

Scaling up the East Asian-Australasian Regional Flyway Initiative

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Outline for the Presentation



1 Biodiversity – at the core of sustainable development

- 2 Why ADB is getting involved in the flyway initiative and what is our value addition
- **3** A Scaled-up initiative Structure, Long-term targets & key sites
- **4** Flyway Initiative Development Phase
- **5** Flyway Initiative Implementation Phase
- 6 Implementation Phase: Component 1. Investment Pipeline
- 7 Implementation Phase: Component 2. Sustainable Financing Mechanism
 - Proposed Next Steps





• Existential Crisis –

Biodiversity Extinction crisis now recognized as existential threat to human society.

- Fighting a losing battle Given the continuing decline in biodiversity despite efforts by the development community (no Aichi targets are on track), there is a need to shift the narrative around biodiversity projects from being an <u>added value</u> to being at the <u>project core</u>.
- Role of biodiversity recognized The development community is now recognizing that economic development to address poverty must delivered, but not at the expense of biodiversity. A more <u>holistic approach</u> is therefore needed to development.
- Convention on Biodiversity CoP 15, China, 2021 major opportunity for new commitments to biodiversity on the global stage
- Huge Co-benefits Biodiversity delivers <u>multiple key</u> <u>ecosystem services</u> and if explained correctly, borrowers will see the benefits of investing in biodiversity positive projects which will also benefit <u>food</u> and <u>water security</u>, <u>climate</u> and <u>disaster resilience</u>, <u>clean water</u> and <u>air</u>, <u>one</u> <u>health</u> and <u>carbon storage</u> amongst others

Why ADB is getting involved in the flyway initiative and what is our value addition



- Experience ADB has played a key role in fostering <u>regional cooperation</u> within Asia-Pacific with it even listed in the banks 1967 charter (GMS, CAREC, SASEC among others). ADB has supported key biodiversity regional programs, including the <u>GMS Core Environment Program</u>, and <u>Coral Triangle Initiative</u> on Coral Reefs, Fisheries and Food Security
- A fit with ADB's strategy ADB is preparing a <u>new biodiversity strategy</u> and road map to guide the bank in its activities and further mainstream biodiversity. The flyway program also fits well with existing core ADB Operational Priorities (OPs) including <u>Regional Cooperation</u> (OP7) and <u>Environmental Sustainability</u> (OP3)

- Stakeholder relationships ADB's strong working relationships with governments throughout the flyway, as well as with donors, key CSOs and the private sector, can <u>bring major stakeholders together</u> to <u>catalyze action</u>
- Renewed interest from donors and wider society – Given the renewed global focus towards <u>biodiversity</u>, <u>heathy ecosystems</u> and improving <u>local livelihoods</u> there has never been a better time to develop a flyway program. Furthermore, the clear interest from key countries along the flyway is further indication that this program is both <u>needed</u> and <u>wanted</u>



Flyway Initiative Two major components

COMPONENT 1 Investment pipeline

- Scaled investments at key sites, mainly formal protected areas
- Working with line ministries, and local partners and communities
- Support from multi- and bi-lateral partners, including provision of loans and grants

COMPONENT 2 Sustainable financing mechanism

- On-the-ground work at priority sites in the flyway + strategic issues
- Working outside formal protected areas and supporting critical/ specialized interventions within protected areas
- Supported by grants financing and market-based instruments
- Complementing government action

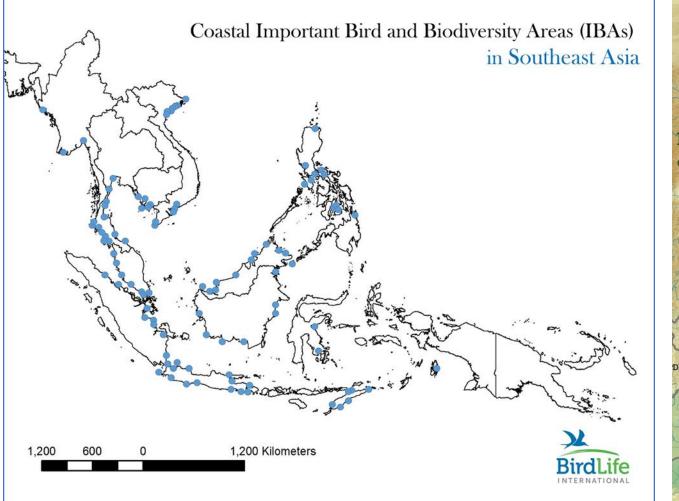
A Scaled-up Flyway Initiative – Long term targets



