Resource Mobilization under the Convention on Biological Diversity

David Cooper
CBD Secretariat
Strategic Plan for Biodiversity 2011-2020

**Framework** for all Conventions and stakeholders.

**Vision:** Living in harmony with nature. By 2050, biodiversity is valued, conserved, restored and wisely used, maintaining ecosystem services, sustaining a healthy planet and delivering benefits essential for all people.”

**Mission** Take effective and urgent action to halt the loss of biodiversity in order to ensure that by 2020 ecosystems are resilient and continue to provide essential services, thereby securing the planet’s variety of life, and contributing to human well-being, and poverty eradication.

**5 Goals, 20 Aichi Biodiversity Targets**

**Implementation mechanisms**
Aichi Biodiversity Targets

By 2020...

5 “...the rate of loss of all natural habitats, including forests, is at least halved and where feasible brought close to zero, and degradation and fragmentation is significantly reduced.”

7 “... areas under agriculture, aquaculture and forestry are managed sustainably, ensuring conservation of biodiversity.”

11 “... at least 17 per cent of terrestrial and inland water areas...are conserved .... , and integrated into the wider landscapes”

15 “... ecosystem resilience and the contribution of biodiversity to carbon stocks has been enhanced, through conservation and restoration, including restoration of at least 15 per cent of degraded ecosystems....”

20 “...the mobilization of financial resources for effectively implementing the Strategic Plan form all sources ... should increase substantially from the current levels. .......”
Strategy for Resource Mobilization

Mission: to substantially enhance international financial flows and domestic funding for biodiversity ..... (Decision IX/11)

1: improve information base on funding needs, gaps and priorities and assess costs of policy inaction and benefits of action

2: strengthen national capacity for resource use and mobilize domestic resources; develop national financial plans for NBSAPs

3: Strengthen existing financial institutions and promote scaling up (ODA; co-financing; public and private sector investments; funds ...)

4: Explore new and innovative financial mechanisms (PES; offsets; fiscal reforms; green markets; climate finance ...)

5: Mainstream biodiversity into development cooperation

6: Build capacity ad promote South-South cooperation

7: Enhance ABS in support of resource mobilization

8: Enhance global engagement (public awareness)
<table>
<thead>
<tr>
<th>Strategy for Resource Mobilization</th>
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</thead>
<tbody>
<tr>
<td>Preparing for COP-11</td>
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</tbody>
</table>

**COP-10:**

The COP, committed to substantially increasing resources from all sources, balanced with effective implementation of the Strategic Plan 2011-2020..

Decides to adopt targets at its 11th meeting provided that robust baselines have been identified and endorsed and an effective reporting framework has been adopted

**Preparing for COP-11:**

- Assessment of current spending (baseline)
- Assessment of Needs
- Exploring Mechanisms
- Developing National strategies for resource mobilization
Towards COP-11 – Hyderabad

Four Questions

How much are we spending on biodiversity?

What will it cost to achieve the Aichi Targets?

What will be the benefits?

What are the mechanisms to mobilize more funding?
Existing spending
## Estimates of the current scale of biodiversity finance

<table>
<thead>
<tr>
<th>Funding for biodiversity 2010</th>
<th>US $ billion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total*</td>
<td>52</td>
</tr>
<tr>
<td>Domestic Government</td>
<td>26</td>
</tr>
<tr>
<td>ODA</td>
<td>7</td>
</tr>
</tbody>
</table>

*domestic budget allocations, official development assistance, green commodities and direct biodiversity and ecosystem fees*
### Existing Biodiversity Spending

Information from Parties.

