

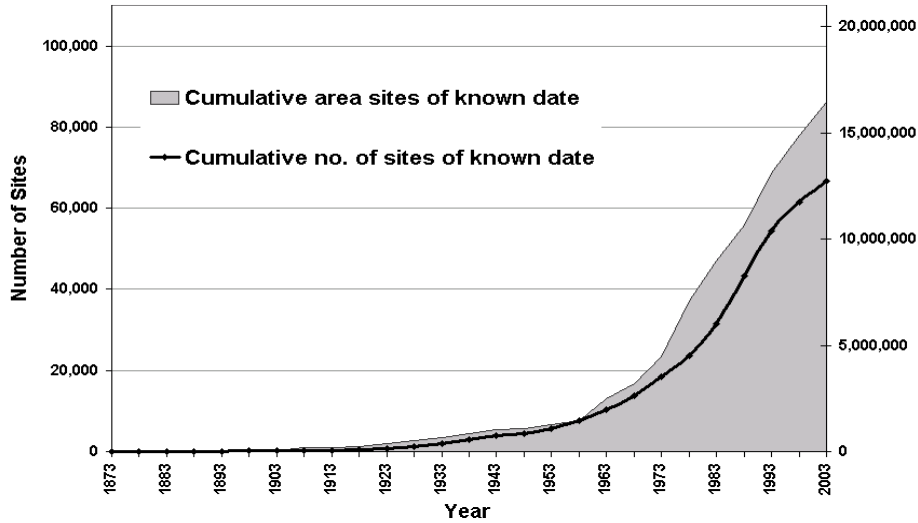
Making the case for a Green Development Mechanism (GDM)

