

REPORT

The BBNJ Will Enter into Force in January 2026: Summary of PrepCom II Outcome



REPORT

The BBNJ Will Enter into Force in January 2026: Summary of PrepCom II Outcome

By Ningxiner Li¹

The [Agreement under the United Nations Convention on the Law of the Sea on the Conservation and Sustainable Use of Marine Biological Diversity of Areas beyond National Jurisdiction](#) (the BBNJ Agreement) was adopted on 19 June 2023 and remained open for signature until 20 September 2025. The Agreement will enter into force 120 days after the deposit of the 60th instrument of ratification, acceptance, approval, or accession. With the 60th ratification reached on 19 September 2025, the Agreement will enter into force on 17 January 2026.

The BBNJ Agreement covers four main issues: 1. marine genetic resources, including the fair and equitable sharing of benefits; 2. measures such as area-based management tools, including marine protected areas; 3. environmental impact assessments; and 4. capacity-building and the transfer of marine technology.

A Preparatory Commission (PrepCom) for the Entry into Force of the BBNJ Agreement has been working to prepare the groundwork for the first meeting of the Conference of the Parties (COP 1). Its second session, the PrepCom II (18–29 August 2025) ended in New York with tangible progress on workplans and draft texts but decisions on core issues only remain partly settled. Developing countries used the two-week session to press a clear message: the arrangements under the BBNJ Agreement must be practical, well-resourced and fair, not just technical architectures on paper. Co-Chairs signaled more intersessional work and a package of draft documents for further consideration at the PrepCom III.

Background information on PrepCom II and a summary of the discussions that took place in the meeting on the various agenda items are provided below, with particular emphasis on the interventions of developing countries.

Background Information on PrepCom II

The Preparatory Commission was established by United Nations General Assembly (UNGA) resolution 78/272 to prepare for the Agreement's entry into force and for COP 1. Three PrepCom sessions are scheduled before COP 1. PrepCom I took place earlier this year. PrepCom II met in New York from 18–29 August 2025, organized by the United Nations

¹ Intern of the Health, Intellectual Property and Biodiversity Programme (HIPB) of the South Centre.

Division for Ocean Affairs and the Law of the Sea (as temporary Secretariat) and co-chaired by Janine Coye-Felson (Belize) and Adam McCarthy (Australia). Over 200 participants from governments, civil society and intergovernmental bodies participated.

PrepCom II built on PrepCom I and mainly focused on item 5 of the [agenda of the PrepCom](#) and the [programme of work of the PrepCom](#), which was organized into three clusters: governance issues; issues pertaining to the operation of the clearing-house mechanism; and financial rules, financial resources and mechanism. Each cluster was discussed in an informal working group. All sessions were organized with a maximum of two parallel meetings, with reporting back to the plenary to keep all delegations informed and engaged.

In advance of the session, the Co-Chairs and the Secretariat published [revised aids to discussions and negotiations, comparative matrixes, additional notes, guiding questions, and proposed organization of work](#) on the BBNJ website to frame discussions and negotiations.

1. Rules of Procedure (RoP) for the COP — Progress while Issues Remain

The table below summarizes the documents on RoP for the COP and their status in related discussions and negotiations.

Table 1. Documentation and Status of Discussions and Negotiations on the RoP for the COP²		
Stage	Title/Description	Status
Pre-session document for initial discussion	A revised aid to discussions and negotiations (A/AC.296/2025/12)	Completed reading
In-session issued document for discussion	A refreshed text of draft RoP for the COP (A/AC.296/2025/CRP.3), circulated on 25 August	Completed reading; received broad recognition for capturing necessary elements. Constructive engagement of delegations allowed understanding of various positions on: frequency and modalities of meetings; observers; agenda; Bureau and its officers; subsidiary bodies; conduct of business; decision-making; and amendments to RoP.
Draft outcome / Next-step document	A further revised draft aid for negotiations	Forthcoming: to be prepared by the Co-Chairs during the intersessional period; delegations are invited to provide written input by 15 October to inform the preparation of the further revised draft for PrepCom III.

² All information in this table, including the “Note”, is drawn from: <https://www.un.org/bbnjagreement/sites/default/files/2025-09/20250905ClosingStatementAdvanceUnedited.pdf>

Discussions revealed several issues central to developing state parties' priorities:

Meeting Frequency: The COP is likely to start with annual meetings and transition to a biannual schedule. The [Group of 77 and China](#) emphasized that transition details require further discussion.

Observers' Participation: [China](#) called for clear distinctions between observer categories, referencing international practice for participation modes based on legal status. China also noted that *subsidiary body* meetings should be considered internal, and observers should not have unrestricted participation.

In-Person and Virtual Participation: [Iran](#) expressed concerns that virtual meetings could exacerbate inequalities due to technical, organizational, and cybersecurity challenges for developing state parties. Many other developing state parties expressed same concerns. Iran proposed that in-person meetings with proceedings broadcast can be considered instead.

