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Financing for biodiversity: A global perspective

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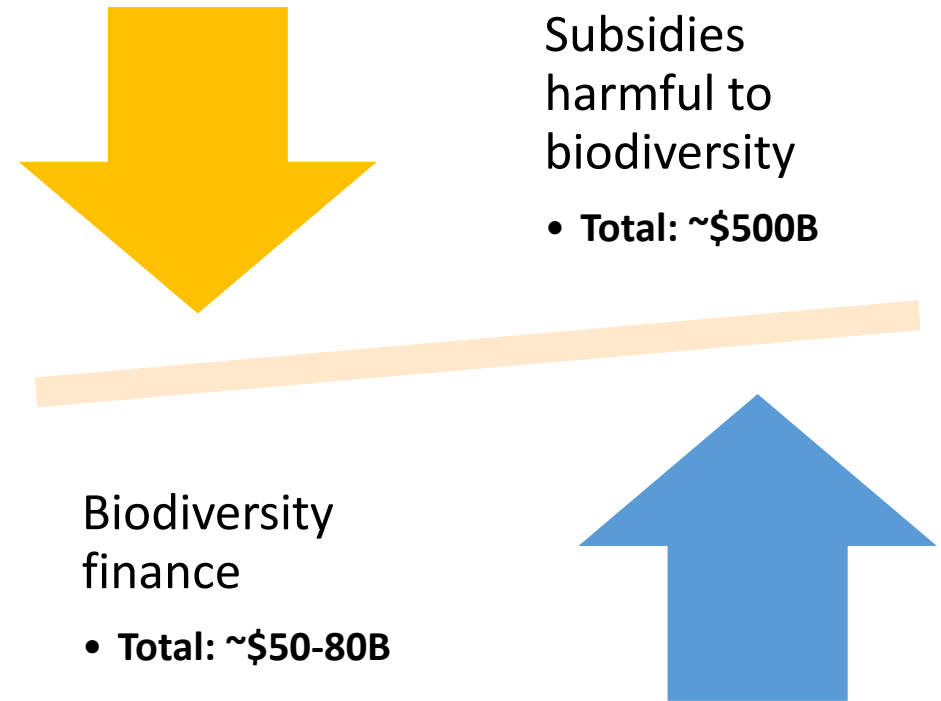
Beijing, November 6 2019

