

Transforming multilateral biodiversity finance: A theory of change for the GBF Fund and the GEF

Juliette Landry (IDDRI)

The end of 2022 saw the adoption of a landmark global agreement to halt and reverse biodiversity loss at the 15th Conference of Parties (COP15) of the Convention on Biological Diversity (CBD): the Kunming-Montreal Global Biodiversity Framework (GBF). The negotiations on its 2050 goals and 23 action targets for 2030 landed thanks to a compromise between developed and developing countries, between the ambition for action and the ambition for resource mobilization, especially funds to assist the Global South in achieving this critical mission.

Not only have the countries Parties to the CBD agreed to increase and at least triple the flow of international development finance dedicated to biodiversity but they have also decided to create a new window of disbursement under the aegis of the Global Environment Facility (GEF), the facility hitherto the sole international financial mechanism for biodiversity, especially the multi-focal GEF Trust Fund. We refer to this new mechanism hereinafter as the Global Biodiversity Framework Fund (GBF Fund), noting that it does not have an agreed name at the time of writing.

A main concern that supported the request by COP15 to design a new instrument was the question of the amounts

allocated to biodiversity in international funding flows. The capitalization of this fund in the coming months will determine its ability to meet the requirements for effective implementation of the GBF and the scope of international financial flows and public development finance for biodiversity that must be revised upwards. In addition, the scope of the GBF Fund, as well as its modalities of access, governance, or operationalization, will have to be based on the lessons of the GEF and the challenges encountered to meet the composite demands from the recipient countries.

With a view to supporting and feeding into the ongoing negotiations leading to the establishment of the fund at the GEF Council in June 2023, IDDRI organized a workshop bringing together experts and representatives to reflect on a collective roadmap for a fund that will have to get started and yield results very quickly, as results are expected by COP16 in late 2024. While the agreement reached at the GEF Council for the GBF Fund necessarily relied on how the GEF functions, several issues will however require a gradual paradigm shift in how multilateral biodiversity finance is raised and disbursed. We recommend here a theory of change to unlock transformative change toward the achievement of the 2030 GBF targets.

NOTE

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KEY MESSAGES

The new fund has been set up very quickly and has differentiated itself from the GEF Trust Fund, initially to respond to requests for improved accessibility and rapid disbursement of funds. Nevertheless, there are still uncertainties about the capitalization of the fund, which will determine its ability to finance activities.

To mobilize more funds, the GBF Fund must become an innovative fund with a strong multiplier potential and thus attract funds from developed countries, but also from other actors who need to be brought around the table. This *Note*, based on a workshop with experts and stakeholders, suggests a theory of change for an effective fund to finance biodiversity.

The GBF Fund's activities and projects should be based on national and local specificities, as stated in the national biodiversity strategies and action plans. It includes as a first step mobilizing and supporting the development of strategies and finance plans, while ensuring the participation of local stakeholders.

Coordination and complementarity between all biodiversity and development stakeholders are crucial, as all will have to be in working order to ensure consistency and increasing resources for the implementation of the Kunming-Montreal framework.

1. ESTABLISHMENT OF THE GBF FUND UNDER THE GEF: CHALLENGES AND PROSPECTS

1.1. Who funds what? What COP15 tells us

The establishment of a new fund for the implementation of the Global Biodiversity Framework (GBF) is part of an approach negotiated and adopted at COP15 in December 2022 on resource mobilization for biodiversity. The preferred approach is illustrated by the goal aiming to fill the financing gap of 700 billion dollars per year, through the achievement of targets 18 (reduction of harmful subsidies and incentives by 500 billion per year) and 19 (increasing resources by 200 billion per year). It is necessary to draw up an inventory of expenditure and financing needs, and this at several scales, to better understand the gap to be filled and the role of the different actors in the biodiversity finance architecture.

