

# Umbrella Programme on Biodiversity Finance (BIOFIN) Implementation – Pakistan

## ANNUAL PROGRESS REPORT

January- December 2025

Project Summary Information	
<b>Project Title</b>	Global Programme on Biodiversity Finance Plan (GBFP)
<b>Project ID</b>	01001933
<b>Project Duration</b>	4th March 2024 – 28th February 2028
<b>Location</b>	Pakistan
<b>CPD/UNSDCF/RPD/SP Outputs</b>	<p><b>CPD Outcome 3:</b> By 2027, people living in the Indus River Basin, particularly the most vulnerable including women, girls, boys, persons with special needs and senior citizens, will have their lives positively impacted by improved water access and utilization, economic development, livelihoods, climate resilient settlement and prosperity.</p> <ul style="list-style-type: none"><li>• <b>Outcome 3.1:</b> In line with international conventions and national policy frameworks, implementation mechanisms are strengthened to promote, manage, and conserve natural resources.</li><li>• <b>Output 3.2:</b> Efficient and sustainable use of fresh marine and terrestrial ecosystems, including the Indus Basin, for resilient communities through interventions for improved health, livelihoods, green economy and clean energy.</li></ul> <p><b>UNDP Strategic Plan:</b></p> <ul style="list-style-type: none"><li>• <b>Indicator 4.1.1:</b> Number of people directly benefiting from initiatives to protect nature and promote sustainable use of resources.</li><li>• <b>Indicator 4.1.2:</b> Natural resources that are managed under a sustainable use, conservation, access, and benefit-sharing regime: a) Area of terrestrial and marine protected areas created, or under improved management practices (hectares).</li></ul> <p><b>Project Outcome 1: Enable countries to mobilize resources to scale up financing for biodiversity</b></p>

**framework implementation by developing innovative biodiversity financing plans, including baseline diagnostics, capacity building, institutional arrangements and institutional strengthening.**

- **Activities/outputs 1.1** National biodiversity finance policy and institutional reviews completed, including analysis and recommendations to improve current institutional structure and financing solutions.
- **1.2:** Harmful and positive subsidies and incentives to biodiversity are identified.

**Project Outcome 2: National biodiversity expenditure reviews conducted to identify areas of relevant sectors to quantify with current and future trends.**

- **Activities/outputs 2.1** Based on the policy and institutional framework, a scope of expenditure assessment, parameters, categories, and distribution levels defined.
- **2.2** Data collection and analysis on expenditures aligned with proposal for a national accounting system and tagged for Sustainable Development Goals.
- **2.3** Synthesis report on national biodiversity expenditures that help policymakers and other stakeholders understand current and future trends in national assessment of financing needs required to achieve Global Biodiversity Framework targets.

**Project Outcome 3: Final National Biodiversity Finance Plans developed to achieve Global Biodiversity Framework targets.**

- **Activities/outputs 3.1** National policies, laws, programmes and GBF targets mapped into national biodiversity needs fully costed.
- **3.1.1** National financial needs required to achieve national biodiversity targets and objectives estimated.
- **3.1.2** National financial needs assessment report for biodiversity including detailed costing information shared with stakeholders for consultation.

**Project Outcome 4: National biodiversity finance plans developed and validated by stakeholders.**

- **Activities/outputs 4.1** Comprehensive proposal of finance solutions, including actions to enhance existing finance flows, drafted and reviewed through a national stakeholder consultation.
- **4.2** Finance solutions prioritized and used to develop technical proposals and a national biodiversity finance plan, validated by stakeholders.

- **4.3** Risk management plans / frameworks based on assessment of socio-economic trade-offs and environmental impacts of proposed biodiversity finance solutions for post-project implementation of national Biodiversity Finance Plans.
- **4.4** Scenarios proposed for implementation of biodiversity finance solutions informed by socio-economic and policy assessments (i.e., the main deliverables of scenarios for Decision Support Tools).

