

The Biodiversity Finance Initiative – BIOFIN

The Biodiversity Finance Initiative

Abbie Trinidad, Senior Technical Advisor

East Asian Seas Congress
Iloilo City, Philippines
November 27, 2018




TRACK 6: OCEAN INDUSTRY AND FINANCE
SESSION 3:
Healthy Oceans, People and Economies: How Important is Biodiversity Financing?
CONVENER:


The Biodiversity Finance Initiative -Annabelle Trinidad, Senior Technical Adviser, Global BIOFIN

Mobilizing Resources for the Philippine Biodiversity Strategy and Action Plan - Anabelle Plantilla, Project Manager, BIOFIN Philippines

Investing in biodiversity for people and planet : a Case of a Small Island Called Koh Tao - Nirannoot Nirannoot, Project Manager, BIOFIN Thailand

Sukuk and Islamic giving as a finance solution in Indonesia - Bayuni Shantiko, Project Manager, BIOFIN Indonesia

From national to local: BIOFIN applied to Mindoro- Lorenzo Cordova, Lead Consultant, BIOFIN Philippines

Open Forum / Panel discussion

Crowdsourcing of ideas : scaling up finance solutions for the East Asian Seas Region

BIOFIN and the East Asian Congress

- *Alignment of SDS-EAS with SDGs, Aichi Targets, and the country National Biodiversity Strategies and Action Plans*
- *Identification of investment opportunities using the BIOFIN methodology*
- *Inform the State of the Coast Reports by including investment plan based on financing needs and current expenditure profiles*


Presentation Outline

- Background / Rationale for BIOFIN
- Primer on the BIOFIN Methodology
- Highlights of BIOFIN success
- Regional Nodes



The Biodiversity Finance Initiative

A global collaborative partnership to develop and implement an evidence-based methodology that improves biodiversity outcomes using finance and economics



Origin

BIOFIN conceived in response to CBD COP-10 and especially because of:

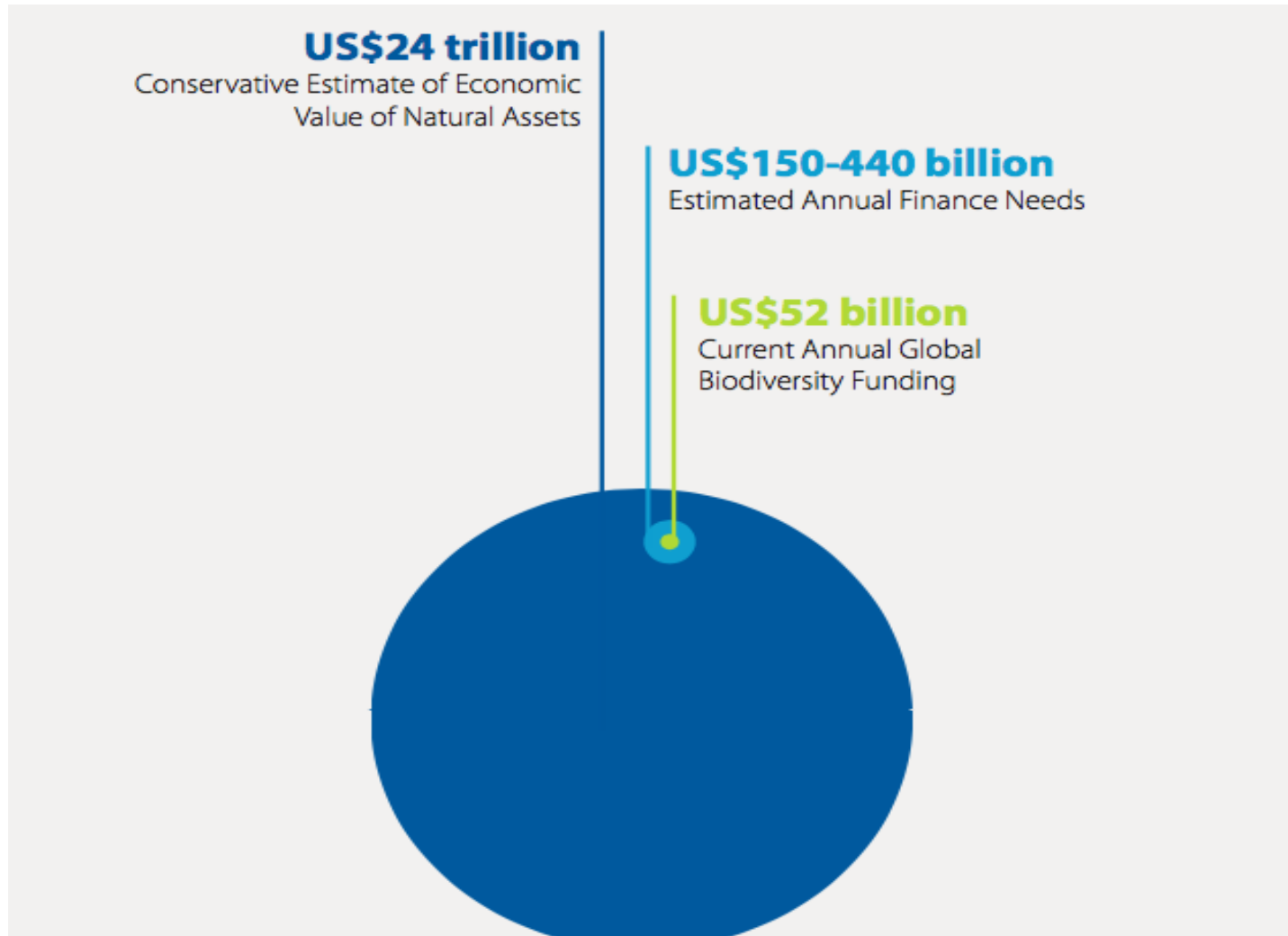
The ambitious Strategic Plan for BD 2011-2020 & request for new NBSAPs

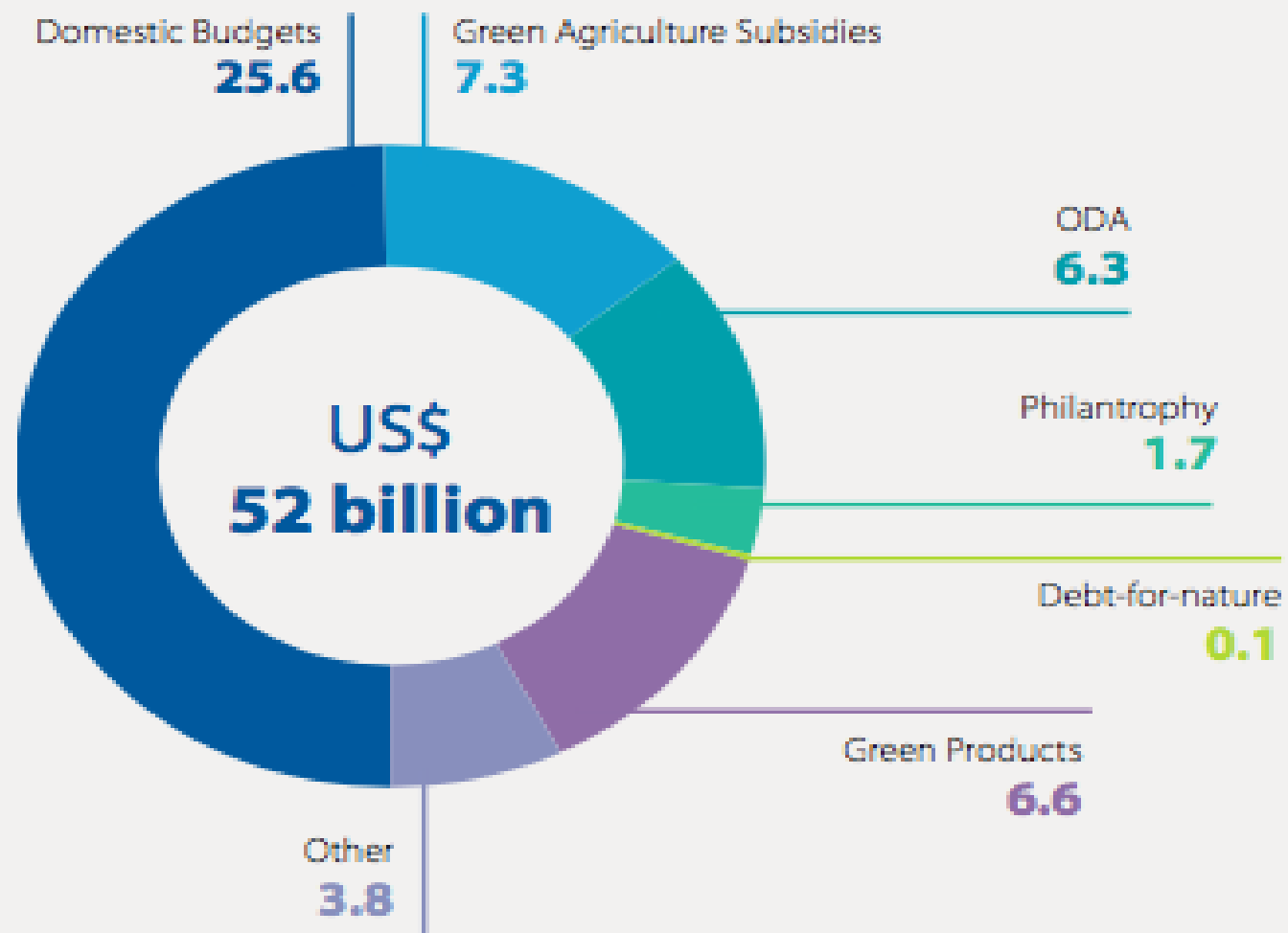
The Strategy for Resource Mobilisation and its reporting requirements