First, international funding for developing countries represented a crucial element of the negotiations. The role of international public funding is indeed underlined by countries that do not have the capacity alone to achieve the required transformations highlighted by the GBF targets, or that host key areas for biodiversity. According to the OECD (2022),¹ official development assistance (ODA) dedicated to biodiversity averaged 4.92 billion per year over the 2016-2020 period, and official development finance (ODF), which includes ODA, amounted to 10.4 billion. The GBF's target 19.A therefore indicates the commitment to double this last sum to reach 20 billion per year in 2025, then triple it to reach 30 billion in 2030. Here, the responsibility is held mainly by developed countries, but also all countries that voluntarily assume obligations of developed countries and actors ready to increase flows to developing countries.

To reach the 200-billion-per-year target, the role of public financing at the national level is crucial. In 2019, these amounts were estimated at between 78 billion per year and should reach around 150 billion in 2030 (Deutz *et al.*, 2020).² Moreover, the increase in the share allocated to biodiversity financing in national budgets will have to be supplemented by the (public and private) financing of natural infrastructures, and in parallel, States and sub-national governments will have to reduce subsidies and harmful incentives to avoid increased risks in the coming decades, as underlined by target 18. To do this, COP15 clearly showed the importance of consistency in the implementation of the GBF, through the development of National Biodiversity Strategies and Action Plans (NBSAPs) and National Biodiversity Finance Plans (NBFPS).

Finally, the role of private finance is increasingly underlined, at national but also international levels, as the possibility to raise new and additional resources. Private funds should not only be considered as a complement to the limited public resources: on the contrary, when looking at investments for nature-positive development pathways in different economic sectors, these investments are and will be private, and public funds have in each case a specific role to play to ensure that these investments are nature-positive and that they are actually occurring, in particular in countries that struggle to access investments. The trend also shows an appetite from the private and financial sectors, notably through the creation of numerous impact funds³ and other financial instruments aimed at meeting the growing demand for financial products aligned with biodiversity objectives. However, these schemes require conducive public regulatory frameworks. Within international so-called private finance, activities funded by philanthropy increased from 501 million in 2017 to 686 million in 2020. About 21% of biodiversity-related development finance rely on private finance (OECD, 2020).

Together, these roles overlap and intersect, and these flows will have to capitalize on each other in order, particularly for public funding, to have a leverage effect, to be coherent and effective, while meeting the needs of developing countries in different situations (emerging countries, least developed countries). There are nevertheless disagreements as to the prevalence of a particular source, and the priority to be given, despite the figures put forward by several studies.⁴ In any case, COP15 adopted key points to strengthen resource mobilization, through the interim strategy which will be updated in 2024 at COP16. Alongside certain aspects mentioned above (increasing flows from developed countries, increasing national resources, etc.), the COP also cited non-market approaches, innovative schemes, mobilization of multilateral development banks, co-benefits with mitigation of and adaptation to climate change, but also the adequacy, predictability, and timely flow of funds. In this regard, the question of the disbursement window, its procedures, and amounts, were the subject of a compromise: the establishment of a fund under the aegis of the GEF.

1.2. The genesis of the creation of the GBF Fund

The creation of the Global Biodiversity Framework Fund (GBF Fund) comes from the feeling shared by many recipient countries that the GEF and its Trust Fund, the CBD's financial mechanism, do not meet all their needs. Some underline the poor accessibility to funds, late disbursements because of intermediaries (implementing agencies), or the project approach and the lack of direct access that may impede ownership and capacity building at national and local levels. In addition, the question of governance was also put forward because of the perception of a

¹ OECD (2022). Aggregate trends of Climate Finance Provided and Mobilised by Developed Countries in 2013-2020.

² Deutz, A. *et al.* (2020). *Financing Nature: Closing the global biodiversity financing gap*. The Paulson Institute, The Nature Conservancy, and the Cornell Atkinson Center for Sustainability

³ For instance, the Regenerative Fund for Nature (Kering), Climate Fund for Nature (Kering and L'Occitane), or L'Oréal Nature Regeneration initiative.