#### **Project Outcome 5 : Global Knowledge and Technical Assistance Platform for Project Outcome**

- **5.1:** Global knowledge and technical assistance platform for sharing and exchanging best practices across participating countries and partner organizations.
- **Activities/outputs 5.1.1** Global biodiversity finance planning experience offered in four languages.
- **5.2** Three-year webinar series on biodiversity finance solutions undertaken.
- **5.3** Global Catalogue of biodiversity finance solutions developed; global database of biodiversity finance sources and mapping of available financial sources for biodiversity made available for users around the world.
- **5.4** Development of an impact investment and private sector knowledge and capacity development stream to facilitate the creation of national impact investment platforms and related project pipelines.
- **5.5** Knowledge products and processes supported by dedicated technical advice from global experts including technical reviews of each country's finance plan, training.
- **5.6** Events, lessons and best practices captured by dedicated knowledge products such as cross-country analysis reports, technical publications, videos, webinars, and podcast episodes.
- **5.7** Communication and outreach activities to facilitate exchange of experiences and best practices amongst countries and promote international cooperation, including regional and global conferences, annual meetings, thematic workshops and CBD side events.

#### **Project Outcome 6: Project monitoring and evaluation.**

- **Activities/output 6.1.1** Project M&E plan fully implemented.

<b>Gender marker</b>	<b>Gen-2</b>
<b>Digitalization marker</b>	N/A
<b>Implementing Partner</b>	UNDP
<b>Total budget</b>	USD 314,000
<b>Donors (funding sources)</b>	Global Environment Fund, BIOFIN
<b>Budget (annual budget)</b>	USD 268,000
<b>Expenditure recorded for the reporting period</b>	USD 117,000
<b>Expenditure recorded for the total project</b>	USD 117,000
<b>Project Manager name:</b>	Aman Ahmad

## 1. Executive Summary

In year 2025, the Umbrella Programme on **Biodiversity Finance (BIOFIN) Implementation** was initiated and launched at national level. The BIOFIN project made **substantial and strategic progress** in strengthening Pakistan’s capacity to **mobilize, track, and scale financing for biodiversity**, in alignment with the **Kunming–Montreal Global Biodiversity Framework (KM-GBF)**.

Key achievements include the **finalization of the Project Implementation Review (PIR)**, completion of a **comprehensive national Biodiversity Expenditure Review (BER)** covering the **entire country for the past six years (2020 – 2025)**, and the completion of a **Financial Needs Assessment (FNA)** estimating biodiversity financing requirements for the **next five years**, aligned with priority NBSAP actions. These analytical milestones represent a major step forward in establishing an evidence-based foundation for biodiversity finance planning in Pakistan.

Building on these diagnostics, the **National Biodiversity Finance Plan (BFP)** is under active development. The plan proposes **15 biodiversity finance solutions**, tailored to Pakistan’s institutional, fiscal, and socio-economic context, and designed to enhance, diversify, and redirect financial flows toward biodiversity outcomes.

Overall project implementation is assessed as **satisfactory**, with all outcomes progressing as planned. The project is well positioned to support Pakistan in transitioning from diagnostic and planning stages toward **implementation of biodiversity finance solutions** at scale.

## 2. Progress Review

### a) Key results achieved:

#### **Project Outcome 1**

**Enable countries to mobilize resources to scale up financing for biodiversity framework implementation**

**Output 1.1 – National biodiversity finance policy and institutional reviews completed**

**Progress:**

At the start of the project, Pakistan lacked a consolidated understanding of how biodiversity finance was governed, coordinated, and implemented across federal and provincial institutions. Policies, mandates, and financing mechanisms relevant to biodiversity were dispersed across multiple sectors, resulting in fragmented decision-making and limited strategic coherence.

During the reporting period, the project completed a comprehensive national biodiversity finance policy and institutional review. This review mapped all relevant national and sub-national policies, laws, strategies, and institutional mandates affecting biodiversity finance. It assessed the roles of environmental, finance, planning, and sectoral institutions, identifying gaps, overlaps, and coordination challenges that constrain effective mobilization and use of biodiversity finance.

