

## FUNDING THE POST-2020 GLOBAL BIODIVERSITY FRAMEWORK

- Achieving the targets of an ambitious post-2020 global biodiversity framework will require increasing investment in nature by approximately 0.7-1.0% of global GDP.
- Without this investment, none of the UN's Sustainable Development Goals can be achieved.
- Reforms should include clear biodiversity targets for the financial sector that are aligned with national and global goals, reduction of subsidies that harm nature, increased use of public finance to reduce private finance risk and wide participation of society in conservation-friendly conservation economies

### What is the issue?

To sustain biodiversity, **annual funding of between USD 598 billion and USD 824 billion** (approximately 0.7-1% of global 2019 GDP) is required. Currently, funding is at less than USD 200 billion.

Meanwhile **subsidies to sectors that can harm nature** such as agriculture, fossil fuels and fisheries are about **USD 5 trillion** per year (approximately 7% of global 2019 GDP).

**Increasing private sector investment** in nature conservation and **directing finance away from investments that harm nature**, will be essential to achieving the post-2020 framework.

Despite significant increases in sustainable investment, the portion that goes to safeguarding nature is currently negligible - 3% in 2020: Only USD 1.4 billion between 2004-2016 was invested in natural habitat conservation.



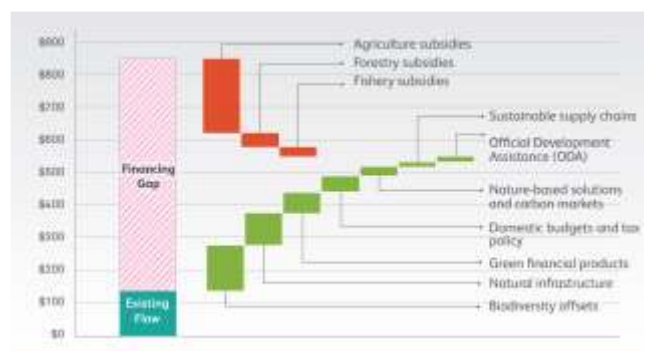
*Without investing in nature conservation, progress towards the other Sustainable Development Goals will be compromised. © United Nations*

### What should be done?

A massive increase in investment in nature is essential. This should come from public and private sources, with private investment the most important component. Much of it can come from reorienting damaging subsidies.

The economic benefits of biodiversity are well-documented, so **national governments should support nature through budgets dedicated to sectors that rely on nature, thereby orienting private investment.**

Examples include: agriculture, forestry, fisheries, water, pollution control, and climate action. IUCN is supporting the incorporation of these contributions in national accounting systems such as the [UN System of Environmental-Economic Accounting](#). These systems can help guide investment to increase the value of nature.



Key contributions to filling the biodiversity funding gap (Source: Paulson Institute/TNC/Cornell)

Finance ministries and stock exchanges should ensure that **financial institutions are required to disclose their impacts and dependencies on nature**, for instance through the [Taskforce on Nature-related Financial Disclosure \(TNFD\)](#).

Measuring how these impacts and dependencies change will help develop biodiversity targets for the financial sector to deliver.

## Why is this important?

Unsustainable human activity is degrading nature faster than ever before, so many governments have expressed their ambition to implement a framework that reverses these trends. This will not be possible without more investment to protect and restore nature.

When nature declines so do the benefits it provides to people. Nature loss **threatens an estimated USD 44 trillion of global GDP-more than half.**

Nature is also valuable in its own right- many people want to know that nature is healthy. When nature declines, so do the benefits it provides to people, including ecosystem goods and services and nature-based solutions to global problems like climate change.

Investment in conserving nature presents enormous **economic opportunities** through green growth, sustainable supply chains, and environmental innovation. These economic opportunities will be crucial in enabling countries to rebound after the COVID crisis.

A third of the actions necessary to deliver the 2°C climate target under the Paris Agreement can be achieved through investment in nature;

Further **pandemics are inevitable without investment** to reform humanity's relationship with nature.

Loss of biodiversity disproportionately affects poorer people. As investment in nature grows it is essential that **all under-represented and marginalised constituencies**, including indigenous peoples and local communities, be **guaranteed equitable participation in the economic opportunities** linked to biodiversity. Transparency and access to information should be improved, and international and local financial support should be made available to increase participation.

## The right global tools and events

The [Species Threat Abatement and Restoration \(STAR\) Metric](#), co-created by IUCN, is one way to quantify conservation actions that can be used to establish targets and demonstrate nature-positive actions.

IUCN supports funds that use public finance to reduce risk and attract commercial investors including: the [Nature+ Accelerator](#); the [Sub-National Climate Fund](#); the [Blue Natural Capital Finance Facility](#); the [Ecosystem-based Adaptation Fund](#). Governments, international finance institutions and the finance sector should support **scaling-up existing structures, and launching similar facilities**, to help meet the funding deficit for conservation.

Barriers to growing the conservation finance sector include the **lack of attractive risk and return profile, and the lack of scale**; most deals are under USD 20 million. The [Coalition for Private Investment in Conservation](#) (CPIC), launched by IUCN, is helping overcome these barriers. Regional CPIC networks will support wider participation in conservation economies in countries that have rich assets in biodiversity. Policies supporting the establishment of capacity hubs such as the CPIC Regional Hubs, and incentivising the participation of regional finance actors should be established by governments and local project developers engaged and involved.

### Additional Information

Post-2020 Framework at IUCN Congress: [Species Threat Abatement and Restoration \(STAR\) Metric](#)

[The Nature-based Solutions Standard™](#)

[Coalition for Private Investment in Conservation](#)

[Taskforce on Nature-related Financial Disclosure \(TNFD\)](#), [Deutz et al 2020](#).

[Dasgupta review](#).

[Forest Trends 2016](#)

