



Government of the Netherlands

The Interface Dialogue Finance & Biodiversity

IDFB16: How front-running global investors are closing the biodiversity funding gap



How front-running global investors are closing the biodiversity funding gap

Programme of today

- 14:00 – 14:20** Opening by Caroline van Leenders and Daan Groot
- 14:20 – 14:50** Claudia Kruse (APG) on the steps APG has been taking to address the finance gap and the role and needs of global investors in helping to achieve the GBF + Q&A
- 14:50 – 15:00** *Break*
- 15:00 – 15:20** Natacha Boric (Finance for Biodiversity Foundation) on the working definition of Finance for Nature Positive + Q&A
- 15:20 – 15:35** Discussion with the Community on how global investors can close the biodiversity funding gap
- 15:35 – 15:45** Reflections by Hadrien Gaudin-Hamama (Mirova/FfB) and panelists / community on insights for COP16
- 15:45 – 15:55** Caroline van Leenders presenting the IDFB Roadmap and other updates
- 15:55 – 16:00** Closing remarks

About the IDFB

dialogue



- Established in 2021, by the Dutch Government, in the run up to COP15 to bridge the gap between **greening finance and financing green**
- The IDFB hosted **15 dialogue sessions** to bring together perspectives from the public sector and private financial sector
- More than **30 countries and 60 experts** engaged in the dialogue sessions, where **lessons and best practices on resource mobilisation and engaging the private sector** were shared
- The IDFB helped to get the **alignment of all public and private financial flows** in the text of the GBF and developed **10 recommended actions** to accelerate alignment

Activities of the IDFB

dialogue

Activities of the IDFB 2024

- **Sharing knowledge and experiences** linked to mobilizing **private finance for nature**
- Providing a space for dialogue and learning **through Dialogue Sessions** with other resource mobilisation professionals on the topic of aligning all financial flows for nature. After each session, a **meeting report** will be published.
- Additional support for developing **National Biodiversity Finance Plans** through the publication of a guidance document, based on the work of BIOFIN.
- Facilitated informal discussions over the summer period through **Open Office Hours** where members of the network could meet each other, exchange ideas and discuss topics and challenges
- Insight into **best practices and lessons learned**, which will be collated and made available on the IDFB website.
- Staying up to date on **relevant events planned for COP16 (and the lead up to it)**, with over 15 events shared on the IDFB [Roadmap to Cali](#)

IDFB16: Locally-led financing (03/09/2024)

Central theme: mobilizing financial resources for local initiatives, and the disbursement of locally led finance.

- Contributions from **Samantha Power (Finance for Gaia), Aaron Vermeulen (WWF), Sandra Valenzuela (WWF), Ramson Karmushu (MIKIA, International Indigenous Forum on Biodiversity, CBD ACRM member)**
- **Key insights:**
 - The need for transformation of financial systems.
 - The importance of centering IPLC in the design and implementation of financial mechanisms.
 - The desire to learn from each other on landscape finance as a way invest in nature at a local scale.

Setting the scene of today's Dialogue Session

The world of private finance: How are front-running global investors working to close the global biodiversity finance gap?

- With the implementation of the Global Biodiversity Framework, the **private financial sector has an important role to play** in closing the biodiversity finance gap (aligning all financial flows, target 19)
- **Private investment must reach at least \$210 billion/year by 2050** to contribute to closing the biodiversity finance gap of \$737 billion/year needed in 2050
- At the same time, **front-running global investors are looking for ways to invest their money**
- How to **effectively disperse big money for local-level impact?**
 - Where do investors and project developers find each other?
 - What do investors need? And how can they transform their practices across financial portfolios, asset classes and activities to finance nature & biodiversity?
 - What can we learn from our **previous Dialogue Session on locally-led financing?**