The need to address the gap in biodiversity finance



Comparing biodiversity values and finance





Source: Adapted from the Global Canopy Programme, 2012.

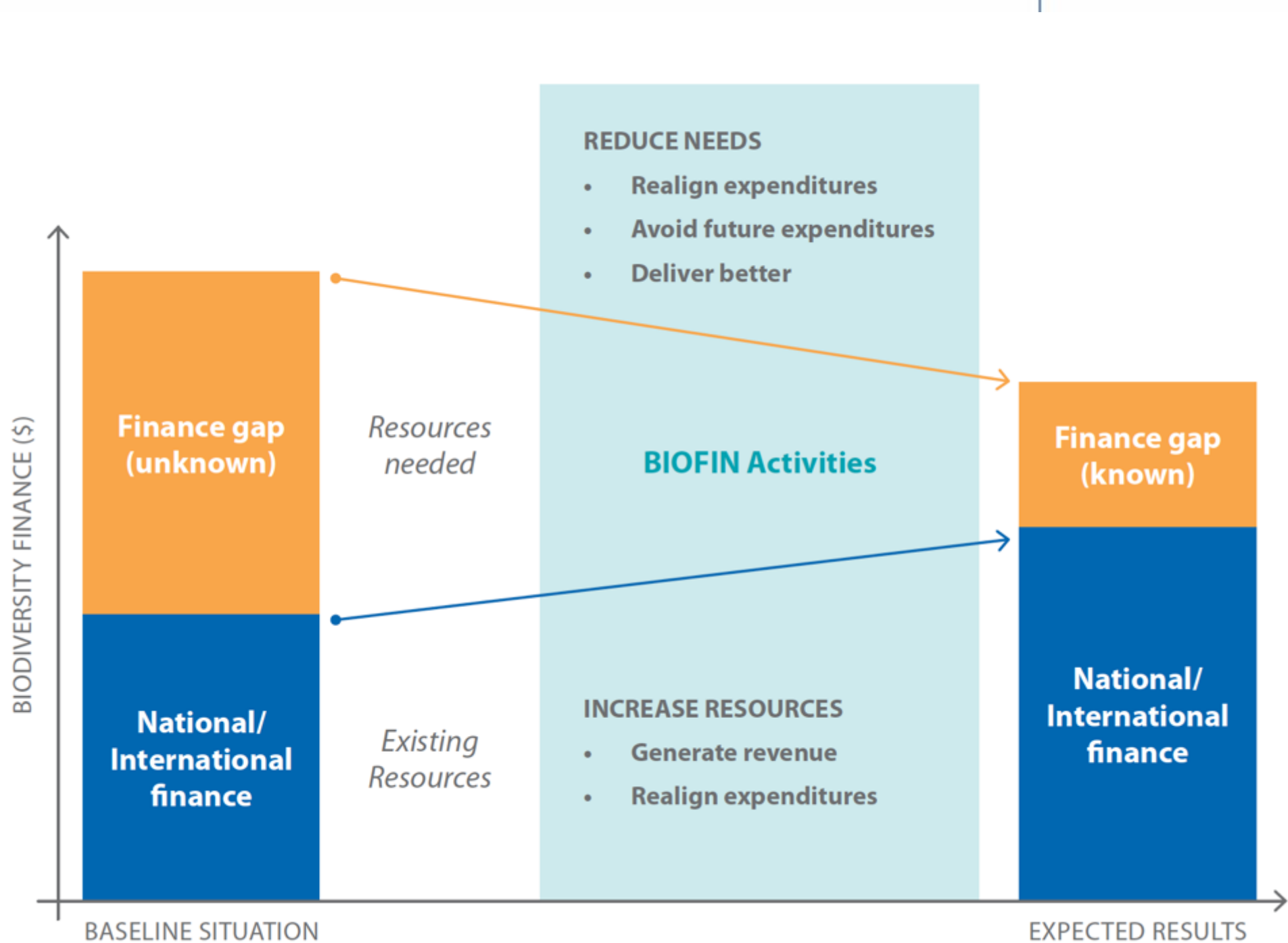
COUNTRIES



GIZ implementation of BIOFIN

Expected Outcomes of the BIOFIN Process

1. Create dialogue on biodiversity finance to improve
 - Budget planning
 - Resource mobilization
 - Biodiversity management
2. Improve understanding of economic & financial drivers on biodiversity
3. Enable targeted policy recommendations for mainstreaming biodiversity
4. Determine a baseline level of biodiversity expenditures for the country and track biodiversity in budgets
5. Identify specific financial needs for national achievement of CBD Strategic Plan (20 Aichi Targets)
6. Develop, pilot and implement a suite of finance solutions



The BIOFIN Methodology: An innovative approach to develop national financing strategies



Policy and Institutional Review (PIR)

What are the drivers, policies, actors, and existing mechanisms that influence biodiversity finance?



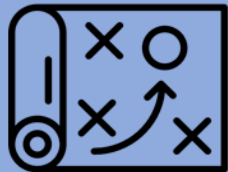
Biodiversity Expenditure Review (BER)

How much is spent for biodiversity in the country?



Financial Needs Assessments (FNA)

How much is needed to reach the national biodiversity targets?



Biodiversity Finance Plan (BFP)