⁴ Deutz, A. *et al.* (2020). *Ibid*

lack of equity in decision-making and of connectedness to the CBD's governance.

Thus, the negotiations stumbled over the decision to create a fund completely independent from the GEF—on the same model as the construction of the climate finance architecture which now comprises many climate funds (GEF Trust Fund, Special Climate Change Fund (SCCF), Least Development Countries Fund (LDCF), Green Climate Fund, Adaptation Fund, and others),⁵ some of which have the specific objective of raising private funding, promoting direct access, with better responsiveness to the United Nations Framework Convention on Climate Change (UNFCCC). Nevertheless, the short window of time ahead to implement the Kunming-Montreal GBF does not allow for the creation of a rapidly functioning independent fund that responds to the demands of developing countries. Fragmentation of funds may also hinder effectiveness and additional burdens for recipients as well as generate complexity and redundancy,⁶ while it can bring positive effects in case of comparative advantage. The compromise found was, therefore, to create a special fund under the aegis of the GEF (on the same model as the SCCF and LDCF), to channel the flows for the implementation of the GBF, while launching a thorough discussion on tailored options that would build on the lessons and challenges of the GEF.

The options must be designed in such a way that the GBF Fund contributes to the achievement of target 19.A in terms of amounts⁷ and mobilization of actors, must contribute to the implementation of the GBF in its entirety (as enacted in decision 15/7), but should also follow the logic promoted by the resource mobilization strategy, which involves a certain prioritization of actions promoting a leverage effect in order to ultimately align all financial flows with the Kunming-Montreal targets. In sum, the new fund should mobilize more and raise more, become a catalyst within the entire biodiversity finance architecture, at all levels, building on recent developments and ongoing initiatives and partnerships aiming at attracting private investment.⁸

In any case, the mandate given to the GEF by decision 15/7 underlines the urgency for very rapid establishment at the GEF Council in June 2023, followed by ratification at the GEF Assembly in August 2023.

2. WHICH OPTIONS ARE RELEVANT IN THE SHORT TERM AND DESIRED IN THE LONG TERM?

The dialogue organized by IDDRI aimed to discuss which boxes must absolutely be ticked before COP16 to respond adequately to the decisions of COP15. Acknowledging however that the structural challenges required in multilateral biodiversity finance could not be addressed within two years, the discussion focused on developing a theory of change for the new fund in the medium to long term, to give it a real added value compared to the GEF and other multilateral funds. Several capitalization scenarios will determine its ability to finance activities or projects. Nevertheless, it must ultimately become an attractive fund with a unique approach to supporting the resource mobilization dynamic.

2.1. A Fund that is up and running quickly is an inevitable condition for success for recipient countries and the implementation of the GBF

In the short term, by COP16 at the end of 2024, the GBF Fund must have demonstrated its ability to both mobilize and above all disburse the first flows of funds. An indicator of success could be the number of projects already launched at COP16, geographically representative, showing that accessibility and the timely flow of funds have been improved. The recipient countries will have to see an improvement in the procedures, in particular, the facilitation of the project cycle and validation system to quickly have access to the funds by the executing agencies at the national level, through the 18 implementing agencies which will have to respond to these issues of efficiency.

The most complex compromise was between two success factors: concrete delivery (the volume of funds mobilized or raised, the speed at which the fund is set up, and the speed of its procedures) and inclusive governance. Given that certain aspects cannot be reformed or promoted in such a short time, the challenge will be for the GBF Fund to show tangible and realistic positive impacts in the short term.

Essential aspects were fixed as early as the June Council to launch these activities, some of which will be progressively implemented or improved in a second stage due to the time induced by more structural changes. The documents adopted at the 64th GEF Council (GEF/C.64/05 and GEF/C.64/06) showed several key features of the new GBF Fund as of 2023 (Table 1).