24 February 2010

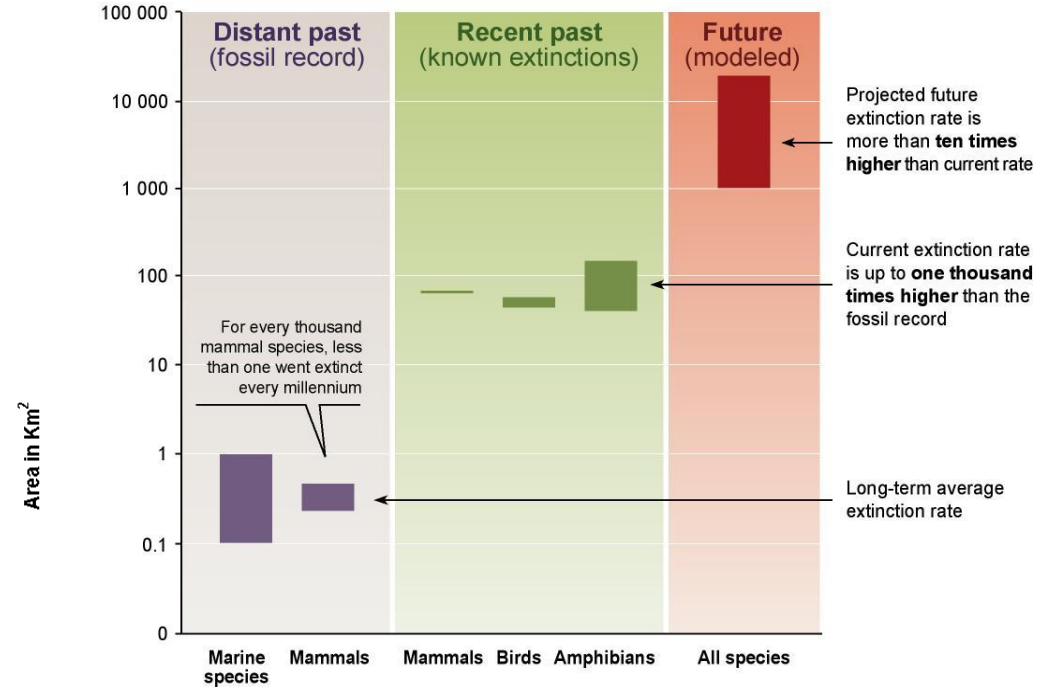
UNEP Governing Council, Bali



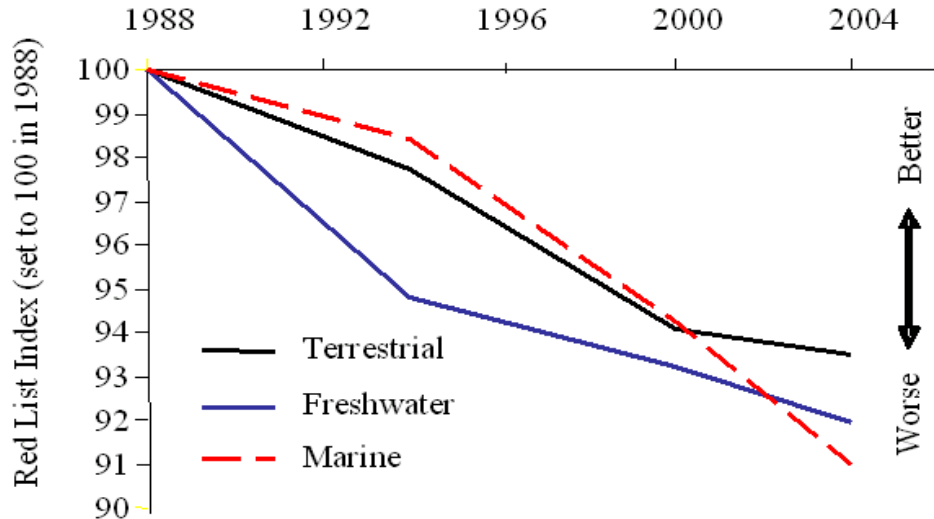
What is the status of biodiversity?



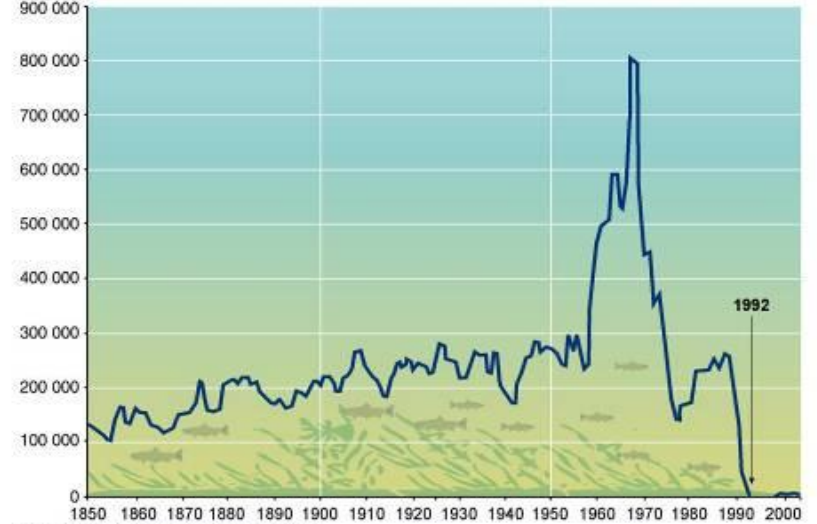
Extinctions per thousand species per millennium



