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From: Luis Fernando Lalinde

To: Astrid Schomaker
Executive Secretary
Secretariat of the Convention on Biological Diversity
United Nations Environment Programme
413 Saint-Jacques Street, Suite 800
Montreal, Quebec, Canada

Dear Executive Secretary Schomaker,

Thank you for the opportunity to provide input on the strategic review of the Programme of Work on Protected Areas (PoWPA) in the context of the Kunming-Montreal Global Biodiversity Framework.

As an observer at COP16 and practitioner working on innovative biodiversity finance mechanisms in Latin America, I write to highlight a critical gap that emerged during negotiations in Cali and persists in current implementation efforts: the disconnect between protected area financing needs and available funding mechanisms.

Key Observations Relevant to PoWPA Review

1. **The Cali Fund as a Missing Link for Protected Areas Financing**

Element 3 of the PoWPA addresses "enabling policy, institutional, and capacity frameworks," yet the Programme currently lacks explicit integration with the Cali Fund - the primary new financing mechanism created under the KMGBF. This represents a significant missed opportunity.

The Cali Fund, designed to mobilize $1-10 billion annually from private sector DSI users, could directly support:

- Protected area establishment and expansion (Target 3)
- Indigenous-led conservation (50% of fund proceeds designated for IPLCs)
- Monitoring and verification infrastructure (Element 4)
- Capacity building for protected area management (Element 3)

However, five months after launch, the Fund remains without contributions. This implementation failure directly undermines PoWPA objectives and Target 3 achievement.

2. **Technology-Enabled MRV Systems for Protected Areas**

Drawing from our work developing blockchain-based Monitoring, Reporting, and Verification (MRV) systems with regional financial institutions, we observe that:

- Current PoWPA monitoring approaches (Element 4) rely on periodic assessments that are costly and provide limited real-time data
- Modern MRV technology using IoT sensors, satellite imagery, and blockchain verification can provide continuous, verifiable protected area monitoring at fraction of traditional costs
- Integration of MRV systems with biodiversity finance mechanisms (like the Cali Fund) creates transparency that attracts private capital

3. **Regional Development Banks as Implementation Partners**

The PoWPA identifies various actors but underutilizes regional development banks (CAF, IDB, AfDB, ADB) as strategic partners. These institutions:

- Have explicit mandates for nature-based financing (e.g., CAF's 40% green finance target by 2026)
- Can de-risk private sector participation through co-financing
- Reach commercial banks that finance activities impacting protected areas
- Possess technical capacity to structure innovative finance instruments

Specific Recommendations for PoWPA Revision
Addressing Guiding Question 1 (Alignment with KMGBF):

The PoWPA should be updated to:

- **Explicitly integrate the Cali Fund as** primary financing mechanism for protected area objectives
- **Add technology-enabled monitoring** as a priority activity under Element 4
- **Recognize regional development banks** as key implementing partners under Element 3
- **Connect DSI benefit-sharing to protected area conservation**, acknowledging that genetic resources come from ecosystems requiring protection

Addressing Guiding Question 2 (Target 3 Implementation):

To achieve Target 3 (30% protection by 2030), the PoWPA should:

Actors:

- CBD Secretariat coordinates with UN Multi-Partner Trust Fund Office (Cali Fund host)
- Regional development banks (CAF, IDB) provide technical assistance and co-financing
- Commercial banks contribute portion of green bond proceeds to protected area conservation
- Indigenous organizations directly access Cali Fund resources for community-led conservation

Timeframe:

- 2025-2026: Establish pilot programs linking Cali Fund contributions to protected area financing
- 2026-2027: Scale successful models across biodiverse regions
- 2027-2030: Mainstream protected area financing through multiple channels (Cali Fund, green bonds, development finance)

Revised Approach:

Rather than treating protected area financing as separate from DSI benefit-sharing, create integrated model where:

1. Companies using DSI contribute to Cali Fund
2. Fund allocations prioritize countries expanding protected area systems
3. Technology platforms verify both contributions and conservation outcomes
4. Regional development banks amplify impact through co-financing

Addressing Guiding Question 3 (Priority Goals and Targets):

For 2030 achievement, prioritize:

Goal 1.1 (Establish comprehensive protected area systems) - but add explicit financing mechanism through Cali Fund integration

Goal 2.1 (Enhance and secure involvement of indigenous and local communities) - leverage Cali Fund's 50% IPLC allocation to resource community-led conservation

Goal 3.4 (Provide for adequate financial resources) - transition from aspirational language to concrete mechanisms by operationalizing Cali Fund for protected area financing

Goal 4.2 (Develop monitoring systems) - modernize with technology-enabled MRV platforms that provide real-time, verifiable data

Case Study: Replicable Model from Latin America

I attach a detailed strategic document outlining how we are working with Banco LAFISE Honduras to create a technology-enabled pathway for contributing to the Cali Fund while financing protected area conservation. Key elements:

- Blockchain MRV system tracks biodiversity impact of bank's financed projects
- Green bond issuance includes commitment to allocate proceeds to Cali Fund
- CAF provides technical assistance and co-financing to de-risk innovation
- Model can scale to 570+ banks across Latin America

This represents exactly the type of integrated approach the PoWPA should promote: linking private sector finance, technology verification, development bank support, and protected area outcomes.

Urgent Request

The PoWPA review occurs at a critical moment. The Cali Fund's implementation failure threatens to undermine the entire financing architecture for Target 3 achievement. I respectfully urge the Secretariat to:

1. Integrate Cali Fund operationalization into PoWPA priorities - protected area financing depends on it
2. Launch pilot programs with regional development banks demonstrating how financial institutions can contribute to both Cali Fund and protected area conservation
3. Develop technology infrastructure (blockchain registry, MRV platforms) that makes contributions transparent and verifiable
4. Engage financial sector strategically as complement to pharmaceutical/biotech outreach

The biodiversity crisis demands that we connect funding mechanisms to conservation outcomes. The PoWPA revision is an opportunity to do exactly that.

I am available to discuss these observations further and offer technical support for pilot program development.

Sincerely,

Luis Fernando Lalinde
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Observer, COP16 (Cali, Colombia)

Attachment: Strategic Recommendations for Accelerating Private Sector Engagement with the Cali Fund