ITEM 4(a). RESOURCE MOBILISATION
ITEM 4(b). FINANCIAL MECHANISM
CBD/CBI/4/5

Key Messages

WWF welcomes the revised strategy for resource mobilisation in Annex I of document CBD/SBI/4/5. An ambitious and action-oriented resource mobilisation strategy covering the period from 2025 to 2030 and providing a clear path to deliver Kunming-Monreal Global Biodiversity Framework (KMGBF) Finance commitments - including Targets 14, 15, 18 and 19 - will be one of the most important deliverables of COP16. WWF calls on SBI to consider the following key recommendations:

- Developed countries, and other countries that are in the position to do so, need to prioritise the timely delivery of the commitment in Target 19a to provide USD 20 billion annually from 2025, as it is unlikely for other sources to sufficiently come into effect already in 2025. Filling this early hurdle of GBF implementation will likely result in a great loss of trust both from the international community and other stakeholders, and risks slowing down or even halting implementation of the KMGBF.

- In addition to rapid mobilisation of funds, the rapid deployment of funds, especially benefitting Indigenous Peoples, local communities and other rights-holders is equally key to a successful GBF implementation.

- WWF also welcomes the establishment and launch of the Global Biodiversity Framework Fund (GBFF) and urges donors to further capitalise the Fund in the run up to COP16. It is an important contribution towards achieving Target 19a.

- WWF also urges countries to engage in a constructive and solutions-oriented exchange on the financial mechanism for the GBF implementation, including but not exclusively on the GBFF, that meets the needs of all Parties and can be agreed at COP17.

- Even before the financial mechanism is agreed at COP17, the ninth replenishment period of the GEF trust fund (GEF-9), will need a substantial increase compared to GEF-8 to ensure a significant contribution to the GBF Target 19 and the overall GBF implementation.

National Biodiversity Finance Plans

- WWF welcomes the recommendation to develop, update and implement national biodiversity finance plans (NBFPs) or similar instruments. They need to be complementary or part of each national biodiversity strategy and action plan (NBSAP) and used to fully cost the NBPSAPs. As outlined in WWF's NBSAPs We Need checklist, NBFPs should include resources mobilised from all
FURTHER INFORMATION

Revised Strategy for resource mobilisation

WWF recognizes the holistic approach of the resource mobilisation strategy, aiming to address financial systems as a whole to deliver resource mobilisation. This addresses key elements requested by financial institutions to enable a shift in financial flows, including broad coverage of types of financial flows, financial mechanisms, financial institutions, and enabling conditions, to deliver against GBF Targets 14, 15, 18 and 19.

Initial focus to deliver finance targets is on the donor countries and other countries that are in the position to contribute. The public sector has accounted for the largest proportion of biodiversity funding in the past and present. The Paulson study estimates total current global biodiversity spending of $133 billion per year, of which public spending constitutes 83%. And public sources account for 85% of international biodiversity finance from developed to developing countries, according to the OECD. It is unrealistic to expect that this will change in the matter of a couple of years.

While there is an important role for the private sector in contributing to the finance targets, it cannot close the biodiversity funding gap alone. Most efforts involving the private sector - including some very promising ones - are still small-scale and in the incubation phase, and cannot make a near-term scalable impact. Developed governments need to show how their money will leverage more private finance aligned with the GBF targets to developing countries.

The development of common principles and standards for tracking nature-positive finance and investment investment will be critical. The MDB-led efforts to develop common standards for tracking of nature-positive financial flows should be accelerated and broadened beyond the MDBs to include all types of public development banks. MDBs and public development banks should be encouraged to report the share and amount of their nature-positive finance and investment according to these common principles on an annual basis, starting in 2024.¹

In the longer run, redirecting harmful subsidies as outlined in GBF Target 18 could become a path to mobilise substantial sums, provided they are redirected to biodiversity funding. After all, the world is already spending $1.8 trillion each year on subsidies to industries that are destroying nature.

TEXT PROPOSALS

WWF welcomes the revised strategy for resource mobilisation outlined in Annex I of document CBD/CBI/4/5 and calls on SBI4 to consider the inclusion of the following proposed text changes in the final decision.

New text proposed by WWF is in **red, bold and underlined**.
Text that WWF proposes to delete is in strike through.

(...)

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 Diversity,[1] 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, international, 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,[2] 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 of the Conference of the Parties, which was developed to enable a quick-start resource mobilization and to scale up and align resources for the implementation of the Framework.

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;
   (c) The need to increase substantially and progressively the level of financial resources from all sources, from a broad scope of financial instruments and mechanisms;
   (d) The need to mobilize resources immediately while preserving a long-term vision of financial resource needs;
   (e) The need for comprehensive, fair, **timely**, inclusive and equitable access to all financing sources by all Parties, stakeholders and rights holders.

