

Biodiversity Planning, Policy Support Programme

Environmental Policy Unit, Law Division, UNEP

1. Overall Introduction

The adoption of global biodiversity framework (GBF) during the fifteenth meeting of Conference of Parties to the Convention on Biological Diversity (CBD COP 15) heralded a new sense of responsibility and optimism among diverse stakeholders to undertake actions at various levels to reduce the rate of loss of biodiversity, sustainably use the resources and share the benefits.

Unlike the earlier two phases of global biodiversity target setting, the 2002-2010 and 2011-2020 targets that were focused on the components of biodiversity, benefit sharing, inclusive and informed implementation needs, the current framework (2023-2030) is more broad-based and links a number of approaches, processes and issues related to drivers of biodiversity loss and challenges to benefit sharing.

Such of them include approaches like the whole of society (WOS) and whole of government (WOG) approaches, strengthening policy coherence, supporting achieving the sustainable development goals (SDGs), focusing on issues such as use of digital sequence information and related benefit sharing to implement the CBD, trade, sustainable consumption and production, financing, role of women, girls in realizing the framework and the related.

In order to effectively achieve the implementation of GBF at national, regional and global levels a number of actions are needed to strengthen biodiversity planning and policy issues.

Led by UNEP Law Division through the newly established Environment Policy Unit, a programmatic approach to support countries in biodiversity planning and policy is being promoted.

This note elaborates one specific component of such planning and policy support in realizing the GBF namely, capacity development and partnership building to sustain the gains of past and current actions in implementing the CBD as well as the emerging strategic actions.

2. Capacity development for GBF

The issue of capacity development will continue to receive attention and support since capacity building and development are continuous actions needed at individual and institutional levels across all countries and at all levels. The need for strengthening capacity building and development in the context of realizing the GBF is therefore critical, more so because of the new approaches and issues countries need to address to achieve successful national actions.

The following is a summary of capacity development needs/options for countries, aggregated in groups, to help implement the GBF.

Broadly, the capacity development actions focus on institutional and individual capacity development, on the following issues:

- a. Ensuring countries use the whole of society and whole of government approaches while development the national strategies and action plans
- b. Develop capacities on new and related issues such as DSI, sustainable consumption and production, enhancing biodiversity-climate nexus, linking with pollution actions, trade, responding to issues decided through related processes such as UNFCCC, UNCLOS (BBNJ), WTO and the related.
- c. Support national planning and policy actions related to monitoring (data, information, participation and the related), reporting (focusing on contributions from non-state actors, sectors, businesses, academia and local communities that traditionally has not received needed attention)
- d. Creating a national pool of experts and regional expert networks to help technical and scientific cooperation and
- e. Developing dedicated expertise and capacities to deal with financing and finances.

Specific Ideas (2023-2024)

A. Supporting Small Island Developing States (SIDS) to Achieve Integrated Actions on Biodiversity, Climate Change and Development

Introduction and Background

Small Island Developing States (SIDS) occupy a special place in this Planet with unique landscape, ecology and culture. They possess unique natural resources in terrestrial areas and in the deep sea. Among these are minerals, potential bioresources for pharmaceutical products, hydrocarbons, renewable energy resources and fish stocks. They also have unique indigenous knowledge that can help them to develop sustainably and manage their natural environment productively and equitably.

With bountiful supplies of renewable energy sources such as biomass, wind, sun, ocean, wave, and hydro and geothermal, accelerated deployment of renewable energy, SIDS provide a range of options for development as well as vulnerabilities due to anthropogenic pressures such as climate change, sea-level rise, biodiversity loss, pollution and economic dependencies.

Paragraph 90 of the Declaration of the SAMOA Pathway, highlights the link between SIDS and biodiversity: *“overall, SIDS have extraordinary marine and terrestrial biodiversity that in many cases is fundamental to their livelihoods and identity.”* The mid-term review of the SAMOA Pathway in 2019 (in paragraph 30) highlighted the need to *“...facilitate and attract foreign direct investment and financing, and capacity support for SIDS”*¹.