<table>
<thead>
<tr>
<th>2006-2010 (US $ million)</th>
<th># Parties</th>
<th>Total</th>
<th>Low end of range</th>
<th>High end of range</th>
</tr>
</thead>
<tbody>
<tr>
<td>International Financial flows</td>
<td>17</td>
<td>3 597</td>
<td>0.018</td>
<td>1 070</td>
</tr>
<tr>
<td>Domestic biodiversity funding</td>
<td>19</td>
<td>50 352</td>
<td>0.858</td>
<td>28 539</td>
</tr>
</tbody>
</table>
Enabling activities
Core Biodiversity
Mainstreaming Biodiversity
Ecosystem-based adaptation etc
Sustainable economy
## Size and control of funds vary with their purpose

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Size</th>
<th>Source and Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facilitating biodiversity planning implementation and monitoring</td>
<td>$</td>
<td>Domestic budget or ODA</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Environment Ministry Budget</td>
</tr>
<tr>
<td>Core Biodiversity activities: surveys; protected areas; regulation etc</td>
<td>$$</td>
<td>Domestic budget, ODA and other sources</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Environment Ministry Budget</td>
</tr>
<tr>
<td>Mainstreaming in agriculture, forestry, fisheries, .... education etc</td>
<td>$$$</td>
<td>Domestic budget, ODA, PES, subsidy reform and other sources</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Budgets of other ministries and private sector</td>
</tr>
<tr>
<td>Adaptation to climate change; C sequestration</td>
<td>$$$$</td>
<td>Climate-related finance</td>
</tr>
<tr>
<td>Green economy (sustainable production and consumption)</td>
<td>$$$$$</td>
<td>All sources</td>
</tr>
<tr>
<td></td>
<td></td>
<td>All budgets</td>
</tr>
</tbody>
</table>
FIGURE 2 CURRENT SCALE OF BIODIVERSITY FINANCE BY MECHANISM

TOTAL
USD 52 BILLION

The Little Biodiversity Finance Book 2012

Direct Costs
Ecosystem Debt for Nature

0 0 0 0.2 0.4 1.6 3.2 6.3 6.5 7.2 25.5

USD BILLION
TOTAL FINANCE AVAILABLE: 100%

HIGH INCOME

78% GENERATED

TRANSFER TO LOW INCOME: 19%

DELIVERED IN HIGH INCOME: 59%

LOW INCOME

TRANSFER TO LOW INCOME: 19%

DELIVERED IN LOW INCOME: 41%

TOTAL DELIVERED IN LOW INCOME: 41%

DELIVERED BY LOW INCOME: 22%
Financing Needs
UK-India High-Level Panel (HLP) on Global Assessment of Resources for implementing the Strategic Plan for Biodiversity 2011-2020

