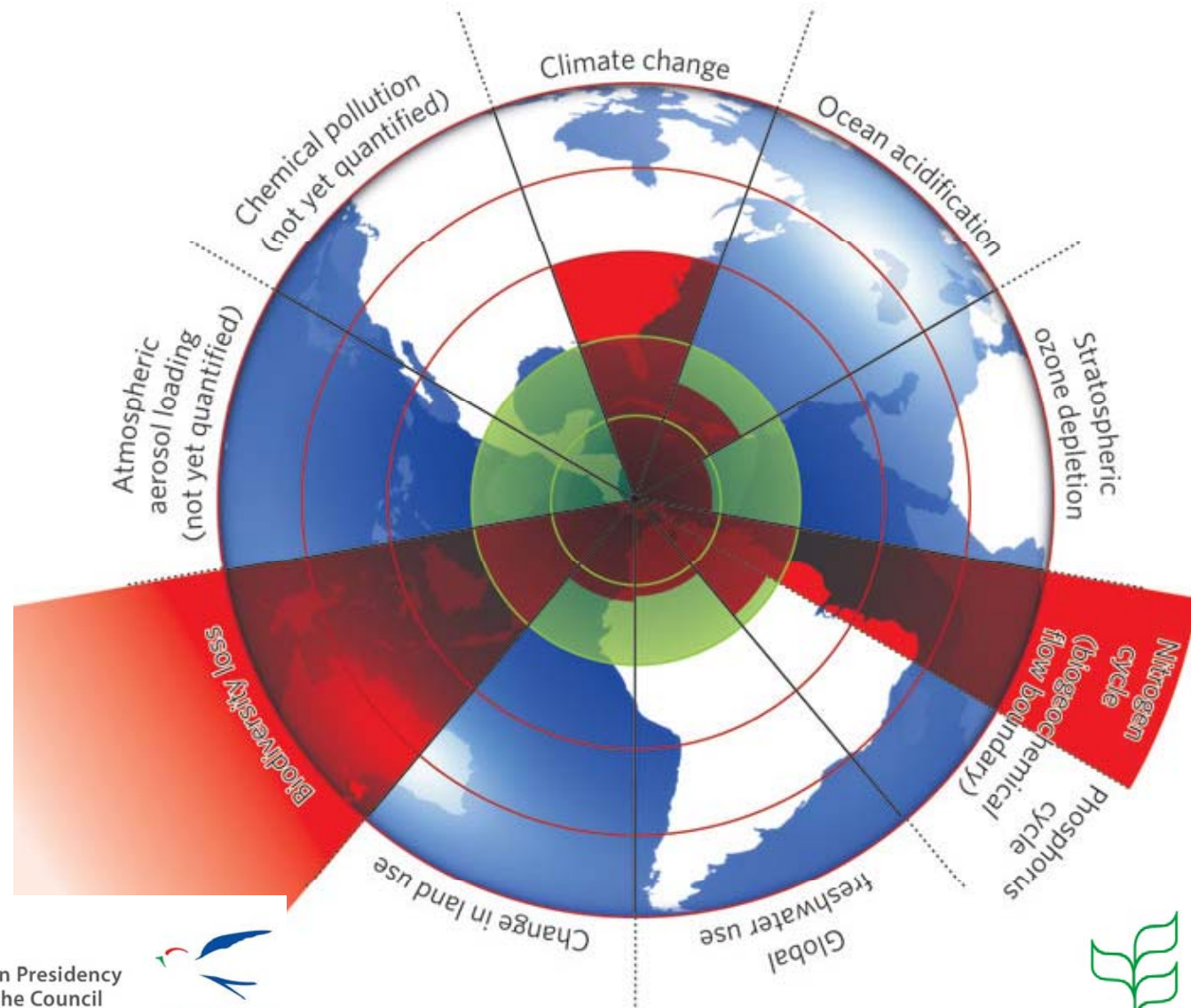


Is building a national framework for the private sector possible? Considerations and first result from Italy

Daniel Franco - Roberta Pasquariello – Aldo Ravazzi
Italian Ministry of Environment, Land and Sea Protection
Delegation to CBD

Biodiversity in a safe operating space for humanity: The Planetary Boundaries (Rockstrom et al. 2009, *Nature*)