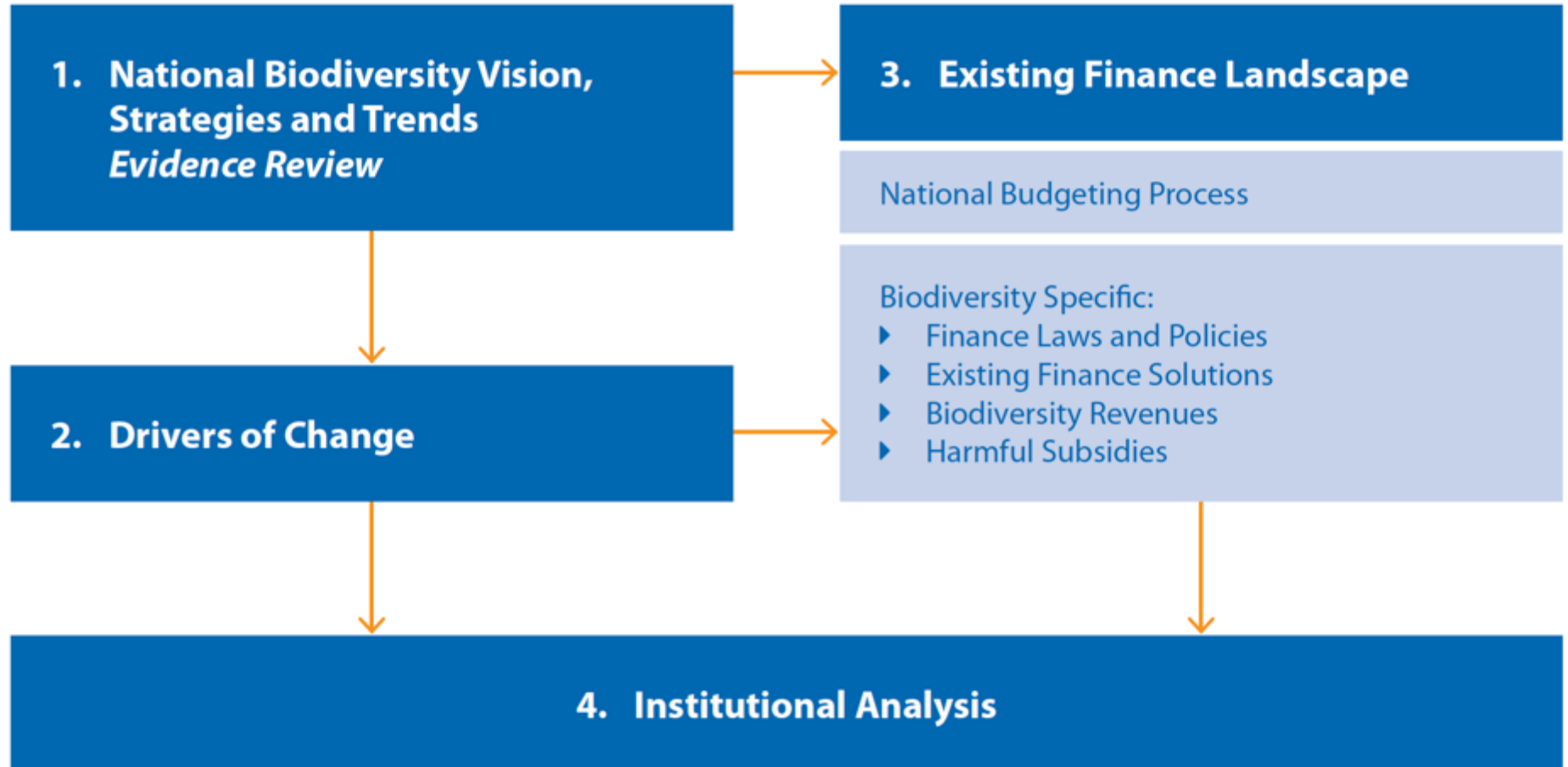
*Which finance solutions are optimal for the country?
Why should the country adopt them – the business case?
How to implement successfully these optimal solutions step by step?*

Implementation

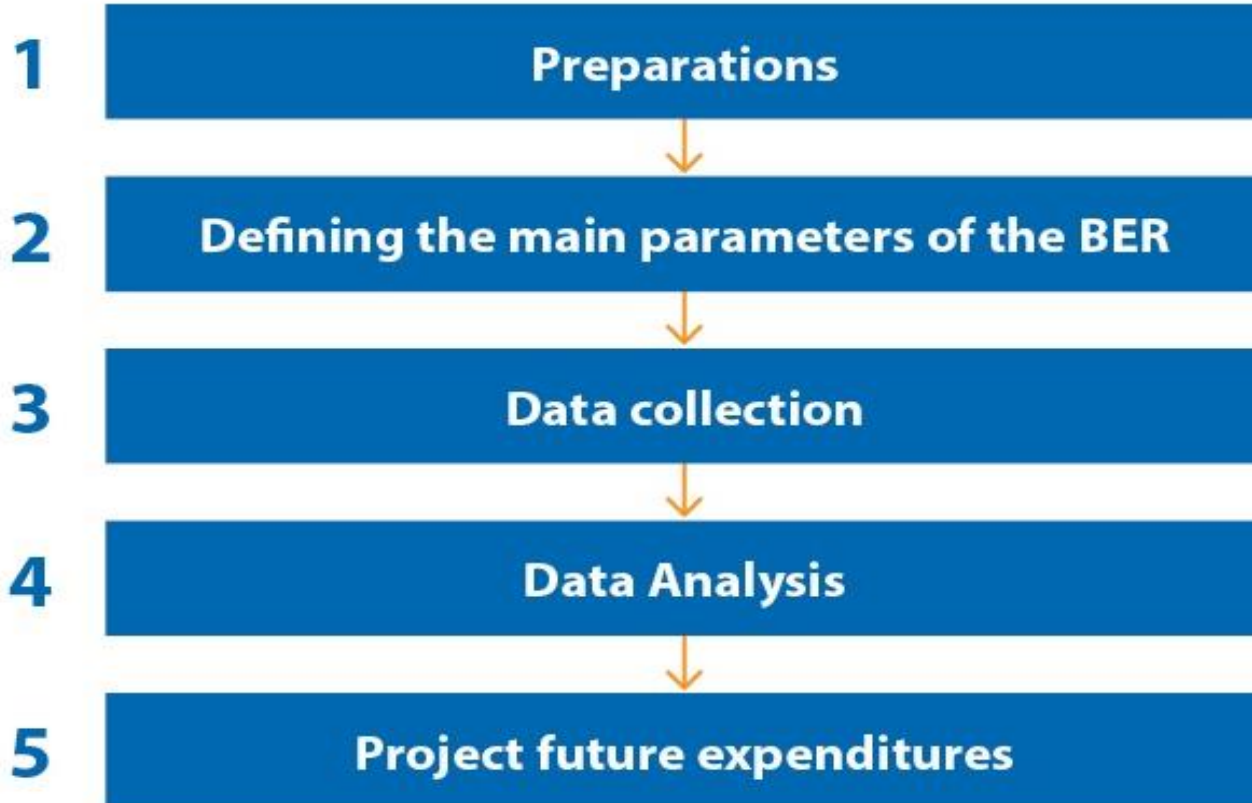
*Implement the solutions, achieve, and monitor finance results:
Generate Revenue, Deliver Better, Avoid Future Expenditures, Realign Finance.*



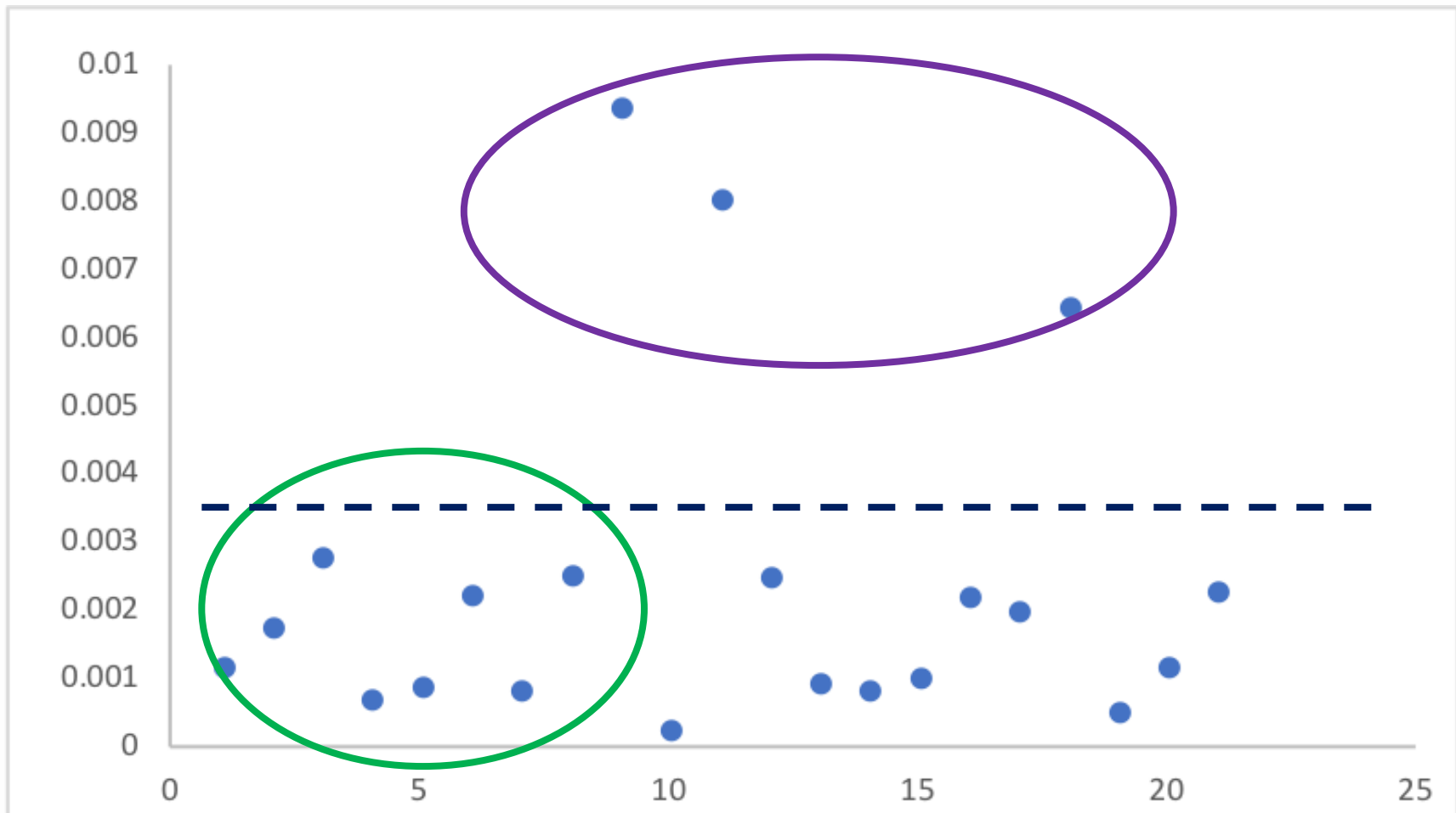
Biodiversity Finance Policy and Institutional Review (PIR)