Representation in the COP Bureau and Subsidiary Bodies (SBs): The [African Group](#) and Pacific Small Island Developing States ([PSIDS](#)) emphasized equitable geographic representation in the COP Bureau and/or SBs. They called for guaranteed seats for Least Developed Countries (LDCs) and Small Island Developing States (SIDS). The Alliance of Small Island States ([AOSIS](#)) added that such seats should be additional to regional allocations.

Indigenous Rights: [PSIDS](#) urged recognition of Indigenous Peoples as rights-holders under international law, distinct from local communities or civil society in the RoP and other COP-related documents.

Other Issues: Other concerns raised were mainly on ambiguities in advisory opinions, cooperation with International Fisheries Bodies (IFBs), extraordinary meetings, proxy voting, and eligibility rules for parties in arrears. [China](#) highlighted the importance of reflecting territorial sovereignty and maritime rights under the BBNJ Agreement in the RoP.³

Takeaway:

The discussions and negotiations on the RoP for the COP advanced preparations for institutional arrangements of the COP. Particularly, equitable participation and representation raised by developing state parties were highlighted during the discussions and could inform future deliberations.

2. Operation of Subsidiary Bodies (SBs) and an Equity-first Scientific and Technical Body (STB)

The table below summarizes documents on the terms of reference (ToR) and modalities for the operation of, and RoP for, the SBs and the selection process for the members of the STB and the other SBs, and their status in related discussions and negotiations.

³ See <https://journal.un.org/en/new-york/meeting/officials/02216b9c-4bbe-45b6-8ba5-0ded1ce902a4/2025-08-27>.

Table 2. Documentation and Status of Discussions and Negotiations on the Operation of, and RoP for, the SBs⁴ and the selection process for the members of STB and the other SBs		
Stage	Title/Description	Status
Pre-session document for initial discussion	A matrix on the ToR and modalities for the operation of, and RoP for, the SBs (A/AC.296/2025/INF/3)	Basis for initial discussion
In-session issued document for discussion	A working document containing draft model ToR and modalities for the operation of the STB, circulated on 19 August	Discussed / under review; Delegations exchanged constructive views, helping clarify commonalities across SBs and their interlinkages with the RoP for the COP. They also emphasized the need for tailored approaches reflecting unique features of each SB. Cross-cutting issues were highlighted for further consideration and refined, including cooperation and coordination with relevant legal instruments and frameworks and relevant global, regional, subregional and sectoral bodies, as well as reporting requirements.
Draft outcome / Next-step document	An aid to negotiations for the STB and other SBs	Forthcoming: to be prepared by the Co-Chairs during the intersessional period and issued for consideration at the Prep Com III; draft text to be finalized for the first meeting of the COP. Delegations are invited to provide written input to inform the preparation of the aid.

The South countries' views were consistent: SBs must be designed to protect developing states' participation and priorities, not to let technical rules edge them out.

The [African Group](#), [Group of 77 and China](#), and [AOSIS](#) insisted that the composition of SBs must guarantee representation and dedicated seats for LDCs, SIDS, and LDCs, while maintaining equitable geographic and gender balance.

The [African Group](#) stressed STB membership to come primarily from experts nominated by Parties to preserve its intergovernmental character, with external experts consulted case-by-case. The membership selection must be through a transparent and merit-based process.

[AOSIS](#) called for streamlined institutional design and user-friendly reporting templates to avoid overburdening developing countries, especially LDCs and SIDS. They also warned against reporting requirements that become barriers to participation.

⁴ All information in this table, including the "Note", is drawn from:
<https://www.un.org/bbnjagreement/sites/default/files/2025-09/20250905ClosingStatementAdvanceUnedited.pdf>

Takeaway:

Developing state parties emphasized the importance of fairness in SB and STB design. It remains to be seen how these priorities will be reflected in the intersessional draft aid.

3. Secretariat Model and Seat — Real Operational Support

The table below summarizes documents on arrangements for the functioning of the secretariat, including its seat, and their status in related discussions and negotiations.

Table 3. Documentation and Status of Discussions and Negotiations on the model and seat of the Secretariat⁵		
Stage	Title/Description	Status
Pre-session document for initial discussion	A matrix on the arrangements for the Secretariats of selected instruments (A/AC.296/2025/INF/4)	Basis for initial discussion
In-session issued document for discussion	A Co-Chairs' working document providing an overview of proposed elements for arrangements for the functioning of the Secretariat (circulated 21 August)	Discussed / under review; received broad support on proposed elements, including principles guiding secretariat's arrangements and prompt operationalization. Convergence emerged on: <ul style="list-style-type: none">• Drawing on UN experience while ensuring functional autonomy;• Privileges and immunities for secretariat, staff, experts, and State representatives;• Legal capacity and institutional scope of the secretariat;• Size, flexibility, and scalability to ensure cost-effectiveness;• Discussions on the selection of the seat of the secretariat progressed in informal informals (22 August), with general support for States to submit hosting offers in advance of PrepCom III.
Draft outcome / Next-step document	Information on secretariat arrangements for PrepCom III	Forthcoming: the anticipated information will be developed by Co-Chairs based on consultations with the Secretariat and input from interested States, to advance work in the intersessional period and support PrepCom III discussions.