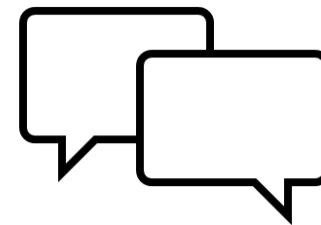


Claudia Kruse

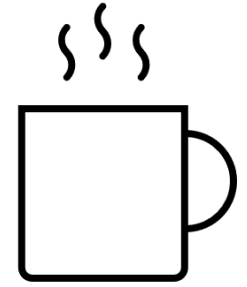
Chief Sustainability & Strategy Officer

APG





Q&A



BREAK



Natacha Boric

Head of Policy & Positive Impact

Finance for Biodiversity Foundation



Finance for Nature Positive

Presentation of the discussion paper, IDFB Dialogue Sessions

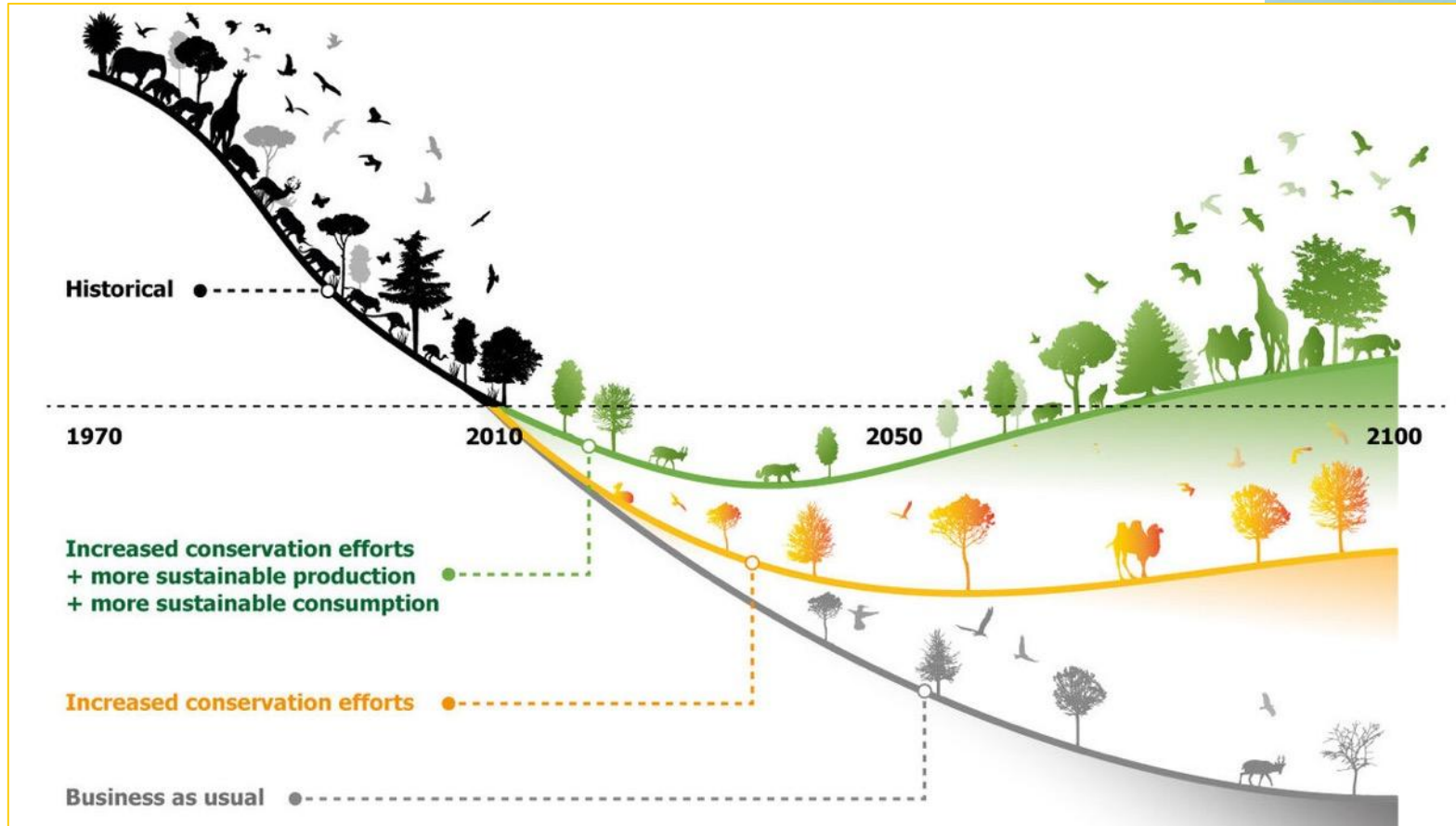


Presentation: “Finance for Nature Positive” discussion paper

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- 1. Introduction to the Finance for Biodiversity Foundation**
- 2. Objectives & scope of the discussion paper**
- 3. Introduction to the concept of Nature Positive**
- 4. A working model for the financial sector**
- 5. Call to Action & Next Steps**

1. Our mission



Supporting a call to action and collaboration among financial institutions to reverse nature loss this decade

Figure credit: IIASA

1. The Finance for Biodiversity Pledge

177 other financial institutions are calling for ambitious action and collective collaboration on nature

We, 177 financial institutions, representing EURO 22.1 trillion in assets, call on global leaders to take effective measures to reverse nature loss this decade and to ensure ecosystem resilience.

As financial institutions, we know that healthy societies, resilient economies and thriving businesses rely on nature. Together let's protect, restore, and sustainably manage our natural resources. We make every effort to take our share of responsibility and contribute to the protection and restoration of biodiversity and ecosystems through our financing activities and investments.

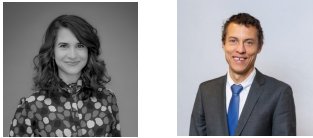






We, therefore, commit to do the following by 2024 at the latest, or within two years after signing:

- 1 Collaboration and knowledge sharing**
We will collaborate and share knowledge on assessment methodologies, biodiversity-related metrics, targets and financing approaches for positive impact.
- 2 Engaging with companies**
We will incorporate criteria for biodiversity in our ESG policies, while engaging with companies to reduce their negative and increase positive impacts on biodiversity.
- 3 Assessing impact**
We will assess our financing activities and investments for significant positive and negative impacts on biodiversity and identify drivers of its loss.
- 4 Setting targets**
We will set and disclose targets based on the best available science to increase significant positive and reduce significant negative impacts on biodiversity.
- 5 Reporting publicly**
We will report annually and be transparent about the significant positive and negative contribution to global biodiversity goals linked to our financing activities and investments in our portfolios.

1. Finance for Biodiversity Foundation governance

Working groups are sharing knowledge and collaborate on biodiversity actions

Engagement with Companies	Impact Assessment	Public Policy Advocacy	Target Setting	Positive impact
 <p>Co-chairs: Sonya Likhtman (Federated Hermes Limited) & Arthur van Mansvelt (Achmea IM)</p>	 <p>Co-chairs: Steve Freedman (Pictet AM)</p>	 <p>Co-chairs: Sonya Likhtman (Federated Hermes Limited) & Emine Isciel (Storebrand IM)</p>	 <p>Co-chairs: Charlotte Apps (Fidelity International) & Lucian Peppelenbos (Robeco)</p>	 <p>Co-chair: Hadrien Gaudin-Hamama (Mirova)</p>

Secretariat – 9 Persons

Advisory Board - 11 Persons

1. Public Policy Advocacy activities

Activities & projects:

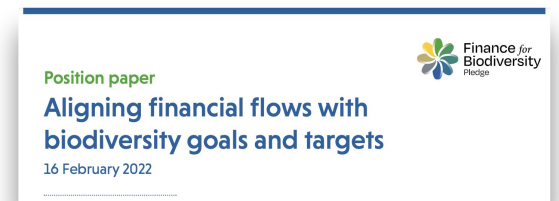
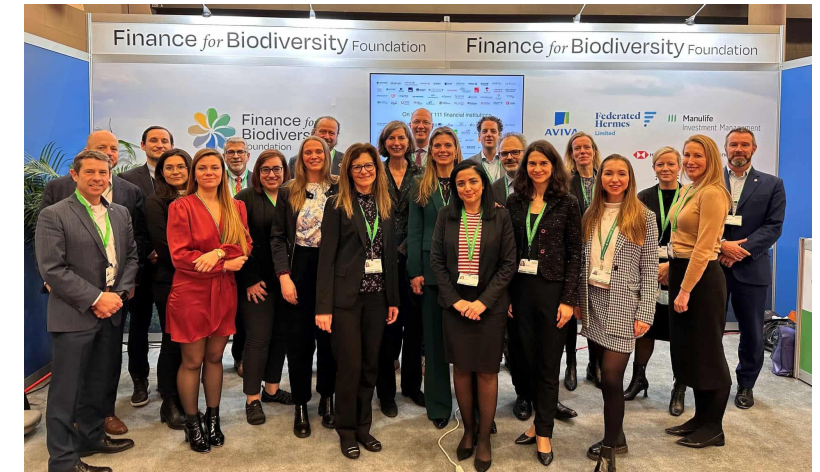
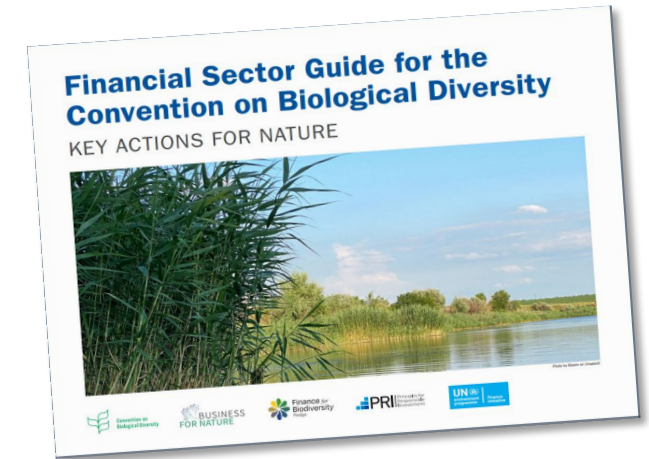
- Created [Financial Sector Guide](#) together with CBD, PRI & UNEP FI
- Publication of report '[Stepping up on Biodiversity](#)' with UNEP FI & PRI
- [Statement to not permit Deep Sea Mining](#), [Statement to stop plastic pollution](#)
- [Recommendations for governments](#) on implementation of GBF targets 14, 15 & 19

COP15:

- [Involvement as observer](#) in Convention of Biological Diversity (CBD) COP15 and collaboration on finance initiatives
- Text negotiations on Global Biodiversity Framework (GBF)
- COP15 '[Moving together on Nature](#)' statement by the Foundation together with UNEP FI and the PRI Publication of [three position papers](#) to support text negotiations on GBF
- 100 representatives of FfB Foundation member financial institutions at COP15 in Montreal
- Co-organised '[Finance Day](#)' at COP15 together with the CBD secretariat, including a ministerial breakfast with CEOs of financial institutions

COP16:

- Mobilisation of the finance sector
- Key partner of the Finance & Biodiversity Day
- Policy Engagements on Global Biodiversity Framework implementation
- Exclusive FfB delegation networking events



2. Objectives and scope of the discussion paper

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The “Finance for Nature Positive” working model should serve to advance consensus towards a common understanding on how private finance can meaningfully contribute to the nature positive goal.



Organisations:

Finance for Biodiversity (FfB) Foundation; UNEP FI; with the support of RVO Netherlands.



Main objective:

Provide guidance for financial institutions aiming to contribute to the Nature Positive global goal, in line with the mission of the Global Biodiversity Framework (GBF).



Means:

Foster consensus on definitions and good practices to support the development of strategies for improving the state of nature.



Phase:

Solicit feedback from the financial sector on the proposed working model (including at COP16).



Ambitions:

Create a lighthouse of ambition for the financial sector, but also shed light on immediate and applicable actions that the private financial sector can take today.

2. Objectives and scope of the discussion paper

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Coverage

The discussion paper aims establish the basis for a framework to guide the activities of **private financial institutions within major asset classes**, covering the activities of banks, asset managers, and asset owners.

The discussion paper provides a frame to scale nature finance effectively while limiting risks of greenwashing.

It does not allow a financial institution or portfolio to claim to “be” Nature Positive.

Audience

The discussion paper is **meant for financial institutions** seeking to develop and implement nature strategies aimed at achieving positive outcomes and contributions in alignment with the GBF.

The discussion paper can **also be relevant for public or private project holders** looking to establish relationships with the private finance sector.

It also aims to provide information to **stakeholders** on the needs of the market in terms of research development, measurement methodologies, and policy frameworks.

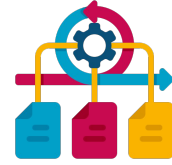
“The international community has called on the private financial sector to play its part in halting and reversing biodiversity loss by 2030.”