The challenge

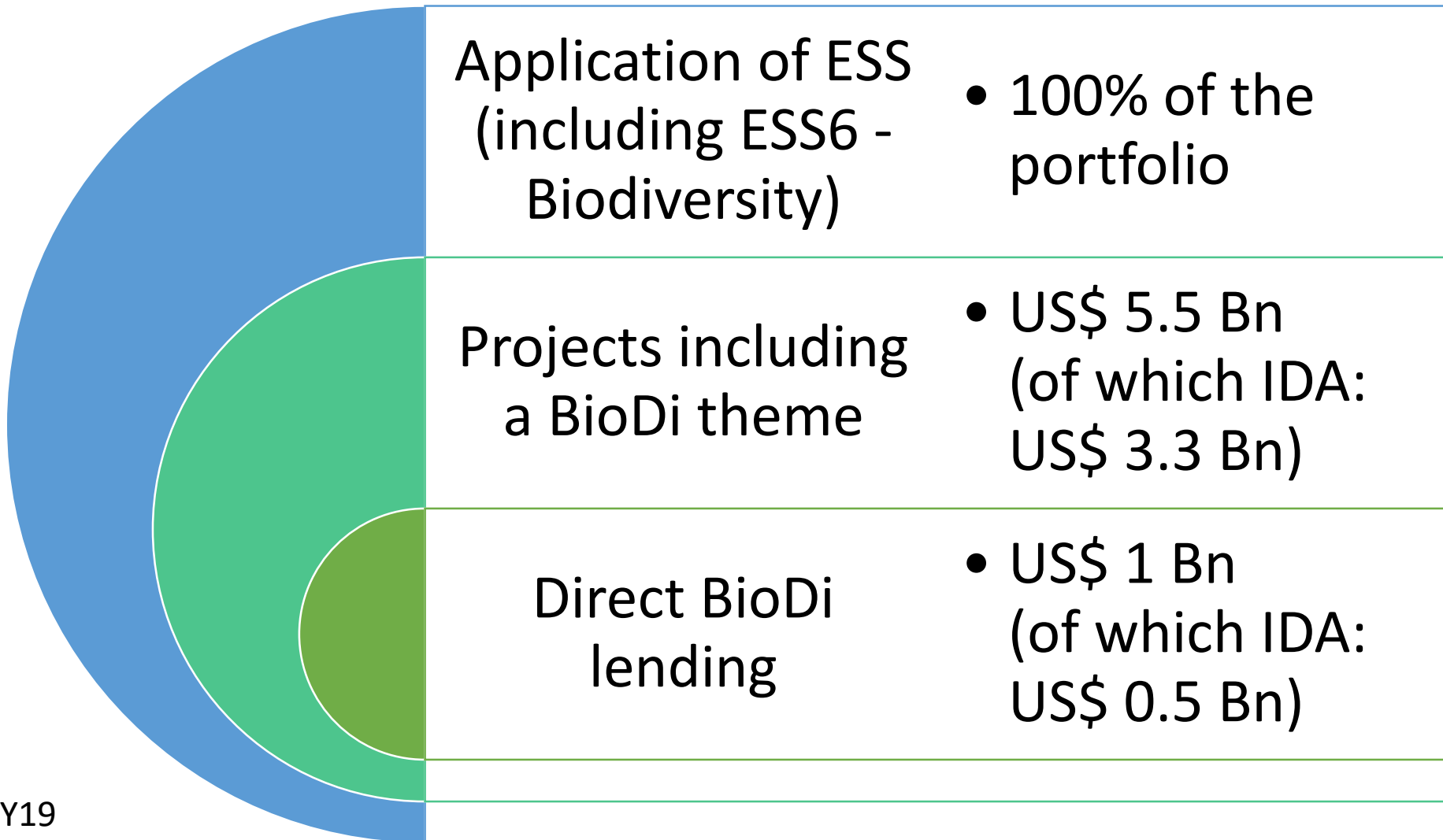
We are not achieving the Aichi Targets

Goal	Target (abbreviated)	Progress towards elements of each target			
		Poor	Moderate	Good	Unknown
Drivers	1 Awareness		~ ~		
	2 Planning & accounting	✗	~ ~		
	3 Incentives	✗ ✗			
	4 Production & consumption	✗ ✗			
Pressures	5 Habitat loss	✗ ✗			
	6 Fisheries	✗ ✗			?
	7 Agriculture & forestry	✗ ✗	~		
	8 Pollution	✗ ✗			
	9 Invasive alien species	✗ ✗		✓	?
	10 Coral reefs etc	✗ ✗			
Status	11 Protected & conserved areas		~ ~ ~ ~	✓ ✓	
	12 Extinctions prevented	✗ ✗			
	13 Genetic diversity		~ ~ ~ ~		?
Benefits	14 Ecosystem services	✗			?
	15 Ecosystem restoration				? ?
	16 Access & benefit sharing		~ ~	✓	
Implementation	17 Strategies & action plans		~ ~ ~	✓	
	18 Indigenous & local knowledge		~ ~ ~		? ?
	19 Biodiversity science		~ ~ ~		?
	20 Financial resources		~		

