



BIOFIN

The Biodiversity Finance Initiative



PROJECT:

The Biodiversity Finance Initiative (BIOFIN)

IMPLEMENTING

PARTNER:

National Environment Management Authority (NEMA)

PROJECT NUMBER

00133243

RESPONSIBLE

PARTNER/S:

Ministry of Water and Environment (MWE) and Ministry of Finance, Planning and Economic Development (MFPED).

START/END DATES:

August 2023 - December 2030

IMPLEMENTATION

MODALITY:

Direct Implementation

GEOGRAPHIC REGIONS:

National (the whole country)

BIOFIN FACT SHEET



Introduction

The Biodiversity Finance Initiative (BIOFIN) in Uganda stands out for its unique approach of raising and managing capital, using financial and economic incentives to support sustainable biodiversity management. This global programme, managed by the United Nations Development Programme (UNDP), was developed in 2010 after the 10th Convention on Biological Diversity (CBD) Conference of Parties (COP-10) identified the need for information, past expenditures, and future

financing needs. Launched in 2012 during COP-11, with the first workbook developed in 2014, BIOFIN has been adopted by 40 countries, including Uganda. The programme has developed, piloted, and continuously improved a methodology to measure existing biodiversity expenditure levels, assess future financing needs, and design comprehensive plans to use finance tools and solutions that increase financing, effectiveness, and efficiency of biodiversity management in approximately 40 countries.



Key Objectives of the BIOFIN Project:

To close the global financing gap for the conservation and sustainable use of biological diversity by assisting developing countries in identifying, accessing, combining, and sequencing sources of biodiversity funding to meet their specific needs.



Approach employed by BIOFIN:

It entails a methodology that supports countries like Uganda in reviewing, measuring, analyzing, estimating, and developing a national biodiversity finance plan to implement the most suitable **finance solutions**. It is a global platform seeking to improve the management of nature and nature's services by enhancing understanding and using finance solutions.

Biodiversity matters significantly because of its value in achieving the Sustainable Development Goals (SDGs). It contributes not only to SDGs 14—life below water and 15—life on land, but also to SDGs 1—no poverty, 2—zero hunger, 3—good health and wealth being, 6—clean water and sanitation, and 13—climate action. Its valued contribution to SDGs can also be seen in tangible resources such as fisheries, forestry, and tourism, among others. The BIOFIN project plays a crucial role in ensuring the preservation of biodiversity for these goals.





Key Achievements by BIOFIN Uganda

BIOFIN Uganda began its implementation in 2015 and ended in 2019 under Phase I. During this phase, the country generated four (04) deliverables – these include a Policy and Institutional Review (PIR), the Biodiversity Expenditure Review (BER), the Finance Needs Assessment (FNA) and the

National Biodiversity Finance Plan (NBFP). Link <https://www.biofin.org>

Uganda has transitioned into the implementation phase for some of the eight (08) financing solutions identified in the NBFP. Three financing solutions are under implementation between 2023 and 2030.

Finance solution 1:

Develop the biodiversity index to inform the Ecological Fiscal Transfers (EFT).

The objective of the EFT is to ensure clear accountability for biodiversity investment funds through the development of an index that allows the government and funding partners to monitor biodiversity investment performance and ensure the investments are scored in line with the National Biodiversity Strategy Action Plan (NBSAP), the National Development Plan (NDP), and funding agencies' expectations. The inclusive participation of key stakeholders and the technical support from the global BIOFIN team supported the completion of the FS.

Finance solution 2:

Development of the Payment for Ecosystem Services (PES) programme.

PES is intended to enhance the stewardship role of upstream communities and their contributions to catchment management and protecting biodiversity within and outside protected areas (PAs). The inclusive participation of key stakeholders and the technical support from the global BIOFIN team supported the completion of the FS.

Finance solution 3:

Piloting ecotourism and eco-enterprises for wetlands and Ramsar sites in cities and municipalities in Uganda.

The FS seeks to support the development of sustainable use of critically endangered wetland systems of national and global importance. It will also contribute to the nature pledge's transformative goals of value, economic and financial shifts, and policy and practice shifts. The inclusive participation of key stakeholders and the technical support from the global BIOFIN team supported the completion of the FS.



Impact: Tangible impact and outcomes resulting from BIOFIN interventions in Uganda

The BIOFIN helped achieve the following:

1. Estimate the cost of implementing the second National Biodiversity Strategy Action Plan (NBSAPII). On average, Uganda requires about UGX 472.6 billion for biodiversity conservation and management per fiscal year.
2. It has led to Uganda developing a comprehensive national finance plan for biodiversity conservation.
3. It has led to Uganda assessing the impact of specific policies and actions on biodiversity, such as the impact of agricultural subsidies on biodiversity.

Thanks to the BIOFIN, Uganda has accelerated implementation of measures to protect biodiversity, identifying opportunities to increase domestic resources towards biodiversity conservation such as using stimulating solutions and economic instruments like ecotourism, Payment for Ecosystem Services (PES), and Ecological Fiscal Transfers (EFTs), among others. These initiatives will contribute to sustainably using, managing nature's contribution to people including ecosystem functions and services valued, maintained, and enhanced to support the achievements of the SDGs and future generation by 2050.



CONTACT INFORMATION:

United Nations Development Programme (UNDP)
 Plot 11, Yusuf Lule Road, Nakasero
 P.O. Box 7184, Kampala, Uganda
 Phone: +256 417 112100/30 Fax: +256 414 344801
 Email: registry.ug@undp.org
 Website: <https://www.undp.org/uganda>