⁵ All information in this table, including the "Note", is drawn from:
<https://www.un.org/bbnjagreement/sites/default/files/2025-09/20250905ClosingStatementAdvanceUnedited.pdf>

Discussions on the design and seat selection of the BBNJ Secretariat highlighted areas of agreement and key considerations for ensuring equitable participation of developing states parties.

The [African Group](#) strongly favors establishing a Secretariat that maintains robust institutional linkage to the United Nations system while preserving sufficient autonomy to effectively implement the BBNJ Agreement, for example, as in the United Nations Framework Convention on Climate Change (UNFCCC). It also favors beginning with a small but comprehensive Secretariat, designed to expand with the Agreement's evolving workload.

The [Group of 77 and China](#), meanwhile, emphasized that elements such as equitable representation must be built into the Secretariat from the ground up. It called for creating additional space for experts from developing countries while emphasizing that such quotas should be considered merely a minimum standard as a starting point to address the underrepresentation of developing States in multilateral organizations rather than a ceiling, and efficiency and competence standards shall not come at the expense of the principle of equitable representation of developing countries.

The [African Group](#) further proposed practical solutions on the model of the Secretariat to operationalize the equitable representation of developing State Parties. It suggested establishing dedicated units within the Secretariat to address developing countries' key priorities, such as capacity-building and technology transfer, benefit-sharing, scientific and technical support, and finance and administration. It also called for allocating a dedicated budget to support participation, research, and capacity-building activities. Further, it emphasized the importance of administrative and logistical arrangements to enable developing countries to fully engage in meetings and activities organized by the Secretariat, including visa facilitation (waivers, visas on arrival, or long-term entry) and access to facilities, among others.

Delegates also exchanged views on the question of the Secretariat's seat, including procedures for identifying and selection process of host countries. The [African Group](#) stressed that the selection process must be transparent, inclusive, and consensus-driven, which can be achieved by setting clear evaluation criteria, standardizing questionnaires, and carrying out site assessment missions in candidate countries. Belgium and Chile expressed their interests in hosting the Secretariat and presented their respective visions.⁶ Youth representatives called for an independent Secretariat, preferably located in a developing country or a SIDS.⁷

Finally, delegates discussed what information potential host countries should provide and agreed to invite candidate States to submit formal information ahead of the PrepCom III. The [Group of 77 and China](#) underlined the need for a comprehensive Host Country Agreement ensuring privileges and immunities, non-discriminatory treatment, and practical guarantees such as visas, freedom of movement, dignity, transport and security, so as to enable the full and inclusive participation of developing State Parties and observers.

⁶ See <https://enb.iisd.org/sites/default/files/2025-09/BBNJ%20Prep%20Commission%202025%20Briefing%20Note.pdf>.

⁷ See <https://enb.iisd.org/sites/default/files/2025-09/BBNJ%20Prep%20Commission%202025%20Briefing%20Note.pdf>.

Takeaway:

Developing State parties pushed for a Secretariat design and seat selection that must ensure equitable representation, dedicated support for developing States' priorities, and practical guarantees to enable full and inclusive participation in the Secretariat-led meetings and processes.

4. Reporting: A Tool for Support, Not a Compliance Trap

The table below summarizes documents on reporting requirements pursuant to the Agreement, and their status in related discussions and negotiations.

Table 4. Documentation and Status of Negotiation Texts on Reporting ⁸		
Stage	Title/Description	Status
Pre-session document for initial discussion	Note by the Secretariat on reporting requirements pursuant to the Agreement (A/AC/296/2025/17)	Discussed / under review; broad convergence was reached on: <ul style="list-style-type: none">• balancing transparency and accountability with avoiding excessive cost and time burdens for Parties;• recognition that developing States Parties may require support to fulfill reporting obligations;• Respecting confidentiality in reporting;• broad support for a streamlined, standardized reporting system that avoids duplication and developed with input from subsidiary bodies;• interval, format, content, and submission procedures.
In-session issued document for discussion	Not applicable.	Not applicable
Draft outcome / Next-step document	Key points on reporting to be conveyed to the COP (not yet specified in which format)	Forthcoming (not specified)

Discussions revealed several issues central to developing state parties' concerns:

The [Group of 77 and China](#) emphasized that reporting must be practical, technical, non-political, non-selective, non-burdensome, respecting sovereign equality and the principle of non-intervention. It underlined that reporting should help parties match their identified needs

⁸ All information in this table, including the "Note", is drawn from:
<https://www.un.org/bbnjagreement/sites/default/files/2025-09/20250905ClosingStatementAdvanceUnedited.pdf>

with international support on capacity building, marine technology transfer and financial support, rather than as a prerequisite for receiving such support.

