, women and youth, and other stakeholders;

(i) Encouraging multilateral development banks and, as applicable, other national and international financial institutions that are active in this field, to continue and intensify, to the extent possible, their work on environmental and social safeguards and on developing and refining common methodologies, principles and guidelines for tracking, disclosing and reporting in a harmonized way on, their biodiversity investments and impacts, in line with relevant mandates and in a manner supportive of the achievement of sustainable development and poverty eradication.

(j) Encouraging, as applicable, national and international financial institutions, including national central banks and/or other regulatory authorities to identify and assess the biodiversity related opportunities, challenges, financial risks, and impacts in line with relevant mandates and in a manner supportive of the achievement of sustainable development and poverty eradication.

(k) Considering, as appropriate, developing and applying finance-related biodiversity taxonomies;

(l) Ensuring the full, equitable, inclusive, effective, and gender responsive representation and participation in decision making of indigenous peoples and local communities, women and youth;

III. Objectives and actions

A. A. Increase in international biodiversity-related financial flows and financial resources from all sources

New and additional resources

5. Mobilized with a view to achieve Target 19 (a) of the Kunming-Montreal Global Biodiversity Framework, through, inter alia:

(a) The fulfilment of the obligations of developed country Parties to provide new and additional financial resources, in line with Article 20;

(b) The consideration, by other Parties, of voluntarily assuming the obligations of the developed country Parties, in line with Article 20;

(c) The consideration, by other Governments, to increase their international biodiversity funding, including, as appropriate, through the Global Environment Facility;

(d) increased investments by multilateral development banks and other relevant international financial institutions in their portfolios that contribute to achieving the objectives of the Convention and its Protocols as well as the goals and targets of the Framework, in line with their mandates and in a manner supportive of achieving sustainable development and poverty eradication;

(e) continuous, speedy and robust capitalization of the Global Biodiversity Framework Fund under the Global Environment Facility, in accordance with decision 15/7;

6. Further mobilized from all sources with a view to achieve Target 19, including through:

(a) Further stimulating and increasing innovative schemes,⁴ with environmental and social safeguards, including by developing guidelines and sharing good practices;

(b) The multilateral mechanism for benefit-sharing from the use of digital sequence information on genetic resources;⁵

(c) Leveraging international private finance, promoting blended finance, implementing strategies for raising new and additional resources, and encouraging the private sector to invest in biodiversity, including through impact funds and other instruments, in line with Target 19(c), with environmental and social safeguards;

(d) Improving market access for sustainable biodiversity-based activities, products and services that enhance the conservation and sustainable use of biodiversity;

(e) Enhancing the role of collective actions, including by indigenous peoples and local communities, Mother Earth-centric actions⁶ and non-market-based approaches including community-based natural resource management and civil society cooperation and solidarity aimed at the conservation and sustainable use of biodiversity, in line with Target 19(f), by considering to provide or to scale up international financial support for such actions and approaches;

7. Through enhancing the implementation of agreements related to access to genetic resources and to the fair and equitable sharing of benefits arising from their utilization, including through, as appropriate, multilateral approaches, noting their distinctive objectives;

2. Identification and elimination, phasing out, reform of financial resource flows causing harm to biodiversity and their progressive alignment with the goals and targets of the Kunming-Montreal Global Biodiversity Framework

8. Public and private financial resource flows causing harm to biodiversity can be identified and eliminated, phased out, redirected or reformed by:

(a) Mainstreaming biodiversity in development cooperation by encouraging, to the extent possible, and in line with their respective mandates, to adjust the portfolios and practices of development cooperation agencies and banks, multilateral development banks, international financial institutions and philanthropic organizations, with a view to progressively align their financial flows, in line with Target 14, in a manner supportive of the achievement of sustainable development, including poverty eradication efforts;

(b) Encouraging and enabling international business, and in particular large and transnational companies and financial institutions, to regularly monitor, assess, and transparently disclose their risks, dependencies and impacts on biodiversity, in a proportionate and flexible manner,

⁴ Such as for example those included in the National Biodiversity Finance Plans and/or available in the [catalogue of finance solutions](#) of BIOFIN.

⁵ As established by decision 15/9.

