The Biodiversity Finance Initiative (BIOFIN)

*Mobilising Resources for Biodiversity and Sustainable Development*

Dominic Moran

Yves de Soye, BIOFIN Manager, UNDP, 13 October 2014
BIOFIN – Overview & Objectives

• Conceived in response to CBD COP-10 (SP 2011-2020 & SRM)
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• US$ 15m from EU, Germany and Switzerland (+ US$ 3m GEF co-finance). 2013 - 2015/2016.
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  • Transform national-level enabling environment for countries to better develop and access domestic and international biodiversity finance
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  • Transform national-level enabling environment for countries to better develop and access domestic and international biodiversity finance
  • Builds on and retro-feeds with NBSAPs
BIOFIN – Scope

Two Main Axes of Work:

1. Global

2. National – 19 core countries
### BIOFIN – Axis 2: National Work

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#### Policy & Institutional Review
BIOFIN – Axis 2: National Work

**Objective:** National-level (bottom-up) assessment of baseline investment

**WEBWORK 1C: PUBLIC AND PRIVATE BIODIVERSITY EXPENDITURES AND EFFECTIVENESS**

**SECTION 1: OVERALL NATIONAL BUDGETARY AND EXPENDITURE SNAPSHOT**

<table>
<thead>
<tr>
<th>Finance Actor, Sector and Department</th>
<th>Budget Information</th>
<th>2006</th>
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**SECTION 2 AND 3: BASELINE BIODIVERSITY-RELATED EXPENDITURE AND EXPENDITURE EFFECTIVENESS REVIEW**
BIOFIN – Axis 2: National Work

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Policy & Institutional Review

Expenditure Review

Finance Needs & Gap Assessment
### BIOFIN – Axis 2: National Work

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#### Activity-Based Costing of NBSAP

Objective: determine investment needed to achieve national biodiversity targets

1. Policy & Institutional Review
2. Expenditure Review
3. Finance Needs & Gap Assessment
4. Consolidate and Disseminate Methodologies
5. Develop & Peer Review Assessment Methodologies
6. Objective: determine investment needed to achieve national biodiversity targets
7. Activity-Based Costing of NBSAP
8. 2016 COP-13
9. 2015
10. 2014 COP-12
11. 2013
12. THE BIOFIN WORKBOOK

A Tool to Mobilize Financial Resources for Biodiversity and Development

BIOFIN – The Biodiversity Finance Initiative
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**Diagram:**
- **Policy & Institutional Review**
- **Expenditure Review**
- **Finance Needs & Gap Assessment**
- **Resource Mobilisation Strategy & Synthesis Recommendations**
## BIOFIN – Axis 2: National Work

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### Work Steps:
- **Policy & Institutional Review**
- **Expenditure Review**
- **Finance Needs & Gap Assessment**
- **Resource Mobilisation Strategy & Synthesis Recommendations**
- **Initiate Adoption of Recommendations and Resource Mobilisation**
BIOFIN – Axis 2: National Work

Adapted to national circumstances, countries decide

Initiate Adoption of Recommendations and Resource Mobilisation

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Policy & Institutional Review
Expenditure Review
Finance Needs & Gap Assessment
Resource Mobilisation Strategy & Synthesis Recommendations

THE BIOFIN WORKBOOK
A Tool to Mobilise Financial Resources for Biodiversity and Development
BIOFIN – The Biodiversity Finance Initiative

Mobilise Key Financing Mechanisms
**BIOFIN – Axis 2: National Work**

### 2013 - 2016

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#### Key Activities

- **Policy & Institutional Review**
- **Expenditure Review**
- **Finance Needs & Gap Assessment**
- **Resource Mobilisation Strategy & Synthesis Recommendations**

**Adapted to national circumstances, countries decide**

- **New Economic Valuations?**
- **TSA? CBA? NCA?**
- **Mobilise Key Financing Mechanisms**
- **Communication Strategy?**
- **Targeted Advocacy?**

**Initiate Adoption of Recommendations and Resource Mobilisation**
Overarching National Transformational Process (co-)led by Finance/Economy/Planning with Environment

Adapted to national circumstances, countries decide

- New Economic Valuations?
- TSA? CBA? NCA?

