



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

GEF/C.45/Inf.07
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**PROGRESS REPORT ON THE NAGOYA PROTOCOL IMPLEMENTATION
FUND**

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APPROVED PROJECTS

1. During the reporting period of November 2012 to November 2013, the GEF approved three country-based projects (Bhutan, Costa Rica, and Gabon), and one regional-project for the ten member-countries of the Central African Forests Commission (COMIFAC).

Implementing the Nagoya Protocol on Access to Genetic Resources and Benefit Sharing in Bhutan (UNDP; GEF \$1M, co-financing \$2M)

2. This project will develop and implement the necessary national Access and Benefit Sharing (ABS) measures to ratify and implement the Nagoya Protocol, and to facilitate the discovery of nature-based products in Bhutan. Specifically, the GEF funds will be used to strengthen the national regulatory and institutional framework on Access, to build the necessary capacity and awareness for implementation of the national Benefit Sharing framework, and to pilot agreements on ABS. From this pilot, the project expects to get five lead compounds to be identified and considered for the development of cosmetic and pharmaceutical products, two trial products for the cosmetics and pharmaceutical industries, and two ABS agreements with the private companies. The partners in this project include the Government of Bhutan, the Bhutan Conservation Trust Fund, and Nimura Genetic Solution.

Promoting the Application of the Nagoya Protocol through the Development of Nature-based Products, Benefit-sharing and Biodiversity Conservation in Costa Rica (UNDP; GEF \$1M, co-financing \$4.6M)

3. This project will implement the Nagoya Protocol on Access and Benefit Sharing of Genetic Resources through the development of nature-based crop-protection products and the strengthening of the capacity of the National Commission for the Management of Biodiversity, the Costa Rican ABS national authority. GEF funds will be used to complete the gaps in the scientific research process needed to validate the potential sugar alkaloid derived from the tree of the genus *Lonchocarpus*, and a micro fungus derived compound for crop-protection products. The compound is an activator of the natural defense systems of plants and has the potential to be developed into a product that could be labeled as a Bio-Activator of Resistance against both fungal and bacterial diseases in crops like bananas and coffee. GEF funds will also be used to strengthen the national institutional capacity on ABS, resulting in a proposal to modify the current national ABS framework and in the ratification of the Nagoya Protocol, which will thus contribute to the early entry into force of this internationally legally binding protocol.

The implementation of activities related to Nagoya Protocol on Access and Benefit Sharing (ABS) in Gabon (Component 4 under the project “Sustainable Management of Critical Wetlands Ecosystems” WB; GEF- NPIF \$1M).

4. This project will carry out basic domestic measures for the implementation of the Nagoya Protocol (NP). Gabon was the first African country to ratify the NP. The GEF will support the following activities: 1) Stocktaking and assessment: ABS provisions in existing policies, laws and regulations, stakeholder identification, user rights and intellectual property rights, as well as institutional capacity including research organizations adding value to genetic

resources (i.e. bio-prospecting); 2) Development and implementation of a strategy and action plan for the implementation of ABS measures (i.e. policy, legal, and regulatory frameworks governing ABS, National Focal Point, Competent National Authority, Institutional agreements, administrative procedures for ABS Agreements with proper Prior Informed Consent (PIC), Mutually Agreed Terms (MAT), and Benefit Sharing, monitoring of use of genetic resources, compliance with legislation and cooperation on trans-boundary issues; 3) Building capacity among stakeholders (including indigenous peoples, local communities) to negotiate ABS agreements, including domestic protocols, model contractual clauses, and minimum requirements to secure the fair and equitable sharing of benefits. Countries may want to consider using some of the financial resources to build institutional capacity to carry out research and development associated with the valorization of genetic resources (bio-prospecting).

Ratification and Implementation of the Nagoya Protocol for the Member countries of the Central African Forests Commission COMIFAC (UNEP; GEF \$1.7M, co-financing \$8.3M)

5. This project will support the ratification and implementation of the Nagoya Protocol in the ten member countries of the Central African Forests Commission (COMIFAC). By the end of the project, the 10 countries of COMIFAC (Burundi, Cameroon, Chad, Central African Republic, Democratic Republic of Congo, Equatorial Guinea, Gabon, Republic of Congo, Rwanda and Sao Tome & Principe) will have ratified and started implementing basic provisions of the Nagoya Protocol. Gabon and Rwanda, who ratified the Nagoya Protocol already, would be using this project for implementation of basic measures and to participate in regional activities. This is the first regional project funded by the NPIF in support of ratification and implementation of the Nagoya Protocol. COMIFAC was selected because there is significant political support for ABS in the region. Indeed, COMIFAC members signed an agreement on regional cooperation in 2011 (*"Stratégie des pays de l'espace COMIFAC relative à l'accès aux ressources biologiques/génétiques et au partage juste et équitable des avantages découlant de leur utilisation"*). This regional presidential agreement is unique not only in Africa but around the world, and will be a centerpiece of this project. In addition, the ABS Capacity Building Initiative has been working with COMIFAC and other African nations to build institutional and individual capacities in order to move the ABS agenda forward. This GEF project will coordinate with the upcoming ABS project in support of COMIFAC that will be funded by Germany.

PROJECTS UNDER PREPARATION

6. A regional project is currently under development in the Pacific in support of the ratification and implementation of the Nagoya Protocol, as well as several country-based projects in Africa and in Latin America and the Caribbean. The GEF Secretariat is expecting to review at least two additional country-based MSPs submitted for approval before the Council meeting in November 2013.