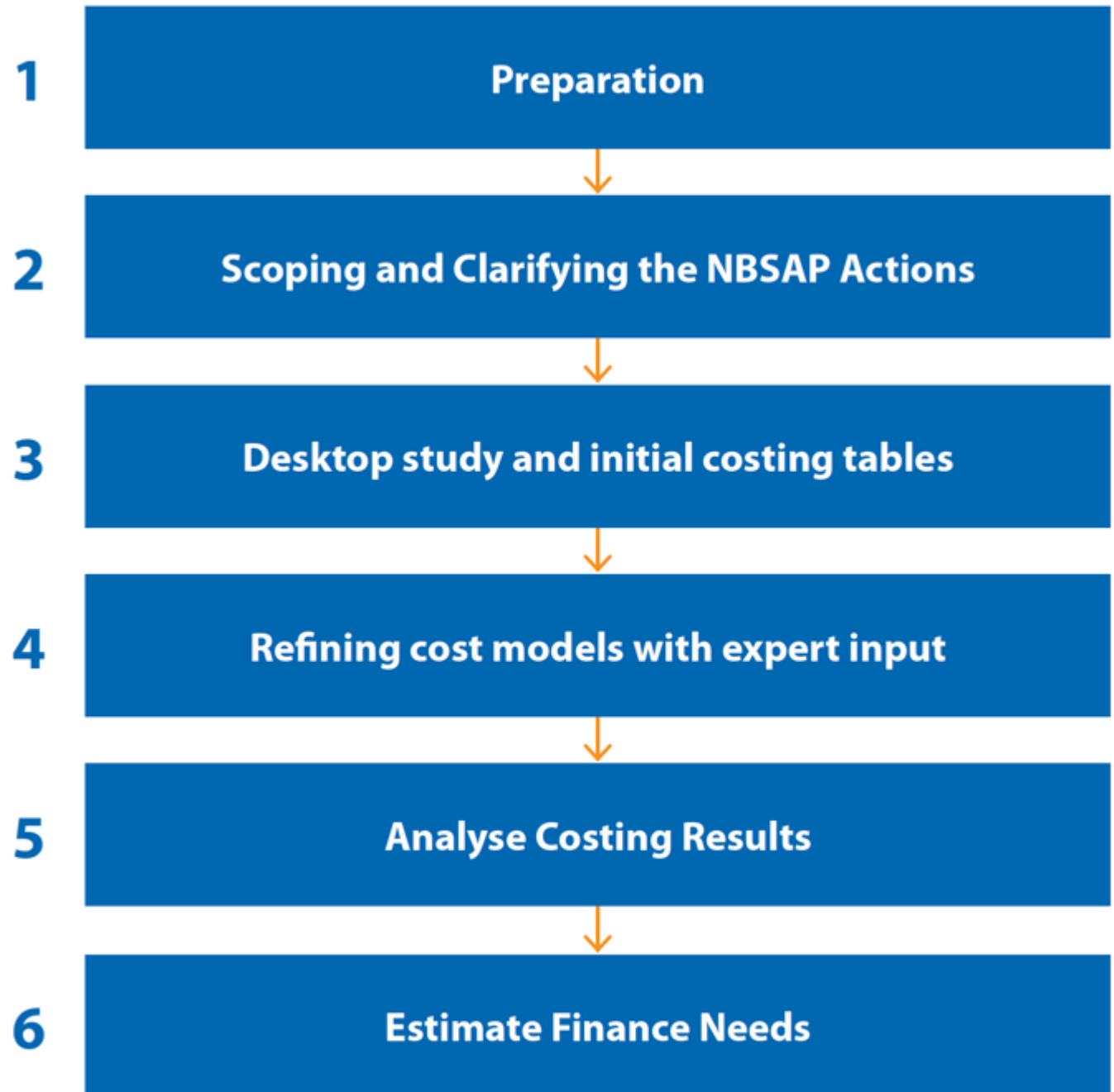
Biodiversity Expenditure Review (BER)



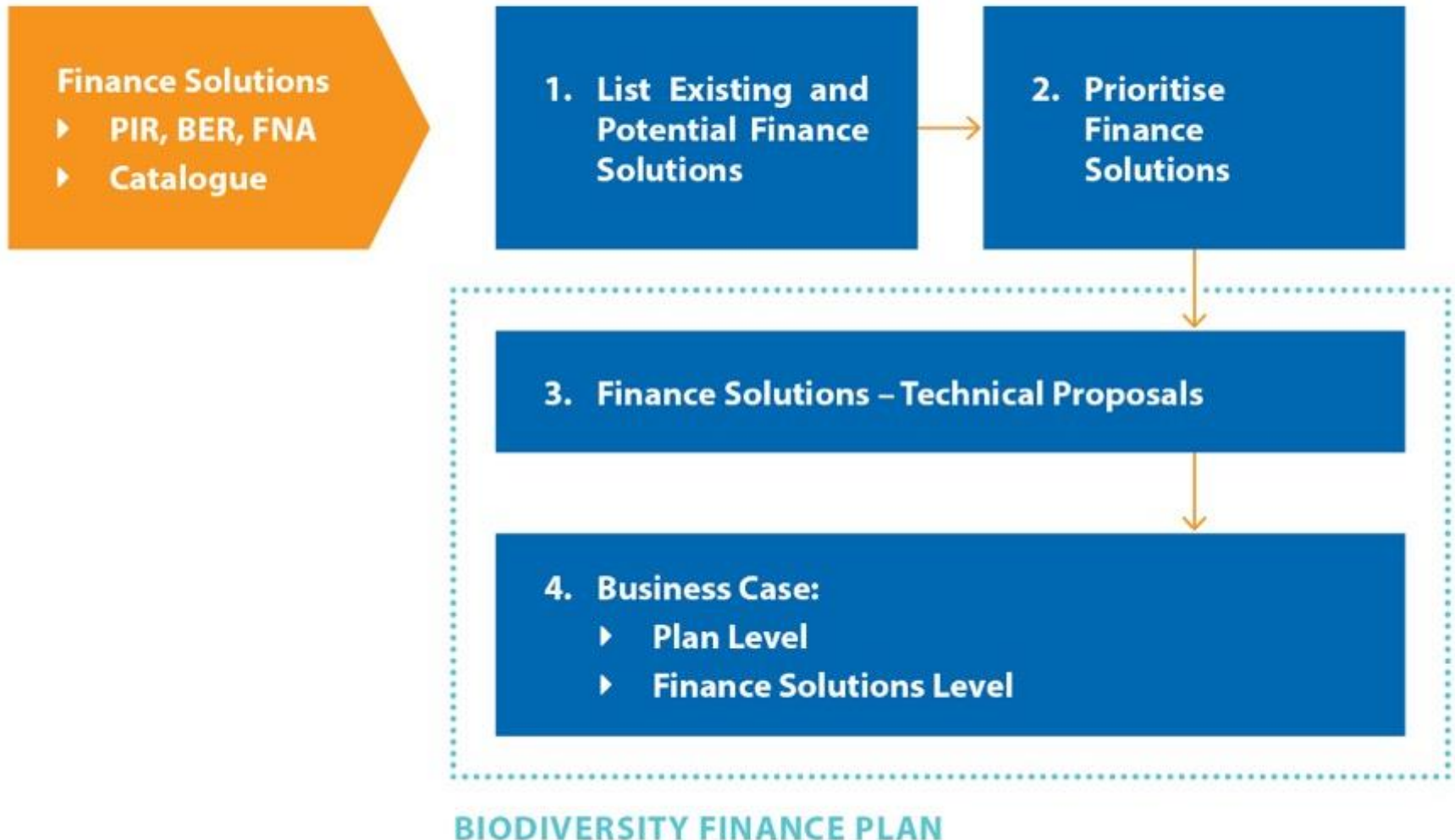
Comparative analysis of BER results, % spending to GDP