II. Enabling actions

4. The strategy is to be enabled by:

   (a) Promoting the updating and implementation of national biodiversity strategies and action plans (NBSAPs) and of 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 significant increase in resource mobilization from all sources and to 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 agreements;
(d) Increasing financial support for the Biodiversity Finance Initiative of the United
Nations Development Programme and other related initiatives in order to facilitate resource
mobilization, including through the implementation of national biodiversity finance plans;
(e) Optimizing multi-stakeholder and inclusive rights holder partnerships;
(f) Undertaking capacity-building and development, scientific and technological
cooperation and technology transfer to support the priorities determined by Parties in their
national biodiversity strategies and action plans for the implementation of the Framework;
(g) Ensuring the full, equitable, inclusive, effective and gender-responsive representation
and participation in decision-making of indigenous peoples and local communities, women and
youth;
(h) Ensuring low-threshold and timely access to financial resources and
capacity-building for stakeholders and rights holders;
(i) Encouraging, as applicable, national central banks or other regulatory authorities to
conduct nature risk assessments for their financial sectors, taking their distinct mandates and
the role of all relevant actors into account;
(j) Encouraging multilateral development banks to continue and accelerate their work on
environmental and social safeguards, exploring diverse finance solutions, and de-risking
private biodiversity investments and developing and refining common principles and
guidelines for tracking finance and investment contributing to GBF targets and
objectives.

III. Objectives and actions

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

1. New and additional resources

5. New and additional resources are mobilized by:

(...)  

2. Identification and elimination, phasing out or reform
of financial resource flows causing harm

6. Public and private financial resource flows causing harm are identified and eliminated, phased out or redirected and reformed by:

(a) Mainstreaming biodiversity in development cooperation by:

(i) Re-prioritizing the portfolios and practices of development cooperation agencies and
banks, multilateral development banks, international financial institutions and philanthropic
organizations, with a view to aligning financial flows with the objectives of the Convention and
the goals and targets of the Kunming-Montreal Global Biodiversity Framework;

(ii) Harnessing and scaling up synergies in project development and financing, with a view
to optimizing biodiversity co-benefits and synergies;

(b) Monitoring, assessing and transparently disclosing the biodiversity risks, dependencies
and impacts of international private finance and business actors, using such frameworks as that
developed by the Taskforce on Nature-related Financial Disclosures;

(c) Taking effective action at the international level on incentives, including subsidies, that are harmful to biodiversity, in accordance with Target 18 of the Framework reducing them by at least USD 500 billion per year by 2030, starting with the most harmful incentives.

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

7. The uptake, accessibility, effectiveness, efficiency, transparency and accountability in resource provision and use are 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 multilateral development banks, international financial institutions and 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) Optimizing biodiversity co-benefits and synergies among international funding sources, including finance targeting biodiversity and climate;

(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) Enhancing rights to funding and strengthening the capacity to gain access to international funding for Parties, stakeholders and rights holder, in particular indigenous peoples and local communities, women and youth;

(g) Using, as appropriate, international finance to leverage public and private domestic biodiversity finance (“finance for finance”).

B. **Significant increase in domestic resource mobilization from all sources**

1. **New and additional resources**

8. New and additional resources are mobilized by:

(a) Significantly increasing domestic public resources for biodiversity at home and abroad;

(b) Designing and implementing, or scaling up, positive incentive measures, including taxes, charges and fees, in accordance with relevant international obligations;

(c) Significantly increasing domestic private and philanthropic resources for biodiversity by implementing strategies for raising new and additional resources and encouraging the private sector to invest in biodiversity, including through impact funds and other instruments;

(d) Developing and applying, or scaling up, finance solutions or similar instruments and benefit-sharing mechanisms, with environmental and social safeguards;

(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, including community-based natural resource management and civil society cooperation and solidarity aimed at the conservation and sustainable use of biodiversity;

(f) Significantly increasing the use of ecosystem-based approaches and/or nature-based solutions at the national and subnational levels;

(g) Increasing action to prepare and implement national biodiversity finance plans or similar instruments, according to national priorities and circumstances, based on ambitious and comprehensive national biodiversity strategies and action plans and aligned with the Kunming-Montreal Global Biodiversity Framework, as a step towards
**significantly increasing domestic resource mobilisation.** [WWF note: taken from para 3(a) of Annex II]

2. **Identification and elimination, phasing out or reform of financial resource flows causing harm**

9. Financial resource flows causing harm are identified and eliminated, phased out or reformed 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;

(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, that are harmful to biodiversity, in accordance with Target 18 of the Framework **by reducing them by at least USD 500 billion per year by 2030, starting with the most harmful incentives**, taking the guidance adopted in decision XII/3 of 17 October 2014 into account;

(e) Monitoring, assessing and transparently disclosing the biodiversity risks, dependencies and impacts of domestic private finance and business actors, using such frameworks as that developed by the Taskforce on Nature-related Financial Disclosures.

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

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

(a) Ensuring national and subnational ownership by aligning biodiversity policies with national development plans **and the needs of rights holders**;

(b) Supporting policy coherence by creating or enhancing partnerships with indigenous peoples and local communities, women, youth and civil society;

(c) Enhancing capacity-building and development, technical assistance and technological cooperation for financial planning and effective resource use and management;

(d) Improving transparency and accountability, as well as national monitoring systems, in resource provision and use;

(e) Optimizing co-benefits and synergies among domestic funding sources, including finance targeting biodiversity and climate.

(…)

* In line with decision 15/7, para. 12.
[5] 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.
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