The [African Group](#) emphasized safeguards to prevent developing countries from being overburdened. It proposed accessible and harmonized reporting templates, predictable funding, and technical assistance to make reporting feasible and effective for developing state parties, particularly LDCs, Landlocked Developing Countries (LLDCs), and SIDS.

For [AOSIS](#), reporting should go beyond mere compliance, serving as a structured opportunity for Parties, particularly SIDS and LDCs, to highlight challenges and resource needs. They proposed that Party reports indicate implementation gaps, while SBs provide guidance through templates and methodological support, taking into account capacity constraints. Secretariat reports should capture activities supporting developing countries and the operationalization of relevant provisions for SIDS and LDCs. AOSIS also emphasized alignment with existing reporting processes under the Convention on Biological Diversity (CBD) and UNFCCC, including referencing prior submissions, to reduce duplication and administrative burden.

Takeaway:

Developing state parties emphasized that reporting should be practical, non-burdensome, and support-oriented, enabling them, especially SIDS and LDCs, to highlight challenges, identify needs, and trigger international support.

5. Cooperation with Relevant Legal Instruments and Frameworks and Relevant Global, Regional, Subregional and Sectoral bodies (IFBs)

The table below summarizes documents on arrangements to enhance cooperation with relevant IFBs, and their status in related discussions and negotiations.

Table 5. Documentation and Status of Negotiation Texts on Cooperation with IFBs⁹		
Stage	Title/Description	Status
Pre-session document for initial discussion	A note by the Secretariat on reporting requirements pursuant to the Agreement (A/AC.296/2025/16)	Discussed / under review; key elements concerning cooperation arrangements identified by delegations for consideration by the COP including: <ul style="list-style-type: none"> • Adaptability, practicality, flexibility, efficiency, effectiveness, equity, and inclusiveness • Levels of formality • Role of the COP in overseeing cooperation arrangements

⁹ All information in this table, including the “Note”, is drawn from:
<https://www.un.org/bbnjagreement/sites/default/files/2025-09/20250905ClosingStatementAdvanceUnedited.pdf>

		<ul style="list-style-type: none"> • Duration of arrangements • Strategies to manage overlapping mandates and avoid duplication • Reciprocity, cost-effectiveness, and financial implications • Inclusion of instruments, frameworks, and bodies in the work and processes under the Agreement
In-session issued document for discussion	Not applicable	Not applicable
Draft outcome / Next-step document	A draft decision providing guidance on cooperation with relevant IFBs	Forthcoming, to be developed by Co-Chairs for consideration at PrepCom III

The African Group¹⁰ underlined that cooperation with other IFBs is not just about technical coordination but **tied to equity and protecting the rights of developing countries**. All arrangements must be anchored in a COP-approved framework that allows collective review by Parties, ensures traceability through COP agendas, and respects the principles of the common heritage of humankind and equitable benefit-sharing.

To operationalize the cooperation, the Group proposed that the COP should first define clear parameters for identifying what counts as a “relevant” IFB, ensuring partners are genuinely aligned with the Agreement’s objectives. It pointed to the International Seabed Authority (ISA), the CBD, the International Maritime Organization (IMO), and Regional Fisheries Management Organizations (RFMOs) as examples from which useful models or practices could be drawn.

The Group also called for cooperation with relevant IFBs to be institutionalized, not left to ad hoc exchanges, suggesting through regular consultations bringing together the Secretariat, subsidiary bodies, and international organizations in a structured way.

Breaking down responsibilities, the Group suggested the COP provide the overall framework and guiding principles and should equip developing countries with guidance to defend BBNJ principles in other international fora; Parties act as catalysts in pushing other bodies to recognize BBNJ in their decisions and strategic plans; subsidiary bodies integrate cooperation into their workplans and avoid duplication or conflicted measures; and the Secretariat serve as the operational hub, managing the Clearing-House Mechanism (CHM), facilitating data exchange, providing technical support and capacity-building, and reporting to the COP.

Looking to cooperation arrangements that are necessary at an early stage, the Group flagged a set of international institutions, including the ISA; CBD, including the Nagoya Protocol;

¹⁰ See https://www.un.org/bbnjagreement/sites/default/files/2025-08/AfricanGroup_CoopArrange_20Aug.pdf; https://www.un.org/bbnjagreement/sites/default/files/2025-09/AfricanGroup_IFBs_28Aug.pdf.