Source: Millennium Ecosystem Assessment



Fish landings in tons



Source: Millennium Ecosystem Assessment

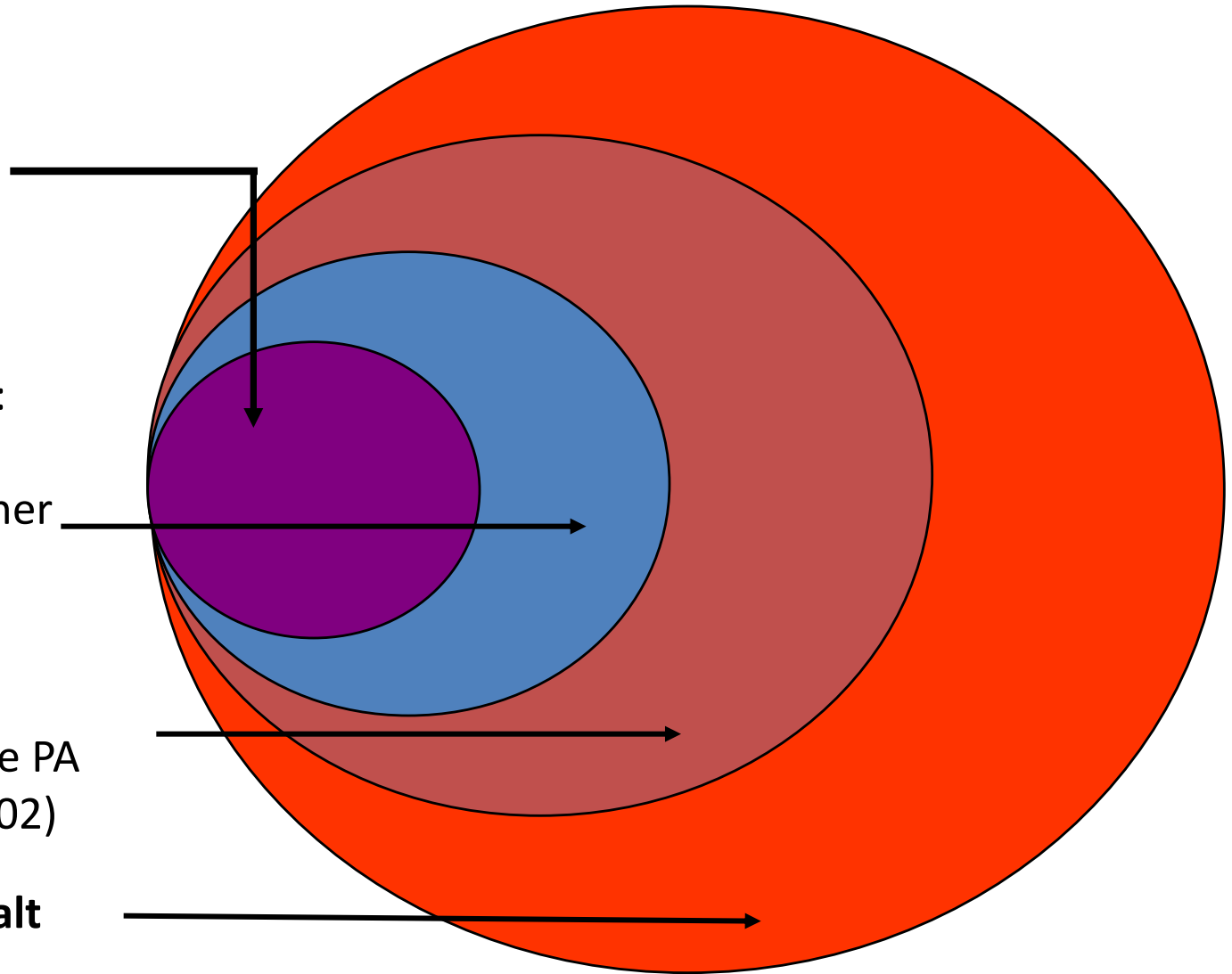
How big is the biodiversity funding gap?

Current spending on protected areas:
~US\$10Billion/yr

+ US\$ 12Billion/yr x 10 yrs:
Expand & manage PAs in
developing countries (Bruner
et al. 2003)

+ US\$45 Billion/yr x 30 yrs:
15% terrestrial & 30% marine PA
coverage (Balmford et al. 2002)

**How much needed to halt
ALL biodiversity loss?**



Will governments fill the funding gap?