3. Introduction to the concept of Nature Positive



Emergence of the concept

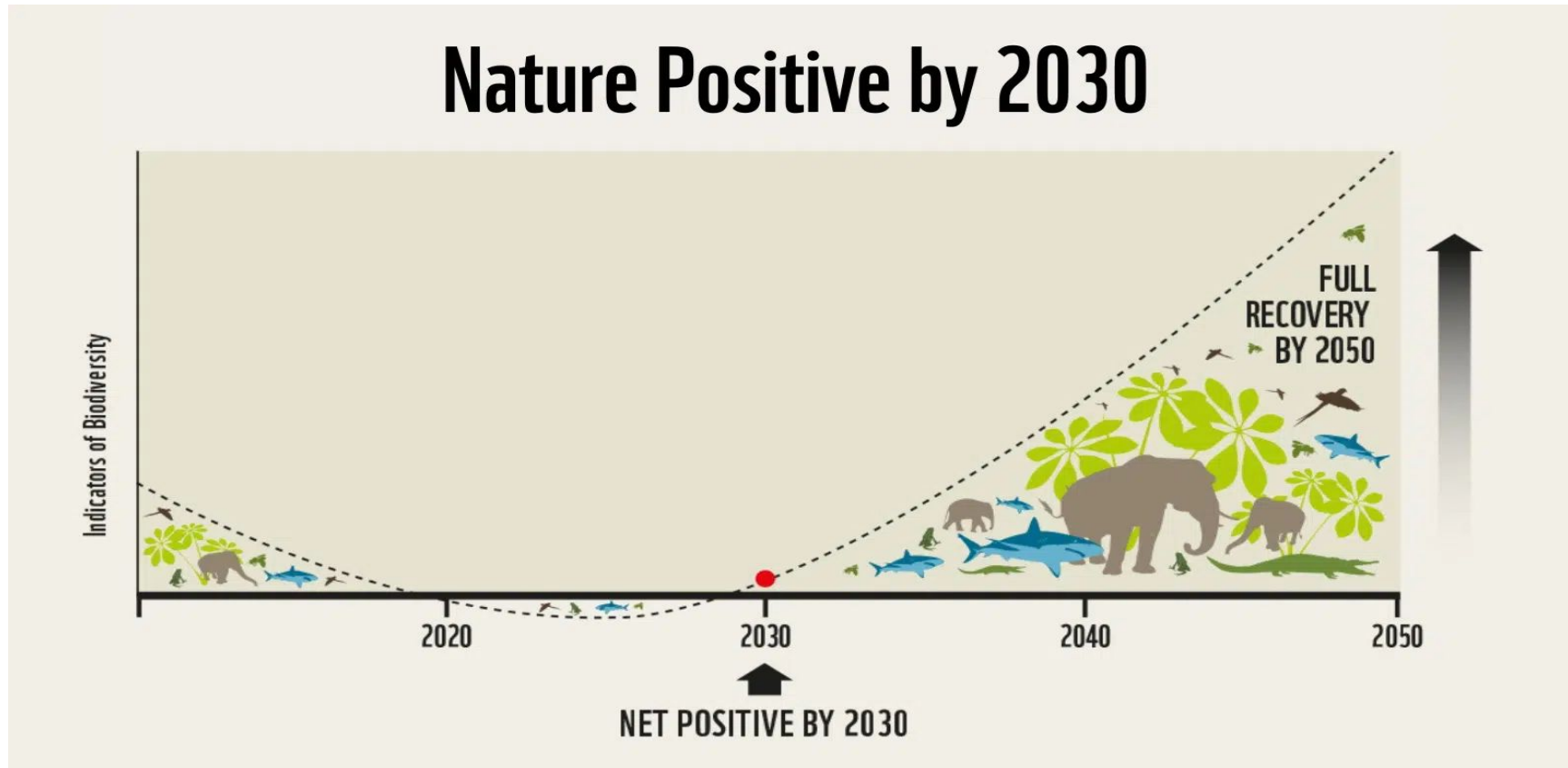
- “Nature-Positive: a Global Goal for Nature” paper published in 2020 by J. Locke et al.
- GBF adopted in Dec. 2022:
“Reverse and halt biodiversity loss by 2030, and ensure the full recovery of Nature by 2050”
- Nature Positive Initiative, gathering 27 institutions around common definitions
- Lessons learned from Net-Zero



State of the art

- Scientific & sustainability models:
 - UN SDGs;
 - Planetary Boundaries;
 - Doughnuts Economics & Dasgupta Review
- Existing sets of principles:
 - Nature Positive Initiative;
 - EU Business & Biodiversity Platform,
 - Booth et al (*in press*).
- Recognised impact frameworks, such as:
 - Impact Management Project,
 - UNEP FI Holistic Impact Approach,
 - TNFD Impact definition.

3. Introduction to the concept of Nature Positive



An illustration of the objectives underlying the Nature Positive global goal.

Source: Nature Positive Initiative.

3. Introduction to the concept of Nature Positive



Current research & open debates

- [“Operationalizing Transformative Change for Business in the Context of Nature-Positive”](#): How can individual actions of companies and financial institutions drive system-scale transformations?
- ["Nature Positive must incorporate, not undermine, the mitigation hierarchy"](#): How does the concept of Nature Positive interact with the mitigation hierarchy?
- [“Financing ecosystem conservation”](#): Is there a misalignment between private finance objectives with conservation objectives?
- [“Nature Futures Framework”](#): What is the desired future state of nature?
- [“Don’t dilute the term Nature Positive”](#): How to resist that « Nature Positive » becomes associated with « any action for nature?
- [“Nature-positive conceptual research framework”](#): what additional research is needed by businesses?

