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COP16: An important milestone for equity despite major disagreements

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The Convention on Biological Diversity (CBD) COP16 was held from 21 October to the early hours of the morning of 2 November in Cali (Colombia), two years after the adoption of the historic Kunming-Montreal agreement (IDDRI, 2023). Under the presidency of Colombia, this conference saw considerable debate and divergence between the countries of the North and South, leaving some crucial decisions unresolved. However, significant progress was made. What happened at COP16, and what challenges lie ahead, particularly for COP17, scheduled to take place in Armenia in October 2026?

Procedural equity: a significant step forward

One of the most significant outcomes of COP16 is the creation of a subsidiary body dedicated to the inclusion of indigenous peoples and local communities. This body, which symbolizes improved procedural justice, guarantees that the voices of these populations will be better heard and taken into account during future negotiations. The newly created subsidiary group will be tasked with supporting and assessing the implementation of CBD decisions related to indigenous peoples and local communities, while advising the COP on measures to preserve and value their traditional knowledge in biodiversity conservation. 7 of the 23 targets of the Global Biodiversity Framework (GBF) make explicit reference to the in-depth knowledge and key role of indigenous peoples in the protection and sustainable use of biodiversity, as highlighted by IPBES in 2019.

Another symbolic and important decision for these populations and Colombia is the recognition of the role of people of African descent, as the UN International Decade for People of African Descent 2015-2024 draws to a close. People of African descent are descendants of victims of the transatlantic slave trade and more recent migrants, representing some of the poorest and most marginalized groups of population. They often embody traditional ways of life, and also play a crucial role in biodiversity conservation in some countries, particularly in Latin America. Countries are therefore now more encouraged to facilitate their participation in CBD discussions.

The Cali Fund: a promising success

Among the positive achievements of COP16, the creation of the Cali Fund is undoubtedly the most significant. Long called for by many developing countries, this fund embodies a recognition of the need for a more equitable distribution of the benefits linked to the use and exploitation of genetic resources by the private sector, in order to support the protection of biodiversity.

The Cali Fund is an innovative financial mechanism to which, each year, users of Digital Sequence Information (DSI) should contribute a percentage of their revenues (0.1%) or profits (1%). The fund is planned to be managed by the United Nations via the Multi-Partner Trust Fund Office (which already oversees various humanitarian and environmental funds), thus operating outside the framework of the Global Environment Facility (GEF), as requested by certain developing countries, and supervised by a steering committee reporting to the CBD. Large companies, particularly those in sectors such as pharmaceuticals, biotechnology, cosmetics, plant and animal breeding, as well as IT services linked to artificial intelligence, will be encouraged to participate with a view to obtaining a ‘certificate’ of compliance.

The fund plans to earmark 50% of its resources for direct payments to indigenous peoples and local communities. In terms of financial potential, revenues from the sectors concerned were estimated at over USD 1,500 billion in 2024 and could reach up to USD 2,300 billion by 2030. If the contributions are respected, the fund could therefore mobilize significant amounts for biodiversity and indigenous peoples and local communities. However, a number of challenges remain: guaranteeing the effective participation of companies, accurately monitoring the use of DSI to identify who should contribute (who is using DSI?), as these companies can easily claim that they are not using them, and ensuring that the fund becomes operational quickly. COP17 and subsequent COPs will need to return regularly to the arrangements for making the fund operational in order to clarify and improve them.

Setbacks and postponements: the question of financing remains unresolved

Despite these advances, the negotiators were divided on the issue of financing, and in particular the creation of a more ‘general’ fund for biodiversity and developing countries. Colombia undertook to propose a solution, but the lack of consensus and the fatigue accumulated after 24 hours of intense discussions prevented any concrete result. No

decision was reached on this issue, as some delegates had already left before the end of the discussions.

This lack of agreement reflects wider problems: the gap between the needs of recipient countries and the capacity of multilateral funds to meet them, and the difficulties faced by countries in the global South in accessing multilateral funding mechanisms. Developing countries were calling for a new fund, with different governance and distribution mechanisms from the existing funds, but contributing countries were reluctant to multiply the number of financial mechanisms. The question now is whether the reform of the Global Environment Facility (GEF), scheduled for 2025-2026, and the development of the Global Biodiversity Framework Fund (GBF Fund), created by COP15 and placed under the GEF, will be able to meet expectations (IDDRI, 2024), and whether the Cali Fund will really pave the way for significant new funding. As yet, the announcements of an additional USD 163 million in financial pledges to the GBF Fund, bringing total pledges to this fund to just over USD 400 million, have not convinced developing countries.

This focus on the issue of a new multilateral fund had a knock-on effect on the resource mobilization strategy, on which a text had been proposed by the Presidency, but which could not be adopted either. It was not limited to North-South flows, but also addressed key points such as encouraging the mobilization of domestic funding, reforming or eliminating harmful subsidies (an aspect that will need to be seriously strengthened), as well as the crucial link between the lack of funding for biodiversity and debt issues and the necessary reforms of the international financial institutions.