The review also generated clear, actionable recommendations to strengthen institutional arrangements, improve coordination mechanisms, and enable the implementation of biodiversity finance solutions. These recommendations are being directly incorporated into the design of the National Biodiversity Finance Plan (BFP), ensuring strong alignment between diagnostics and planning.

**Status:** Achieved

**Output 1.2 – Harmful and positive subsidies and incentives identified****Progress:**

In parallel, the project conducted an assessment of **positive and harmful subsidies and incentives** affecting biodiversity outcomes in Pakistan. Prior to this intervention, no systematic national-level analysis existed to evaluate how fiscal incentives influence biodiversity loss or conservation.

The assessment identified key sectors where subsidies and incentives may have unintended negative impacts on biodiversity, as well as existing incentives that support conservation, sustainable resource use, and ecosystem restoration. These findings provide an important evidence base for policy dialogue on subsidy reform and the redirection of public finance toward biodiversity-positive outcomes.

**Status:** Achieved

**Project Outcome 2****National biodiversity expenditure reviews conducted****Output 2.1 – Scope of expenditure assessment defined****Progress:**

A standardized scope for the Biodiversity Expenditure Review (BER) was developed in line with BIOFIN global methodology. This included defining expenditure parameters, classification criteria, institutional coverage, and attribution levels across federal and provincial budgets.

This step was critical to ensure consistency, transparency, and comparability of expenditure data across sectors and jurisdictions.

**Status:** Achieved

### **Output 2.2 – Data collection and analysis on biodiversity expenditures**

**Progress:**

The project successfully collected and analyzed six years of biodiversity-relevant public expenditure data across Pakistan, covering both federal and provincial levels. This required extensive engagement with finance, planning, and sectoral institutions to extract, classify, and validate budgetary information.

Expenditures were aligned with a proposed national biodiversity accounting framework and tagged against Sustainable Development Goals (SDGs), strengthening coherence with broader development finance tracking systems.

**Status:** Achieved

### **Output 2.3 – Synthesis report on national biodiversity expenditures**

**Progress:**

Based on the data analysis, a national synthesis report was prepared, presenting trends in biodiversity financing over the six-year period, identifying gaps between current expenditures and biodiversity needs, and highlighting implications for future financing under the KM-GBF.

This report has become a key reference for policymakers and stakeholders, providing a clear baseline against which future progress can be measured.

**Status:** Achieved

## **Project Outcome 3**

### **Final National Biodiversity Finance Plans developed**

#### **Output 3.1 – National biodiversity needs fully costed**

**Progress:**

Building on the revised NBSAP framework, the project mapped national biodiversity policies, programmes, and KM-GBF targets and translated them into **fully costed biodiversity needs**.

This exercise represented a fundamental shift from qualitative planning to quantitative, implementation-oriented finance planning.

**Status:** Substantially Achieved

#### **Output 3.1.1 – National financial needs estimated**

**Progress:**

A Financial Needs Assessment (FNA) was completed, estimating the resources required to implement priority NBSAP actions over the next five years. The assessment applied transparent costing assumptions and realistic implementation timelines.

**Status:** Achieved

**Output 3.1.2 – Financial needs assessment report shared for consultation****Progress:**

The FNA report was shared with federal and provincial stakeholders through consultations, enabling validation of assumptions, refinement of priorities, and enhanced ownership.

**Status:** Achieved

**Project Outcome 4****National biodiversity finance plans developed and validated****Output 4.1 – Comprehensive proposal of finance solutions drafted****Progress:**

Based on the BER, FNA, and institutional diagnostics, the project developed a comprehensive package of 15 biodiversity finance solutions. These solutions span public finance reforms, innovative fiscal instruments, private sector engagement, and blended finance mechanisms tailored to Pakistan's context.

**Status:** Substantially Achieved

**Output 4.2 – Finance solutions prioritized and validated****Progress:**

Finance solutions are being prioritized through stakeholder consultations and technical assessments.

**Status:** Ongoing

**Output 4.3 – Risk management frameworks developed****Progress:**

Initial assessments of socio-economic trade-offs and environmental risks associated with proposed finance solutions were undertaken.