The SAMOA Pathway identifies a number of opportunities for SIDS, including:

1. Options for better natural resources management for sustainable development
2. Enhancing conservation
3. Better managing threats from chemicals and wastes

¹ <https://undocs.org/en/A/74/381/Add.2>

4. Strategic partnerships
5. Strengthening resilience
6. Strengthening knowledge, innovation, science, and technology.

In addition to the work currently being supported by the Alliance of Small Island State (AOSIS), the United Nations Department of Economics and Social Affairs (UNDESA), the Organization of Africa, Caribbean and the Pacific (OACPS) have been focusing on national, sub-regional, regional and global actions in support of SIDS.

In 2021, the Ministerial Meeting of the OACPS passed a resolution on the need to support the interests of SIDS² and calls for specific actions in support of implementing the global biodiversity framework (GBF) that was adopted during the fifteenth Conference of Parties to the Convention on Biological Diversity (CBD COP15)³.

The OACPS Secretariat, the European Union (EU) through their long partnership in support of countries from the Africa, Caribbean and Pacific (ACP) regions in collaboration with the United Nations Environment Programme (UNEP) has been implementing a long-standing partnership programme since 2009 to support the ACP countries on issues of implementing a number of multilateral environmental agreements (MEAs), environmental governance, capacity development and integrated development actions.

This proposal is in continuation of a number of priorities identified through the ACP MEAs programme, the interests of OACPS SIDS Forum, the focus of the EU to translate the ideas of supporting SIDS into actions, in the ACP regions and beyond. It specifically builds on UNEP's strategic priorities in support of SIDS, the UNDESA and AOSIS related actions and collaborations established with SIDS in shaping a programmatic support initiative that addresses the combined challenges of environmental management, governance, and development of SIDS.

1. The Proposal

Considering that 2024 is the tenth anniversary of adoption of the SAMOA Pathway, this proposal – **Demonstrating Environment Values for Enhancing Livelihoods, Opportunities and Partnerships (DEVELOP)** - is developed using the following broad objectives:

- A. Establish a support programme for SIDS to enhance skills and capacities for integrated actions related to achieving the environmental priorities, through stronger science-policy-society interfaces and strengthening natural and social sciences linkages.
- B. Translate the interests and priorities of SIDS to effectively achieve environment and development priorities, using the global biodiversity framework as a base, and
- C. Develop networking actions to realize the strengths of South-South Cooperation, triangular cooperation in actualizing the potential and voice.

² <https://www.acpmeas.com/sites/default/files/2021-10/OACPS%20MINISTERIAL%20RESOLUTION%20ON%20BIODIVERSITY.pdf>

³ <https://www.cbd.int/doc/decisions/cop-15/cop-15-dec-04-en.pdf>

Strategic Actions

Enhancing Skills and Capacities

1. Design skill and capacity development programmes focusing on integrated actions, for example – securing finances for climate, nature, and pollution, understanding the on-the-ground linkages; implementing Nationally Determined Contributions (NDCs), National Biodiversity Strategies and Action Plans (NBSAPs) and National Implementation Plans (NIPs) in coordinated manner with joint actions and others.
2. Establish a skill development programme(s) focusing on ‘learning from practitioners’ on traditional and community-based knowledge actions in support of climate and nature conservation actions, securing the benefits of nature based solutions and integrating these into national science and policy making processes⁴ for integrated knowledge solutions.
3. Develop a behavioural interventions initiative to target decision makers, scientists and other stakeholders to strengthen implementation of commitments by SIDS.