3. Introduction to the concept of Nature Positive

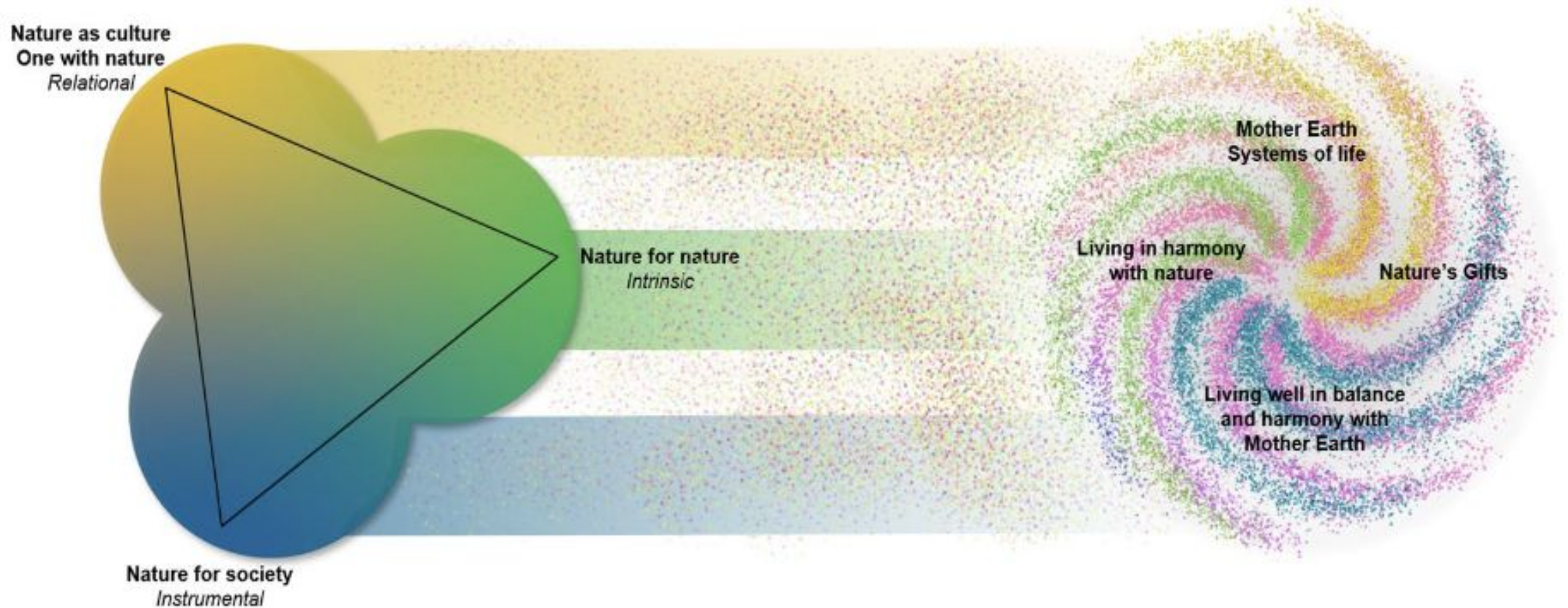
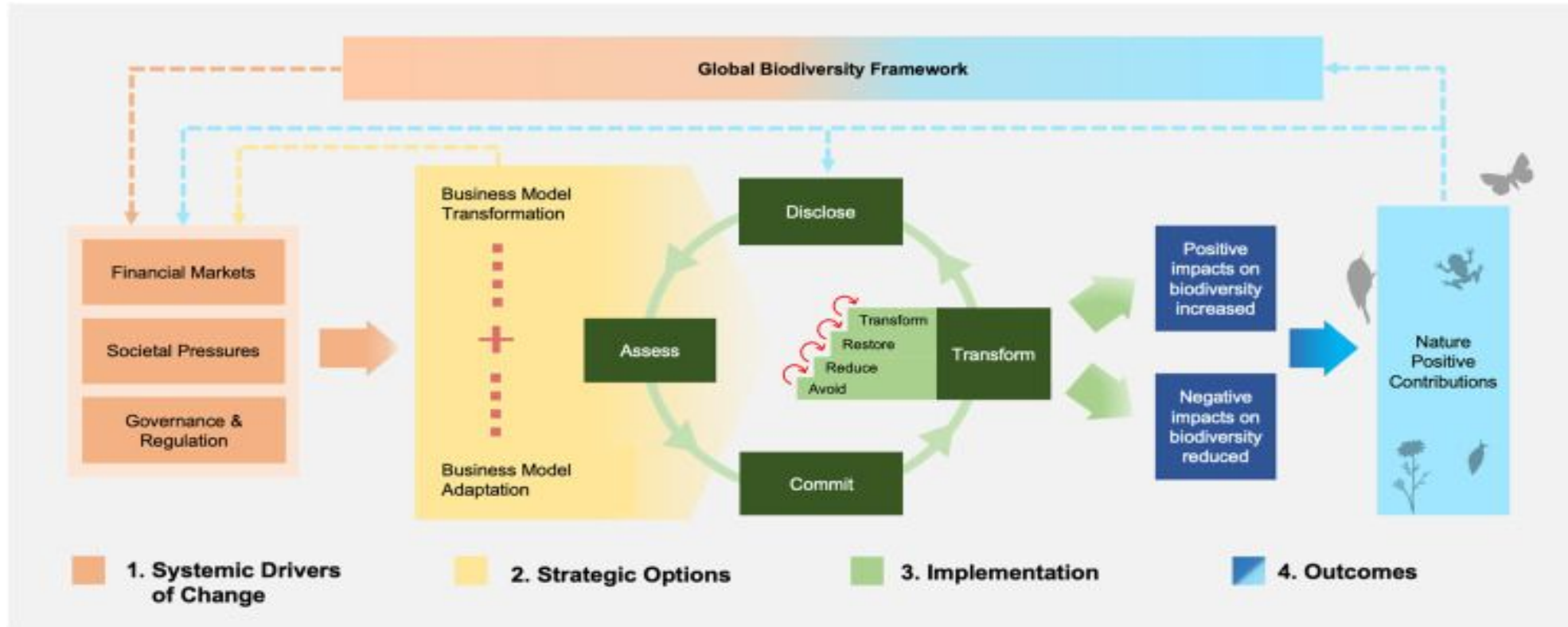


Illustration of the Nature Futures Framework, a flexible tool to support the development of scenarios and models of desirable futures for people, nature, and Mother Earth. Source: IPBES.