A colossal task ahead

As COP16 has closed its doors, much remains to be done. Since COP15, more than 40 countries have submitted national strategies aligned with the global framework, and nearly 120 have defined national targets. This dynamic, which has accelerated in the few days leading up to the COP, shows that the momentum generated by the Kunming-Montreal agreement is not running out of steam. However, the road ahead remains full of pitfalls: nearly a hundred national strategies are still missing, and the quality of those already submitted varies widely (Kok *et al.*, 2024). Parties will then have to ensure that they are implemented, by mobilizing all the stakeholders. At COP16, the inability of governments to agree on crucial points left a vacuum, and the new Cali Fund, which has yet to prove its ability to generate results, highlights the need to rely on civil society as an essential watchdog of vigilance and commitment to biodiversity.

Non-state actors were very much in evidence in Cali. Alongside the official negotiations, the enthusiasm of civil society and businesses was palpable, with more than 20,000 participants adding to the excitement in Cali. COP16 saw the launch of new initiatives aimed at improving transparency, reporting and the commitment of companies to nature-positive economic pathways. However, the lack of coordination at the structural level of the sectors, via the COP, the action of States or international organizations, does not point to a real paradigm shift beyond the spheres of biodiversity.

Towards COP17: maintaining the momentum

The lack of consensus and time in the final hours also prevented the adoption of clear modalities for the global review (Iddri-PBL, 2024), scheduled to begin next year and culminate at COP17. This global review, which is intended to take stock of the GBF mid-term progress, is crucial as it should make it possible, by collecting as much feedback as possible, to identify the levers and elements that need to be unlocked without waiting until the end of the period in 2030. Similarly, it has not been possible to finalize the monitoring framework for the GBF, which required clarification of certain indicators. This decision, included in a final ‘package’ encompassing several major points (DSI, planning, mobilization of resources, etc.), has been postponed, leaving some stakeholders frustrated. However, this

does not mean that the process has come to a halt. It will be important to build on the decisions of COP15 to continue the work ahead of the next COP and to ensure that the global mid-term review at COP17 is solid and supported by State Parties as well as civil society, which will have a key role to play in informing this review.

Armenia, the host country of COP17, has inherited a major responsibility for facilitating these negotiations and giving impetus to the implementation of the global framework in 2026. It could be supported by Colombia, which holds the presidency for the next two years.

COP16 as a sign of the difficulties of multilateralism

The final session of the COP was adjourned on Saturday morning, as the quorum of government representatives was no longer reached. As a result, the final plenary did not complete all the items on its agenda, including resource mobilization and the global review. This has happened in the past, albeit on more procedural matters. In this case, sessions may have been added between COPs, on the occasion of other multilateral events such as meetings of the COP's subsidiary bodies. However, the scale of the discussions still to be held following the Cali summit raises questions about the future meetings that could bring this COP to a definitive conclusion. The CBD Bureau, made up of representatives elected by the various countries, will be responsible for making this decision.

While it was clear at COP16 that it is ever more important to continue global discussions on environmental and development issues, the fact that it was impossible to reach a consensus highlights the difficulties faced by the multilateral system in orchestrating these dialogues and ensuring their coherence (IDDRI, 2023). COP29 of the Climate Convention (IDDRI, 2024), which begins in Baku on 11 November, and COP16 of the United Nations Convention to Combat Desertification (UNCCD), to be held in Riyadh from 2 December, are likely to experience similar tensions.

Other forums are also key to finding solutions to the challenges of financing environmental transitions, in particular by mobilizing finance ministries, development banks and the financial sector. Brazil tackled this issue as part of its presidency of the G20 this year (IDDRI, 2024)–and should address it again at the summit in Rio on 18 and 19 November. Among other things, it adopted high-level principles for the bioeconomy and unveiled its proposal to create a new type of fund to finance the preservation of standing forests (Tropical Forest Finance Facility). Brazil is making these key topics part of its COP30 on climate change presidency in 2025, which the country wishes to focus on the links between climate and biodiversity, both in terms of the links between UN conventions and concrete progress for a number of ecosystems that are central to climate and biodiversity, such as tropical forests.

In the meantime, 2025 will be punctuated by key events on the international agenda to facilitate a discussion on the quantity, quality and operational convergence of financing for development, climate and biodiversity, with South Africa taking over the presidency of the G20, which will give rise to a year-long programme of work culminating in the end-of-year summit; the Finance in Common Summit, bringing together the development banks in February 2025, also in South Africa; the 4th International Conference on Financing for Development (FfD4) in June-July 2025 in Seville (IDDRI, 2024), ten years after the Addis Ababa Conference which preceded the adoption of the 2030 Agenda and the Sustainable Development Goals in 2015; and the regular agenda of the spring and fall meetings of the World Bank and the International Monetary Fund.

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