**Status:** Ongoing

**Output 4.4 – Implementation scenarios proposed**

**Progress:**

Scenarios for phased implementation of finance solutions are under development, informed by policy and economic analyses.

**Status:** Ongoing

**Project Outcome 5**  
**Global Knowledge and Technical Assistance Platform****Progress:**

Pakistan actively benefited from and contributed to BIOFIN's global knowledge and technical assistance platform, including:

- Access to global guidance, tools, and best practices;
- Participation in global webinars and learning events;
- Engagement with global experts providing technical reviews and advisory support.

**Status:** Ongoing / Continuous

**Project Outcome 6**  
**Project Monitoring and Evaluation**  
**Output 6.1 – Project M&E plan implemented****Progress:**

The project M&E plan is fully operational, including regular progress tracking, reporting, and coordination with UNDP and GEF requirements.

**Status:** Achieved

The project adopted a results-based monitoring approach aligned with the GEF PIR framework, tracking progress against clearly defined outputs, baselines, indicators, and end-of-project targets. At project inception, Pakistan lacked a consolidated and nationally coherent biodiversity finance evidence base. Information on biodiversity-related policies, expenditures, incentives, and financing needs was fragmented across sectors, provinces, and institutions, limiting the country's ability to plan and mobilize resources for implementation of biodiversity commitments under the Convention on Biological Diversity and the Kunming–Montreal Global Biodiversity Framework (KM-GBF).

During the reporting period, the project successfully addressed these gaps through a sequenced set of analytical and consultative processes. A comprehensive **national biodiversity finance policy and institutional review** was completed, providing the first systematic overview of how biodiversity financing is governed, allocated, and implemented across Pakistan's federal and provincial systems. This review not only documented existing institutional arrangements but also identified structural bottlenecks, coordination gaps, and

opportunities for reform, directly informing the design of the National Biodiversity Finance Plan (BFP).

In parallel, the project completed a **national biodiversity expenditure review (BER)** covering the entire country for the past six years. This represents a major milestone, as biodiversity-related expenditures had not previously been assessed in a standardized manner. The BER established a credible baseline of current public spending trends, enabled alignment with Sustainable Development Goal tagging, and provided policymakers with a clear picture of where biodiversity finance is currently flowing and where gaps remain.

Building on the BER, the project undertook a **financial needs assessment (FNA)** to estimate the resources required to implement priority NBSAP actions over the next five years. This assessment translated biodiversity ambitions into costed, time-bound financial requirements, shifting the national dialogue from aspirational targets toward implementable financing strategies. Together, these outputs significantly strengthened Pakistan's readiness to mobilize and manage biodiversity finance at scale.

## b) Output progress

Progress reported against each output. Link to the last report submitted, and please mention the status of previously delayed outputs.

Output Statement	Baseline	Value Type	Indicators	End-of-Project Target	Current Status	Means of Verification & Comments
1. National biodiversity finance policy and institutional reviews completed	No comprehensive biodiversity finance policy review available	Qualitative	National policy and institutional review report produced	Review finalized and endorsed	Achieved	Policy review report; stakeholder consultation records; MoCC&EC validation
2. Harmful and positive subsidies and incentives identified	No systematic assessment undertaken	Qualitative	Inventory of harmful and positive incentives prepared	Subsidy assessment integrated into BIOFIN diagnostics	Achieved	Subsidy assessment report; EAS/BIOFIN alignment notes
3. National biodiversity expenditure review conducted	Fragmented sectoral expenditure data	Quantitative	Six years of biodiversity-relevant expenditures analyzed	National BER covering entire Pakistan	Achieved	BER report; budget data tables; SDG tagging framework
4. Financial needs assessment for biodiversity completed	No costed biodiversity financing gap analysis	Quantitative	Estimated financing gap for NBSAP actions	Five-year FNA finalized	Achieved	FNA report; costing assumptions; stakeholder feedback
5. National Biodiversity Finance Plan developed	No national biodiversity finance plan	Qualitative	BFP document with finance solutions	BFP with 15 finance solutions	Ongoing	Draft BFP; solution briefs; consultation records