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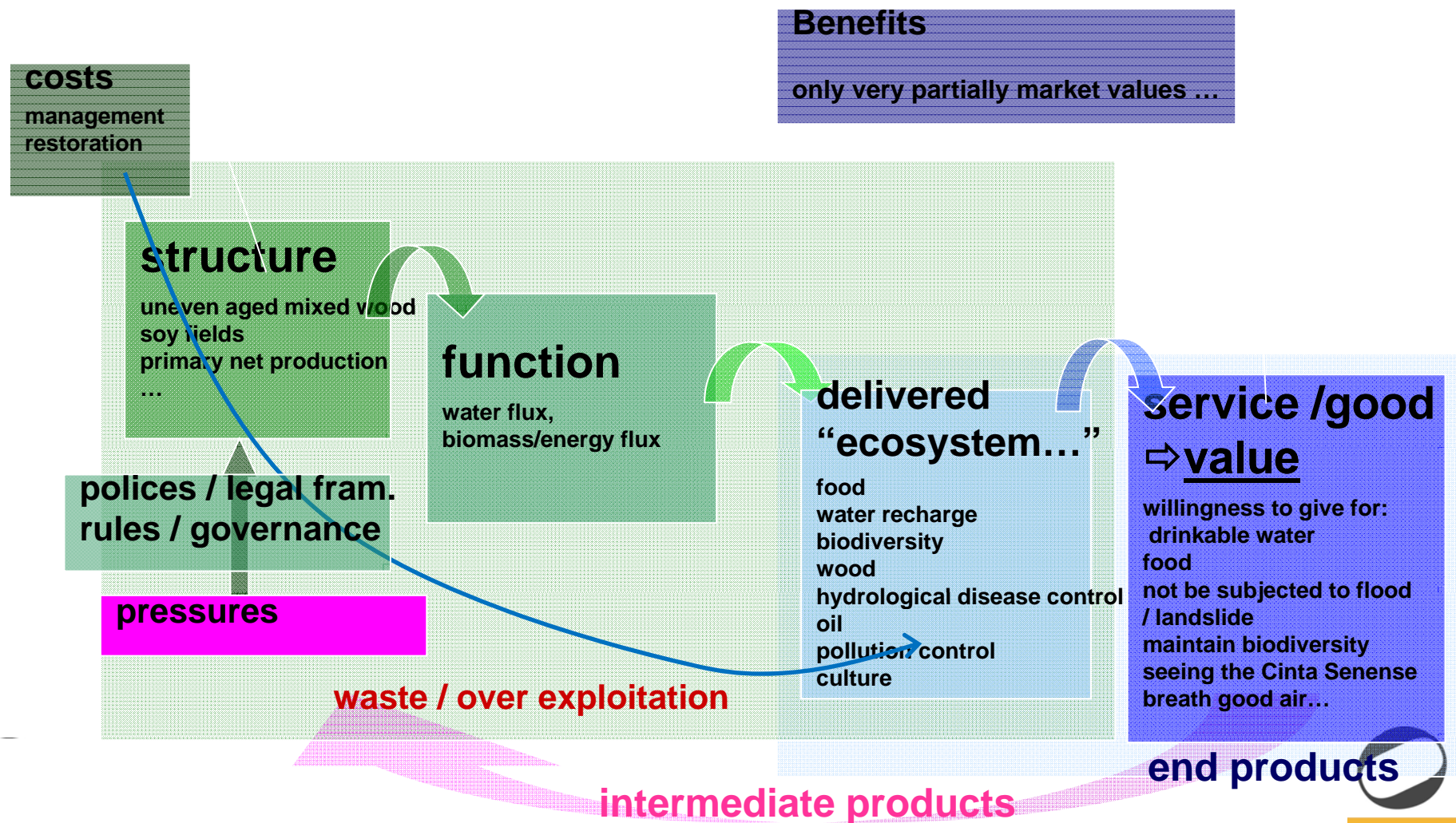
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From ecology toward economy: a review

(modified by TEEB, 2009)



The Strategy for Resource Mobilization (Decision IX/11)

6. The resource mobilization strategy aims to assist the Parties to the Convention and relevant organizations to **mobilize adequate and predictable financial resources** to support the achievement of the Convention's three objectives including the achievement by 2010 of a significant reduction of the current rate of biodiversity loss at the global, regional and national level as a contribution to poverty alleviation and to the benefit of all life on Earth.
7. The strategy considers the **full range of possible local, national, regional and international funding sources, both public and private**. It is geared towards implementation during an initial period up to 2015, coinciding with the international development planning cycle, including the Millennium Development Goals.