RFMOs, IMO, regional seas conventions such as the Nairobi Convention, and other bodies like the World Intellectual Property Organization, Food and Agriculture Organization, and Intergovernmental Oceanographic Commission of the United Nations Educational, Scientific and Cultural Organization.

Takeaway:

Discussions revealed strong demands from developing state parties for arrangements that safeguard equity and prevent their interests from being sidelined.

6. Modalities for the Operation of the Clearing-House Mechanism (CHM): A Demand-driven Platform Matching the Needs with Available Support

The table below summarizes documents on the modalities for the operation of the CHM, and their status in related discussions and negotiations.

Stage	Title/Description	Status
Pre-session document for initial discussion	A Draft ToR for an informal group on technical aspects of the operationalization of the CHM (A/AC.296/2025/15); and a flowchart on technical aspects of CHM operationalization	Completed reading
In-session issued document for discussion	A Revised draft ToR (A/AC.296/2025/CRP.2, circulated on 23 August 2025)	A focus group co-facilitated by Juliette Babb-Riley (Barbados) and Lowri Griffiths (United Kingdom) discussed on the size and composition of the informal group. The focus group did not reach a conclusion, which was not regarded as a negative outcome. The discussions reflected constructive engagement and a shared sense of responsibility among delegations in advancing the work to support the operationalization of the CHM.
Draft outcome / Next-step document	Specific tasks to support operationalization of the CHM to be delivered by Co-Chairs in consultation with Secretariat and Bureau;	Forthcoming, to be completed in preparation for PrepCom III

¹¹ All information in this table, including the “Note”, is drawn from:
<https://www.un.org/bbnjagreement/sites/default/files/2025-09/20250905ClosingStatementAdvanceUnedited.pdf>

	Delegations also converged on a practical next step on tasking the informal group to take stock of existing CHMs and information-sharing platforms and to use that stock-take to shape the roadmap or the operationalization of the CHM. ¹²	
--	--	--

Developing state parties ([CLAM - El Grupo de Estados Afines Latinoamericanos](#), [Group of 77 and China](#), [African Group](#) and [AOSIS](#)) pushed a clear message: the CHM must be a demand-driven matchmaking platform delivering capacity building and technology transfer, particularly for LDCs and SIDS — not a passive database.

Priority CHM functions identified for the first phase included:

- Marine genetic resources (MGR) batch identifiers ([AOSIS](#); [African Group](#))
- Environmental impact assessment (EIA) alerts and notifications ([African Group](#))
- Capacity-building and the Transfer of Marine Technology (CBTMT) matching with available support ([AOSIS](#); [Group of 77 and China](#))
- Core platform functions, including basic upload and download function, data security and interoperability or connectivity with other CHMs and platforms ([PSIDS](#); [Group of 77 and China](#); Liberia); the facilitative infrastructure, in particular for SIDS facing technical challenges ([AOSIS](#))
- Considerations relating to the traditional knowledge of Indigenous Peoples and local communities, as well as their engagement with the CHM. ([AOSIS](#))

Other design features needed to make CHM usable for developing states that delegates repeatedly stressed are:

- Functions aiming for closing the digital divide, such as low-bandwidth interfaces, offline packages and downloadable templates for low-connectivity users ([African Group](#))
- Multilingual access ([Group of 77 and China](#); [African Group](#))
- Geographic Information Systems (GIS)-compatible interface that supports Area-Based Management Tools (ABMTs) and EIAs spatial data ([African Group](#))
- Human-led verification and feedback mechanisms ([African Group](#))
- Cybersecurity and data protection through developing standards and protocols on cyber security, data protection, and access control (China; [PSIDS](#))
- Clarification on the role for National Focal Points and establishment of a clear framework for regular consultation with Indigenous Peoples and Local Communities

¹² See <https://enb.iisd.org/sites/default/files/2025-09/BBNJ%20Prep%20Commission%202025%20Briefing%20Note.pdf>.

(IPLCs), and non-State actors; participation of experts from developing states ([African Group](#))

There were divergent positions on the composition and working methods of the informal group.

Delegations debated limited-membership (many favoured this) vs. open-ended informal group. Most developing country delegations insisted that LDCs, SIDS and LLDCs must have guaranteed seats, and that “may include” become “shall include” in the ToR. (AOSIS, [PSIDS](#), and the [Caribbean Community](#))

On expertise, the [Group of 77 and China](#) called for further discussion on expert qualifications. [PSIDS](#) also proposed including indigenous experts and associated safeguards for protecting and transmitting traditional knowledge, including confidentiality, free prior and informed consent, ethical engagement with IPLCs, and respect for data sovereignty.

Nomination procedures, SIDS seats and an objection procedure for certain second-tier expert nominations (IFBs, private sector, civil society) remained unresolved after an informal Friends-of-the-Co-Chairs conversation facilitated by Barbados and United Kingdom.