Financial Needs Assessment (FNA)



Biodiversity Finance Plan (BFP)



BIOFIN Finance Results



Generate revenues

Generate or leverage financial resources



Impact Investment, green taxes, entry fees



Realign expenditure

Re-orient existing financial flows



Phase out harmful subsidies, lobbying for public budget realignment



Avoid expenditure

Prevent / reduce future expenditures needs



Stopping invasive alien species



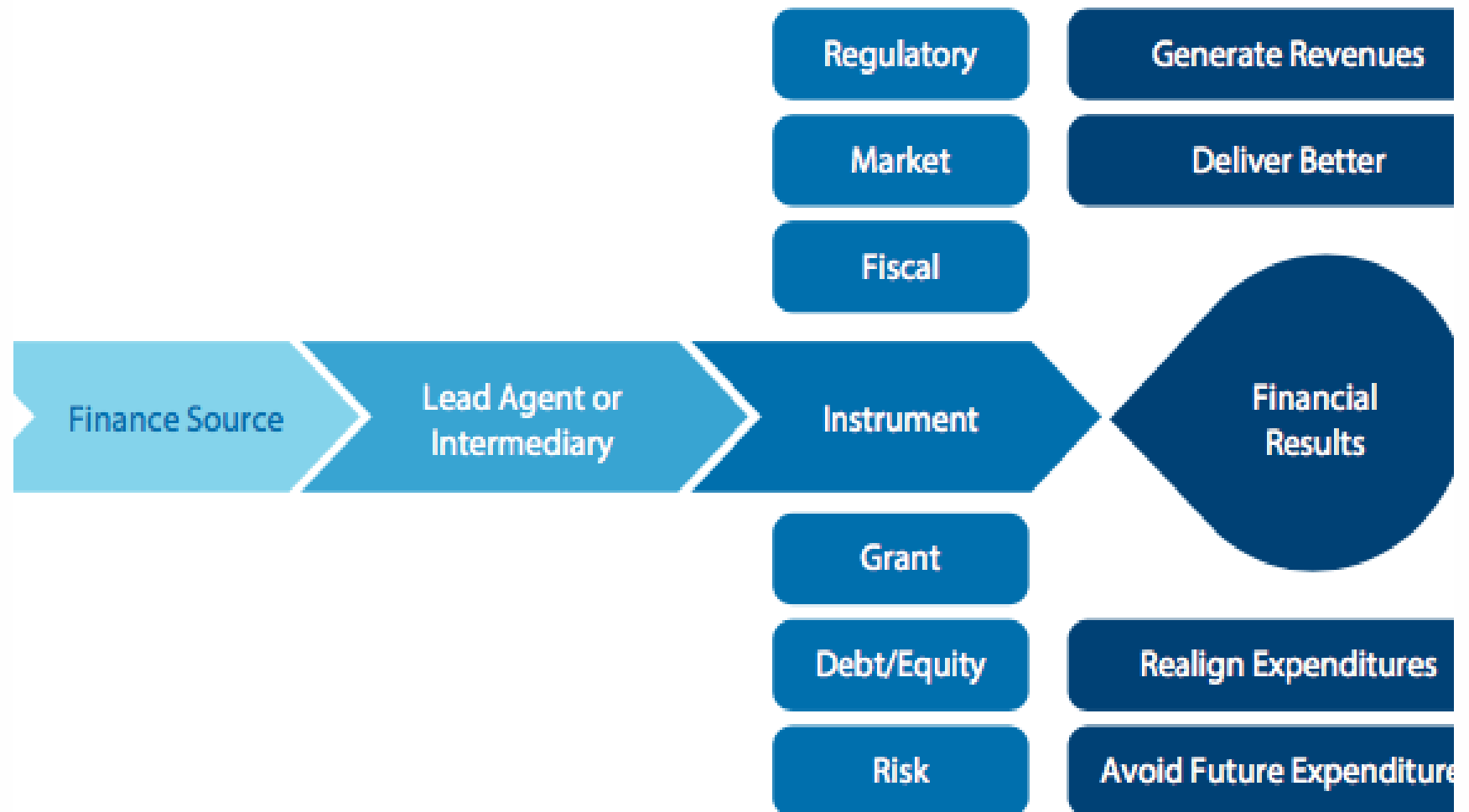
Deliver better

Cost savings through efficiency gains and synergies



Challenge funds, central procurement, staff incentives

Schematic Diagram Showing the Main Elements of Most Finance Solutions and their Relationship with Finance Instruments



Global

The BIOFIN Catalogue of Finance solutions completed

[ABOUT BIOFIN](#)[NEWS AND MEDIA](#)[COUNTRIES](#)[KNOWLEDGE PLATFORM](#)[FINANCE SOLUTIONS](#)

BIOFIN Catalogue of Finance Solutions

The biodiversity finance landscape is changing. Both domestic and international financial flows have grown and the range of financing instruments, providers and delivery mechanisms now available is significantly wider than ever before. This online "catalogue" is a comprehensive list of these instruments, tools and strategies that are applicable to the field of biodiversity finance. Each catalogue entry is a mechanism or "finance solution" and includes a brief description as well as links to guidance material or case studies.

The searchable catalogue below provides a listing of all solutions profiled. Solutions can also be searched by the financial result they produce, the financial instrument they rely upon, whether they are public or private finance, and the economic sector in which their use is most prevalent.

[MORE INFORMATION →](#)

Finance Solutions



[REFINE SEARCH BY CATEGORIES](#)