3. Introduction to the concept of Nature Positive



A proposed nature-positive research framework. Source: The “nature-positive” journey for business, T. B. White et al.

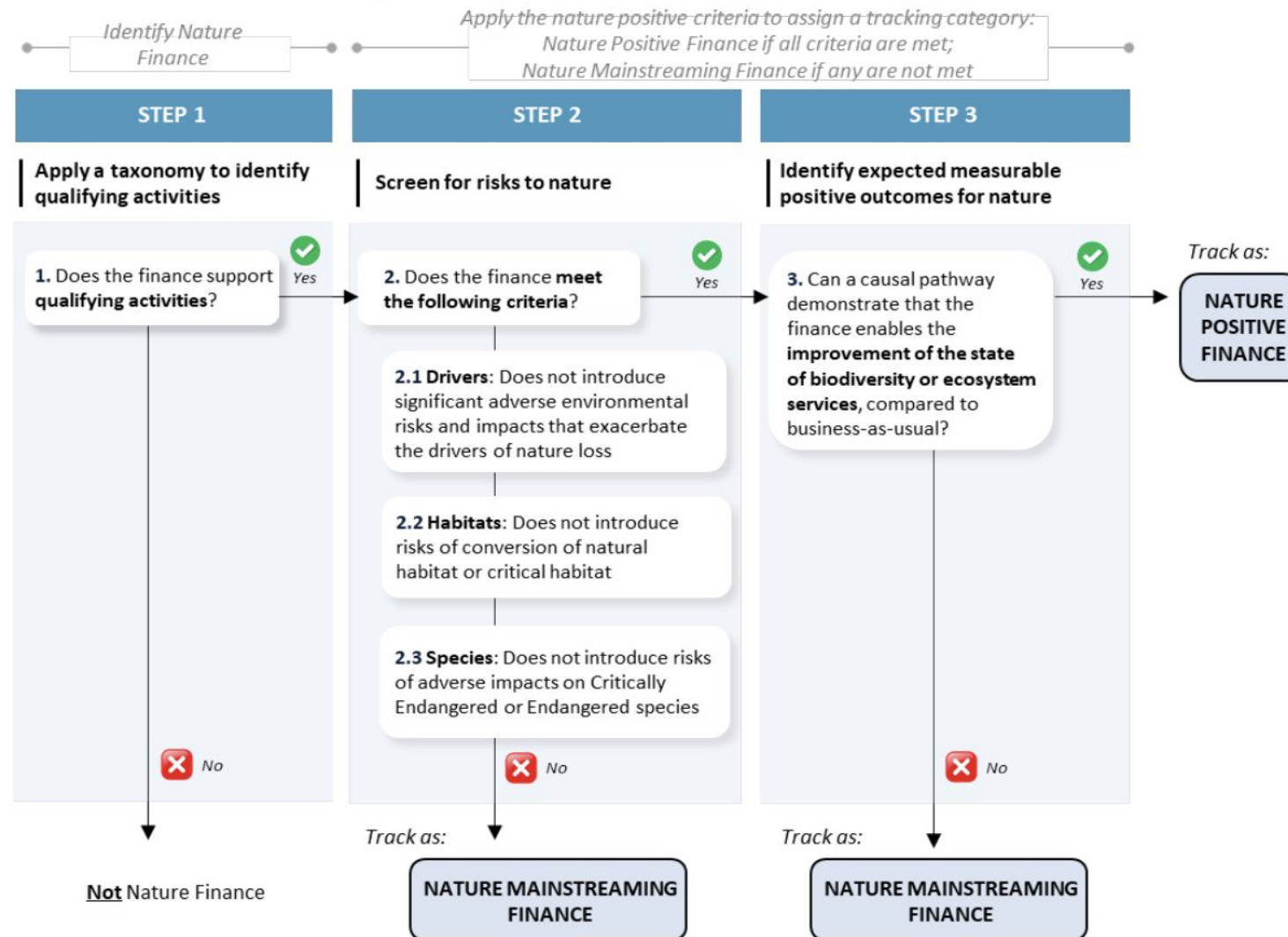
4. Finance for Nature Positive, a working model

The working model developed by the Finance for Biodiversity (FfB) Foundation and UNEP FI toward a Finance for Nature Positive builds from the definitions developed by the World Bank Group (WBG) in its [Note on Nature Finance Tracking Methodology](#).