The world spends much more “against” nature than “for” nature



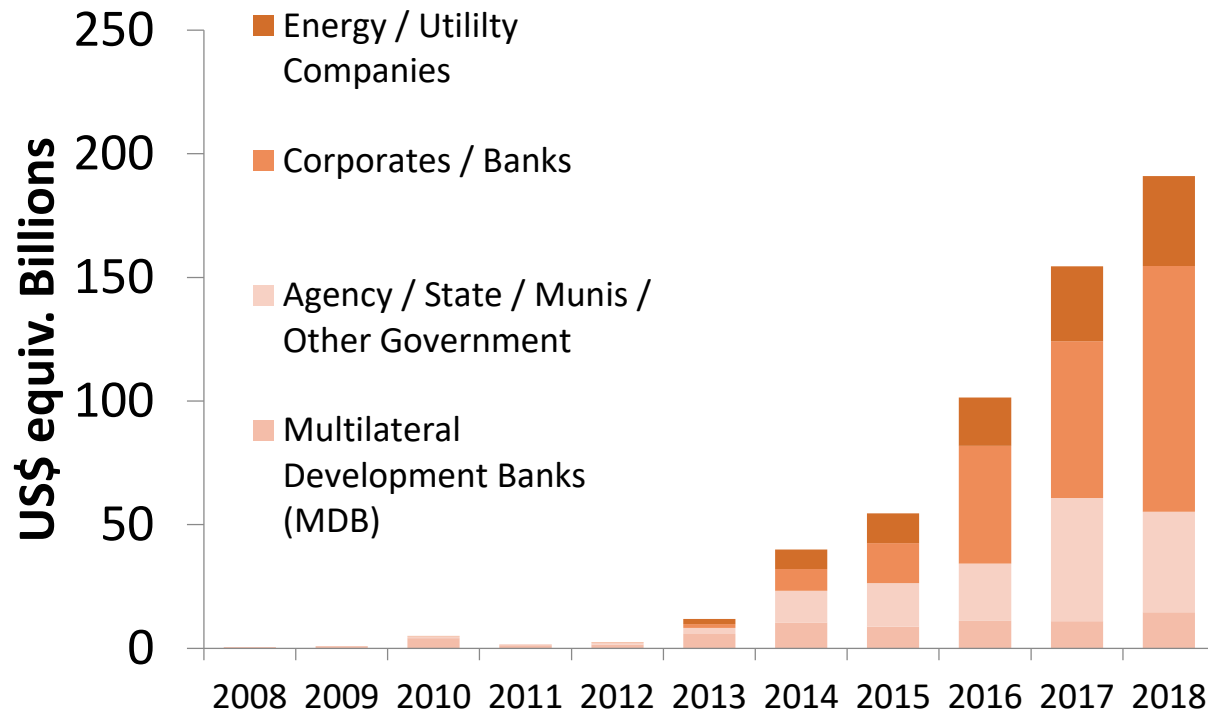
World Bank portfolio today



Data for FY19

Solutions (1): moving large financing streams towards greener investments

Harness the potential of green and blue bonds



Blending solutions (the case of Mozambique)

- In Mozambique, the WB and IFC are working on a comprehensive package of policy reforms, capacity building, and land use planning with multiple financiers involved to produce investments at scale.
- Our \$500 million Integrated Landscape Management portfolio is designed to support sustainable management of forests and other resources. This includes \$100 million for biodiversity conservation.
- Our objective is to improve the business climate for sustainable private investment and put it in synergy with conservation goals.
- This is an example of how we go beyond conservation and work with private companies to create employment and income for the people living off the land.

Solutions (2): blue innovations

Seychelles Blue Bond

- **Instruments**
 - Sovereign US\$15 million blue bond issued by the government for private investors
 - WB partial guarantee of US\$5 million
 - Global Environment Fund (GEF) concessional loan of US\$5 million
- **Concessional financing partially subsidized the payment of bond coupons and allowed for a reduction in the price of the bond**

Blue Carbon Financing Facility

Bringing ocean carbon,
biodiversity and livelihoods
together

Solutions (3): measuring impacts

The World Bank GPS Program

Data collection/
consolidation

Modeling/ Analysis

Dialog with
Governments

Investments, policy
reform

Pillar 1

Global information

Objective: Develop information base and tools to inform policy & investment decisions

Pillar 2

Country implementation

Objective: Build countries' capacity to produce and use natural capital accounting for policy, planning and M&E

Pillar 3

Finance and incentives

Objective: Integrate sustainability in the functioning of financial markets

Supporting our clients

GPS

tools to measure all components of natural capital & inform decision-making

ProBlue



Program for the blue economy to support the development of integrated and sustainable economic activities in healthy oceans

ProGreen



Program for landscapes to maintain or improve ecosystem services in resilient production and conservation landscapes

ProClean



Air quality; Land quality;
Toxic and chemical waste;
Water quality

Circular Economy and
Resource Efficiency

Institutions – Incentives – Investments – Innovation

The road to Kunming: our approach

Objectives

- (i) Focus on policy action agenda for **post-2020 global biodiversity framework** (address the drivers);
- (ii) Harness the interest of **Ministries of Finance**.



Why?

Biodiversity loss one of the biggest challenges of our times

A conservation-only approach insufficient

Drivers of degradation are rooted in our production and consumption systems and our way of thinking about infrastructure



Approach

Analytics

- Pioneering integrated modeling work (economics / ecosystems)
- Identifying most relevant policy levers for conservation

Advisory

- Engagement in key fora (G7; G20, UN Climate Action Summit)
- WB/IMF Annual Meetings
- China-WB Biodiversity and ES Finance workshop (Nov)
- WB/IMF Spring Meetings
- Engagement in CBD process



Value Added

Speak the language of Ministers of Finance

Bring policy dimension to the post-2020 framework discussion

Show the value of information for decision making

Thank you