Results

Types

Sectors

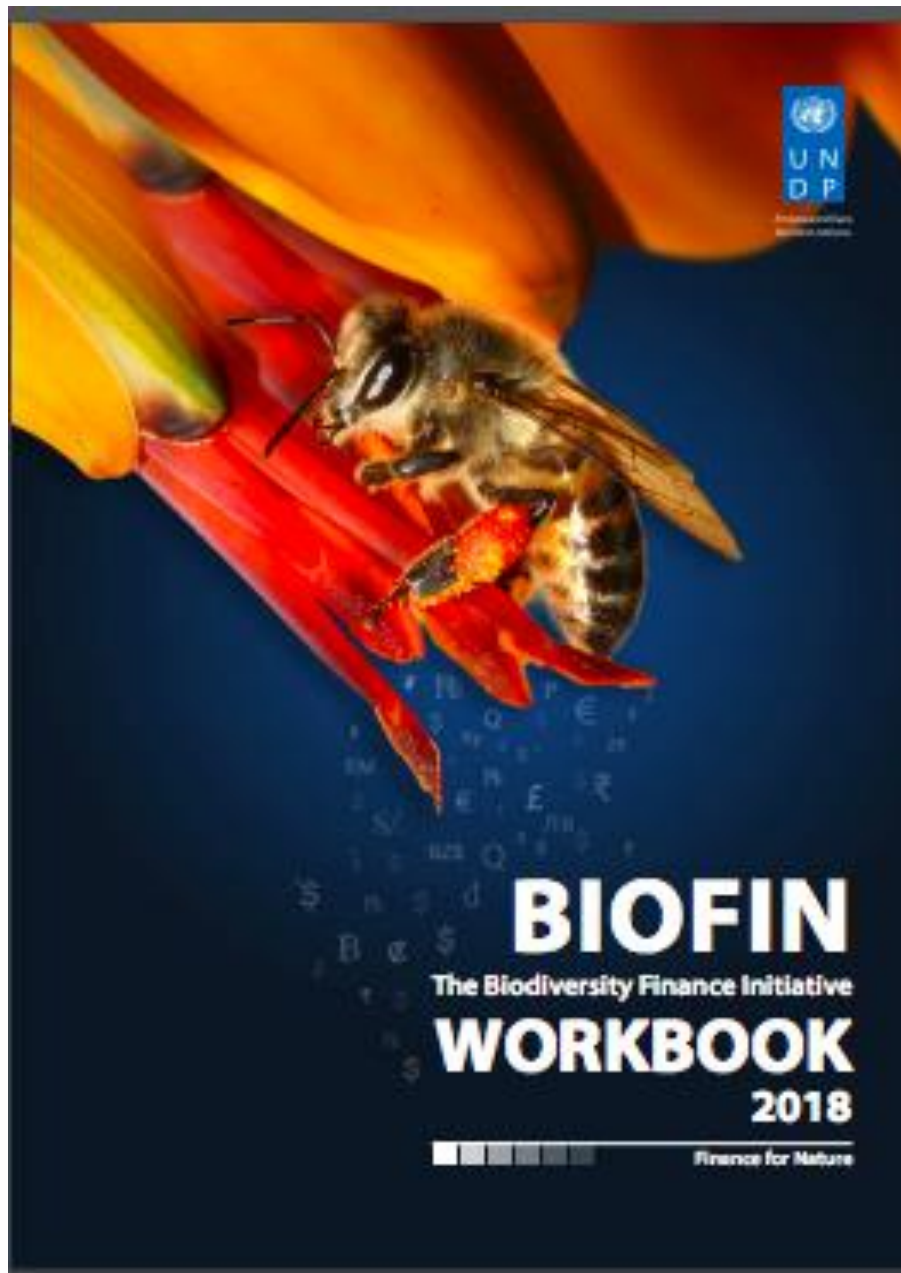
☒ Public

☒ Private

Catalogue of Biodiversity Finance Solutions



1. [Biodiversity offsets](#)
2. [Bioprospecting](#)
3. Biosafety fee
4. [Carbon markets](#)
5. [Conservation easement \(external-analysis\)](#)
6. Conservation or wildlife themed items
7. Corporate and corporate foundations' donations
8. Corporate social responsibility tax
9. Corporate sustainability
10. Crowd funding
11. [Debt-for-Nature Swaps](#)
12. Disaster risk insurance
13. Earmarking and retention of biodiversity revenues (self income)
14. [Ecological fiscal transfers](#)
15. Effective procurement
16. [Enterprise challenge and innovation funds](#)
17. Environmental risk insurance
18. Financial and operational mergers
19. Green banks
20. [Green bonds](#)
21. Green lending
22. Green procurement
23. Cost effectiveness measures
24. Human resources management
25. [Impact investment](#)
26. Enhance public budget execution
27. Incentives for sustainable business
28. Enhanced Land or Marine Stewardship
29. Islamic finance
30. Lobbying for public budget allocations
31. [Lotteries](#)
32. Lower cost of capital for conservation investments
33. Mobile banking
34. Mobilization of private donations
35. Increasing Official Development Assistance (ODA)
36. Promoting Natural capital accounting
37. Outsourcing strategies
38. [Payment for Ecosystem Services](#)
39. Compensation for planned environmental damage
40. Penalties and other compensation for unplanned environmental damage
41. Promotion of sustainable tourism
42. Non-State Protected Areas
43. Financial guarantees
44. [Remittances](#)
45. Result based budgeting
46. [Social and development impact bonds](#)
47. Sovereign Wealth Funds
48. Change subsidies harmful to biodiversity
49. Sustainability standards and certification (voluntary)
50. Biodiversity friendly subsidies
51. Earmarking of taxes on financial transactions
52. Taxes, fees and quotas in the fishery sector
53. Taxes on natural resources (non-renewables)
54. [Taxes on renewable natural capital](#)
55. Taxes, Fees and Royalties in the Forestry Sector
56. Tariffs, fees and taxes in the water sector
57. [Taxes on pesticides and fertilizers](#)
58. Taxes and fees in the tourism sector
59. Taxes and fees in the wildlife sector
60. Technology upgrade and maintenance
61. Trade finance
62. [Trust funds](#)
63. Venture capital
64. Water markets
65. Fees, penalties, and management expenditures for Environmental (and Social) Impact Assessment
66. Finance for Permanence
67. Pasture (and grazing) Fees



<http://biodiversityfinance.net/sites/default/files/content/publications/BIOFIN%202018%20Workbook.pdf>

Search...

REFINE SEARCH BY CATEGORIES

Results

Types

Sectors

☒ Public

☒ Private

68 Results

SORT RESULTS BY:

A-Z

VIEW:

20

+ Biodiversity friendly subsidies

> Subsidies for organic agriculture

+ Biodiversity offsets

> Wetland banking

> Nutrient trading

> Biobanking (habitat/species)

+ Bioprospecting

+ Biosafety fee

+ Bonus Malus

+ Carbon markets

BIOFIN Catalogue of Finance Solutions

The biodiversity finance landscape is changing. Both domestic and international financial flows have grown and financing instruments, providers and delivery mechanisms now available is significantly wider than ever before. "catalogue" is a comprehensive list of these instruments, tools and strategies that are applicable to the field of biodiversity finance. Each catalogue entry is a mechanism or "finance solution" and includes a brief description as well as links to guide case studies.

The searchable catalogue below provides a listing of all solutions profiled. Solutions can also be searched by the type of solution they produce, the financial instrument they rely upon, whether they are public or private finance, and the economic sector their use is most prevalent.

MORE INFORMATION →

<http://www.biodiversityfinance.net/finance-solutions>

Highlights of BIOFIN's work : finance solutions

Kazakhstan

Implementation

- Large **biodiversity offsets** pilot to guide the future development of biodiversity offsets in the country
- Blended solution where fiscal instruments and the market help fund the management **hunting concessions** and important species
- **Carbon offsets** to fund forest conservation
- Using fiscal instruments to support the development of **ecotourism**

Georgia

Finance solutions

- 1) Strengthen the capacity of the Ministry of Environment for result based budgeting
- 2) Increasing the financial sustainability of the protected areas system
- 3) Better integrated biodiversity into the EIA system (eg hydropower) and improve the fine system for violations
- 4) Improved system for environmental pollution/damage payments

Mongolia

**New
mechanism to
calculate
pasture user
fees developed**

 **Made for minds.**

Search TOP STORIES

TOP STORIES MEDIA CENTER TV RADIO LEARN GERMAN

GERMANY BREXIT WORLD BUSINESS SCIENCE ENVIRONMENT CULTURE SPORTS

TOP STORIES / ENVIRONMENT

ENVIRONMENT

Mongolia's grasslands chewed to the brink

Mongolian herders are being advised to let the grass grow under the feet of their hungry animals, which are having a devastating impact on the land.