Decision X/3

8. *Committed* to substantially increasing **resources** (financial, human and technical) **from all sources**, including innovative financial mechanisms, balanced with the effective implementation of the Convention on Biological Diversity and its Strategic Plan for Biodiversity 2011-2020, against an established baseline

Decision X/3 (indicators for the SRM)

- (11) Amount of financial resources **from all sources** from developed countries to developing countries to contribute to achieving the Convention's objectives;
- (12) Amount of financial resources **from all sources** from developed countries to developing countries towards the implementation of the Strategic Plan for Biodiversity 2011-2020;

Aichi Target 20

By 2020, at the latest, the **mobilization of financial resources** for effectively implementing the Strategic Plan for Biodiversity 2011-2020 **from all sources**, and in accordance with the consolidated and agreed process in the Strategy for Resource Mobilization, **should increase substantially** from the current levels.

Decision XI/4

1. Urges Parties to consider **all possible sources and means** that can help to meet the level of resources needed, in accordance with Article 20 of the Convention and consistent with decision X/3;

3. Recalling decision X/3 and Aichi Biodiversity Target 20, reiterating that resources (financial, human and technical) **need to be mobilized from all sources** and that this should be balanced with the effective implementation of the Strategic Plan for Biodiversity 2011–2020;

7. [...] resolves to achieve the following preliminary targets, which are to be considered mutually supportive but independent:

(a) **Double total biodiversity-related international financial resource flows** to developing countries, in particular least developed countries and small island developing States, as well as countries with economies in transition, by 2015 and at least maintaining this level until 2020, in accordance with Article 20 of the Convention, to contribute to the achievement of the Convention's three objectives, including through a country-driven prioritization of biodiversity within development plans in recipient countries, using the preliminary baseline [...]

Italian CBD Preliminary Reporting Framework

Available data

	PUBLIC SECTOR		PRIVATE SECTOR	
INTER-NATIONAL	<p>ODA [OECD] (Official Development Aid) Source: MFA</p>	<p>Environment Aid Source: MoE</p>	<p>FIRMS BUSINESS</p>	<p>FOUNDATIONS CHARITIES</p>
		<p>OOF (Other Official Funds, e.g. multilateral)</p>	<p>UNIVERSITIES</p>	<p>NGOs ENV DEV Oth.</p>
NATIONAL	<p>CENTRAL GOVERNMENT (Ecorendiconto)</p>	<p>REGIONS</p>	<p>FIRMS BUSINESS</p>	<p>FOUNDATIONS CHARITIES</p>
		<p>PROVINCES CITIES</p>	<p>UNIVERSITIES</p>	<p>NGOs ENV DEV Oth.</p>
		<p>PARKS & RESERVES</p>		

Fonte: Aldo Ravazzi, 2014



Some problems in reporting on private financing

- partial or heterogeneous consideration of the biodiversity dimension into the statistical reporting dimension;
- difficulties in the precise definition of biodiversity expenditure;
- uncertainties in the definition of resource mobilisation;
- non integration of the environmental - including biodiversity – dimension into traditional economic-financial reporting;
- partial / discontinuous integration of the biodiversity dimension into CSR-Integrated-Sustainability-Environmental reporting.

How to improve our reporting capability by including private flows?

It becomes difficult to defend the idea that we are not in condition to report on Private Financing!

- is it feasible?
- is it cost-effective?
- is the private sector interested?
- which classification should be adopted?
- how do we need to organize the work?