Using GBF as a guiding framework for actions in SIDS

1. Support review of existing policy and legal frameworks in SIDS that can align with multiple and co-delivery models to achieve the Goals of GBF and its targets, especially Targets 2, 5, 7, 8, 4, 15, 19, 20 and 22.
2. Develop guidance for SDIS in mainstreaming and integrating policies and actions at national and regional levels focusing on trade, sustainable consumption, and circular economy to achieving multiple objectives of climate change, nature conservation and pollution action.
3. Up-scale, where available and design technology cooperation actions with a view to improving local livelihoods and enterprise development using nature-based solutions and integrating the policy, action plans to benefit stakeholder groups.
4. Identify options for ‘inclusive consideration’ of actions by whole of society in achieving the NDCs, NBSAPs and NIPs through national reports.

Strengthening South-South Cooperation

1. Establish following focus groups to seek strategic and political guidance on key environment-development nexus projects within and among Pacific SIDS, Caribbean SIDS, African SIDS and other SDIS:
 - a. Focus Group on knowledge sharing
 - b. Focus Group on integrated capacity sharing (among SIDS)
 - c. Focus Group on Nature-based adaptation and mitigation actions, and
 - d. Focus Group on youth and women engagement.

⁴ <https://india.postsen.com/trends/266435.html>

B. Finances, Investments and Transformation (FIT) for Implementing the Global Biodiversity Framework (GBF) – FIT for GBF

Introduction

The fifteenth meeting of the conference of parties to the convention on biological diversity (CBD COP 15) held in December 2022 witnessed the highest amount of interest and participation from both Parties to the convention and other stakeholders to discuss and decide on financing the new global biodiversity framework (GBF).

With the participation of more than three hundred and fifty financing institutions, including the multilateral development banks (MDBs) and others, supported by the organization of dedicated discussions through the 'Finance Day' sessions, the role and importance of engaging with financial institutions and instruments have significantly matured and will stay supportive of the CBD.

The United Nations Environment Programme (UNEP), at the request of several Parties to the CBD, developed an analysis of financing options for biodiversity to support the decision-making during CBD COP 15. The key recommendations from the analyses include:

- Along with ensuring efficiency and efficacy of global financial mechanisms that channel funding from donor governments to developing country governments, there is also a need to draw in private sector financing in partnership with the public sector to close the massive financing gap for biodiversity and nature.
- Domestic public finance, which has historically had an outsized role in financing biodiversity, cannot fill this gap alone.
- An exponential increase in Official Development Assistance (ODA) alone would also be insufficient
- A new market accelerator fund can provide early-stage capital, focused technical assistance, and capacity building to near-bankable biodiversity projects, which can reduce financing lead times, and directly link development support with commercially oriented investments.
- Successfully addressing nature and climate crises is a challenge that straddles the public and private sectors. To overcome this, collaboration must happen horizontally (across public and private sector actors), vertically (from governments down to local communities on the ground), and across geographic regions.
- Breaking the silos between financing for climate and nature are essential. We must: i) recognize biodiversity & restoration co-benefits of climate action and climate co-benefits of biodiversity & restoration actions, and ii) manage and safeguard against negative biodiversity impacts of climate actions.
- Building the capacity of risk managers and investment advisors in the financing sector should be a priority to address the issue of redirecting investments causing biodiversity loss.
- There is a need for dedicated capacity development programme for national focal points to the CBD to understand and begin implementing actions in support of raising additional resources and ensuring the new/updated national biodiversity strategies and

action plans (NBSAPs) will be fit for purpose to deal with financing and the national financing plans to be developed are robust, responsive, and practical to achieve the targets set through the GBF.

In addition to this, UNEP organized a special breakfast meeting with MDBs during the COP 15 meeting to understand the interests and opportunities such institutions provide to support raising finances to support implementation of the GBF.

Goal D of the newly adopted GBF focuses on adequate means of implementation through finance and technical capabilities and progressively closing the biodiversity finance gap \$700B per year. Target 19 of the GBF addresses the need to increase the level of financial resources made available from all sources, public and private and mobilizing at least \$200B per year by 2030. In addition, Target 14 is on mainstreaming and full integration biodiversity and aligning fiscal and financial flows, Target 15 is on disclosures and reporting, and Target 18 is on harmful incentive and subsidies.

