

## WGRI 3 HIGHLIGHTS: TUESDAY, 25 MAY 2010

On Tuesday morning, in plenary, WGRI 3 participants tackled the implementation of the Strategy for Resource Mobilization. In the afternoon, and into the evening, discussions continued in two contact groups: one on revision of the Strategic Plan and the other on resource mobilization.

### PLENARY

**IMPLEMENTATION OF THE STRATEGY FOR RESOURCE MOBILIZATION:** On Tuesday morning, Chair Flasbarth introduced documents on: concrete activities and initiatives including measurable targets and/or indicators to achieve the strategic goals contained in the Strategy for Resource Mobilization and on indicators to monitor the implementation of the Strategy (UNEP/CBD/WGRI/7 and Inf. 4); policy options concerning innovative financial mechanisms (UNEP/CBD/WGRI/8, Inf. 5 and Inf. 12); and review of the guidance to the financial mechanism (UNEP/CBD/WGRI/3/9).

**Targets and Indicators:** Calling on parties to prioritize, NORWAY stressed the need for simplifying indicators. BRAZIL highlighted the need to meet the full incremental costs of implementing the Convention in developing countries. NEW ZEALAND suggested that indicators be short, sharp and focused, and questioned, with the EU, the utility of quantitative targets.

**Policy Options Concerning Innovative Financial Mechanisms:** The EU and NORWAY expressed reservations regarding additional Convention bodies on financing. SENEGAL proposed that a potential financial and economic panel under the CBD elaborate a new and less cumbersome financial mechanism, while cautioning against imposing funding priorities on parties. CUBA highlighted restructuring existing financial mechanisms to facilitate access to financial resources and to increase the effectiveness of such mechanisms. INDIA, supported by CHINA and ARGENTINA, stated that innovative mechanisms should supplement and not substitute existing ones. KENYA emphasized procedural difficulties in accessing the available funds. BOTSWANA asked that the WGRI commit to a flexible financial mechanism.

IRAN expressed concern that some proposed options for innovative financial mechanisms exceed the scope and mandate of the CBD. Along with South Africa, on behalf of the AFRICAN GROUP, he noted that many proposed options neglect the distinction between developed and developing

countries regarding their disparate political, social and economic circumstances. SWITZERLAND expressed reservations that establishing a new executive financial body would burden the CBD with more bureaucracy, and noted that the mandate, scope, and function of the proposed body remains unclear. Voicing similar concerns, NEW ZEALAND, CUBA, CHINA, Ukraine for the CENTRAL AND EASTERN EUROPEAN COUNTRIES (CEE), ARGENTINA, CANADA, HAITI and ECOROPA, on behalf of a group of NGOs, did not support its establishment. JAPAN suggested making better use of existing mechanisms and instruments to serve the purpose of the CBD.

**Guidance to the financial mechanism:** The GEF noted that certain COP priorities, including requests of funds for work on invasive alien species, are under-utilized. SWITZERLAND expressed support for strengthening the GEF, highlighting that the COP should refrain from providing prescriptive guidance to the GEF. CANADA highlighted that while guidance is important, a country-driven approach should be the priority. The PHILIPPINES and the EU cautioned that the retirement of decisions does not impact the implementation of GEF projects. She also objected to setting indicators for GEF.

**OTHER MATTERS:** Chair Flasbarth established a contact group, co-chaired by Damaso Luna, Mexico, and Maria Schultz, Sweden, to discuss draft recommendations on resource mobilization. He also reported on progress made in the “friends of the chair” group on integration of biodiversity into poverty reduction and development. BRAZIL read out a declaration on behalf of the Like-Minded Megadiverse Countries (LMMC), reiterating their commitment to work towards a COP 10 protocol on ABS.

### CONTACT GROUP ON THE REVISION OF THE STRATEGIC PLAN

On Tuesday afternoon and into the evening, the contact group on the revision of the Strategic Plan, co-chaired by Ashgar Fazel, Iran, and Finn Katerås, Norway, met to discuss the goals, in light of contributions from SBSTTA and interventions made in plenary on Monday. On target two, on integrating biodiversity values into national systems, some parties suggested deleting the reference to the ecosystem approach, noting that when communicating to a broader audience, many may not understand this concept. Another party suggested the use of the “sustainable development” approach instead. One party underscored it would be difficult for her country to integrate the values of biodiversity by 2020. Keeping in mind the importance of communication, many underscored having short and precise targets. On target

three, on subsidies and harmful incentives, one party proposed adding reference to “positive” incentives, including for ABS, but another noted that ABS is already reflected in target 17 on access to genetic resources. Some countries argued against having a reference to “positive” incentives, for example, for conservation, highlighting their mostly negative connotation in the context of this target. On target four, on sustainable use, parties debated over referring to “ecological limits” versus “sustainable limits.”