Finally, the international community agrees that the GBF Fund will have to be innovative and attractive. So far, the negotiations for the establishment of the GBF Fund in the Council may lack radical creativity as constrained by a tight timetable but show some improvements (see Table 1, notably on simplification processes). Thus, can we anticipate and reflect on the transformative value of the GBF Fund between the Council in June 2023 and 2030?

⁵ Amerasinghe, N. M., Thwaites, J., Larsen, G., Ronquillo-Ballersteros, A. (2017). *The Future of the Funds: Exploring the Architecture of Multilateral Climate Finance*. World Resources Institute.

⁶ Pickering, J., Betzold, C. & Skovgaard, J. (2017). Special issue: managing fragmentation and complexity in the emerging system of international climate finance. *Int Environ Agreements* 17, 1–16 (2017).

⁷ Desired amounts to be mobilized through the GBF Fund will have to be calculated, as the new fund will not be able to mobilize 30 billion per year for biodiversity. As a comparison, out of the 83.3 billion USD mobilized in climate finance for developing countries, 3.5 billion came from multilateral climate funds, amounting to about 4.20%.

⁸ Namely Positive Conservation Partnerships (PCPs), and other "country packages" based on public and private finance, biodiversity certificates, green bonds, etc.

TABLE 1. Key characteristics for the new GBF Fund adopted at the 64th GEF Council

Governance (decision-making) and management (back office)	<p>GEF Council to act as the GBF Fund Council: 32 members organized in constituencies, with due weight to the funding efforts of all donors (16 representatives of developing countries, 14 representatives of developed countries, 2 representatives of central and Eastern Europe and former Soviet Union countries). Same consensus/vote rules. Non-sovereign contributions will not be reflected in the calculation of the vote but will have the opportunity to express their views.</p> <p>The GBF Fund Council may establish an advisory group for non-sovereign participants to provide advice and recommendations to the GBF Fund Council. The GBF Fund Council will establish an auxiliary body with representatives (experts) of developing countries with areas of particular importance for biodiversity and ecosystems, to provide advice and recommendations to the Council.</p> <p>World Bank acts as Trustee: GBF Fund established similarly to LDCF, SCCF and other Financial Intermediary Funds, and may receive financing from all sources following the due diligence process for each potential private donor.</p>	Eligibility criteria and allocation of resources	<p>Country eligibility criteria do not change. Project eligibility criteria include alignment with the GBF Fund programming directions, GEF Trust Fund's policies and guidelines, including principles of global environmental benefits, incremental reasoning, country drivenness.</p> <p>GBF Fund support will focus on funding national biodiversity priorities in NBSAPs. Countries encouraged to avoid fragmentation of available resources when developing projects. GEF Secretariat will prepare a suite of programming conditional upon available resources that complements and scales up GEF-8.</p> <p>GBF Fund must accommodate financial contributions on a rolling basis (as opposed to replenishments), should take into account special needs of Least Developed Countries (LDCs) and Small Island Developing States (SIDS), and that biodiversity is not evenly distributed and some areas have greater potential to contribute to global biodiversity benefits than others.</p>
Financial resources (capitalization)	<p>Receive financing from a variety of sources in the form of voluntary contributions (national governments, other national and subnational governments and organizations, private sector, philanthropic organizations, and other not-for-profit sources).</p> <p>Initial contributions: at least 200 million from at least 3 donors by December 2023 (according to the World Bank directive on FIFs–February 2022)</p>	ALLOCATION OF RESOURCES AND INCENTIVES	<p>Country allocation: selection based on the potential to generate biodiversity benefits, the alignment with GBF, with NBSAPs, NBFPS, policy coherence, private sector, balance amongst regions, etc.)</p> <p>Including 36% allocated to LDCs and SIDS (+3% to be reprogrammed if not used), based on a differentiated biodiversity allocation (use of Biodiversity System for Transparent Allocation of Resources—with a share of funding received by a country limited to maximum twice its share of GEF-8 Biodiversity).</p> <p>An aspirational share of 20% of the total amount of resources dedicated to projects supporting actions by Indigenous Peoples and Local Communities (IPLCs)</p> <p>A 25% of resources to be programmed through International Financial Institutions that are GEF Agencies</p>
Programming directions and overall strategy	<p>Complement existing support and scale up financing (as in CBD decision 15/15) but keeps serving, like the GEF Trust Fund, as "a mechanism for international cooperation for the purpose of providing new and additional grant and concessional funding to meet the agreed incremental costs of measures to achieve agreed global environment benefits".</p>	GBF Fund simplification	<p>A single project modality to avoid complexities.</p> <p>Submission of request of Project Preparation Grant (PPG; no more Project Identification Form - PIF) <i>via</i> a simplified form on a Portal, with the Letter of Endorsement from the country Operational Focal Point (OFP). GEF Secretariat approves request, which will lock funds while the PPG is prepared.</p> <p>Project development: within 9 months of request's submission</p> <p>Project review and clearance: technical review within 10 days after PPG submission by the GEF Secretariat. Then, Agencies have 10 days to address comments with countries.</p> <p>Comments from Council and Scientific and Technical Advisory Panel (STAP): 4-week circulation prior to Council.</p> <p>Either the Council approves the project in the Work Program, or, if a project (up to 2 million) is technically cleared outside of the 2-month window before the next Council, can be approved <i>via</i> a no-objection rule (sent by email).</p> <p>Implementation starts: GEF agency has to provide a disbursement to countries <i>via</i> the executing partner, the first disbursement occurs after the project is approved (contract or legal document signed by both Agency and Partner).</p>
Connectedness to the CBD	<p>Stocktake review on operations and performance at COP18 in 2028. The Secretariat will submit a report for each Council (every 6 months), including an assessment of resources allocated to the implementation of the GBF's 23 targets to improve the responsiveness of the GEF to the CBD.</p> <p>CBD COP will decide on the GBF Fund sunset.</p> <p>GBF Fund has the flexibility to add programs and does not prejudge CBD COP deliberations</p>		
Cross-cutting implementation principles	<p>Support to Indigenous Populations and Local Communities (IPLCs)</p> <p>Inclusive and gender-responsive approach, especially in the project's objective and design</p> <p>Scaling up finance to support the GBF implementation: blended finance and Multilateral Development Banks (MDBs)</p> <p>Scaling up finance engaging philanthropic organisations</p> <p>Country drivenness</p>		

