

## **Convention on Biological Diversity - COP 15**

### **Summary Report of COP-15 negotiations, 7-19 December**

---

After fraught negotiations, marked by tense disagreement on almost all issues and culminating in a walk-out by developing countries, COP15 finally resulted in agreement on a package deal on the three most contentious items: the Kunming-Montreal 2020 Global Biodiversity Framework, resource mobilization and Digital Sequence Information (DSI).

As most issues could not be resolved by technical negotiators, a very large number of items were decided at ministerial-level and arbitrated by COP-15 President China. After over 14 hours of negotiations culminating in a plenary at 2:30 am the next morning, all the decisions were adopted as a single political package, despite resistance by two African countries. This included agreement on conservation targets (e.g. 30% areas to be protected and restored by 2030), increased resource mobilization targets (USD 200b per year from all sources including donor funding of USD 30b per year) with a new biodiversity fund, and the establishment of a multilateral benefit sharing mechanism for Digital Sequence Information to be developed and operationalized by 2024.

Main outcomes of relevance to business as a whole were:

- A business target (Target 15) that focuses on government action to enable and encourage companies to increase transparency, reduce negative and increase positive impacts on biodiversity, and promote actions to ensure sustainable patterns of production, with no mandatory requirements. Compliance with ABS regulations is specifically mentioned.
- A target to eliminate, phase out or reform harmful subsidies and incentives and reduce these by at least USD 500 billion by 2030 under Target 18.
- Establishment of a global multilateral mechanism for benefit sharing from DSI including a global fund, with a process to develop and operationalise this by COP16 (as opposed to establishing just a process). This was complemented by the inclusion of benefit sharing from DSI in Goal C and Target 13 of the GBF.
- More focus on private sector sources of funding including financial investments and innovative finance mechanisms (e.g. payment for ecosystem services, green bonds, biodiversity offsets/credits, benefit-sharing) in Target 19 and resource mobilisation.

This was the largest CBD COP ever with an unprecedentedly strong business presence. ICC coordinated members from its own and other delegations through daily coordination meetings, and contributed actively in the DSI process through interventions and engagement with different delegations. It also co-hosted a side event with the DSI Scientific Network on the enabling environment for the bioeconomy, and [delivered a statement during the High Level Segment](#).

## Contents of this report

<b>Global Biodiversity Framework (GBF)</b> .....	2
- Target 7 – Pollution .....	2
- Target 10 – Sustainable Use and Management - Agriculture.....	3
- Target 13 & Goal C – Benefit sharing.....	3
- Target 15 – Business responsibilities.....	4
- Target 19.1 & Goal D – Financial resources .....	5
<b>Digital Sequence Information</b> .....	6
<b>Resource Mobilization &amp; the Financial Mechanism</b> .....	7
<b>Nagoya Protocol Article 10 – Specialized Instruments</b> .....	8
<b>Outside the negotiations</b> .....	8

### Global Biodiversity Framework (GBF)

- Target 7 – Pollution

The initial draft text proposed by the Informal Group on the GBF, which served as the main basis for negotiation during OEWG5, contained references to a broad range of topics such as human health in the context of pollution, hazardous chemicals, plastic pollution, and light and noise pollution (which would fall under Commercial Determinants of Health – CdoH). In the end, light and noise pollution was removed early on in the discussions. Intense negotiations indicated that questions pertaining to chemicals, pesticides, and human health were especially contentious and proved challenging to reach consensus on. Moving into COP15, Target 7 remained heavily bracketed. During a meeting of the CG on December 12, discussions continued regarding topics such as whether to include language on the negative impact of accumulated pollution and references to risk and impact associated with pollution. There was also a lengthy debate on whether to include numerical indicators, with discussions on the bracket [by at least half]. Japan indicated that numeric values would be too prescriptive, with India and Uganda agreeing. As during OEWG5, there were intense negotiations pertaining to how to address pesticides and hazardous chemicals, with the central question being of whether to focus on use, risk, or impact. With regards to classification of hazardous chemicals, some parties again reminded delegates of the WTO provisions on this topic.

The final text is streamlined with the chapeau focusing on a reduction of pollution risks and the negative impact of pollution from all sources, by 2030. EU language on cumulative effects is retained in the target. The key issues addressed under Target 7 is the question of pesticides and highly hazardous chemicals, with an inclusion of an overall risk reduction

goal of at least half, with a callout to take into account food security and livelihoods. Concerns regarding the need for pesticides in ensuring global food security was raised by both Brazil and Iran during negotiations. The final text further includes a reduction target of at least half for excess nutrients lost to the environment. The reference to human health was removed early in the negotiations, with the understanding that human health is implied through language on ecosystem functions and services, as proposed by Norway. Plastic pollution is addressed in the final line, reading, ‘preventing, reducing, and working towards eliminating plastic pollution.’ – language which was supported by Switzerland among others.