**Figure 1. Biodiversity-related bilateral aid by DAC member
Commitments 2002-2005, two-year averages**

	USD million (2005 prices)		% of total bilateral aid	
	2002/2003	2004/2005	2002/2003	2004/2005
Australia	4.8	6.3	0.4%	0.5%
Austria	6.3	10.8	1.3%	1.3%
Belgium	5.1	21.2	0.3%	1.5%
Canada	79.8	104.3	2.4%	3.9%
Denmark	84.2	150.9	8.4%	8.7%
Finland	8.1	9.3	2.0%	1.7%
France	80.5	85.6	1.1%	1.1%
Germany	190.0	245.1	3.0%	4.3%
Greece	4.6	3.9	2.2%	2.1%
Ireland	1.3	0.8	0.3%	0.2%
Italy	..	..	..	..
Japan	939.5	..	7.5%	..
Luxembourg	..	..	..	..
Netherlands	269.4	305.2	6.0%	9.6%
New Zealand	4.2	6.3	3.1%	2.6%
Norway	62.4	..	3.7%	..
Portugal	1.1	0.9	0.4%	0.1%
Spain	37.0	64.6	2.1%	3.1%
Sweden	38.3	6.4	2.1%	0.3%
Switzerland	42.8	36.1	4.3%	2.7%
United Kingdom	..	..	..	..
United States	124.7	162.6	0.7%	0.7%
EC	45.4	232.5	0.5%	2.3%
Total (partial)	2029.4	1453.0	2.8%	2.8%

Is business willing to buy?

- Increasing awareness of the ecological impacts and dependence of corporate value chains, e.g. WBCSD-WRI ecosystem service reviews
- Increasing private sector interest in biodiversity responsibility, often driven by consumer demand; e.g. spread of eco-labeling, growth in demand for responsible investments, SRI and green funds
- Increasing public-private biodiversity partnerships

GDM workshop recommendations

(22-23 Feb 10) - 1

1. There is a need to **mobilize new and additional resources** in support of the implementation of the CBD, especially from the private sector, through a 'green development mechanism' (gdm).
2. A gdm should address the **objectives of the CBD** and, as appropriate, support **development outcomes** and aspirations.

GDM workshop recommendations

(22-23 Feb 10) - 2

3. With respect to biodiversity priorities, a gdm should reflect the **post-2010 targets and indicators** to be set by COP 10 and related initiatives.

4. A gdm should support **conservation, ecological restoration and biodiversity business activities** in relevant sectors, such as agriculture, landscape management, real estate, forestry, fisheries, and tourism.

GDM workshop recommendations (22-23 Feb 10) - 3

5. There is a need for further **outreach with existing financing mechanisms** supporting biodiversity, in particular the GEF.

6. There is a need to confirm the **size and scope of demand**, in particular from the private sector, for green development activities.

7. A key role for a gdm would be to establish a crediting scheme to **identify and verify the biodiversity and/or development outcomes** of projects.

GDM workshop recommendations

(22-23 Feb 10) - 4

8. In this regard, a gdm should build on the experiences of carbon markets and social and environmental certification schemes to **establish a gdm standard** and related methodologies and modalities for auditing, verification, certification, monitoring and reporting.

9. Further discussion is needed on potential **market structures to support payments for green development activities**, such as underwriting, registries and financial mediation, arbitration, insurance and governance, as well as where and how a gdm could be established.

Next steps for the GDM

- Consultations with the private sector (e.g. WBCSD annual meeting, Montreux, March; Japan, June)
- Consultations with governments (e.g. UNEP GC, Feb Bali; EU, April; Japan, June; pre-COP regional meetings)
- Info doc and discussions (SBSTTA14 & WGRI3, Nairobi, May)
- Intl Year of Biodiversity briefings (UN GA, New York, September)
- CBD COP 10 decision in support of a gdm (Nagoya, October)

How can you help?

- Engage in the debate; participate in upcoming consultations
- Inform and feed back views of your stakeholders on the gdm
- Comments/suggestions most welcome:
gdm@earthmind.net

Thank you!

gdm.earthmind.net

