



Exploring the case for a green development mechanism

by

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GDM 2010 Initiative

The overall aim is to achieve a significant level of support for a gdm from the Parties to the CBD and other interested stakeholders and commitment from the CBD Parties demonstrated by a decision for its follow up at COP10 in October 2010.

Steering Committee

- Nicolas Bertrand, UNEP
- Joshua Bishop, IUCN
- Arthur Eijs, NL VROM
- Katia Karousakis, OECD
- Markus Lehmann, CBD



What is a gdm?

- The concept of gdm is to establish an international capacity for on-going financial support for biodiversity, particularly from the private sector.
- A gdm would complement existing mechanisms - GEF, LifeWeb, CDM, etc. - by facilitating a market-based demand for green development.



What is the mandate for a exploring a gdm?

Article 20 of the CBD states that “developed country Parties may also provide, and developing country Parties avail themselves of, financial resources related to the implementation of this Convention through bilateral, regional and other multilateral channels.”

Decision 6 of CBD COP9 asks for “studies on approaches to develop markets and payment schemes for ecosystem services at local, national and international levels”.

The 2009 Jakarta Charter on Business & Biodiversity declared that: “Mainstreaming biodiversity into business needs to be enhanced through voluntary corporate actions as well as market-oriented enabling policies and approaches such as the Green Development Mechanism.”



What is the case for a gdm?

Discussion paper

Part 1: The need for a gdm

- 1.1 The biodiversity case
- 1.2 The challenge of biodiversity loss
- 1.3 The economic case
- 1.4 The political case
- 1.5 The development case
- 1.6 The biodiversity funding gap



“There are very strong economic, political, and development reasons to conserve biodiversity.”

The case for a gdm - Some key questions

- Are we able to commit to financing biodiversity in ways which ensure development outcomes?
- Could a gdm encourage private sector investment through international contributions, payments and trades?
- Could a gdm partner with the GEF and its Earth Fund and with LifeWeb ?
- What lessons can we gain from the CDM?
- Could REDD-plus provide pilot projects for a gdm?



What are some core elements of a gdm?

Discussion paper

Part 2 Elements for setting up a gdm

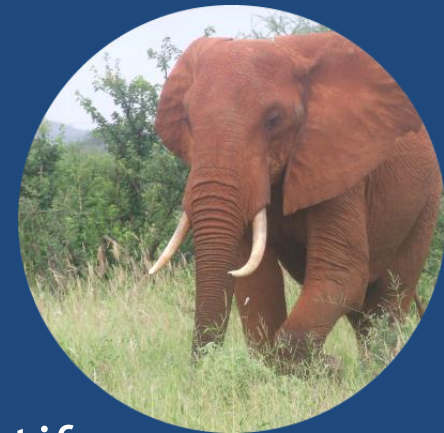
- 2.1 Agreeing on common principles
- 2.2 Financing green development
- 2.3 Verifying biodiversity responsibility
- 2.4 Establishing a regulatory framework
- 2.5 Next steps and key questions

Annex 1 Possible financial modalities



Elements of a gdm - Some key questions

- To inform discussions on a gdm at COP10, can we agree on a set of basic principles?
- Could new arrangements to mobilise financial resources benefit from a voluntary phase?
- Are we prepared to use existing standards and best practice to guide the eligibility of projects for support?
- Can a gdm provide a regulatory framework to certify transactions that deliver net positive biodiversity and development impacts?



What next? From Bonn to Nagoya

Jan 2010 - Bonn: innovative biodiversity financing

Feb 2010 - Bali: the 2nd experts workshop
on a gdm and UNEP GC

May 2010 - Nairobi: WGRI 3 and SBSTTA 14

May 2010 - Punta del Este: possibly the 4th GEF
Assembly

Oct 2010 - Nagoya: CBD COP10!



Thank you!

- We look forward to constructive discussions on a gdm in the context of the many innovative proposals for biodiversity finance!
- For up-to-date information from the GDM 2010 Initiative, please visit:

gdm.earthmind.net