OTHER ACTIVITIES

7. The GEF Secretariat will organize a high-level event entitled “*Private Sector and Biodiversity-based Innovation: Forward Looking*” to be held in the fall of 2013. This high-level meeting will help the GEF to promote the Nagoya Protocol and the Nagoya Protocol Implementation Fund (NPIF), and to assist in identifying the type of interventions that the GEF should engage the private sector, including support for enabling policy environments, financial assistance, corporate alliances, and capacity building/incubation for innovation. Representatives from the cosmetics/body care and pharmaceutical industries will participate in the event.

ANNEX 1. LIST OF ALL APPROVED NPIF PROJECTS

Projects under the Nagoya Protocol Implementation Fund (NPIF)

All amounts shown in US\$

#	GEF ID	Country	Agency	Project Title	PPG Amt.	PPG Fees	NPIF Project Grant	Project Agency Fee	NPIF Grant	Cofin.	Total Project Cost
<u>Biodiversity</u>											
1	5172	Global	UNEP	Global Support for the Entry into Force of the			1,000,000	100,000	1,000,000	627,500	1,627,500
2	5454	Regional (Burundi, Central African Republic, Congo, Cameroon, Gabon, Equatorial Guinea, Rwanda, Sao Tome and Principe, Chad, Congo	UNEP	Ratification and Implementation of the Nagoya Protocol for the Member countries of the Central African Forests Commission COMIFAC	63,927	6,073	1,762,557	167,443	1,826,484	8,300,000	10,126,484
3	5448	Bhutan	UNDP	Implementing the Nagoya Protocol on Access to	45,000	4,275	1,000,000	95,000	1,045,000	2,000,000	3,045,000
4	5160	Colombia	UNDP	The Development and Production of Natural Dyes in the Choco Region of Colombia for the Food, Cosmetics and Personal Care Industries Under the Provisions of the Nagoya Protocol	20,091	1,909	980,000	98,000	1,000,091	1,516,500	2,516,591

All amounts shown in US\$

#	GEF ID	Country	Agency	Project Title	PPG Amt.	PPG Fees	NPIF Project Grant	Project Agency Fee	NPIF Grant	Cofin.	Total Project Cost
5	5420	Costa Rica	UNDP	Promoting the Application of the Nagoya Protocol through the Development of Nature-based Products, Benefit-sharing and Biodiversity Conservation	25,000	2,375	979,566	93,059	1,004,566	4,619,309	5,623,875
6	5170	Fiji	UNDP	Discovering Nature-Based Products and Building Capacities for the Application of the Nagoya Protocol on Access to Genetic Resources and Benefit Sharing	30,000	3,000	970,000	97,000	1,000,000	2,370,000	3,370,000
7	4780	Panama	UNDP	Promoting the application of the Nagoya Protocol on Access to Genetic Resources and Benefit Sharing in Panama			1,000,000	100,000	1,000,000	3,422,000	4,422,000
Sub-total for Biodiversity					184,018	17,632	7,692,123	750,502	7,876,141	22,855,309	30,731,450
Multi Focal Area											
8	5264	Gabon	World Bank	Sustainable Management of Critical Wetlands Ecosystems	50,000	4,750	950,000	90,250	1,000,000	3,416,344	4,416,344
Sub-total for Multi Focal Area					50,000	4,750	950,000	90,250	1,000,000	3,416,344	4,416,344

All amounts shown in US\$

#	GEF ID	Country	Agency	Project Title	PPG Amt.	PPG Fees	NPIF Project Grant	Project Agency Fee	NPIF Grant	Cofin.	Total Project Cost
				<u>Grand Total</u>	234,018	22,382	8,642,123	840,752	8,876,141	26,271,653	35,147,794

ANNEX 2. FINANCIAL REPORT FROM TRUSTEE

Nagoya Protocol Implementation Fund
Status of Pledges and Contributions as of
August 31, 2013

1	Total Pledges Outstanding and Contributions Finalized				Pledges Outstanding			Contribution Agreements Finalized			
	2	3 = 5 + 7	4 = 6 + 9 + 11	5	6	7 = 8 + 10	Paid (Receipts)		Unpaid		
							8	9	10	11	
Contributing Participant	Currency	Total Contribution	USDeq. a/	Amount	USDeq. a/	Total Contribution	Amount Paid in Currency	USDeq. b/	Amount Due in Currency	USDeq. a/	
France	EUR	1,000,000	1,249,400	0	0	1,000,000	1,000,000	1,249,400	0	0	
Japan	JPY	1,000,000,000	12,241,400	0	0	1,000,000,000	1,000,000,000	12,241,400	0	0	
Norway	NOK	6,000,000	1,007,980	0	0	6,000,000	6,000,000	1,007,980	0	0	
Switzerland	CHF	1,000,000	1,052,122	0	0	1,000,000	1,000,000	1,052,122	0	0	
United Kingdom	USD	500,000	500,000	0	0	500,000	500,000	500,000	0	0	
			<u>16,050,903</u>		<u>0</u>			<u>16,050,903</u>		<u>0</u>	

a/ Valued at the exchange rates available on - August 31, 2013
b/ Represents the actual US dollar value of paid-in cash contributions.

Trust Fund for Nagoya Protocol Implementation Fund

**Schedule of Funds Available as of
August 31, 2013**

	-	13,989,358	0	(in USDeq.)
<u>1. Funds held in Trust</u>	-			13,989,358 <i>a/</i>
Cash and investments		13,989,358		
Promissory notes			0	
 <u>2. Approved Amounts pending disbursement</u>	 -			 8,257,479
Amounts Trustee Committed		919,854		-
Amounts pending Council/CEO approval and/or CEO endorsement		7,337,625		
Monthly approvals for processing			0	
 3. Funds Available for Council/CEO approval and/or CEO endorsement (3 = 1 - 2)				 <u><u>5,731,879</u></u>

a/ unencashed promissory notes and amounts pending FX are valued at exchange rate as of - August 31, 2013