On target five, addressing natural habitat loss, degradation and fragmentation, parties debated the appropriate level of ambition for targeted reduction rates. Some stated that halving the rate was realistic, others advocated for bringing the rate of loss “close to zero,” and still others noted that measuring any reduction in loss rates requires baselines. On target six, concerning the elimination of overfishing and destructive fishing practices, parties debated whether the target should specifically mention marine, coastal, and inland waters, or generally encompass all fished waters. On target eight, on pollution from excess nutrients, one party suggested a formulation that underscores the need to reduce such pollution to a point where it is not detrimental to “ecosystem function and biodiversity.” Another wondered if this target would capture pollution from “heavy metals” as well. On target nine on invasive alien species, one party highlighted the possible positive aspects of the utilization of invasive alien species “where feasible.” Another party highlighted that the utilization of invasive alien species has never resulted in a “positive” outcome. On target ten, the only one dealing with climate change, some wondered whether referring to just coral reefs and marine ecosystems was too limiting and whether its scope should thus be broadened to other ecosystems.

#### **CONTACT GROUP ON THE STRATEGY FOR RESOURCE MOBILIZATION**

On Tuesday afternoon and into the evening, the Contact Group on resource mobilization, co-chaired by Damaso Luna, Mexico, and Maria Schultz, Sweden, met to discuss the documents on the Strategy for Resource Mobilization. Co-Chair Luna opened the floor for a paragraph-by-paragraph reading of the draft recommendation on concrete activities to achieve the strategic goals contained in the relevant document.

A developing country questioned the value added by a resource mobilization focal point, with a group of developed countries proposing and delegates agreeing to invite rather than urge their designation. On designing and disseminating country-specific resource mobilization strategies, a group of developing countries, supported by a regional group, proposed inserting language from COP Decision IX/11 to the effect that this be done with the involvement of all key stakeholders, including indigenous peoples and local communities. Supported by one developed country, two large developing countries preferred a general reference to “key stakeholders.”

On requesting the Executive Secretary and the GEF to organize regional and sub-regional workshops on resource mobilization, a regional group: recognized their usefulness; expressed concerns for their financial implications; proposed an amendment, which indicates the intention to agree to workshops if they are integrated into the process of updating NBSAPs; and proposed deletion of the reference to the GEF. Several developing countries and a regional group opposed the amendment, including omitting the reference to the GEF and linking workshops with updating NBSAPs. The amendment’s proponent noted that the COP normally adopts the so-called *omnibus* decision, which comprises all recommendations that are directed to the GEF.

The GEF clarified that its Biodiversity Strategy includes an allocation process, whereby a portion of biodiversity-related

financial resources (US\$500,000) can be devoted to country-specific activities, such as updating NBSAPs, provided such activities can generate global environmental benefits. On global monitoring reports, a regional group supported by some developing countries enquired about their nature, noting that the Biodiversity Strategy calls on the Executive Secretary to prepare these, rather than parties.

Discussions then focused on a paragraph concerning the adoption of indicators and associated targets. One regional group said they were “not in a position to think about targets,” with one developing country calling for parties to “flexibilize” their positions. Regarding a list of indicators, a regional group objected to most indicators and a reference to benefit-sharing funds in particular, while proposing to add “percentage of biodiversity-related funding in national budgets per annum.” Another regional group preferred references to biodiversity, rather than environmental, funds.

On using targets and associated indicators in global monitoring reports, a regional group proposed deleting the reference to associated targets. On concrete activities and initiatives to achieve the strategic goals of the Strategy for Resource Mobilization, a regional group supported continuation of the Development and Biodiversity Initiative. He did not support: a financial and economic panel on biodiversity and associated ecosystem services; regional networks on national environmental funds; and the establishment and implementation of an ABS fund. The regional group also left the decisions on all other activities in stand-by, pending the introduction of specific qualifiers. A developing country proposed linking regional networks with the plan of priority action on new and innovative financial mechanisms.

Based on the reaction from the floor, the Co-Chairs announced that they will be producing a consolidated working document containing the revised draft recommendation. The contact group, then, continued discussions on the draft recommendations on policy options concerning innovative financial mechanisms and on the review of the guidance to the financial mechanism late into the evening.

#### **IN THE BREEZEWAYS**

Today’s plenary discussion focused on resource mobilization: the proposed innovative financial mechanisms, including the establishment of a new “executive body” with assessment capacity, were met with considerable friction from a number of countries. Innovative financial mechanisms are sensitive in this context as they go beyond biodiversity-related official development assistance. While some delegates claimed that such mechanisms may violate the principle of common but differentiated responsibilities, others argued that the problem is the lack of understanding of such mechanisms, since they may simply transfer resources from less environmental-friendly economic sectors to other sectors of the national economy, which generate more sustainable development outcomes. A delegate in support of both ideas said he didn’t expect them to be met with wholehearted approval, but thought it was important to spark discussions in today’s contact group to point a way forward.

Meanwhile, the Contact Group on revising the Strategic Plan debated the nuances and weight of each word in articulating goals and targets. Parties engaged in the exercise of matching the “scientific and technical guidance” from SBSTTA with political agendas. Delegates scanned the room looking in vain for scientists to clarify the meaning of “inland waters” versus “freshwaters,” and to magically provide “baselines” to measure new targets, but most scientists appeared to have left after SBSTTA.