The [African Group](#) argued for at least two-thirds of meetings in person to mitigate connectivity and time-zone issues and for full multilingual interpretation and funded participation.

Takeaway:

Developing state parties want the CHM to actively support their participation and implementation, providing capacity-building, technology transfer, inclusive access, and guaranteed representation, rather than being a passive database.

7. Financial Rules Governing the Funding of the COP, the Secretariat, and Any SBs

The table below summarizes documents on financial rules governing the funding of the COP and the funding of the secretariat and any SBs, and their status in related discussions and negotiations.

Table 7. Documentation and Status of Discussions and Negotiations on other Financial Rules ¹³		
Stage	Title/Description	Status
Pre-session document for initial discussion	A Revised aid to discussions and negotiations on financial rules (A/AC.296/2025/13)	Completed reading
In-session issued	Refreshed text of draft financial rules (A/AC.296/2025/CRP.4,	Discussed; incorporated delegations’ proposals on updates and new text, including the role of the Finance Committee on financial resources, rules

¹³ All information in this table, including the “Note”, is drawn from:
<https://www.un.org/bbnjagreement/sites/default/files/2025-09/20250905ClosingStatementAdvanceUnedited.pdf>

document for discussion	circulated 25 August 2025)	for supplementary budget proposals, establishment of additional funds, payment modalities for assessed contributions, rules on arrears, and the modalities requiring States not party to the Agreement to contribute to meeting expenses. Discussions also highlighted that some issues remain unresolved and are linked to other workstreams, including the arrangements for the secretariat, the rules of procedure for the COP, and operationalization of other provisions on financial resources and mechanisms.
Draft outcome / Next-step document	Further revised aid on financial rules	Forthcoming, to be prepared by Co-Chairs for consideration at PrepCom III; delegations are invited to provide written input by 15 October to inform the preparation of the further revised aid.

During discussions on the revised text, many delegates welcomed the improvements in the revised aid and focused their discussions on three areas: budget, funds, and contributions.

The [Group of 77 and China](#) and [African Group](#) stressed the need for adequate, predictable, sustainable, accessible, and responsive funding that addresses the unique needs of developing countries, especially SIDS, LDCs, and LLDCs, and ensures their full and effective participation. [Group of 77 and China](#) called for concrete steps to guarantee timely funding and contributions to support participation of developing countries in relevant meetings, including the Conference.

The [African Group](#) highlighted the importance of clear interpretation of “eligibility” in accessing **funds**, in line with the spirit and intent under the Agreement to prioritize LDCs, SIDS, and African States.

Both the [Group of 77 and China](#) and [African Group](#) emphasized the urgent need to launch a time-bound process for the operationalization of the **Special Fund** and the African Group called for discussions to address the legal and institutional arrangements, scope, structure, access modalities, resource allocation, mobilization of initial resources, and monitoring and evaluation.

The [African Group](#) underscored that financial rules on the Secretariat will depend on the Secretariat model ultimately adopted. The [Group of 77 and China](#) recommended a comprehensive comparative analysis of selected existing secretariat models, noting that decisions on the Secretariat’s structure, status, and relationship with the United Nations will directly shape its funding rules.

The [AOSIS](#) proposed adding SIDS-Specific rules, among others:

- Inclusion of SIDS alongside LDCs under the assessed contributions cap rule;
- A rule ensuring all SIDS are eligible and prioritized under the Voluntary Trust Fund for participation;
- Appropriate measures for Parties in arrears;

- A rule that provides flexibility to SIDS and LDCs in the payment of their contributions if they are affected by a force majeure.

[AOSIS](#), the [Caribbean Community](#), and the [African Group](#) further requested deletion of the bracketed provision in the financial rules stating that the Special Fund “shall not apply mutatis mutandis to any additional funds established under Article 52(5).”

Takeaway:

Developing countries demand fair, predictable, accessible, and flexible funding rules, ensuring priority support for the most vulnerable, and urgent operationalization of the Special Fund to enable early participation.

8. Arrangements with the Global Environment Facility (GEF) to Give Effect to the Relevant Provisions on Funding

The table below summarizes documents on the arrangements with the GEF to give effect to the relevant provisions on funding, and their status in related discussions and negotiations.