This proposal is framed based on the discussions held with several Parties to the CBD, financing institutions including MDBs and partners of UNEP to develop a multi-region, multi-year capacity development programme in support of financing biodiversity and GBF implementation. Termed as 'FIT for GBF', this proposal focuses on developing capacities of Parties as well as national and regional stakeholders and institutions to work on raising domestic and regional finances, focus on uncommon opportunities to raise additional finances and strengthen the way countries will invest in conservation actions through already available national finances.

The work builds on work undertaken by UNEP since 2016 when pilot country-level actions were rolled out in South Asia, West Asia, Africa, and the Latin America regions.

Finances, Investments and Transformation (FIT)

The Third Report of the Panel of Experts on Resource Mobilization presented a strategic approach to resource mobilization consisting of three interconnected and complementary components - i) reduce or redirect resources causing harm to biodiversity; ii) generate additional resources from all sources to achieve the three objectives of the CBD; and iii) enhance the effectiveness and efficiency of resource use. "Greening finance" is an important ongoing trend in financial markets, wherein nature and biodiversity impacts are being mainstreamed in the public and private sector.

There is a pressing need to shift more capital to green assets - i.e., "financing green" - through investments that create a positive impact on nature.

Around 78% of biodiversity finance globally is generated in advanced economies but less than 19% of all biodiversity finance, approximately \$9.8 billion, is transferred to emerging and developing economies.

Multilateral Development Banks (MDBs) pledged at COP26 to mainstream nature across their policies and to significantly boost nature finance for member countries. MDBs need to deliver on these commitments. Most multilateral, bilateral, and regional development banks are making investments that indirectly benefit nature, e.g., via climate funding, but few are making direct investments in nature. The establishment of natural capital lab units within MDBs as incubators

for innovative financing for nature is a favorable development that could have large leverage potential.

Based on the review of financing mechanisms described above, the following key recommendations emerged to ensure financing the GBF will focus on innovative options, investments that are responsive and transformative actions that are horizontal and vertical among governments and institutions.

1. Relatively easy access to, and faster deployment of funding for developing countries.
2. Efficient governance is needed that cuts through bureaucracy and depoliticizes decision making for funding and grants
3. Reduced transaction costs and information asymmetries
4. Funding flows must leverage the interconnectedness between climate and nature and be directly aligned with national priorities.

Delivering the GBF – FIT way

Based on the above, UNEP proposes to establish a programme in support of implementing the GBF at national and regional levels that is fit for purpose and forward looking, investing in capacity development for several stakeholders to ensure the financing discussions under both climate and nature action are deliverable and impactful.

In support of this, the programme will have the following two key objectives:

- a. To develop necessary capacities at regional and national levels of both governments and institutions to address the need for ensuring predictable, simple, transparent, and effective options for raising finances to implement the GBF, and
- b. Support county-led actions to monitor the effectiveness of actions, including finding options for tracking the investments and their impacts.

Strategic outcomes and Actions

To realize the above objectives, UNEP intends to undertake the following actions.

1. National and regional capacity development for financing institutions and national focal points to effectively develop the national financing plans.
2. Elaborate, country-specific financing options plans, in at least 2 countries per region, on a pilot scale to put in place financing and investment plans between 2023 – 2030 and beyond.
3. Establish a regional network of financing, investment and conservation experts to help support realizing targets 14,15 ,18 and 19 of the GBF, and
4. Offer support services, in partnership with financing institutions, to translate the potential of biodiversity-friendly investment options to results on the ground to achieve the GBF and its targets.

For Further Information:

Balakrishna Pisupati, Head, Environmental Policy, UNEP (balakrishna.pisupati@un.org)