2.2. An original Fund that supports the implementation of diverse multi-stakeholder and multi-faceted trajectories compatible with the GBF goals and targets

What can be considered indicators of success for a transformative GBF Fund by 2030? The general objectives and strategy, which will be discussed both for the GBF Fund but also for the GEF and its reform, must respond to the need for the GBF Fund to support the transformation of societies and economies towards so-called “nature-positive” pathways, both by transforming key sectors impacting biodiversity and ecosystems, but also by supporting the creation and sound management of protected areas with high importance for biodiversity in developing countries. To do this, it would be relevant for the GBF Fund to respond to the GBF’s theory of change,⁹ while addressing specificities and differentiated needs, with appropriate support. To attract the amounts required, the GBF Fund will have to truly show its added value, particularly in terms of leverage capacity through tools such as blended finance and other innovative approaches. In addition, the Fund should go beyond a simple project approach, whose cycles follow each other and are short, and envisage a structural programming change, thus allowing the recipients to increase their capacities and skills, and therefore enhance national and local ownership. As developed in the GEF Council document, the preferred approach for the GBF Fund reproduces the incremental reasoning of the GEF, based on projects and financing global biodiversity benefits. Would this approach trigger enough support to scale up biodiversity finance for developing countries with differentiated circumstances, in theory opposing biodiversity (and its so-called global benefits covered by the GEF Trust Fund and the GBF Fund) and development, despite obvious co-benefits?¹⁰ To that end, IDDRI has prepared a theory of change for further consideration.