Mobilise

Key Financing

Mechanisms

Communication

Strategy?

Targeted

Advocacy?

Initiate Adoption of Recommendations and Resource Mobilisation
BIOFIN – Spin Offs

- Further strengthen biodiversity expenditure accounting in UN-SEEA Central Framework?
- Input into tracking biodiversity expenditure methodologies in EU
- A map of global biodiversity financing flows? Link to OECD/ODA Rio Markers

(from Climate Policy Initiative)
Links to UNSEEA?

• Links between baseline expenditure categories and budget categories for financing need assessment

• What if any are links commonalities being used in UNSEEA?

• What level of expenditure cost categorisation might be most useful for any interface?
BIOFIN – Res Mob Strategy

• **Objective:** identify ways to develop/access all financing options:
  • public & private
  • domestic & international
  • traditional & “innovative”
  • efficiency
  • reallocation

• **Actions:**
  • Analysis of a comprehensive catalogue of BFM by national BIOFIN team/expert
  • Technical assistance by dedicated BFM experts from the global BIOFIN team
  • Assess technical/financial suitability/viability vs. national circumstances
  • Assess political feasibility
  • Identify required institutional, legal, regulatory and capacity requirements
  • Formulate recommendations for each suitable BFM and prioritise
BIOFIN – First learning

• For biodiversity innovative methodologically and politically => collaborative learning partnership
• New partnerships via hosting arrangements and outreach w MoF/Planning
• Capacity challenge at national level in some countries, technical assistance key
• Can strengthen NBSAPs and financing plans
• Range of interesting pieces emerging on policy drivers, funding baselines and gaps, and resourcing
• Significant interest in, and opportunities for, South-South Cooperation
• Increased impact by stronger collaboration with NCA (UN-SEEA, WAVES) & BD/ES Valuation (TEEB, TSA, CBA)
BIOFIN – Overlaps with WAVES
For further information consult/contact:

www.biodiversityfinance.net

biofin@undp.org
BIOFIN – Scope

Two Main Axes of Work:

1. Global
2. National
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2. National
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Develop & Peer Review Assessment Methodologies

- Pilot in 19 core countries (Oct 2014, 1 tbd)
- National budgets: $468,000 (17x) to $832,000
- Global outreach e.g. through UNDP-BIOFIN / CBD Resource Mobilisation Workshops
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**Consolidate and Disseminate Methodologies**
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**Objective:** mainstream BD into development & sectoral planning; reduce drivers & costs; identify weaknesses for biodiversity finance generation
BIOFIN – Axis 2: National Work

Develop & Peer Review Assessment Methodologies

2013

2014 COP-12

2015

2016 COP-13

Consolidate and Disseminate Methodologies

Policy & Institutional Review

Expenditure Review

Finance Needs & Gap Assessment

Objective: determine investment needed to achieve national biodiversity targets
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- Develop & Peer Review Assessment Methodologies
- Consolidate and Disseminate Methodologies
- Policy & Institutional Review
- Expenditure Review
- Finance Needs & Gap Assessment

Confidentiality over sovereign data where requested
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#### Develop & Peer Review Assessment Methodologies

- **Policy & Institutional Review**
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- **Resource Mobilisation Strategy & Synthesis Recommendations**

#### Consolidate and Disseminate Methodologies
BIOFIN – Resource Mobilisation

Develop & Peer Review Assessment Methodologies

- Objective: identify ways to develop/access all financing options: public & private, domestic & international, traditional & "innovative", efficiency & reallocation
- Provide catalogue of all BFM options
- Look at potential feasibility, then at political feasibility
- Identify required institutional, legal, regulatory requirements
- Formulate prioritised recommendations
- Technical assistance

Consolidate and Disseminate Methodologies

Resource Mobilisation Strategy & Synthesis Recommendations
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**Develop & Peer Review Assessment Methodologies**

**Consolidate and Disseminate Methodologies**

**Overarching National Transformational Process**
(co-)led by Finance/Economy/Planning with Environment

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- Expenditure Review
- Finance Needs & Gap Assessment
- Resource Mobilisation Strategy & Synthesis Recommendations
- Mobilise Key Financing Mechanisms
- Targeted Advocacy?
- Initiate Adoption of Recommendations and Resource Mobilisation
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