ONGOING WORK

Fondazione Global Compact Network Italia



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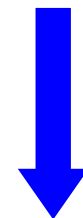
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Ongoing work - Data required on private flows

Information on private financial flows



National level



International level



Coherence with CEPA



No coherence with
CRS



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Ongoing work – International flows

- ***Creditor Reporting System (CRS)***

Code lists used by donors to report on their aid flows to the DAC (Development Assistance Committee) databases

- ***Rio Markers***

Estimated expenditure/help related to the Rio Conventions (climate, biodiversity, desertification)

Ongoing work – International flows

CRS

- objective “Aid to environment”
 - The environmental sustainability marker identifies activities that are “*intended to produce an improvement in the physical and/or biological environment of the recipient country, area or target group concerned*” or “*include specific action to integrate environmental concerns with a range of development objectives through institution building and/or capacity development*”.
- sector
 - The sector classification includes a *multisector/cross-cutting* category for “*general environmental protection*” to distinguish *multisectoral environmental conservation programmes and activities* such as environmental policy and administration or environmental education, training and research



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Ongoing work – International flows

Rio Marker

- **A large majority of activities targeting the Rio Conventions fall under the definition of *aid to environment*.**
 - **scoring system**
 - 0 Not targeted
 - 1 Significant objective
 - 2 Principal objective
 - 3 For desertification only: action programmes
- **Principal (primary) objectives** are those which can be identified as being fundamental in the design and impact of the activity and which are an explicit objective of the activity.
 - They may be selected by answering the question “**would the activity have been undertaken without this objective?**”.
- **Significant (secondary) objectives** are those which, although important, are not one of the principal reasons for undertaking the activity.

Ongoing work – Other issues

- no risk of double counting for project with ngo's



- major efforts required to identify flows direct to developing countries



- risk of double counting within corporation



Ongoing work – The preliminary instrument

Matching table between CRS codes and CEPA

CRS			CEPA	Rio Marker 2 CBD: activities directly related to biodiversity	Rio Marker 2 CBD: activities indirectly related to biodiversity
MULTISECTOR/CROSS-CUTTING					
General environmental protection					
41010	Environmental policy and administrative management	Environmental policy, laws, regulations and economic instruments; administrative institutions and practices; environmental and land use planning and decision-making procedures; seminars, meetings; miscellaneous conservation and protection measures not specified below.	6.4 Ogni altra attività e misura finalizzata alla protezione della biodiversità e del paesaggio. Sono comprese le attività di regolamentazione, amministrazione, gestione, formazione, informazione ed istruzione specifiche della Ceca 6, nei casi in cui possono essere separate da altre attività relative alla stessa classe e da attività analoghe relative ad altre classi della protezione dell'ambiente. Ad esempio – quando si riferiscono esclusivamente a questo dominio – sono incluse le seguenti attività: nel caso delle imprese le attività amministrative che, in base alle normative vigenti, comportano la preparazione di dichiarazioni, notifiche, domande di autorizzazione, richieste di certificazione, ecc.	X	
41030	Bio-diversity	Including natural reserves and actions in the surrounding areas; other measures to protect endangered or vulnerable species and their habitats (e.g. wetlands preservation).	6.1 Attività e misure finalizzate alla conservazione, alla reintroduzione o alla riabilitazione di specie animali e vegetali, nonché al ripristino, al recupero e alla ristrutturazione di habitat danneggiati al fine di rafforzarne le funzioni naturali. Sono comprese la conservazione del patrimonio genetico, la ricolonizzazione di ecosistemi distrutti, il divieto di sfruttamento, commercio, ecc. di talune specie animali e vegetali a fini di protezione. Quando hanno un chiaro obiettivo di protezione della biodiversità, le misure e le attività relative ai parchi e i giardini urbani l'acquisto di terreni a fini di protezione delle specie e degli habitat. Queste attività possono comprendere anche il controllo della fauna e della flora al fine di preservare gli equilibri naturali, compresa la reintroduzione di specie di predatori e il controllo della fauna e della flora esotiche che rappresentano una minaccia per la fauna, la flora e gli habitat locali. Le principali attività sono la gestione e lo sviluppo delle aree protette, qualunque sia la loro denominazione, ossia le zone protette da qualsiasi sfruttamento economico o in cui tale sfruttamento è soggetto a regolamentazioni restrittive che hanno come obiettivo esplicito la conservazione e la protezione degli habitat.	X	

Mainly a descriptive instrument but a good basis to build upon!



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Next steps

- improve the methodology in collaboration with companies
- apply the methodology to a sample of the most representative companies
- present the first data in the next Reporting Framework ...