PROPOSED THEORY OF CHANGE FOR FINANCING BIODIVERSITY IN DEVELOPING COUNTRIES THROUGH THE GEF AND GBF FUND

ISSUES AT STAKE, CHALLENGES, AND ROOT CAUSES

General issue and opportunity for improvement.

Developing countries express difficulties accessing funds and lack financial and non-financial resources to protect biodiversity. The main issue lies in the fact that the amounts do not respond to the magnitude of the challenges ahead, do not enable bringing all players on board, including the private sector, actors too sensitive to risk for their investments, but also communities with little to no access to support or funds and at risk of turning to extractive activities.

Challenges. Developing countries’ situations may differ in terms of biodiversity richness, vulnerability, and difficulty to access funding, or risks posed by biodiversity loss for their development. Similarly, they are not equally equipped to address biodiversity loss.

Root causes. Despite financial mechanisms such as the GEF Trust Fund or the new GBF Fund, the macroeconomic and financial architecture lacks coherence and is misaligned with the GBF’s goals and targets, posing additional risks for developing countries, for instance in terms of resilience to shocks, in terms of economic crisis and debts, among others. The macroeconomic context may impede them from achieving their national biodiversity targets, posing a further threat to the entire international community facing biodiversity loss, while obstructing local development and benefits for populations. The overall issue cannot be addressed only by the creation of a new fund for biodiversity—nevertheless, many studies have shown an order of priorities to address for a transformative effect. Those priorities and their potential for scaling up and diffusing in other arenas must be considered in the way these financial mechanisms are designed, based on their capacities. These priorities will also need to be strengthened and complemented by going beyond the traditional approach based on “classic” instruments (grants) and by identifying the regulatory reforms needed (among others) to scale up.

Opportunity for improvement. The current international financial architecture faces several gaps but at the same time has the potential for additional mechanisms and instruments, and for reforming existing ones in a coherent manner. Given the nature of the challenge and barriers to achieving the GBF goals and targets as soon as 2030, the international community should reflect on ways to capitalise on existing and recently established initiatives. Discussions are still underway for creating (or not) an independent Fund but even if a new facility or fund is established in the coming years, the short period of time (2023-2030) shows that the main question resides in how to improve the GBF Fund and

⁹ COP decision updated?

¹⁰ See: GEF/STAP/C.64/Inf.03 - https://www.thegef.org/sites/default/files/documents/2023-06/EN_GEF.C.64.STAP_Inf_03_Incorporating_cobenefits_in_the_design_of_GEF_projects.pdf

GEF Trust Fund in such a way they can address this issue and more strongly support the transformation.

DESIRED GOAL: WHAT DO WE WANT FOR BIODIVERSITY FUNDING BY 2030?

The GBF Fund and GEF Trust Fund have significantly scaled up biodiversity finance *via* the alignment of financial flows with GBF goals and targets, the mobilization, redirection, and leverage of international, national, subnational, public and private flows. The GBF Fund has supported a progressive but confident shift towards nature-positive pathways both in transforming key sectors impacting biodiversity and in supporting the protection and management of areas of high importance for biodiversity in developing countries, e.g. the Congo Basin, the Amazon forest, but also supporting countries at risk posed by biodiversity loss.

The GBF Fund has contributed to enhanced synergies and reduced tradeoffs within the international finance ecosystem, creating an environment for steady alignment of financial flows from all sources, while considering future risks posed by present and future challenges (climate change, socio-economic uncertainties, etc.).

LONG-TERM IMPACT FOR SEVERAL KEY GROUPS

Developed countries. The fund is worthy of investments and capitalization, through a multiplier effect (particularly from the private sector) and an innovative approach beyond "basic" project grants. The interest of a successful fund will also allow developed countries to avoid the need to create a completely independent fund, involving higher overheads and fragmentation of funds, which these countries generally defend during negotiations.