 Watch video 06:53

Managing the steppe in Mongolia

Date 29.05.2018

Homepage [Global 3000 - The Globalization Program](#)

All videos [Global 3000](#)

[All videos in Media Center](#)

Related Subjects [Environment](#), [Data journalism](#)

Keywords [Global Ideas](#), [environment](#), [Mongolia](#), [herders](#), [grass](#), [tax](#)

Download [Save MP4 file](#)

[Send us your feedback.](#)

Print [Print this page](#)

Permalink <https://p.dw.com/p/2yUYB>

FACEBOOK

[Facebook](#)

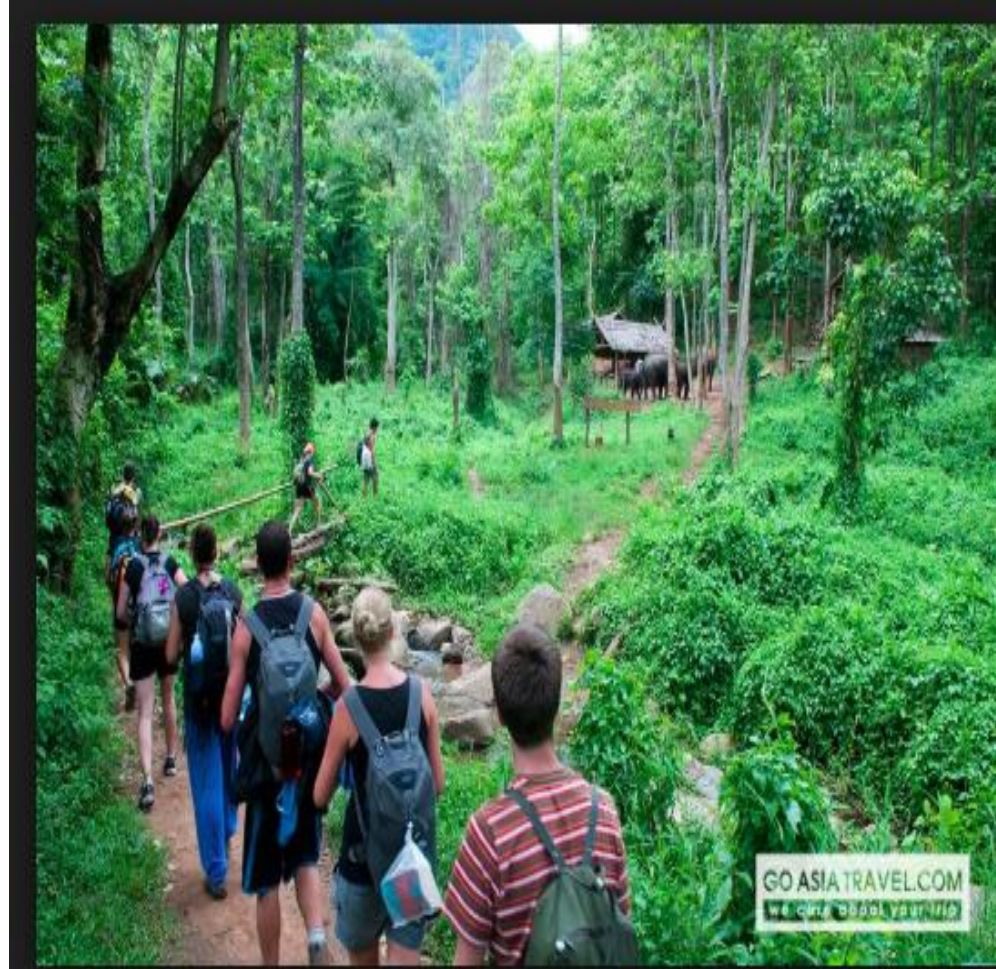
India

- Mainstreaming biodiversity in agricultural schemes
- Unlocking the finances in biocommerce/ ABS
- Optimizing CSR law



Vietnam

- **Cuc Phuong** (south of Hanoi) is the oldest national park in the country
- BIOFIN Pilot Developed the refurbishment plan to **improve visitor experiences and services** offered by the Natural Museum to mobilise finance
- BIOFIN Pilot: **results based budgeting**



Kyrgyzstan

1. Results based budgeting

- **New budget code entered into force January 2017:** strengthening the principles of effectiveness, efficiency and transparency in the use of budgetary funds, transition to strategic budget planning and result-oriented budgeting.
- BIOFIN has played a significant role in the process of introducing **program budgeting** in the environmental sector of the Kyrgyz Republic.
- BIOFIN supported system for **monitoring and evaluating** of the budget programs effectiveness.

2. Greening harmful subsidies study

- Out of 40 identified subsidies 32 are harmful
- Transforming only two of them (heating and irrigation water) could save about 40 mln USD annually



Malaysia

National/State Park Designation Programme with Special Allocation shortlisted for further development under the Budget Cycle 2019 by the Ministry of Finance in August 2018

- Policy brief on Ecological Fiscal Transfer
- Institutionalisation through the planning cycle of 12th Malaysia Plan 2021 – 2025 as per BIOFIN stakeholder consultations, after earlier work to integrate biodiversity finance in 11th national plan



Bhutan

- Integrated methodology for biodiversity and climate change (with poverty, as a minor tag)
- Finance Solution : Ecotourism Project has now been adopted as a national flagship project for the 12th Five-year Development Plan assuring government allocation.
 - BIOFIN contributed to new project on ecotourism implemented by UNDP-GEF



Guatemala

Sportfishing revenues



Sri Lanka

- 
- **Sustainable standards for tourism**
 - **Green finance**
 - **Payments for ecosystem services**

Seychelles



Photo credits : Karine le Brun

- Institutionalization through the Biodiversity Finance Unit – presented at Ministerial Level
- Biosecurity – increase of fines, fees and penalties