Main Objective:
At the global level, to provide as robust an assessment as possible of the resources needed to achieve the Aichi Biodiversity Targets in the timeframe up to COP 11 recognizing that a comprehensive assessment may not be possible, but a credible assessment of current knowledge will be valuable;
<table>
<thead>
<tr>
<th>Target</th>
<th>Investment needs (US$ million)</th>
<th>Recurrent expenditure per annum (US$ million)</th>
<th>Average annual expenditure (2013 – 2020) (US$ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Strategic Goal A</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Target 1 – Awareness raising</td>
<td>54</td>
<td>441 – 1,405</td>
<td>282 – 885</td>
</tr>
<tr>
<td>Target 2 – Biodiversity values</td>
<td>453 – 605</td>
<td>70 – 131</td>
<td>101 – 157</td>
</tr>
<tr>
<td>Target 3 – Incentives</td>
<td>1,331 – 2,049</td>
<td>8 – 15</td>
<td>171 – 266</td>
</tr>
<tr>
<td>Target 4 – Sustainable consumption &amp; production</td>
<td>55 – 107</td>
<td>8 – 15</td>
<td>12 – 23</td>
</tr>
<tr>
<td><strong>Strategic Goal B</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Target 5 – Reducing habitat loss (forests and wetlands)</td>
<td>152,255 – 288,755</td>
<td>13,260 – 13,700</td>
<td>34,636 – 47,546</td>
</tr>
<tr>
<td>Target 6 – Fisheries</td>
<td>129,900 – 292,200</td>
<td>800 – 3,200</td>
<td>16,900 – 40,000</td>
</tr>
<tr>
<td>Target 7 – Sustainable Agriculture, Aquaculture and Forestry</td>
<td>20,799 – 21,747</td>
<td>10,709 – 11,039</td>
<td>9,187 – 9,554</td>
</tr>
<tr>
<td>Target 8 – Pollution</td>
<td>77,600 – 772,710</td>
<td>24,410 – 42,650</td>
<td>35,370 – 139,240</td>
</tr>
<tr>
<td>Target 9 – Invasive alien species</td>
<td>34,086 – 43,945</td>
<td>21,005 – 50,082</td>
<td>23,276 – 52,938</td>
</tr>
<tr>
<td>Target 10 – Coral reefs</td>
<td>600 – 960</td>
<td>6 – 10</td>
<td>81 – 130</td>
</tr>
<tr>
<td><strong>Strategic Goal C</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Target 11 – Protected areas (terrestrial and marine)</td>
<td>66,096 – 626,407</td>
<td>965 – 6,681</td>
<td>9,227 – 84,982</td>
</tr>
<tr>
<td>Target 12 – Species conservation</td>
<td>-</td>
<td>3,410 – 4,760</td>
<td>3,410 – 4,760</td>
</tr>
<tr>
<td>Target 13 – Genetic diversity</td>
<td>553 – 1,400</td>
<td>15 – 17</td>
<td>84 – 186</td>
</tr>
<tr>
<td><strong>Strategic Goal D</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Target 14 – Ecosystem restoration</td>
<td>30,000 – 299,880</td>
<td>-</td>
<td>3,750 – 37,480</td>
</tr>
<tr>
<td>Target 15 – Restoration of forests</td>
<td>47,600</td>
<td>3,750</td>
<td>8,059</td>
</tr>
<tr>
<td>Target 16 – Nagoya Protocol</td>
<td>55 – 313</td>
<td>-</td>
<td>7 – 39</td>
</tr>
<tr>
<td><strong>Strategic Goal E</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Target 17 – NBSAPs</td>
<td>114 – 1,125</td>
<td>114 – 562</td>
<td>46 – 170</td>
</tr>
<tr>
<td>Target 18 – Traditional knowledge</td>
<td>207 – 340</td>
<td>207 – 340</td>
<td>207 – 340</td>
</tr>
<tr>
<td>Target 19 – Science base</td>
<td>1,818 – 4,160</td>
<td>1,407 – 1,566</td>
<td>1,634 – 2,086</td>
</tr>
<tr>
<td>Target 20 – Mobilisation of financial resources</td>
<td>10 - 79</td>
<td>3 - 20</td>
<td>4 - 30</td>
</tr>
</tbody>
</table>
UK-India High-Level Panel (HLP) on Global Assessment of Resources for implementing the Strategic Plan for Biodiversity 2011-2020

Not for quotation (yet)

Overall estimates suggest total resource needs of US$130 to $430 billion p.a. 2013 to 2020 to meet all the Targets

Of which about US$ 31 billion p.a. 2013 to 2020 to meet the forest elements on Targets 5, 7, 11 and 15

Estimated resource needs must be considered in light of benefits of Targets, which go well beyond biodiversity
Matt to add numbers and/or table
Melissa Jaques, 13/09/2012
<table>
<thead>
<tr>
<th>#</th>
<th>Target element</th>
<th>Annual Cost US billion</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>Half rate of deforestation and reduce degradation</td>
<td>7.2</td>
</tr>
<tr>
<td>7</td>
<td>Sustainable forestry</td>
<td>7.1</td>
</tr>
<tr>
<td>11</td>
<td>Forest Protected areas</td>
<td>9.1</td>
</tr>
<tr>
<td>15</td>
<td>Forest landscape restoration</td>
<td>8.1</td>
</tr>
</tbody>
</table>
UK-India High-Level Panel (HLP) on Global Assessment of Resources for implementing the Strategic Plan for Biodiversity 2011-2020

Factors affecting the numbers:
• Level of ambition
• Scope of activities financed
• Synergies among targets – importance of enabling policy
• Treatment of opportunity costs
• Differences in cost per unit estimates
• Methodological error and data inadequacies
Financing mechanisms
FIGURE 7. CURRENT AND FUTURE LOW - HIGH SCALE OF FINANCE