A cornerstone for all recipient countries. The fund has supported biodiversity mainstreaming, and the transformation of key sectors, thanks to the elaboration and pursuit of nature-positive pathways at the country level that inform other financial and development actors about domestic and local needs, following a bottom-up, consultative approach.

Recipient countries with rich biodiversity and important biomes. The fund has supported the conservation and management of areas of high importance for biodiversity in developing countries, e.g. the Congo Basin, the Amazon rainforest, Borneo and Sumatra forests, key biodiversity areas, and marine ecosystems. In that regard, the fund has either supported capacity building and development, the development of legal frameworks, or has funded innovative financial approaches for those countries to ensure the sustainability of those protected areas, according to national challenges.¹¹

Countries with important risks associated with biodiversity loss, especially low-income countries.¹² The fund includes special support for Least Developed Countries, Small Island Developing Countries, and countries vulnerable to climate change and biodiversity loss, going beyond the reasoning of global environmental benefits¹³ as defined today. This will require reflecting on how global environmental benefits could become an evolving concept

Local communities. Several groups of stakeholders (indigenous peoples and local communities, subnational governments, etc.) get more funds, for instance through a special window and progressively more direct access.

Private sector. The fund has succeeded in mobilizing the private commercial and financial sector, supporting them in mitigating negative impacts while increasing positive impacts through guidance and coherent action sending the right signals for investments in nature-positive, climate-resilient, and low-carbon economies, while promoting sustainable supply chains.

Philanthropies. The fund has supported more public-private partnerships with philanthropies, engaging them in combining biodiversity protection and development finance

Multilateral Development Banks & International Financial Institutions. The fund has supported them in reducing harmful projects and align their activities, in being less adverse to risks while not generating more debts for developing countries.

¹¹ [https://www.cell.com/one-earth/pdf/S2590-3322\(23\)00155-0.pdf](https://www.cell.com/one-earth/pdf/S2590-3322(23)00155-0.pdf)

¹² https://assets.bbhub.io/professional/sites/24/REPORT_Biodiversity_Finance_Factbook_master_230321.pdf

¹³ <https://www.thegef.org/documents/global-environmental-benefits>

In sum, by 2030, the fund should have become a catalyst, launching key leverage activities ensuring the entire community's buy-in to the achievement of the GBF. This requires simultaneous actions, the creation of an environment conducive to profitable investments for biodiversity, of an equitable representativity, and leading the way for larger financial actors and agencies *via* the strengthening of regulatory frameworks and capacity building where lacking.

The observation is shared on the challenges ahead of us, but not yet on the ways in which we can address them. To do this, this theory of change must define short-term changes, intermediate goals to create progressive change, enablers to be put in place at several levels and activities to be carried out to achieve this.

3. A ROADMAP TO STRENGTHENING THE GBF FUND AND THE GEF: WHICH PROCESSES TO SUPPORT THE DYNAMIC IN THE COMING MONTHS?

3.1. Facilitating multi-stakeholder coordination on biodiversity finance & nature-positive economies in developing countries

Several initiatives, discussions, and negotiation processes have already been launched, or are planned in the coming months and years to meet the challenges of financing biodiversity in developing countries. Public processes and initiatives are complemented by a multitude of private funds and initiatives, as well as organisations that are committed to increased funding for biodiversity (philanthropies, development banks, international financial institutions, etc.) and other actors (experts, NGOs, private sector, etc.). A first step in the roadmap should therefore allow these many players working in these fields to coordinate and collectively decide on their respective priorities, with a view to strengthening complementarity and scaling up, to achieving the objectives of the GBF and thus filling the gaps.