⁶ Ecocentric and rights-based approach enabling the implementation of actions towards harmonious and complementary relationships between peoples and nature, promoting the continuity of all living beings and their communities and ensuring the non-commodification of the environmental functions of Mother Earth.

in line with Target 15 of the Framework, including through nature related disclosure frameworks and reporting standards;⁷

(c) Taking effective action at the international level on incentives, including subsidies, harmful for biodiversity, in line with Target 18 of the Framework;

3. Enhancement of uptake, accessibility, effectiveness, efficiency, transparency and accountability in resource provision and use

9. The uptake, accessibility, effectiveness, efficiency, transparency and accountability in resource provision and use can be enhanced by:

(a) Continuing action by the Global Environment Facility to improve its operations and access modalities;

(b) Simplifying access modalities for biodiversity funding of international financial institutions, including multilateral development banks, as well as philanthropic organizations, in particular for indigenous peoples and local communities, women and youth;

(c) Increasing transparency and accountability, monitoring, assessment and transparent disclosure in biodiversity-related public and private international financing at all levels;

(d) Harnessing and scaling up synergies and complementarities in project development and financing, including finance targeting the Sustainable Development Goals and, in particular, finance targeting the biodiversity and climate crises, while enhancing transparency of reporting, with a view to optimizing biodiversity co-benefits and synergies among international funding sources, in line with Target 19 (e);

(e) Directing more rapidly accessible international resources to key implementation partners, in particular indigenous peoples and local communities, women and youth, at the regional, national and local levels, and facilitating partnerships to improve public awareness and gender responsiveness, ensuring community engagement and results on the ground, including, as appropriate, for collective actions, Mother Earth-centric approaches and non-market-based approaches;

(f) Strengthening ownership and the capacity to gain access to funding for Parties, as well as indigenous peoples and local communities, women and youth and other stakeholders

(g) Encouraging the United Nations development system to further strengthen, as needed, the United Nations country team capacities to support, upon request, programme countries in integrating priorities identified in national biodiversity strategies and action plans and other national biodiversity planning instruments into United Nations sustainable development cooperation frameworks.

(h) Using, as appropriate, international finance to leverage public and private domestic biodiversity finance including to support the implementation of the national biodiversity finance plans.

B. Significant increase in domestic resource mobilization from all sources

1. New and additional resources

10. Mobilize new and additional resources with a view to achieve a significant increase of domestic resource mobilization, in line with Target 19 (b) of the Framework, through:

(a) The undertaking by each Party to provide, in accordance with its capabilities, financial support and incentives in respect of those national activities which are intended to achieve the

⁷ For example, frameworks such as the one developed by the Taskforce on Nature-related Financial Disclosures, and cooperation initiatives, such as the one between the International Sustainability Standards Board and the Taskforce on Nature-related Financial Disclosures.

objectives of this Convention, in accordance with its national plans, priorities and programmes, in line with Article 20;

(b) The consideration, by other Governments, to increase their domestic biodiversity funding;

(c) The consideration, by private finance actors, including philanthropy, to increase their domestic biodiversity funding;

11. New and additional resources may further be mobilized by:

(a) Optimizing co-benefits and synergies of finance targeting the biodiversity and climate crises, in line with Target 19 (e) of the Framework;

(b) Scaling up positive incentive measures for the conservation and sustainable use of biodiversity, in line with Target 18;

(c) Significantly increasing domestic private finance for biodiversity, including philanthropy, by leveraging private finance, promoting blended finance, implementing strategies for raising new and additional resources and encouraging the private sector, including philanthropy sector to invest in biodiversity, including through impact funds and other instruments, in line with Target 19 (c), with environmental and social safeguards, using partnerships as appropriate

(d) Stimulating innovative schemes, with environmental and social safeguards, in line with Target 19 (d) of the Framework;

(e) Enhancing the role of collective actions, including by indigenous peoples and local communities, women and youth, as well as Mother Earth-centric actions and non-market-based approaches, in line with Target 19 (f), by considering, as appropriate and in accordance with national legislation and circumstances, to undertake the following actions:

(i) Developing and implementing policy instruments for conservation, sustainable use, and restoration of biodiversity that are based on these actions and approaches;

(ii) Integrating these actions and approaches into measures and frameworks to promote actions to ensure sustainable patterns of production and consumption, contributing to Sustainable Development Goal 12;

(iii) Enhancing different value systems, including for living well in balance and harmony with Mother-Earth;

(iv) Enhancing the rights of nature and the rights of Mother-Earth for those countries that recognize them;

(f) Significantly increasing the use of nature-based solutions and/or ecosystem-based approaches at the national and subnational levels, with their environmental and social safeguards;⁸

2. **Identification and elimination, phasing out, or reform of financial resource flows causing harm to biodiversity and their progressive alignment with the goals and target of the GBF**

12. Financial resource flows causing harm to biodiversity can be identified and eliminated, phased out, or reformed and aligned with the goals and targets of the Framework, by:

(a) Mainstreaming biodiversity in public budgets by progressively aligning all relevant public activities and fiscal and financial flows with the objectives of the Convention and the goals and targets of the Framework;

(b) Mainstreaming biodiversity into the private sector by progressively aligning all relevant private activities and fiscal and financial flows with the objectives of the Convention and the goals and targets of the Framework;

⁸ UNEA resolution 5/5.

(c) Mainstreaming biodiversity, as appropriate, into the policies of national central banks or other regulatory authorities, taking relevant distinct mandates into account;

(d) Taking effective domestic action on incentives, including subsidies harmful to biodiversity, in line with Target 18 of the Framework, taking into account the guidance adopted in decision XII/3 of 17 October 2014;

(e) Encouraging and enabling domestic business, and in particular ensuring that large companies and financial institutions regularly monitor, assess, and transparently disclose their risks, dependencies and impacts on biodiversity, in line with Target 15 of the Framework, including through nature-related disclosure frameworks and reporting standards;⁹

3. Enhancement of uptake, accessibility, effectiveness, efficiency, transparency and accountability in resource provision and use

13. The uptake, accessibility, effectiveness, efficiency, transparency and accountability in resource provision and use maybe enhanced by:

(a) National and subnational ownership by aligning biodiversity policies with national development plans;

(b) Capacity-building and development, technical assistance and technological cooperation for financial planning and effective resource use and management;

(c) Transparency and accountability, as well as national monitoring systems, in resource provision and use;

(d) Optimized co-benefits and synergies among domestic funding sources, including finance targeting other sustainable development goals, and in particular finance targeting the biodiversity and climate crises.

⁹ By consider using, for example, frameworks such as the one developed by the Taskforce on Nature-related Financial Disclosures, and encouraging cooperation initiatives, such as the one between the International Sustainability Standards Board and the Taskforce on Nature-related Financial Disclosures.

Annex II

Working towards a comprehensive financial solution to close the finance biodiversity gap and to fully implement Article 21 of the Convention

A. Assess options to close the biodiversity finance gap through mobilizing resources from all sources and instruments, and to foster coordination and complementarity across the biodiversity finance landscape, including to inform the decision on a global instrument

1. The review of the implementation of the Strategy for Resource Mobilization may be informed, inter alia, by:

- (a) The national reports submitted by Parties against the Monitoring Framework of the Kunming-Montreal Global Biodiversity Framework,
- (b) Additional submissions received by Parties,
- (c) The revised NBSAPs and the domestic targets on resource mobilization for the implementation of the Framework,
- (d) Relevant information, including on good practices innovations, challenges, and lessons learned, provided by indigenous peoples and local communities, subnational governments, cities and other local authorities, intergovernmental organizations, other multilateral environmental agreements, non-governmental organizations, women, youth, research organizations, the business and finance community and representatives of sectors related to or dependent on biodiversity, in line with decision 15/6 of 19 December 2022,
- (e) Available National Biodiversity Finance Plans,
- (f) The work of the Advisory on Committee on Resource Mobilization, including the exploration of the global biodiversity finance landscape,
- (g) Further assessments of the global biodiversity finance landscape by relevant organizations and initiatives,
- (h) The studies referred to in paragraph 21 of the decision.