#### - Target 10 – Sustainable Use and Management - Agriculture

Discussions on this target has been marked by challenges through all the OEWG sessions, with the main challenges being which areas of sustainable use and productive areas to focus the text on. Following OEWG4 in Nairobi, and OEWG5 in Montreal, this target remained strongly focused on agriculture more generally. Following CG discussions on December 14, a significantly streamlined version started emerging with specific mention of ensuring that all areas under agriculture, aquaculture, and forestry are managed sustainably, with the inclusion of fisheries still remaining in brackets, along with the language [and other productive uses].

There were also discussions on whether to include explicit mention of food security in this target, and CBD vs FAO mandates. A few countries supported deleting the reference to food security to avoid the risk of starting a longer list of considerations as the focus of the target remained a bit unclear. One party argued that food security could be implied through the language [and other productive uses] India and Mexico supported retaining an explicit reference to food security, with Indonesia wanting it removed. Discussions lasted over 3 hours.

The final text is streamlined with a focus on the sustainable use of ecosystem services and functions in the management of agriculture, aquaculture, fisheries and forestry. Most disputed was whether such sustainable practices should include sustainable intensification or not. Those arguing that only further productivity gains can prevent further land-use change – due to the need to feed an increasing global population – prevailed in the end, with included language reading, *“a substantial increase of the application of biodiversity friendly practices, such as sustainable intensification, agroecological and other innovative approaches...”*

#### - Target 13 & Goal C – Benefit sharing

#### Goal C

The most notable aspect of the final text is that it refers to the sharing of benefits from the utilisation of digital sequence information on genetic resources (DSI), in addition to genetic

resources and associated traditional knowledge, which stipulates that “DSI” is formally in the scope of the CBD and the Nagoya Protocol (which has previously been contested by parties such as Switzerland, Japan and Korea). The stated aim is to substantially increase the monetary and non-monetary benefits from utilisation-by 2050 which should contribute to conservation and sustainable use of biodiversity, with a safeguard for the protection of associated traditional knowledge.

### Target 13

After difficult and inconclusive discussions during the negotiation process, including on whether Parties could “ensure” an increase in benefits, the final text sets the target to be to “facilitate a significant increase of the benefits shared”, including from the utilization of DSI. Like Goal C, the target stipulates that DSI is formally in the scope of the CBD and the Nagoya Protocol.

#### - Target 15 – Business responsibilities

This target represents one of the most high-profile items on the COP15 negotiation agenda. Target 15 speaks directly to the expectations and responsibilities of business, with a special focus on large transnational companies. The biggest discussion items comprised whether to include language on [mandatory] disclosure requirements on biodiversity risks, dependencies and impacts, and a proposed reduction goal to reduce [by half] negative impacts on biodiversity.

The CG for T15 met on December 13 and December 15, with intense negotiations taking place. Brazil indicated support to include the call for mandatory requirements, if reporting on Access and Benefit Sharing (ABS) would also be referenced. The UK made an intervention stating that calling for mandatory requirements does not automatically result in certainty for business unless it is made clear what it is that actually would be mandatory. India stated that putting the word ‘mandatory’ in a CBD framework will set an incorrect precedent as that degree of prescriptive language belongs in a body like the WTO – not the CBD. Other parties, including Japan, pointed out that mandatory means *require by law* – further stating that many nations are not yet in an advanced enough stage to already have the infrastructure needed in place to launch a nature reporting framework on a national level. After the CG session on December 13, many brackets remained intact. Brazil’s proposed text on ABS reporting remained in brackets under para (c) [Comply and report on access and benefit-sharing, as applicable;]

Further discussions on December 15 sought to streamline the text and seek compromise. Switzerland proposed improved and clarifying language for para (c) on ABS reporting, seeking to make it clear which terms would fall under reporting as some of the information is confidential, and also wanting to ensure compliance with the Nagoya protocol. The new language read: [Report on compliance with access and benefit-sharing regulations and measures, as applicable]. Other noteworthy developments included Argentina taking a

hard stance on the question of lifting the brackets for “mandatory”, stating that they could only agree to the inclusion of mandatory requirements if parties were to simultaneously agree to delete the language pertaining to the reporting encompassing the, ...*supply and value chains and portfolios*.

