



Convention on Biological Diversity

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CONFERENCE OF THE PARTIES TO THE
CONVENTION ON BIOLOGICAL DIVERSITY

Eighth meeting
Curitiba, Brazil, 20-31 March 2006
Agenda item 22.4

**DECISION ADOPTED BY THE CONFERENCE OF THE PARTIES TO THE CONVENTION
ON BIOLOGICAL DIVERSITY AT ITS EIGHTH MEETING**

***VIII/13. Review of implementation of Article 20 (Financial resources) and Article 21
(Financial mechanism)***

The Conference of the Parties to the Convention on Biological Diversity,

Bearing in mind Articles 20 and 21,

Noting with regret the lack of voluntary contributions for the implementation of decision VII/22, on arrangements for the third review of the effectiveness of the financial mechanism,

Recalling Article 21, paragraph 3, of the Convention and decision II/6, paragraph 2, of the Conference of the Parties and *emphasizing* the need to review the financial mechanism on a regular basis,

Realizing that synergy between the Rio conventions can offer opportunities to increase the effectiveness of the use of financial resources, and should be undertaken consistent with the decisions, scopes and mandates of their respective conferences of the parties,

Noting the progress toward implementation of the Convention on Biological Diversity at the national level,

Taking note of the report of the Council of the Global Environment Facility (UNEP/CBD/COP/8/10),

Aware that the Council of the Global Environment Facility has adopted a new system of allocating resources to countries in the focal areas of biodiversity and climate change, known as the Resource Allocation Framework,

Realizing that the Conference of the Parties to the Convention on Biological Diversity did not provide guidance on the development of the Resource Allocation Framework,

Recognizing the grave concerns expressed by developing countries, in particular the least developed and the small island developing States, as well as countries with economies in transition, about the implications of the Resource Allocation Framework in limiting the allocation of resources to them in support of the implementation of the Convention,

Welcoming the hosting by South Africa of the third Assembly and associated meetings of the Global Environment Facility, to be held in Cape Town from 27 August to 1 September 2006,

Recognizing the need to explore all possible options to mitigate funding gaps and to maximize the availability of financial resources in support of the implementation of the Convention, including through, *inter alia*, environmental funds,

1. *Urges* donor Parties and Governments to contribute to the Global Environment Facility to achieve a timely and substantial fourth replenishment with a view to ensuring adequate and predictable resources necessary for advancing the various programmes of work of the Convention;

2. *Affirms* that Parties and Governments should determine their own funding priorities for national biodiversity activities based on the Strategic Plan, and national biodiversity strategies and action plans, and taking into account relevant elements of the Convention's programmes of work;

3. *Decides* to conduct an in-depth review of the availability of financial resources, including through the financial mechanism, at its ninth meeting. This review should:

(a) Build on past reviews;

(b) Focus on what action has been taken or needs to be taken to address identified obstacles;

(c) Examine how financial resources from the financial mechanism and from other relevant sources are being used to support the achievement of the objectives of the Convention;

(d) Examine how the Resource Allocation Framework adopted by the Global Environment Facility would affect the availability of resources given the individual and group allocations to developing countries and countries with economies in transition for the implementation of the Convention;

(e) Examine the effectiveness of the GEF Benefits Index for Biodiversity (GBI_{Bio}) for determining the potential of each country to generate the global biodiversity benefits for the purposes of this Convention;

(f) Identify opportunities available to Parties from all sources for the implementation of the Convention, including through innovative mechanisms, such as environmental funds as referred to in paragraph 7 below;

(g) Explore options on how the synergy among the financial mechanisms of the three Rio conventions can be promoted, taking fully into account the respective guidance and priorities of their respective conferences of the parties, each Convention's scope and mandate, while ensuring the integrity of resources available to each convention through its respective financial mechanism;

4. *Requests* the Executive Secretary, in consultation with Parties, Governments and relevant partners, to explore all options for resource mobilization including innovative financial mechanisms and to develop a draft strategy for resource mobilization in support of the achievement of the objectives of the Convention, taking into account the elements of the in-depth review, and to present a report on these options and the draft strategy to the ninth meeting of the Conference of the Parties through the Ad Hoc Open Ended Working Group on Review of Implementation of the Convention;

5. *Requests* the Executive Secretary and *invites* the Organisation for Economic Co-operation and Development to further collaborate on data collection and to provide regular reports on the status and trends of biodiversity finance to the Conference of the Parties;

6. *Further requests* the Executive Secretary to explore opportunities for collaborating with the Development Assistance Committee Network on Environment and Development Co-operation of the Organisation for Economic Co-operation and Development, with a view to enhancing the understanding of the Convention on Biological Diversity and promoting consideration of biodiversity-related financial issues through the Development Assistance Committee Network;

7. *Recommends* to Parties, Governments and funding institutions, as appropriate, the promotion, and fostering of new national and regional environmental funds and strengthening/expanding such existing funds, and further to encourage knowledge transfer and exchange about these mechanisms, through the creation and/or strengthening of national and international learning networks or communities, and that information on these initiatives be considered in the in-depth review to be conducted by the Conference of the Parties at its ninth meeting, through the Ad Hoc Open Ended Working Group on the Review of the Implementation;

8. *Invites* Parties to give due consideration to biodiversity in their development-planning systems, including in poverty reduction strategy papers, where they exist, in order to maximize opportunities for mobilizing financial resources;

9. *Requests* the Executive Secretary to continue updating information on funding activities and sources for the effective implementation of the threefold objective of the Convention and make that information regularly available to Parties;

10. *Decides* that financial resources and the financial mechanism will continue to be a standing agenda item for meetings of the Conference of the Parties;

11. *Requests* the Executive Secretary, taking into account the comments made during the eighth meeting of the Conference of the Parties, to make the necessary arrangements for an evaluation of the effectiveness of the financial mechanism to be conducted in time for the ninth meeting of the Conference of the Parties. The evaluation should be carried out according to the guidelines contained in the annex to decision VII/22 with the following adjustments:

(a) The review will cover all the activities of the financial mechanism for the period from July 2001-June 2007;

(b) The review should take account of any relevant sources of new information to those identified in paragraph 3 of the annex to decision VII/22;

(c) The criteria for effectiveness should also include actions taken in response to decision VII/20;

12. *Decides* to undertake the review of the effectiveness of the financial mechanism every four years and that this review should coincide with the meeting of the Conference of the Parties.