Table 8. Documentation and Status of Discussions and Negotiations on GEF Funding Arrangements¹⁴		
Stage	Title/Description	Status
Pre-session document for initial discussion	A revised aid to discussions and negotiations concerning draft MoU between COP and GEF Council (A/AC.296/2025/14).	Completed reading
In-session issued document for discussion	Refreshed text of draft MoU (A/AC.296/2025/CRP.1, circulated 22 August 2025)	Completed reading. During the reading of the refreshed draft MoU, a general issue was identified concerning whether the memorandum should, in specific instances, refer to GEF or the GEF Council. Following consultations between interested delegations and the GEF, it was agreed that the GEF would provide advice on this issue during the intersessional period. Convergence was noted across several sections of the draft MoU, including the preamble and the sections on definitions, purpose, complementarity and coherence within the financial mechanism, reciprocal representation, interpretation, entry into force, and termination. Delegations also engaged constructively on textual proposals to refine these and other sections. Further consideration is required on reporting requirements, periodic review of the financial

¹⁴ All information in this table, including the “Note”, is drawn from:
<https://www.un.org/bbnjagreement/sites/default/files/2025-09/20250905ClosingStatementAdvanceUnedited.pdf>

		mechanism in relation to GEF, provision for an independent assessment of GEF, and references to the possible role of the Finance Committee on financial resources, including determination of funding needed and available.
Draft outcome / Next-step document	Further revised aid on GEF arrangements	Forthcoming: to be prepared by Co-Chairs during the intersessional period and for consideration at the Prep Com III; delegations were invited to submit proposals by 15 October to inform the preparation of the further revised aid.

Discussions highlighted clear contrasts between developing and developed countries:

Generally, developing state parties were satisfied with the revised draft BBNJ-GEF Memorandum of Understanding (MoU).

The [Group of 77 and China](#) emphasized that developing states parties must have guaranteed access to funding and retain genuine control over how the funding is directed, which can be realized by requiring that such support is guided by their self-identified needs and through the establishment of clear and equitable representation in the decision-making process in the relevant institutional design. In addition, the Group called for ensuring that funding access is not impeded by bureaucratic complexity or arrears in assessed contributions and called for simplified, predictable procedures, timely disbursement of GEF arrangements; and in cases of ambiguity, the prioritization of interests of developing countries to guide interpretation.

The [Caribbean community](#) aligned its statement with the Group of 77 and China, and further proposed introducing an “efficiency, prioritization, and inclusiveness” threefold safeguard in the financial mechanism by streamlining procedures, granting preferential support to vulnerable developing countries especially for SIDS, LDCs, LLDCs, and ensuring their effective participation in funding decisions.

In contrast, many developed state parties (including [European Union, Norway, Japan, Canada, UK, Australia](#)) were not very satisfied with the revised draft MoU and argued that some provisions, including reporting requirements, periodic reviews, and independent assessments, are overly prescriptive and risk duplicating existing GEF mechanisms and thus cause additional financial and administrative burdens. They questioned the necessity to keep those elements and proposed simplifying or removing certain elements or sentences that impose such burdens in those provisions.

[Russia](#) voiced strong reservations, arguing that the MoU lacks clarity on how exactly the GEF would operate and concrete guarantees for the interests of recipient states especially considering that the GEF is an independent private entity whose funding comes from multiple sources and is not subject to international law and legal responsibility if the funds provided do not serve the interests of recipient state parties. It warned that current language on funding decisions, oversight, and dispute settlement relies too heavily on GEF’s good faith and could allow donor influence to override the interests of developing countries. It pointed that mere reporting requirement on GEF is insufficient as a mechanism to protect the interests of

developing states. While the Secretariat can provide comments on those reports, however, as a technical body, it does not represent the interests of the parties and its role is limited to providing services instead of shaping substantive decisions that affect states' interests.

Given these shortcomings, [Russia](#) proposed that there is a need to rethink the current approach and suggested that States should negotiate legally binding bilateral agreements directly with GEF-executing agencies. These bilateral agreements should cover concrete areas of cooperation, reporting requirements, accountability measures in cases of non-implementation, dispute monitoring mechanisms, information exchange, confidentiality, and intellectual property protection.

In the end of discussions, despite these differences, Co-Chairs expressed cautious optimism. Co-Chair Felson noted that challenges are “not insurmountable,” and indicated that further intersessional discussions and clarifications from the GEF Secretariat could help bridge differences ahead of PrepCom III, where the MoU will continue to be negotiated.

9. Operationalization of Provisions on Financial Resources and Mechanisms Other than Arrangements with GEF

The table below summarizes documents on the operationalization of provisions on financial resources and mechanisms other than the arrangements with GEF, and their status in related discussions and negotiations.

Table 9. Documentation and Status of Discussions and Negotiations on other Financial Resources and Mechanisms¹⁵		
Stage	Title/Description	Status
Pre-session document for initial discussion	<p>A Note by the Secretariat on operationalization of financial resources and mechanism (A/AC.296/2025/18)</p> <p>A matrix on the arrangements for the Secretariats of selected instruments (A/AC.296/2025/INF/4)</p>	Basis for initial discussion and consideration
In-session issued document for discussion	A working document providing an overview of proposed elements for the operationalization of the special fund	Discussed; broad support noted

¹⁵ All information in this table, including the “Note”, is drawn from:
<https://www.un.org/bbnjagreement/sites/default/files/2025-09/20250905ClosingStatementAdvanceUnedited.pdf>

	(circulated on 23 August);	
	A working document providing draft elements for the ToR of the voluntary trust fund established under the Agreement (circulated on 25 August)	Preliminary views exchanged; further discussion required
Draft outcome / Next-step document	Draft decision for operationalizing the special fund; potential ToR for voluntary trust fund	Forthcoming: to be prepared by Co-Chairs for consideration at PrepCom III

Discussions on the special fund (SF) showed broad support for the PrepCom undertaking work toward its early operationalization as a priority. Convergence was noted on several elements, including guiding principles and areas of focus for the process.