2. Topics for the discussion on how to close the biodiversity finance gap may include:

- (a) Monitoring and reporting of resource mobilization-related aspects of the Kunming-Montreal Global Biodiversity Framework;
- (b) Cooperation and synergies among the existing biodiversity finance initiatives;
- (c) Domestic public expenditure;
- (d) Relationship between biodiversity and climate finance;
- (e) Alignment of financial flows with the Kunming-Montreal Global Biodiversity Framework;
- (f) Reform of the international financial architecture to increase the mobilization of resources for biodiversity;
- (g) Innovative finance schemes;
- (h) Progress on developing tax regimes and addressing tax avoidance in relevant international fora;
- (i) Identification, elimination, phasing out or reform of incentives, including subsidies, harmful to biodiversity;

- (j) Scale up of positive incentives for the conservation and sustainable use of biodiversity;
- (k) The role of the private sector;
- (l) The role of philanthropy;
- (m) Biodiversity metrics, including resources and technical capacity for its implementation;
- (n) Biodiversity-related economic taxonomies;
- (o) Collective actions, including by indigenous peoples and local communities, Mother Earth centric actions and non-market-based approaches.

B. Assessment of the effectiveness of the Global Environment Facility and possible elements for its reform

3. Sources of information may include but are not limited to:

- (a) The reviews of effectiveness of the financial mechanism in implementing the Convention undertaken pursuant to the Memorandum of Understanding between the Conference of the Parties to the Convention and the Council of the Global Environment Facility, contained to Annex in decision III/8,
- (b) The reports provided by the Council of the GEF to the Conference of the Parties,
- (c) Experience with, and lessons learned from, relevant international financial mechanisms, pulled from the information sources identified in annex IIA above;

Scope

4. The assessment would include a comparison of the GEF with the financial mechanisms of other relevant multilateral environmental agreements, including, inter alia, the GCF, the Adaptation Fund, and the Fund for Responding to Loss and Damage,

5. Elements for consideration:

- (a) Contributor base;
- (b) Legal nature;
- (c) Funding modalities and financial performance;
- (d) Criteria and process for funding, including project cycle considerations;
- (e) Access and disbursement modalities (e.g., direct allocation and/or project-based disbursement), including for indigenous peoples and local communities, women and youth;
- (f) Governance, including board composition and trustee arrangements;
- (g) Relationship between the governing body of the fund and the Conference of the Parties of the respective multilateral environmental agreement;
- (h) Transparency, monitoring, reporting, and evaluation;
- (i) Accreditation process and the role of implementing agencies;
- (j) Cost-effectiveness of operations;
- (k) Cost of setting up and running the financial instrument.

C. Possible criteria for the development of an instrument on biodiversity finance

- 6. Added value and complementarity vis-à-vis the current biodiversity finance landscape;
- 7. Access to new, additional, predictable, adequate, and timely financing;

8. Contributor base aimed at mobilization of resources from all sources;
9. *Placeholder pending the decision on digital sequence information on genetic resources*
10. Consistency with the objectives, principles and provisions of the Convention and its Protocols;
11. Consistency with the Kunming-Montreal Global Biodiversity Framework;
12. Under the authority of, and accountable to, the Conference of the Parties;
13. Fairness, transparency, inclusiveness and participatory approach;
14. Equitable, and efficient and representative governance structure, including the full and effective participation of indigenous peoples and local communities;
15. Provision of financial resources to developing country Parties, in particular the least developed countries and small island developing States, as well as countries with economies in transition, responding to their needs and priorities;
16. Direct allocation and/or project-based disbursement
17. Reliance on national executing agencies
18. Participation and involvement of relevant recipient country authorities in all steps of the funding allocation process including project development and execution
19. Recognition the value of the role of indigenous peoples and local communities, women and youth, including by providing direct access;
20. Existence of a grievance and regress mechanism;
21. Relationship with the GBFF vis-à-vis its sunset clause.
22. Trustee is accountable and complies with decisions of the governing body
23. Ability to capitalize on synergies between support for biodiversity action and efforts to address other related environmental challenges.
24. The provision of financial resources for collective action, including by Indigenous Peoples, Local Communities, Mother-Earth centric actions, and non-market based approaches.
