



Convention on
Biological Diversity

The Kunming-Montreal Global Biodiversity Framework Implications for financial policymakers

Coalition of Finance Ministers for Climate Action (CFMCA)
28 June 2023



UNITED NATIONS DECADE ON
**ECOSYSTEM
RESTORATION**
2021-2030





Our US\$ 100 trillion global economy is 100% dependent on nature.

From the food we eat, the water we drink, our mobile phones and streaming services, to the homes we live in and our efforts to manage climate change

<https://www.naturefinance.net/>

What is in the KM GBF?

- 2030 targets to reverse nature loss
- 2050 goals for living in harmony with nature
- Emphasis on Nature-Climate linkages
- A “package” of commitments for biodiversity conservation, restoration and sustainable use
 - “Apex” conservation targets including “30 x 30” (conservation + restoration)
 - Address drivers of biodiversity – overexploitation, pollution, unsustainable agri/ industry
 - Access & benefit sharing (ABS), including digital sequence information of genetic resource (DSI)
 - Safeguarding rights of indigenous peoples and local communities (IPLCs), recognizing their contributions as stewards of nature
 - Importance of a gender-responsive approach, rights and equal opportunities of women and girls
- Specific commitments on financial flows (Goal D, targets 14 to 19)

Economic sector relevance of targets

Reducing threat to biodiversity

Targets 1 to 4 : Protecting and restoring nature

- Stop loss of important biodiversity areas
- Protect and restore 30% of Earth's lands, oceans, coastal areas and inland waters.
- Halt human-induced species extinction

Targets 5 to 8: Reducing other pressures on biodiversity from human activities

- Pollution – chemicals, pesticides, fertilizers, plastics
- Climate change
- Invasive species

Key relevant sectors

Agriculture
Forestry
Fishing / aquaculture
Food & beverage
Pulp & paper

Infrastructure
Transportation
Urban developments
Housing

Energy
Mining & metals
Chemicals
Manufacturing

Meeting people's needs

Targets 9 to 13: meeting people's needs in relation to nature

- Sustainable management of agriculture, aquaculture, fisheries and forestry
- Maintain ecosystem functions / regulating services incl air, water, climate, pollination, natural hazards
- Green and blue spaces in urban areas
- Fair sharing of Digital Sequence Information (DSI)

Importance of sust mgt & benefits for vulnerable people, and encouraging customary sust mgt by IPLCs.



« Implementation » Targets relevant to finance

T14: Mainstreaming/ alignment

Mainstream biodiversity in policies, regulations, strategies, etc

- Within all relevant sectors
- Enabling environment for public and private financial flows
- **Ensure that financial institutions and businesses align their activities across all sectors with the goals and targets of the GBF**

T15: Mandatory disclosures

Large businesses and FIs to **monitor, assess and fully and transparently disclose risks, dependencies and impacts on biodiversity**

- Along operations, value chains & portfolios
- Provide information needed to consumers to promote sustainable consumption patterns
- With the aim of reducing negative impacts on biodiversity and increasing positive impacts

T18: Incentives reform

Identify by 2025, and eliminate, **phase out or reform incentives, including subsidies, reducing them by \$500bn per year by 2030,**

Scaling up positive incentives for conservation and sustainable use

T19: Resources mobilisation&

Increase level of financial resources from all sources to \$200bn per year by 2030

- **Domestic (NBFPs)**
- **ODA** to \$20bn per year by 2025 and \$30bn by 2030
- **Leveraging private finance**, promoting blended finance
- **Innovative financial mechanisms** incl. biodiversity credits, payment for eco services, debt for nature swaps etc
- **Climate-nature synergies**



Embedding recognition of climate-nature linkages in the Helsinki Principles

Principle 1

Align our policies and practices with the Paris Agreement commitments and those of the Kunming Montreal Global Biodiversity Framework

Principle 2

Share our experience and expertise with each other in order to provide mutual encouragement and promote collective understanding of policies and practices for climate and nature action.

Principle 3

Work toward measures that result in effective carbon pricing and accounting for nature-related risks and impacts.

Principle 4

Take climate change and the need to conserve, restore and make sustainable use of nature into account in macroeconomic policy, fiscal planning, budgeting, public investment management, and procurement practices.

Principle 5

Mobilize private sources of climate as well as nature finance by facilitating investments and the development of a financial sector which supports climate mitigation and adaptation, as well as nature conservation, restoration and sustainable use.

Principle 6

Engage actively in the domestic preparation and implementation of Nationally Determined Contributions (NDCs) submitted under the Paris Agreement and National Biodiversity Strategies and Action Plans (NBSAPs) supported by National Biodiversity Finance Plans (NBFPs) under the KMGBF

CBD Parties work to COP16

- AC on Resources Mobilisation
 - Global instrument for biodiversity finance
 - Gaps and synergies within financial landscape
 - Innovative financial mechanisms
 - Nature-climate linkages
- Technical Expert Group on Financial Reporting
 - Tracking of financial flows
 - Public expenditure and private investment

« Roadmap » for finance sector action on nature

- Expected for release in July
- UNEP FI, CBD Secretariat, UNDP, World Bank
- Audience: All actors within financial landscape
- Recommending specific action for each actor, including finance ministries and supervisory entities
- Explicit reference to CFMCA and NGFS