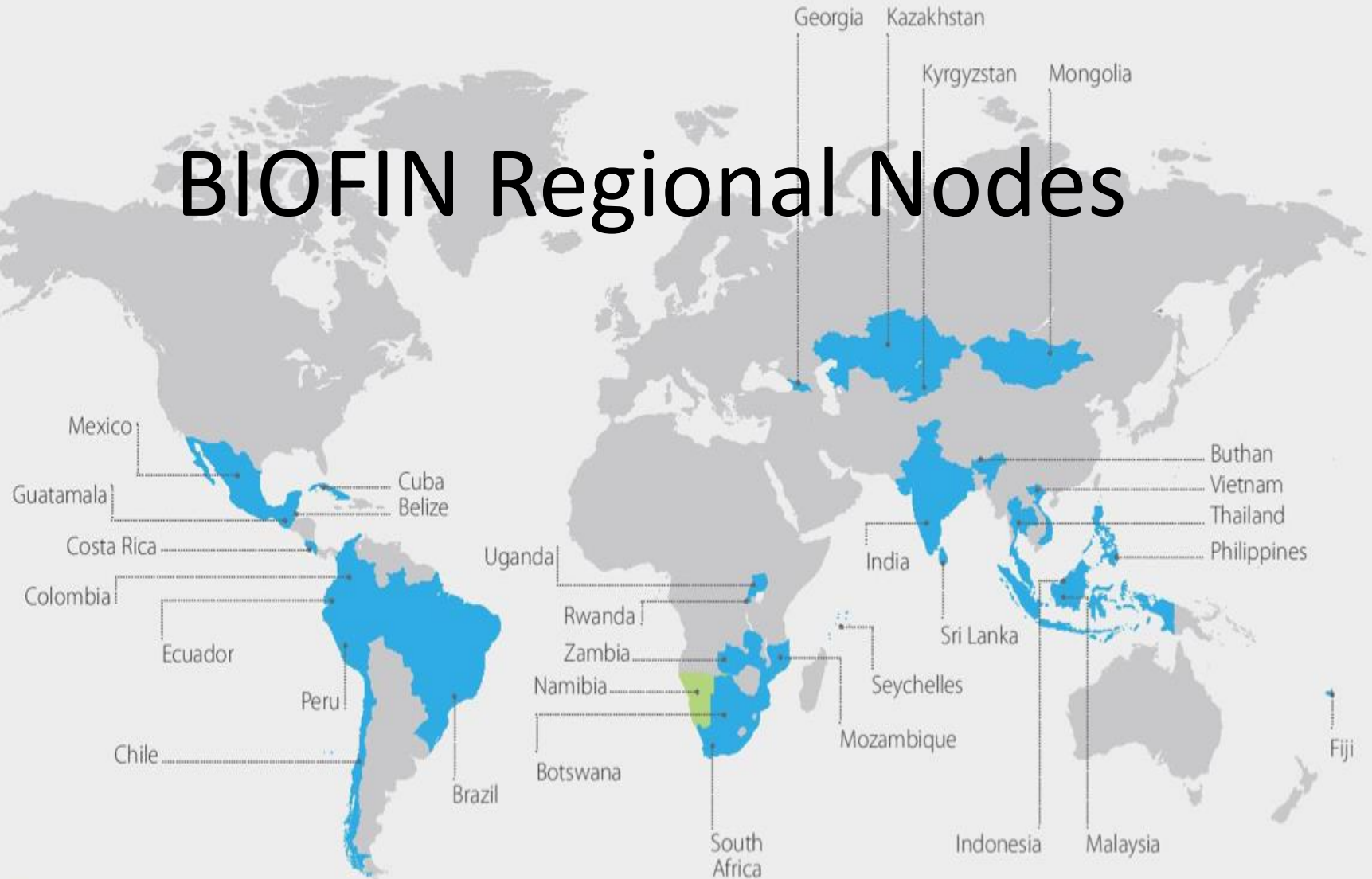
South-Africa

- **Tax break for private protected areas**



COUNTRIES

BIOFIN Regional Nodes



GIZ implementation of BIOFIN

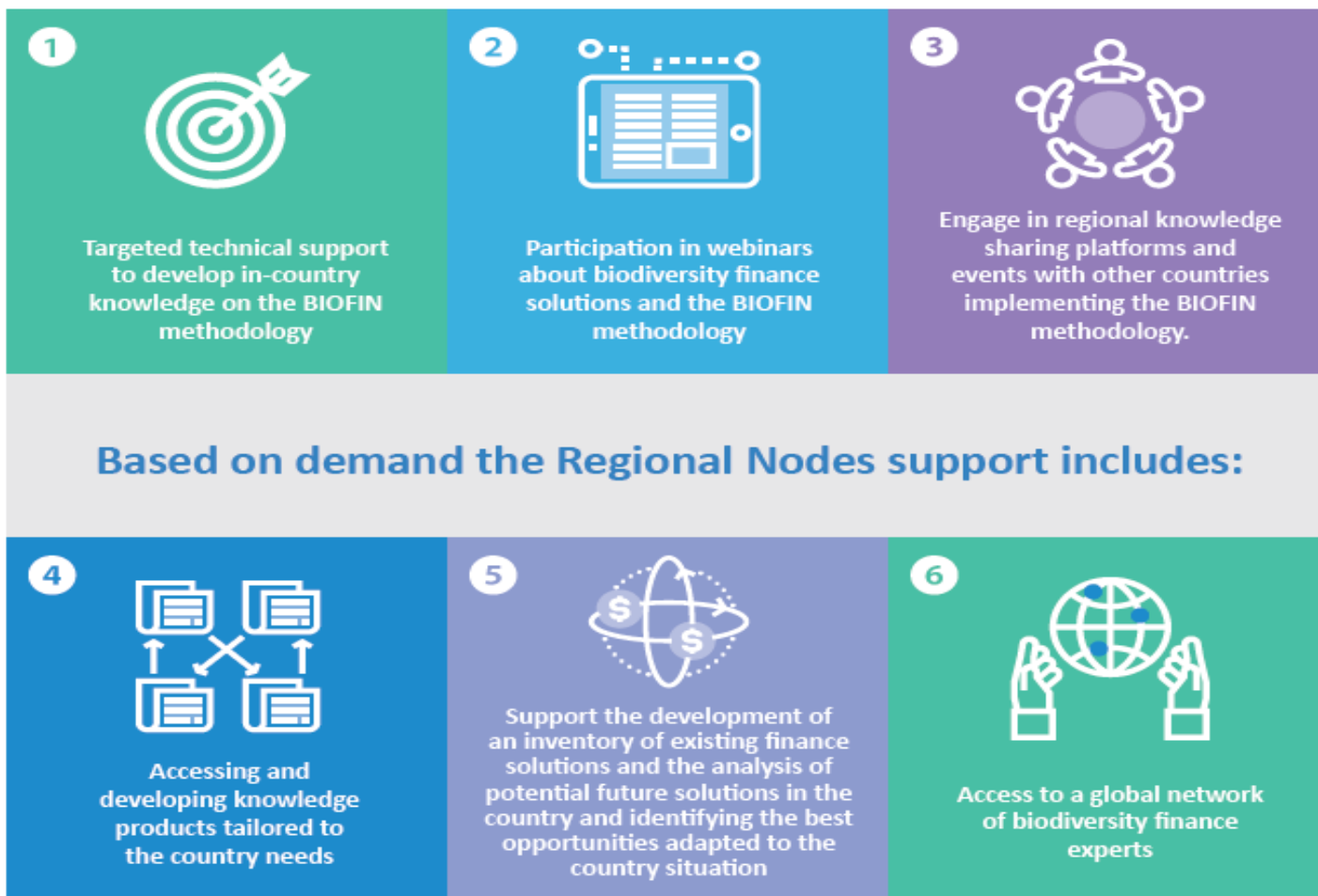
Why

- Convention for Biodiversity (CBD) response to demand among non-BIOFIN countries to receive technical BIOFIN support.



CBD-BIOFIN Regional nodes service offer

What



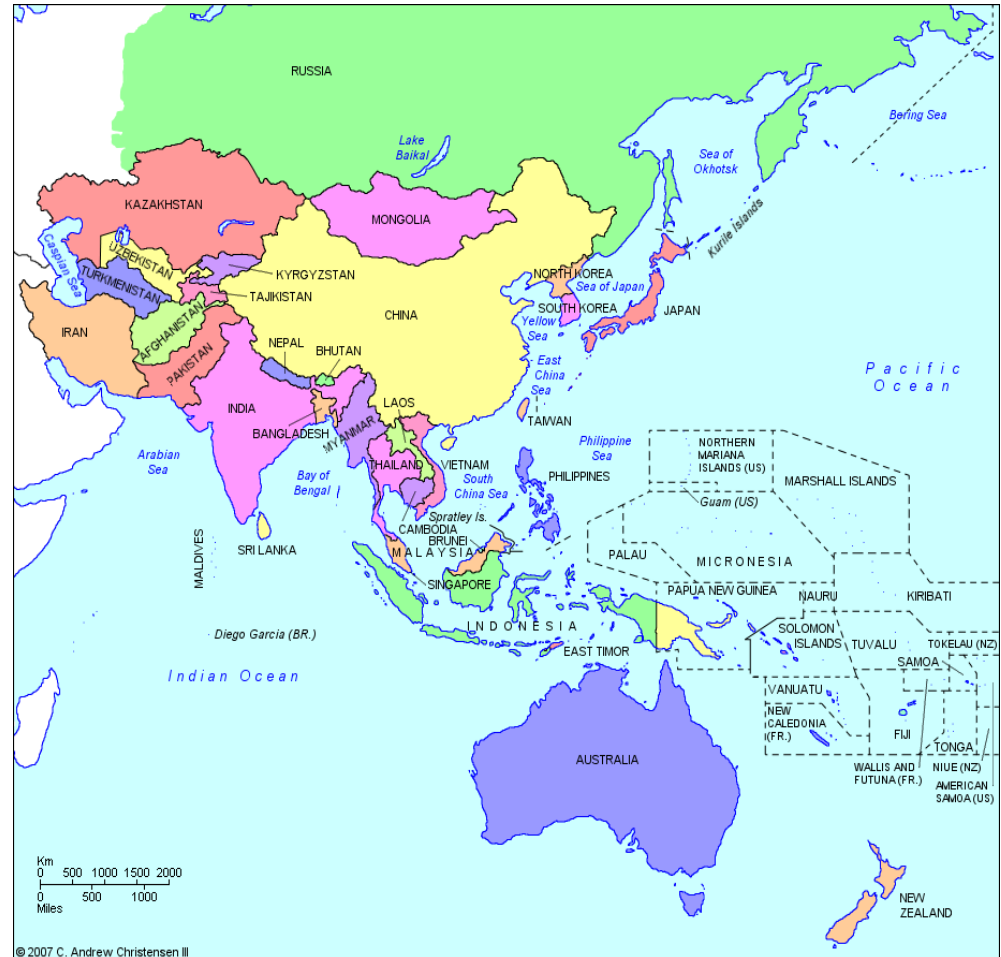
Opportunity

A large portion of the Asian Pacific countries govern and depend on coral reefs and the coastal and the marine environment.

Only ONE of the Pacific islands is yet a BIOFIN country i.e. all others can receive support.

Knowledge and experience gained from years of biodiversity finance related work in for example Indonesia, Malaysia, Thailand, Sri Lanka, Vietnam and Philippines to take part of.

Increased possibility to become a core BIOFIN country and receive funds to carry out a full BIOFIN methodology.



Developing countries
or countries with
economies in
transition

Submissions can be made to biofin@undp.org with a copy to the secretariat@cbd.int coursed through the focal point of the CBD



What to do

- At any time, submit informal expressions of interest for support to BIOFIN see BIOFIN website for contacts and instructions.
- Regional Node Asia Pacific:
Jessica.Alvsilver@undp.org



Thank you

www.biodiversityfinance.net