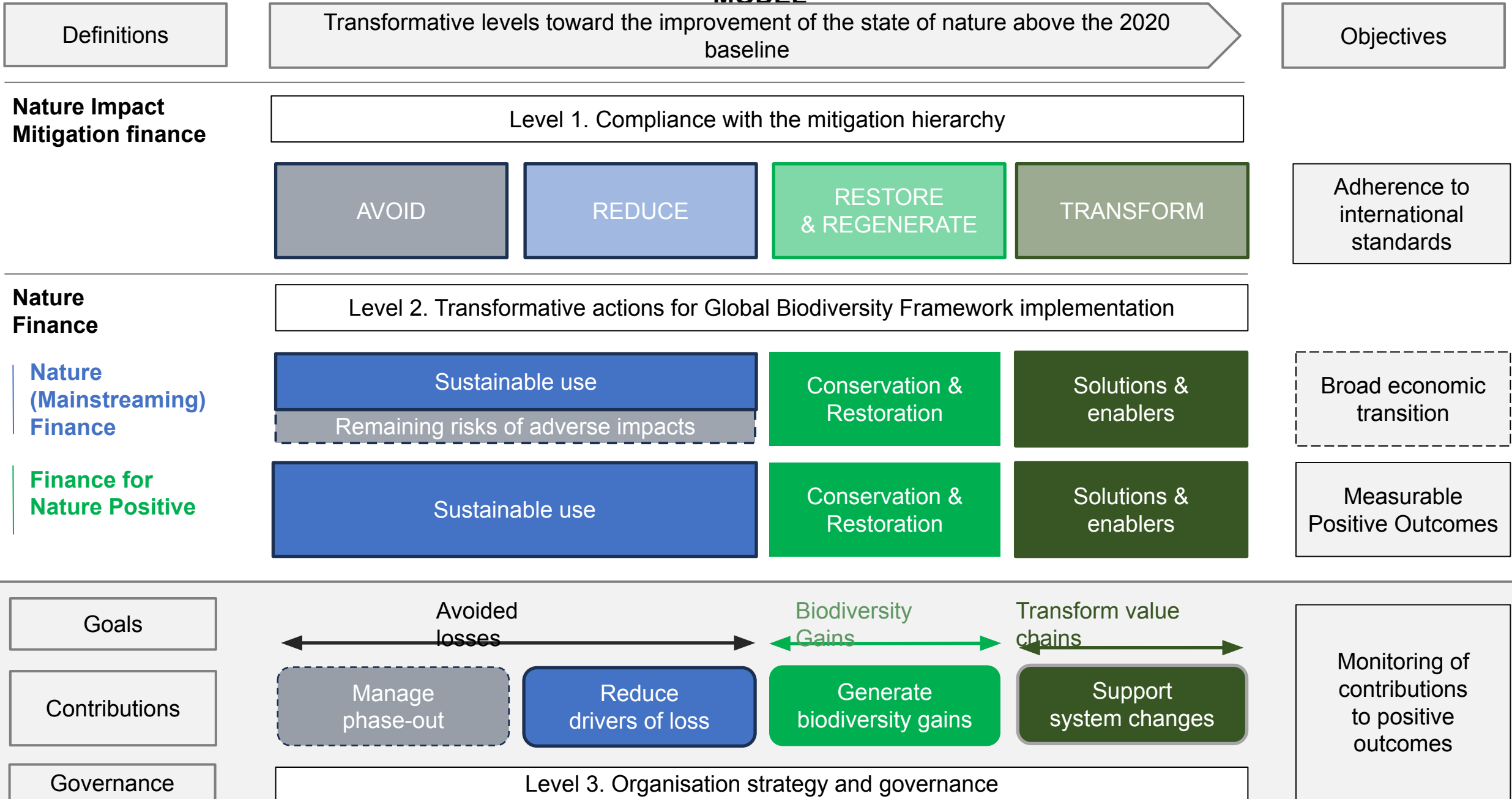
The definitions used in this Finance for Nature Positive working model of are as follows:

- **Nature Impact Mitigation Finance** is finance for activities undertaken to address adverse impacts on nature in accordance with the World Bank Group's Environmental and Social Framework (ESF) and IFC and MIGA Performance Standards (PS).
- **Nature Finance** is defined as finance contributing to the nature positive goal of halting and reversing nature loss and supporting the implementation of the Global Biodiversity Framework.
- **Nature Positive Finance** is finance that is expected to deliver measurable positive outcomes for biodiversity or ecosystem services, relative to business-as-usual; and
- **Nature Mainstreaming Finance** is finance that is expected to enable a broader economic transition toward practices aligned with delivering the nature positive goal.

4. Finance for Nature Positive, a working model



« FINANCE FOR NATURE POSITIVE » WORKING MODEL



4. Finance for Nature Positive, a working model

Explanation of the visual

- The Finance for Nature Positive working model builds on the definitions of the World Bank Group, including Nature Impact Mitigation Finance, Nature Mainstreaming, and Finance for Nature Positive.
- It underlines the improvement of the state of nature above the 2020 baseline as an overarching goal, in accordance with the recommendations of the Nature Positive Initiative.
- It defines three “transformative levels” for financial institutions: firstly, compliance with the mitigation hierarchy; secondly, support of transformative opportunities for the implementation of the Global Biodiversity Framework; and thirdly, organisation strategy and governance.
- Financial institutions are called to monitor their contributions to the Global Biodiversity Framework as they aim to avoid nature deterioration and biodiversity loss, (by phasing out from activities with adverse impacts and reducing drivers of loss), generate biodiversity gains, and transform value chains (by supporting system scale changes).
- The categories of opportunities presented for financial institutions are “sustainable use”, “conservation and restoration”, and “solutions and enablers”.

5. Call to Action & Next Steps

This discussion paper aims to nourish wider debates on aligning financial flows for the implementation of the GBF.

The current Finance for Nature Positive working model implies that:

- **The financial sector can play a pivotal role** in driving biodiversity conservation and sustainable development, ultimately contributing to a more resilient and nature-positive future. Financial institutions contribute to GBF implementation by supporting transformative opportunities and monitoring contributions to nature-positive outcomes.
- The **alignment of financial flows** requires the reduction of harmful financial flows and the increase of financial flows generating positive outcomes for nature. Financial institutions should set targets and develop strategies to avoid losses and to generate gains.
- Financial institutions express the importance of **sustainable taxonomies** including biodiversity, to guide their analysis of market opportunities and help with the exercise of tracking financial flows aligned with the mission of the GBF.

5. Call to Action & Next Steps

The private finance sector calls for clear policy pathways from governments on GBF implementation, focusing on the underlying economic activities that will genuinely mobilise private resources at the scale and speed required.

The discussion paper identifies the following market needs to be answered:

- **on measurement, disclosure, and data;**
- **on reducing barriers to nature conservation and restoration finance;**
- **on policy and sectoral transformation pathways.**

FfB and UNEP FI are publishing the discussion paper alongside a questionnaire to collect feedback. Beyond the COP, FfB and UNEP FI will continue working with their members and partners to further develop the concepts in this paper into a framework for Finance for Nature Positive.

