



IUCN Briefing for BBNJ negotiators

Financial Resources and Mechanism, Part VII (Article 52)

To enable all States to fulfill their responsibilities to safeguard ocean health, States Parties, including developing States, will need access to financial and in-kind support. Part VII on Financial Resources and Mechanism is vital. To ensure timely access, Article 52 should be framed to embrace multiple avenues for mobilizing, delivering and coordinating resources, including the Global Environment Facility but also public-private partnerships, amongst others. For this purpose, it may be useful to consider establishing a subsidiary body on finance within Article 52.

1. Financial and in-kind support will be needed to enable all States Parties, particularly developing States, to effectively implement the Agreement

Why? Financial and in-kind support will be vital for ensuring the success of the BBNJ Agreement and yet Part VII on Financial Resources and Mechanism remains bracketed. Additional resources may be needed, for example, to ratify and administer the treaty; develop, implement, and enforce area-based management tools (ABMTs) including marine protected areas (MPAs); supervise, conduct and review environmental impact assessments (EIAs); facilitate cross-sectoral cooperation and coordination (domestically and internationally); participate in strategic environmental assessments (SEAs); build capacity for marine technology transfer (CB&TT), utilize marine genetic resources (MGRs); and conduct needs-assessments. And, to support an equitable and evidence-based approach, new and additional funds and innovative finance mechanisms are also needed to fill critical gaps in scientific and technological capacity for understanding and managing our common ocean in a time of increasing threats (Harden-Davies et al., 2022.).

How: To ensure timely access to financial support for implementation, Article 52 should be framed to embrace multiple avenues for mobilizing, delivering and coordinating resources. This could include a dedicated financial mechanism, a Memorandum of Understanding with the Global Environment Facility or other bodies, but contributions from other sources, such as international development banks, governments, philanthropy, industry, scientific institutions, the private sector and public-private partnerships will also be needed.

The need for coordinating, sustaining and enhancing access to funding should be considered ahead of time. For this purpose, a subsidiary body on finance within Article 52 would be helpful. Such a subsidiary body could build off the experience of the UN Framework Convention on Climate Change, which only at its 16th Conference of Parties established a [Standing Committee for Finance](#) to assist the COP in exercising its functions in relation to the Financial Mechanism under the UNFCCC and the Paris Agreement. This Standing Committee for Finance is charged with, among other things: improving coherence and coordination in the delivery of climate change financing, rationalization of the Financial Mechanism, mobilization of financial resources, and measurement, reporting and verification of support provided to developing country Parties. Additional examples for establishing or designating a Financial Mechanism and its relationship to the COP may be drawn from CBD [Article 21](#) and [Article 39](#).

{Part VII FINANCIAL RESOURCES AND {MECHANISM}} {Article 52 Funding}

{1. Funding in support of the implementation of this Agreement, in particular capacity-building and the transfer of marine technology under this Agreement, shall be adequate, accessible, transparent {, sustainable and predictable} and {both voluntary and mandatory} {voluntary}.}

1bis. Financial Mechanism (modeled on CBD Article 21 -more details may be needed)

1bis(a). There shall be a mechanism for the provision of financial resources to developing country Parties for purposes of this Agreement on a grant or concessional basis. The operations of the



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mechanism shall be carried out by such institutional structure as may be decided upon by the Conference of the Parties at its first meeting. The Conference of the Parties shall determine the policy, strategy, programme priorities and eligibility criteria relating to the access to and utilization of such resources.

1bis.(b)The Contracting Parties shall consider strengthening existing financial institutions to provide financial resources for the conservation and sustainable use of biological diversity.....

2. Funding may also be provided through public and private sources,...
3. States Parties shall ensure that, ...
4. A voluntary trust fund to facilitate the participation ...

[Alt.1

5. In addition to the voluntary trust fund, a special fund **managed by the Financial Mechanism specified in Article 1bis** ~~[may]~~~~[shall]~~ be established by the Conference of the Parties to **support implementation of the Agreement and undertake any other functions as agreed by the States Parties.**

6. The funding mechanisms established under this Agreement shall be aimed at ensuring efficient access to funding through simplified approval procedures and enhanced readiness of support for developing States Parties, in particular least developed countries, landlocked developing countries, geographically disadvantaged States, small island developing States, coastal African States and developing middle - income countries.

7. Access to funding under this Agreement shall be open to developing States Parties [on the basis of need] [, taking into account the **results of needs-based assessments** ~~for assistance~~ of States Parties with special requirements, in particular least developed countries, landlocked developing countries, geographically disadvantaged States, small island developing States, coastal African States and developing middle-income countries].

7.bis A Standing Committee for Finance shall be established as a subsidiary organ of the Conference of the Parties for improving coherence and coordination in the delivery of BBNJ financing, rationalization of the financial mechanism or mechanisms, mobilization of financial resources, and measurement, reporting and verification of engagement with developing State Parties.

For more information, see:

[BBNJ IGC4 Knowledge Series | IUCN](#) (all resources are compiled here)

Global Ocean Trust Policy Brief, 2022. [BBNJ Economics and Finance](#)

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