TABLE 2. Key players to coordinate when addressing international biodiversity finance (non-exhaustive list)

Governance frameworks – Biodiversity finance	Other public funds	Other international & multilateral initiatives	Other groups of stakeholders
GEF Councils (and future GBF Fund Council)	Kunming Biodiversity Fund	NBSAP Accelerator Partnership	Philanthropies
GEF Assembly	Japan Biodiversity Fund	HAC 2.0	Experts
CBD (COP, SBSTTA, SBI, Secretariat, Advisory Committee on Resource Mobilization)	Legacy Landscapes Fund	MDB Biodiversity and Nature Working Group	Private sector (WEF, Business4Nature, banks & asset managers, etc.)
UN system, including UNEP, UNDP, etc.	Green Climate Fund	BIOFIN	NGOs (TNC, CI, etc.)
OECD DAC Committee		IDFC - Biodiversity	National development banks or agencies (FUNBIO, BDSA, etc.)

3.2. Connectedness with CBD and the GBF: NBSAPs, NBFs, and future governance arrangements

To truly respond to the demands and challenges encountered by developing countries, whose situations, capacities, and pressures differ, the priority for the coming months will be the development of national strategies for 2030 and the associated finance plans enabling a common and adequate understanding of the gaps to be filled and their priorities. Subsequent decisions must indeed be based on a "bottom-up" approach, anchored in the development trajectories determined at national and local levels.

ANNEX 1. Action Areas of the GBF Fund (GEF/C.64/06) to achieve GBF goals and targets, developed as complementary to GEF-8, to address identified gaps, and/or to leverage finance for scaling up

Action Area 1: Land-Sea Use Targets 1, 2 and 3.	Focus on spatial planning at national level, restoration priority setting, ecological integrity, expanding conserved areas, improvement their management and governed systems.
Action Area 2: Support to IPLC stewardship and governance of lands, territories and waters Targets 1, 2, 3 and 22	Additional resources to support IPLC-led stewardship and governance, strengthening on organisational and individual capacity, support site-based conservation with financed strategies to increase access and availability of resources for IPLCs.
Action Area 3: Policy alignment and development Targets 14, 15 and 18	Policy coherence at the national level, considering that unsustainable practices and lack of tenure rights may hinder efforts to protect areas. Provide support to enable the integration of biodiversity and its multiple values into policies, regulations, development processes. Collaborate with MDBs for mainstreaming and alignment.
Action Area 4: Resource mobilization Targets 18 and 19	Additional support for countries to implement financial solutions (complement to objective 3 of GEF-8 on assessment and identification more specifically, and to Action Area 3), support the next generation of Conservation Trust Funds, mobilize private and blended finance through the Blended Finance Global Program.
Action Areas 5 to 8: more limited opportunities for complementary programming to GEF-8	
Action Area 5: Sustainable use Targets 5 and 9	Support policy development related to sustainable use and address national gaps, including analytical support for policy development and implementation of measures to map and promote activities, products and services generating benefits.
Action Area 6: Mainstreaming in production sectors Targets 7 and 10	Additional and complementary financing for overcoming barriers to scaling up from the site to the national level in production practices (for sectors with high impacts), using of incentives for sustainable use practices, etc.
Action Area 7: Invasive Alien Species management and control Target 6	Extend support to all countries of GEF-8 addressing IAS in island ecosystems. Support implementation of prevention, detection, control, etc.
Action Area 8: Capacity building and implementation support for biosafety, handling of biotechnology and ABS, including Nagoya and Cartagena protocols Targets 13 and 17	Additional support for full implementation of Protocols. Additional support for eligible countries for the two Protocols but also targets 13 and 17 applying to all Parties. DSI and biotechnology.
GBF targets addressed through project design and operations Targets 4, 8, 11, 22 and 23 – for instance embedding relevant information management activities and capacity building in project design. Excluded targets (benefits are considered local, not global): 12 (blue and green areas in urban areas) and 16 (consumption)	

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CONTACT

juliette.landry@iddri.org

Institut du développement durable
et des relations internationales
41, rue du Four – 75006 Paris – France

WWW.IDDRI.ORG

[@IDDRI_ENGLISH](https://twitter.com/IDDRI_ENGLISH)