Regarding the voluntary trust fund (VTF), preliminary views were exchanged, including on the interplay with the draft financial rules and other issues considered by the Commission. Delegations also shared preliminary views on the scale of assessed contributions and guidance on strategies, policies, programme priorities, and eligibility for access to and utilization of financial resources.

Further discussions are required, particularly on the connection between the scale of assessed contributions and the draft financial rules.

Voluntary trust fund (VTF):

The [Group of 77 and China](#) emphasized that the VTF is not just a source of funding, but a guarantee for their equal participation in meetings and decision-making under the Agreement. The Group stressed that the fund must be stable, reliable, and cover all reasonable participation costs across formal, extraordinary, intersessional, and informal meetings, with priority given to COP sessions when resources are limited. It also opposed restrictions on funding access for countries whose assessed contributions are in arrears beyond a specified threshold.

[AOSIS](#) highlighted that all SIDS should be eligible and prioritized for VTF access, and suggested harmonizing SIDS' contribution ceiling with LDCs and providing flexibility in payment obligations for SIDS under exceptional circumstances when they are affected by force majeure.

The [African Group](#) emphasized the urgency of scheduled discussions and the need to begin drafting operational modalities and guidelines for both the VTF and the SF, covering eligibility, applications, disbursement, and reporting.

The [African Group](#) welcomed the draft ToR for the VTF as providing a solid framework for discussion and supports certain operational provisions while reserved its position on elements such as restrictions related to unpaid contributions, the establishment of an Advisory Board, and specific fund allocation details.

Special fund (SF):

[AOSIS](#) proposed that PrepCom develop a draft ToR for the SF to be considered at COP 1, including a formal governing charter and modalities to ensure full and funded participation of SIDS. They called for the SF to be operational by COP 2 to ensure developing countries benefit without delay and suggested concrete timelines and milestones for operationalization.

Both the [African Group](#), [AOSIS](#), and the [Group of 77 and China](#) stressed the need for early operationalization of the Special Fund with clear timelines. AOSIS underscored substantial and funded participation for SIDS and timely adoption of governance instruments, while the African Group highlighted equitable access to support reflecting the special circumstances of a wider range of developing countries, including LDCs, LLDCs, geographically disadvantaged states, coastal African states, archipelagic states, and developing middle-income countries. It also highlighted a structured, time-bound process with technical working groups, webinars, and intersessional engagement, emphasizing inclusivity and equitable participation to inform PrepCom III.

On the matter of initial guidance to the entities of the financial mechanism, [AOSIS](#) called for clear guidance to ensure SIDS and LDCs' eligibility, simplified direct access, and their effective participation in the operationalisation and governance of financial entities.

Takeaway:

Developing countries insist that the VTF and SF must be stable, non-discriminatory, and designed to guarantee their equal and fully funded participation in all BBNJ processes, with SIDS, LDCs explicitly prioritized.

Conclusion

PrepCom II highlighted that developing countries see three priorities as essential for making the BBNJ regime workable in practice:

1. Governance architecture – from the COP down to the financial mechanisms – to embed robust equitable representation and procedural safeguards, with specific attention to ensuring meaningful participation of SIDS and LDCs, including through additional representation where appropriate;
2. CHM – to be a demand-driven matchmaking platform that actively delivers CBTMT and is not merely a passive database, with its design tailored to address North–South capacity gaps, including accessibility, connectivity, and usability for developing countries;

3. Funding – adequate, predictable, sustainable, accessible, and responsive, with finance rules that guarantee support and accessibility, especially for developing state parties and the most vulnerable states.

The coming intersessional period is the moment to convert those statements into clear provisions and budgets. The third meeting of the Preparatory Commission for the Entry into Force of the BBNJ Agreement (dates: 23 March – 2 April 2026) will continue its work on the cluster of issues under discussion at PrepCom II, with a view to preparing recommendations for adoption at COP1.



South Centre

International Environment House 2

Chemin de Balexert 7-9

1219 Geneva

Switzerland

Tel.: +41 22 791 8050

south@southcentre.int

www.southcentre.int



[SouthCentre](#)



[South Centre, Geneva](#)



[SouthCentre GVA](#)



[southcentre.gva](#)



[South Centre](#)



[SouthCentre](#)