The final text emerged as a far less prescriptive target, with multiple instances of qualifiers allowing flexibility down to the national level of implementation. It further seems the GRULAC proposal of removing mandatory, while retaining the text on *operations, supply chains and portfolios*, was ultimately adopted. The final text also does not include any specified reduction goal. The word *mandatory* is not included in the in the final text of T15.

#### - Target 19.1 & Goal D – Financial resources

Discussions on this target were deeply intertwined with the work of the Contact Group on Resource Mobilization (RM) below and on those of Goal D. In order to establish the difference in scope between these two workstreams, the chairs and parties repeatedly referred to Target 19.1 as the “what” and to RM as the “how”.

A decision was made on this target at the plenary session on the early hours of 19 December as part of the decision on the Kunming-Montreal Global Biodiversity Framework on document [CBD/COP/15/L25](#). The decision includes the objective of mobilizing USD\$200 billion per year by 2030 raised from domestic, international, public and private sources. The list of sources to meet that objective was the main topic during the negotiations. In the decision, the list includes: a) financial resources from developed countries and countries that voluntarily agree to provide resources, b) domestic resource mobilization, c) private finance, d) innovative schemes (payment for ecosystem services, green bonds, benefit-sharing mechanisms), e) Financial sources targeting biodiversity and climate, f) collective action by IPLCs and non-market approaches, and g) enhancing existing sources.

The main difference between the final version of the non paper, version 3, and the one decided at COP15 after ministerial consultations is the removal of the proposal for creation of a new “Global Biodiversity Fund”, which had been strongly defended during negotiations by Brazil and a coalition of 70 like-minded developing countries. Additionally, while the non-paper included explicit language citing “benefit-sharing mechanisms [in the context of digital sequence information on genetic resources]” as a source, the decision did not include the text in brackets and only mentions “benefit-sharing mechanisms” without the explicit reference to DSI.

During the negotiations at the contact group level, progress was slow and parties spent a significant amount of time discussing the chapeau of the target. The dynamic of the discussions largely mirrored those of the resource mobilization working group reported here below. There was general agreement on increasing the share of private funding, and strong disagreement on extending the source of funding in paragraph (a) to “countries with the capacity to do so” in addition to developed countries. Developing countries, led by

Brazil and the DRC, also showed strong opposition to any language that would mix funding for climate and biodiversity, arguing that that can lead to “double-counting of the same pennies”.

Some of the language that had initially been included in this target was moved to Goal D, including the mention of a finance gap of USD\$700 billion and aligning financial flows with the Global Biodiversity Framework.

## **Digital Sequence Information**

Discussions on DSI were more collegial and better prepared than those on other issues, thanks to the comprehensive preparatory process. Key divergences centred on whether a process or a mechanism should be established, and whether the mechanism should be purely multilateral or integrate national obligations (“hybrid”) in certain cases. Initial strong support by several countries for a hybrid approach was progressively weakened over the course of the discussions, which took place principally in a closed Friends of Chair group. Towards the end of COP15, a draft decision with a limited number of brackets was delivered giving Ministers two options, to establish A) a time bound process to define modalities and operationalise a benefit sharing mechanism or B) a global mechanism for sharing benefits from the use of DSI to be developed and operationalised before COP16, without prejudice to existing national legislative arrangements.

Ministers submitted their recommendations to the COP15 Chinese President who then issued non-papers on all the key issues in the package, including DSI. The DSI non-paper opted to establish a mechanism at COP15 (Option B) retaining the problematic proviso - “without prejudice to existing national legislative arrangements”- which could leave the door open to a hybrid mechanism. This was subsequently negotiated out of the text during closed-door ministerial discussions. The final text in paragraph 16 “*Decides to establish, as part of the post-2020 global biodiversity framework, a multilateral mechanism for benefit-sharing from the use of digital sequence information on genetic resources, including a global fund*”.

During OEWG and COP15, ICC made three well-received interventions on: the need to open a path towards finding solutions for a simpler, more effective and workable ABS system; [the problems and impracticality of hybrid approaches](#); and [a proposal for a future system to be assessed against its potential to allow countries to include their genetic resources on a voluntary basis](#). The latter was formally supported by Canada and included without opposition to the annex of issues for further consideration during the Friends of Chair discussions.

The outcome of COP15 on DSI was overall positive. The multilateral nature of a mechanism was finally confirmed in the decision, with potential hybrid elements reduced to possible exceptions identified during the process. The decision also includes language that opens



the door to a system that could integrate an opt in for genetic resources , which had looked very unlikely before COP15. The timeframe set to develop a system is however very short and continued active engagement will be necessary to ensure a workable outcome .