TOTAL
USD 70-160 BILLION

The Little Biodiversity Finance Book 2012
A guide to proactive investment in natural capital (OPEN)
<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>Low Future</th>
<th>High Future</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private Sector: Polluter</td>
<td>6.61%</td>
<td>13.57%</td>
<td>25.88%</td>
</tr>
<tr>
<td>Private Sector: Beneficiary</td>
<td>13.57%</td>
<td>17.30%</td>
<td>53.02%</td>
</tr>
<tr>
<td>Public Sector</td>
<td>13.57%</td>
<td>17.30%</td>
<td>53.02%</td>
</tr>
</tbody>
</table>

**Figure 9. Public Versus Private Sector Paying**

This diagram shows the current and future estimated percentages of finance for biodiversity generated from the public and private sector. Within the private sector, the diagram also shows whether it is the polluter or the beneficiary that pays. As finance is scaled up in the future scenarios, more of the cost burden is shifted on to the polluter.
## Principles for the Country-specific resource mobilization strategy

- Understand: existing sources; budget cycle
- Identify opportunities for new sources
- Mainstream – persuade others to spend or reallocate *their* money
- Involve others; get ownership over biodiversity-friendly activities
- Reform – look for opportunities to save money by ceasing support to activities harmful to biodiversity
- Leverage funds under your control
- Make the economic case
- Innovate
- Move beyond a “shopping list” Look not just for funds for projects, but for strategic/ policy/ institutional changes that will mobilize additional resources
Financing Mechanisms

Public funding will remain the dominant source ..... 
..... but beyond biodiversity budgets, environment ministries. 
“Innovative” financial mechanisms promising ..... 
..... many no longer “innovative” 
..... enabling policy is essential 
..... potential for distorting effects, need for safeguards 

Major opportunity to remove/reform existing perverse subsidies 
..... but major political economy challenges
Aichi Biodiversity Targets

Strategic goal A. Address the underlying causes of biodiversity loss:

Target 1: By 2020, ... People are aware of the values of biodiversity and the steps they can take to conserve and use it sustainably.

Target 2: By 2020, ... biodiversity values are integrated into national and local development and poverty reduction strategies and planning processes and national accounts ...

Target 3: By 2020, ... incentives, including subsidies, harmful to biodiversity are eliminated, phased out or reformed in order to minimize or avoid negative impacts, and positive incentives for the conservation and sustainable use of biodiversity are developed and applied, .

Target 4: By 2020, ... Governments, business and stakeholders have plans for sustainable production and consumption and keep the impacts resource use within safe ecological limits.
UK-India High-Level Panel (HLP) on Global Assessment of Resources for implementing the Strategic Plan for Biodiversity 2011-2020

Implementation and delivery of the Aichi Biodiversity Targets requires **the development of an appropriate and coherent political and institutional framework**, and strong political will, particularly at national and regional levels.

**Existing evidence suggests that benefits are likely to significantly outweigh costs.** Without immediate action, the social and economic costs of biodiversity loss and the loss of ecosystem services will be felt at an accelerating rate in the future and will limit growth and stability.

*Meeting the Aichi targets is about an investment in our future – an investment which is not only financial.*
There is a greater range of options than previously recognized
FIGURE 1
GLOBAL BIODIVERSITY VS. FINANCE DELIVERED

Map showing current biodiversity finance delivery in 2010 distribution estimates overlaid with high priority areas for ecosystem services, and global priority areas for biodiversity.

The map background data show country priority watersheds for ecosystem services provision (e.g., food, fiber, water, etc.), high priority regions and ecosystems, and biodiversity hotspots, high priority ecosystems and ecosystems of highest biodiversity. Watersheds were not included in the original analysis.

Financing options and mechanisms
The Little Biodiversity Finance Book 2012

Figure 2: Current Scale of Biodiversity Finance by Mechanism

Total USD 52 Billion

- Direct Ecosystem Services
- Direct Carbon Fees
- Benefit Sharing of Emission Allowances
- Greening Communities
- Agricultural Subsidy Reform
- Domestic Government Funding

The Little Biodiversity Finance Book 2012

A guide to practice investment in natural capital (IPBES)