



The Cali Fund for Fair and Equitable Sharing of Benefits from the Use of Digital Sequence Information

MPTF OFFICE GENERIC ANNUAL NARRATIVE REPORT REPORTING PERIOD: 25 FEBRUARY 2025 TO 31 DECEMBER 2025¹

EXECUTIVE SUMMARY

The Cali Fund for the Fair and Equitable Sharing of Benefits from the Use of Digital Sequence Information on Genetic Resources (“the Cali Fund”) was established by the Conference of the Parties (COP) through Decision 16/2 under the Convention on Biological Diversity (CBD) as part of the multilateral mechanism for the fair and equitable sharing of benefits arising from the use of digital sequence information on genetic resources. The Cali Fund is a partnership between the United Nations Development Programme and the United Nations Environment Programme, and with the Secretariat of the Convention on Biological Diversity hosting the Cali Fund Secretariat.

The Cali Fund was officially launched in February 2025 during the resumed session of the CBD COP16 meeting. It ushers a new era for biodiversity finance by which users of digital sequence information on genetic resources (DSI) in sectors that directly or indirectly benefit from its use in their commercial activities should contribute a proportion of their profits or revenue to the Cali Fund, according to their size. Funding will support the objectives of the Convention on Biological Diversity: the conservation of biological diversity, the sustainable use of its components, and the fair and equitable sharing of benefits arising from the use of genetic resources in developing-country Parties. Recognizing their role and contributions as custodians of biodiversity, 50 per cent of the resources of the Cali Fund will be allocated to the self-identified needs of indigenous peoples and local communities in both developed and developing countries, including women and youth within those communities.

In 2025, the primary focus of the Cali Fund was the development of its governance structures and operational systems. These activities were carried out by the Interim Secretariat, composed of selected staff from the Secretariat of the Convention on Biological Diversity on partial loan, in the absence of the realization of the Secretariat of the multilateral mechanism. There have been

¹ This report was prepared and submitted by the Interim Secretariat of the multilateral mechanism, including the Cali Fund, currently fulfilled by selected staff from the Secretariat of the Convention on Biological Diversity.

significant developments of the Cali Fund, and its governance and structures, through the Interim Secretariat's efforts from 25 February and 31 December 2025 as follows:

- Facilitated a call for nominations and subsequent selection of the members and observers of the Steering Committee: [2025-013](#), and [2025-091](#).
- Serviced two meetings of the Steering Committee, one virtual and one in person: <https://www.cbd.int/conferences/dsi-sc>.
- Developed communication, visual and brand identity material for the Cali Fund, including the logo and explainer guides of the Cali Fund: [Guides - The Cali Fund](#).
- Agreement that the Steering Committee of the Cali Fund will also operate as the Steering Committee of the multilateral mechanism.

During the two meetings of the Steering Committee, several substantial actions were taken, including:

- Approval of the programmatic document for the Secretariat of the Steering Committee for the Multilateral Mechanism for the Fair and Equitable Sharing of Benefits from the Use of Digital Sequence Information on Genetic Resources, including the Cali Fund.
- Development and approval of the Steering Committee's rules of procedure.
- Revision of the Cali Fund's Terms of Reference.
- Development of the Cali Fund's Operation Manual.
- Development of the review of effectiveness of the multilateral mechanism, including the Cali Fund.

The Cali Fund also received its first contribution, and an intention to pledge from a separate entity.

Other tasks were undertaken by the Secretariat of the Convention on Biological Diversity that relate to the Cali Fund, including work on the ad hoc technical expert group on allocation methodology which is to provide provide technical advice and guidance on remaining and unresolved issues relating to the disbursement of funds, in particular in relation to an allocation methodology for disbursing funds from the Cali Fund, for the consideration of COP17.

I. Purpose

The Cali Fund is the first of its kind to rely on the private sector entities as principal contributors for their use of digital sequence information on genetic resources, and therefore reliance on genetic data from nature. Users of digital sequence information on genetic resources in sectors that directly or indirectly benefit from its use in their commercial activities are expected to contribute a proportion of their profits or revenue to Cali Fund, according to their size.

As per the decision of the Parties to the Convention on Biological Diversity, entities that, on their balance sheet dates, exceed at least two out of three of thresholds (namely, total assets: 20 million United States dollars, sales: 50 million dollars, and profit: 5 million dollars) averaged over the preceding three years should contribute to the Cali Fund 1 per cent of their profits or 0.1 per cent of their revenue, as an indicative rate.