The DSI discussion also had repercussions in different parts of the GBF and in other areas. Goal C and Target 13 on ABS now include benefit sharing on DSI, and the multilateral benefit sharing mechanism on DSI is cited as an additional source of resources in the resource mobilization decision. Reporting on ABS was also introduced by Brazil in Target 15, and subsequently clarified to mean compliance with ABS regulations and measures further to ICC intervention.

The ICC delegation actively engaged with negotiators as well as with other stakeholders. There as good alignment on positioning with academia and productive discussions on future collaboration with IPLCS.

### **Resource Mobilization & the Financial Mechanism**

A contact group was created for this subject within Working Group I. Discussions on this topic were deeply linked to those on Target 19.1 and Goal D. The co-chairs and parties repeatedly referred to Target 19.1 as the “what” and to resource mobilization (RM) as the “how”. Resource mobilization was one of the most divisive issues in the negotiations and the last one to be resolved, at some point putting at risk the adoption of the entire Global Biodiversity Framework, as detailed in the introductory paragraphs of this report.

Arguably, the biggest progress made on this topic was done during the very first hour of meetings of the contact group. In that session, the co-chairs proposed to divide the RM strategy into a two-step proposal including: i) An interim “quick-start” strategy for resource mobilization for the 2022 to 2024 period, and ii) An intermediate phase for the 2025-2030 period. Parties were generally supportive of this approach and there was almost unanimous agreement that a fully-fledged strategy would likely not be decided by the end of COP15.

A decision was made during the plenary session on the early hours of 19 December, after new text had been produced during ministerial consultations in document [CBD/COP/15/L29](#). The new text was not open to discussion in plenary but instead was adopted in bulk along with the decisions on the Global Biodiversity Framework, DSI, and other important issues.

The decision adopted requests the Global Environment Facility (GEF) to create a Special Trust Fund (GBF Fund) to provide immediate support for the implementation of the Kunming-Montreal Global Biodiversity Framework. The trust fund is to be established in 2023 and stay in place until 2030, unless parties decide to extend it. This fund will receive

financing “from all sources”, including private sector. The decision also creates an Advisory Committee on Resource Mobilization based on the terms of reference on Annex II of the document. The mandate of that advisory committee includes: i) whether to create a Global Biodiversity Fund separate from the GEF under the authority of the COP, ii) whether the newly created Special Trust Fund under the GEF should be designated as “Global Biodiversity Fund” and therefore fulfill the role of numeral one, iii) whether the funding mechanism in the first two numerals, or another alternative, will be the entity to receive and disburse the revenue generated by the multilateral mechanism on DSI.

During the contact group negotiations that led to this decision three distinct groups could be identified. A first group led by Brazil and the Democratic Republic of Congo (DRC) advocating for the main source of finance to be a new “Global Biodiversity Fund” under the authority of COP and separate from the GEF. A second group led by Colombia, Costa Rica, Peru, Mexico and Chile advocating for the creation of a trust fund within the GEF with sources earmarked for biodiversity. And a third group led by developed countries arguing for funding through the GEF and with an emphasis on broadening the list of sources for resource mobilization. The DRC, and several countries from the African Group, repeatedly stated that there would be no Global Biodiversity Framework without the creation of a Global Biodiversity Fund to be established immediately after COP15. Brazil, on the other hand, seems to have provided flexibility in its position and agreed to subject the creation of that fund to the work of the advisory committee.

### **Nagoya Protocol Article 10 – Specialized Instruments**

According to article 10 of the Nagoya Protocol, parties shall consider the need for and modalities of a global multilateral benefit-sharing mechanism to address the fair and equitable sharing of benefits derived from the utilization of genetic resources and traditional knowledge associated with genetic resources that occur in transboundary situations or for which it is not possible to grant or obtain prior informed consent. Discussion on this article was short, and led to the decision “to revisit the issue of the need for and modalities of a global multilateral benefit sharing mechanism as provided in Article 10 of the Nagoya Protocol at its fifth meeting” (i.e. during COP-16 in 2024 in Türkiye).

### **Outside the negotiations**

A very active [parallel programme of events](#) took place on the margins of the negotiations, many of which related to business. These included a [side event](#) organized by ICC with the DSI Scientific Network on the enabling environment for developing a bio-economy which was well attended and received. A group of investors [launched Nature Action 100](#), a new global engagement initiative of investors to work on ensuring that companies in systemically important sectors are taking timely and necessary actions to protect and restore nature and ecosystems.