- **Priority Sites under Sustainable Management** Minimum of <u>50 prioritized</u> sites (est. 500,000 ha) along flyway (based on scientific criteria and national priorities) under protection / sustainable management
- Site 'favorable conservation status' improved Site specific criteria baselines set at prioritized sites, to improve site condition (such as increased habitat extent or reduced poaching). Important sites not under formal protection/ sustainable management identified, values documented, conservation status improved and, where appropriate, formal protection sought
- **Flyway Network** Development of coherent site network along the flyway linking of key sites together to ensure that all priority staging sites are protected or sustainably managed
- **Species Numbers** Populations of key target species maintained or enhanced during implementation period (where measurable)
- World Heritage Designation 16 sites of the 50 to achieve World Heritage Designation
- **Co-benefits delivered** Identified measurable co-benefits delivered including ecosystem services, economic development, green infrastructure and climate change. Local livelihoods outcomes delivered through mechanisms such as community management or sustainable natural resource management

Key Sites Along the Flyway - Context







Flyway Initiative – Development Phase



- **Delivery Schedule** From early 2021 complete by 2023
- Financing Complete grant financing (est. \$2-3 million) to facilitate development phase outputs and leverage additional financing.

Development Phase Outputs

- » <u>Confirm key sites</u> (protected and non-protected) to be targeted within the initiative for investment and granting support
- » Design of <u>targeted scaled-up investments</u> for identified sites in first phase of delivery
- » Undertake a <u>needs assessment</u> and subsequent <u>capacity building program</u> in targeted countries / locations for delivery of a scaled-up initiative

- » Develop the sustainable financing mechanism
- Continue dialogue with development partners to 'crowd in' <u>further financing for the</u> <u>initiative</u>

Flyway Initiative – Implementation Phase



- **Delivery Schedule** Expected timeframe for overall delivery: i) <u>10 years from 2020-2030</u> and ii) <u>30 years to 2050</u> reaching both short and long-term targets set out in the post-2020 biodiversity framework. The implementation may be done on a <u>5-year cyclical basis</u>.
- Focus Region and Habitats <u>China</u> and <u>SE Asia</u> will be initial focus area with potential to scale up to other regions and flyways. <u>Coastal sites</u> will be the focus of the initiative, although the approach will be guided by partners and DMC requests and will <u>remain flexible</u>



Implementation Phase: Component 1. Investment Pipeline





- Project Investment Pipeline Total estimated investment needed to secure key sites is \$2-5 billion over 30 years (including all investment partner financing)
 - Site level selection and investment The estimated site level investment would be approx. <u>\$10-50 million per site</u>, with sites selected based on, <u>high bird conservation</u> and <u>biodiversity</u> <u>value</u>, potential for capturing <u>ecosystem services</u> (e.g., water resource management, climate regulation, etc.) and clear <u>national and local community support</u>, including livelihood / job opportunities
 - » Investment Funding Sources Funding partnerships between sovereign governments with support from <u>bilateral</u>, <u>multi-</u> <u>lateral</u> and <u>civil society</u>

Common Whimbrel (G Allport/ BirdLife)





Nordmann's Greenshank (Tan Gim Cheong)

- Delivery method would include <u>loans</u>, and <u>grants</u>, including the use of new financial instrument such as 'Results Based Lending' with cyclical funding released upon confirmed results of initial projects.
- Capacity Building To make the initiative a success, support for local, national and regional capacity building programs will be essential to ensure that the <u>investments are sustainable</u> through <u>stronger institutions, policies, networks, partnerships</u>. This support would continue from <u>development into</u> <u>implementation</u>.
- Other Components During project development it is expected that other components will be identified which may be of particular importance and a <u>flexible approach</u> to the initiative will be taken to allow for other components to be added.

Implementation Phase: Component 2. Sustainable Financing Mechanism



- Model for the Mechanism could be based on the Critical Ecosystems Partnership Fund
- Comprise of <u>grant money</u> from multiple sources. \$15-20 million per cycle with <u>5</u> <u>cycles</u> expected in the <u>30-year</u> initiative total delivery horizon
- Focus would be <u>regional</u> to cover strategic level issues but will also include scope for <u>interventions at a site level</u> at key sites to complement government action.
- Action mainly at non-protected sites (but also some Protected Areas under innovative management arrangements)

- <u>Bridge the gap</u> where other sources of funding are not available
- The mechanism as a priority will also look to explore mechanisms for long-term self financing such as <u>eco-compensation</u> and <u>market-based instruments</u>
- The mechanism would also <u>support</u> and <u>compliment</u> key activities by CSOs where government funding is not available such as setting out national strategies to strengthening wetland protection.



Proposed Next Steps

- Consultation Continue to consult with partners internally and externally on the <u>scale</u> of the initiative, potential government buy-in and the <u>components to include</u> - potentially have regional workshop / conference
- Financing Seek grant funding to implement the development phase with budget of \$2 – 3 million with potential for additional cofinancing
- Approval and Launch of Concept Once agreed by partners and having secured financing, concept will be <u>launched in 2021</u>, to likely coincide with <u>CBD COP15</u>.





Thank you very much for your time and attention