The Cali Fund is the vehicle to share monetary benefits to support the realization of the objectives of the Convention in developing country Parties. At least half of the funds from the Cali Fund will also be available to indigenous peoples and local communities in both developing and developed countries.

The Cali Fund is a partnership between the United Nations Development Programme and the United Nations Environment Programme, and with the Secretariat of the Convention on Biological Diversity hosting the Cali Fund Secretariat.

II. Results

2.1. Fund governance

Throughout 2025 since the Cali Fund's inception, the Interim Secretariat has been engaged in several activities that have advanced the Cali Fund's governance in its inaugural year. The Interim Secretariat selected the Steering Committee of the multilateral mechanism including the Cali Fund out of a total of 95 nominations. The Interim Secretariat serviced two meetings of the Steering Committee, the first one held virtually in June, and the second meeting in person in Bonn, Germany in September 2025. Meeting reports can be accessed here: <https://www.cbd.int/conferences/dsi-sc>

Over its two meetings, the Steering Committee discussed the following topics:

- Rules of procedure for the meetings of the Steering Committee, including the terms of office of the Steering Committee
- Terms of reference of the Cali Fund
- Conflict of interest guidelines for the Steering Committee
- Programmatic document for the Secretariat of the Steering Committee for the multilateral mechanism, including the Cali Fund

The Steering Committee agreed the following key governance documents:

- The Rules of Procedure for the meetings of the Steering Committee
- Conflict of interest guidelines for the Steering Committee
- Outline of the operations manual of the Cali Fund
- A revision of the Terms of Reference of the Cali Fund

2.2. Stakeholder engagement

The interim Secretariat has participated in and answered invitations from over 18 external activities pertaining to the Cali Fund in 2025.

Further, the Interim Secretariat remain engaged with several other relevant initiatives that relate to the Cali Fund but are not led by the interim Secretariat or the Steering Committee, such as the presenting to business associations and leading business round-table events in relevant sectors, participating in the Cali Biodiversity Week in Colombia, or engaging in a collaboration with the Friends of the Cali Fund, a global coalition that aims to bring together governments and businesses in their shared commitment to ensure the effective implementation of the multilateral mechanism, including the Cali Fund.

Through the above-mentioned activities, the Interim Secretariat heavily focused on stakeholder engagement as a priority during the inception phase of the Cali Fund.

2.3. Visual identity and communications products

The following outputs were achieved during the first year of the Cali Fund:

- [Guides to the Cali Fund](#) were developed and produced for different stakeholders, such as the private sector, databases and Parties to the CBD.
- Branding and visual identity of the Cali Fund commenced.

2.4 Related work

In addition to the above, the CBD Secretariat is continuing its work as requested by Parties to the CBD, all of which relates to the multilateral mechanism and the Cali Fund. This work will proceed to CBD official meeting, including the Subsidiary Body on Implementation and COP17 in 2026.

2.5 Qualitative assessment:

The Cali Fund is the first multilateral fund of its kind, established to share benefits from the private sector's use of digital sequence information on genetic resources to support developing countries, and indigenous peoples and local communities in developed and developing countries. Given this, the support and coordination between the implementing partners: Secretariat of the Convention on Biological Diversity, United Nations Environment Programme and United Nations Development Programme have been key in the opening and launching of the Fund. Further, the Steering Committee has played an active and important role in the success of the first year, through its continued, dedicated commitment to the Cali Fund. The expertise of the Steering Committee has led to the success of the key governance and operational documents as well as progression on work of key operational aspects related to disbursements from the Fund and other aspects of the broader multilateral mechanism.

The Interim Secretariat has received routine support and guidance on different matters, particularly related to communications and stakeholder engagement from the implementing partners, through frequent meetings. Additionally, the support and guidance of the Multi-Partner Trust Fund Office have been invaluable in the development of governance documents and processes and facilitation of the Steering Committee meetings.

Describe any delays in implementation, challenges, lessons learned & best practices:

In 2025, the Secretariat of the multilateral mechanism, including the Cali Fund was not mobilized, due to a lack of resources, and as such is currently fulfilled by selected staff from the Secretariat of the Convention on Biological Diversity (the "Interim Secretariat"). As such, the capacity of the Interim Secretariat has been limited. This continued experience underscored the importance of establishing a Secretariat, as outlined in the programmatic document for the Secretariat and approved by the Steering Committee, as soon as feasible.