6. Biodiversity finance solutions prioritized and validated	No prioritization framework	Qualitative	Prioritized list of finance solutions	Stakeholder-validated priority solutions	Ongoing	Workshop minutes; prioritization matrices
7. Project M&E plan implemented	No project-specific M&E system	Qualitative	Regular reporting against indicators	Fully implemented M&E	Achieved	PIRs; progress reports; UNDP monitoring records

## 2. Communication, Visibility and Partnership

### Strategic National Visibility and Policy Engagement

Communication focused on positioning biodiversity finance as a development and fiscal priority, not only an environmental concern. Findings from BER, FNA, and BFP diagnostics were communicated to MoCC&EC, Planning, and Finance stakeholders through briefings and consultations, ensuring integration into national policy discourse.

Result: Biodiversity finance recognized as a cross-sectoral national issue.

### Digital and Media Outreach

UNDP Pakistan actively disseminated BIOFIN and Umbrella Programme progress through LinkedIn, X, Facebook, YouTube, and UNDP web platforms, reaching national and global audiences. Content highlighted Pakistan's biodiversity finance efforts, GEF support, and alignment with KM-GBF.

Result: Enhanced national and international visibility; increased stakeholder awareness.

### Global Knowledge Sharing and BIOFIN Platform

Pakistan's experience and outputs were shared with UNDP BIOFIN global teams, contributing to cross-country learning. Impact stories and technical outputs informed global BIOFIN knowledge products and peer exchanges.

Result: Pakistan positioned as an active contributor to global BIOFIN implementation.

### Digital Communication and Social Media Visibility

UNDP Pakistan actively utilized its official social media and digital platforms, including LinkedIn, X (formerly Twitter), Facebook, YouTube, and UNDP web pages, to communicate project objectives, milestones, and emerging results to a broad national and international audience.

[https://www.linkedin.com/posts/undp-pakistan\\_pakistan-undpinpakistan-biodiversity-activity-7412033732582199296-SwZk?utm\\_source=share&utm\\_medium=member\\_desktop&rcm=ACoAAA\\_ifikBt0V5c6iVqXX9A5ZIwnCmzdvs6DE](https://www.linkedin.com/posts/undp-pakistan_pakistan-undpinpakistan-biodiversity-activity-7412033732582199296-SwZk?utm_source=share&utm_medium=member_desktop&rcm=ACoAAA_ifikBt0V5c6iVqXX9A5ZIwnCmzdvs6DE)

[https://x.com/UNDP\\_Pakistan/status/2001714721200939201](https://x.com/UNDP_Pakistan/status/2001714721200939201)

<https://www.linkedin.com/feed/update/urn:li:ugcPost:7407481923712888832/?actorCompanyId=19126506>

<https://www.facebook.com/undppakistan/posts/pfbidOpW5BkbiaTP7J2GW31yigak5n5sxLQ98rpx8U18mR7KqCWL9GFLQfqW8sEEvLVnmsl>

Key communication actions undertaken include:

- Publication of official posts on UNDP Pakistan’s LinkedIn, X, and Facebook platforms highlighting progress under the NBSAP revision, 7NR preparation, and biodiversity finance initiatives;
- Dissemination of content emphasizing Pakistan’s commitment to biodiversity conservation and sustainable development under the themes #ForPeopleForPlanet, #Biodiversity, and #UNDPinPakistan;
- Visibility of the project as part of UNDP Pakistan’s broader biodiversity and nature portfolio, supported by the Global Environment Facility (GEF).

The use of multiple platforms ensured wide outreach across policymakers, practitioners, development partners, civil society, and the general public, reinforcing biodiversity as a national development priority.

### **Institutional and Cross-Sector Partnerships**

Strong partnerships were developed with Ministries of Finance, Planning, Agriculture, Forestry, Wildlife, Fisheries, and provincial departments. These partnerships strengthened institutional ownership and reduced fragmentation.