Webinar « Countdown to Cali: Private Sector Contributions to Resource Mobilisation » on 25 September, 2 pm CEST
– [Register here](#)

Thank you!

Natacha Boric, Head of Policy & Positive Impact

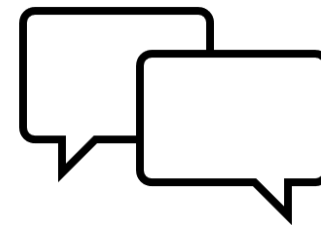
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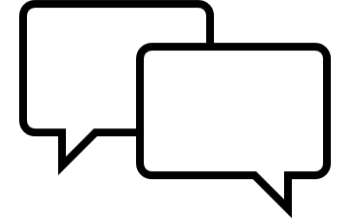
Website:

www.financeforbiodiversity.org





Q&A



How – and under what conditions – can global investors help close the biodiversity funding gap?

What is the role of governments? What is the role of financial institutions? Do you have practical examples or best practices?



Hadrien Gaudin-Hamama

**Co-chair of the Positive Impact working group
- Finance for Biodiversity Foundation**

ESG & Impact Specialist - Mirova



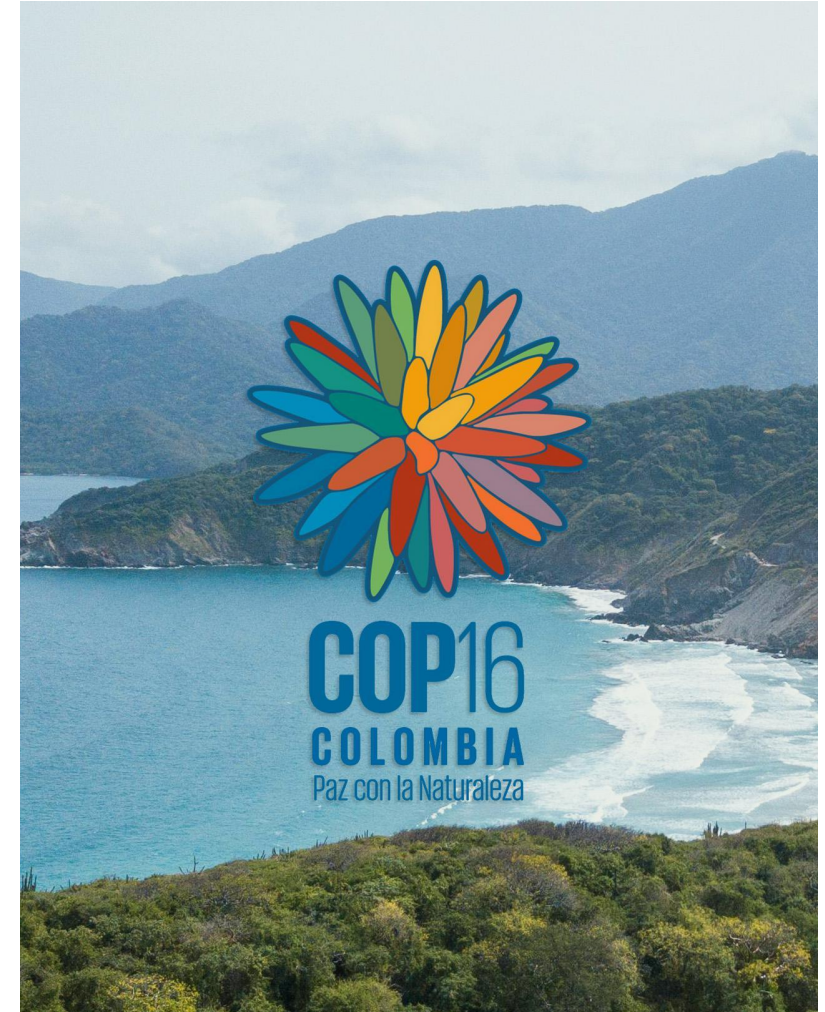
IDFB for the road to – and at – COP16

dialogue

- In the run up to COP16 in Cali, Colombia the IDFB is hosting **three dialogue sessions** (one more to come)
- The [IDFB Website](#) provides an overview of important [events on the road to COP16](#) as well as [resources](#) published by partners and key organizations (now featuring over **108** reports)
- The IDFB will publish a **guidance document on NBFs**, building on the work of BIOFIN and on insights from the IDFB community

Events at COP16

- Dutch Pavilion: Nature Finance program with 19 sessions
- Finance Day
- Your events?
- Informal IDFB gathering on Sunday



Informal **IDFB** gathering at COP16

dialogue

Cocktail reception

- Informal and invitation-only
- Pre-drinks the day before Finance Day
- 16:00 – 20:00
- More details to follow
- You are invited!

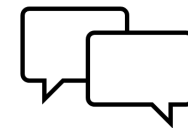
Upcoming IDFiBogue Sessions

dialogue

- In the run up to COP16 in Cali, Colombia the IDFB will host **one more dialogue session** on the topic of **scaling up finance for ecosystem services**

- We would like to engage on topics that we consider important but that are not receiving sufficient attention in the other dialogues & preparations for COP16

What topics do you think need more attention in preparation of COP16?



The IDFB Guidance on NBFPs

dialogue

Content of the paper

- **Additional guidance** on implementing the BIOFIN process for **NBFP development**
- **Recommendations for different parts of the NBFP development process** based on lessons learned from other countries and experiences with landscape finance approaches

Timeline of publication

- **20th August – 16th September**: Integrating feedback
- **20th September**: First draft shared with IDFB Community, members are invited to provide feedback and comments
- **8th October**: Closure of feedback paper and discussion of thoughts during IDFB 17
- **COP16**: Publication and presentation of the updated guidance document on NBFPs during session at Dutch Pavilion

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