**Result:** Improved coordination and shared understanding of biodiversity finance roles

## **3. Project risks and mitigation measures**

### **Risk 1: Incomplete or inconsistent financial data**

Differences in accounting systems and classifications across provinces risk undermining comparability.

Mitigation: Standardized methodologies, triangulation, and validation workshops.

### **Risk 2: Limited engagement of finance institutions**

Finance ministries may prioritize short-term fiscal pressures. Mitigation: Demonstrating economic co-benefits; embedding BIOFIN into fiscal frameworks.

### **Risk 3: Delays in stakeholder validation**

Multi-institutional coordination can slow approvals.

Mitigation: Phased consultations and virtual validation.

### **Risk 4: Political and policy shifts**

Changes in leadership may affect reform momentum.

Mitigation: Alignment with national development frameworks.

### **Risk 5: Implementation capacity constraints**

Limited technical capacity may delay solution rollout.

Mitigation: Capacity development and phased pilots.

#### 4. Lessons Learned

A key lesson from implementation is that **credible finance diagnostics are foundational** for biodiversity finance reform. The BER and FNA proved essential for engaging policymakers and shifting discussions from abstract commitments to concrete financial realities.

Another critical lesson is the importance of **early and sustained engagement of finance and planning institutions**. Involving these actors from the diagnostic stage onward increased ownership and improved the feasibility of proposed finance solutions.

The project also demonstrated that **costing biodiversity actions fundamentally changes the policy conversation**. Once biodiversity targets were translated into financial requirements, discussions naturally shifted toward prioritization, sequencing, and implementation.

Experience further showed that **incremental and phased reforms are more politically and institutionally acceptable** than large-scale structural changes. This insight informed the design of finance solutions that build on existing systems while gradually introducing innovation.

Finally, participation in the **BIOFIN global platform** significantly enhanced project quality and efficiency. Access to global tools, peer learning, and expert review reduced transaction costs and strengthened analytical rigor.

#### 5. Way Forward

The next phase of the project will focus on transitioning from diagnostics and planning to **implementation and impact**. Priority will be given to finalizing and securing formal government endorsement of the National Biodiversity Finance Plan, ensuring its integration into national policy and planning frameworks.

Subsequently, selected high-impact finance solutions will be piloted to demonstrate feasibility, generate lessons, and build momentum for scaling up. These pilots will be aligned with national budgeting cycles and medium-term fiscal frameworks to ensure sustainability.

Efforts will also focus on deepening engagement with the private sector and impact investors, including the development of investment pipelines and blended finance mechanisms. At the same time, monitoring systems will be strengthened to track finance flows, assess effectiveness, and support adaptive management.

#### 6. Issues and Immediate Actions to be Taken

Issue/observation	Action to be taken	Responsible	Timeline
Persistent Financing Gap	• Finalize and endorse BFP	NBSAP Project, UNDP	Dec 2026

		<ul style="list-style-type: none"> <li>• Pilot priority finance solutions</li> </ul>		
Limited Capacity	Institutional	<ul style="list-style-type: none"> <li>• Capacity development programme</li> <li>• Coordination mechanisms</li> </ul>	NBSAP UNDP	Project, Dec 2026

## 7. Annexures

### Annex 1: Risk Log

Risk ID	Risk Description	Likelihood	Impact	Risk Level	Mitigation Measures	Responsible	Status
<b>R1</b>	Financial data gaps	Medium	Medium	Medium	Validation and harmonization	UNDP / MoCC&EC	Ongoing
<b>R2</b>	Weak finance engagement	Medium	High	High	High-level advocacy	MoCC&EC	Ongoing
<b>R3</b>	Coordination delays	Medium	Medium	Medium	Clear governance	MoCC&EC	Ongoing
<b>R4</b>	Policy shifts	Low	High	Medium	Alignment with national plans	UNDP	Monitored
<b>R5</b>	Capacity limitations	Medium	Medium	Medium	Targeted training	UNDP / Govt	Ongoing