Target 19.1: Financial resources

Scope of the target

- The level of finance needs to be commensurate with what is required for the implementation of the GBF and should be achieved by 2025

The finance provided should be proportional to what is needed for the planet, not merely what governments feel they can spare. It must be supplied early enough to ensure sufficient time to produce the desired effects.

Elements to be replaced

- Replace "Maximise co-benefits and synergies with the Paris Agreement" with "ensure that biodiversity finance is **new and additional** to those in the Paris Agreement."

'Maximising co-benefits and synergies' or 'aligned with' would allow double counting, i.e. developed countries could say that their climate financing is also biodiversity financing and therefore, there is no need to provide more funds for biodiversity. This would allow them, once again, to renege on their obligations in both the CBD and UNFCCC to provide new and additional financial resources to developing countries.

Elements that should be part of the target

- Implement common but differentiated responsibilities and article 20 of the Convention.

The obligation for developed country Parties to provide new and additional financial resources to enable developing country Parties to implement the CBD has not been met. Equity is the key to unlocking implementation and must be included.

- Multilateral tax reform and addressing sovereign debts

Tax reform and debt justice would counter the debt-austerity nexus, which limits developing countries' capacity to reach their biodiversity targets. It would also begin to correct the historical imbalance between those who have economically benefited the most from biodiversity decline and those who have not.

- Ensuring that sufficient funds are channelled to support biodiversity stewardship by IPLCs, smallholder producers and women

Sufficient finance needs to be provided for IPLCs, smallholder producers and women, as they have been identified as the real guardians of nature, preserving 80% of the most intact ecosystems. Yet they often lack the resources to do so or are coerced into signing contracts with damaging industries because of poverty.

- Public financial resources

Governments must be responsible for providing this money. Private finance has so far only been provided in exchange for lenient regulation, access to resources, or greenwashing. This would undermine the implementation of the GBF.

- Developed-country Parties

They should lead the way in providing finance (as article 20 of the CBD makes clear)

- International finance institutions and multilateral development banks

Governments need to regulate these with careful oversight to ensure they provide finance to those countries most in need, rather than funding corporate interests, and they need to align all funding flows with the CBD.

- Including by addressing sovereign debt in just and equitable ways

Sovereign debt should, in many cases, be cancelled as it constitutes an unjust burden and has often effectively been fully repaid already.

- Aligning financial flows

In line with the resource mobilisation strategy, it should be ensured that all financial flows are aligned with the CBD and its objectives and relevant human rights obligations.

- Only appropriate, socially acceptable and environmentally sound technology and innovation is promoted, accessed or transferred.

Any transferred technology or innovation should be subject to technology horizon scanning, monitoring, and assessment. It must be appropriate, socially acceptable and not cause significant environmental damage, in accordance with Article 16.1 of the CBD.

Elements that should NOT be part of the target

- Private finance

There may be interests or obligations connected with private finance that contradict the need to conserve biodiversity, thereby creating a conflict of interest. Private finance will only be provided if there is profit to be made from it or a favourable reputation to be gained. This leads to finance that is oriented towards offsetting and greenwashing. Finance for offsetting cannot be counted as finance for biodiversity, as this finance is only meant to compensate for other biodiversity destruction.

- Innovative financial resources

Many innovative finance instruments are related to the commodification of Nature, with all its negative consequences.

- Blended finance/ leveraging private finance

The use of public funds to de-risk private capital investment is problematic. Large amounts of public capital will be needed to leverage the desired private capital. There is no guarantee that more private capital will lead to biodiversity-supportive outcomes and sustainability. Instead, there is a risk of private gains and social losses, as blended finance is meant to guarantee returns to investors and investment bankers who put money into projects that claim to protect peoples and biodiversity.

- Nature-positive economies

This phrasing is not part of CBD language. It is ambiguous and enables offsetting, as the documents on “Nature Positive” clearly demonstrate, with “Net Gain” as its main proposal.

- 700 billion United States dollars, including a reduction of 500 billion United States dollars in harmful subsidies and conservation action amounting to 200 billion United States dollars

This is unacceptable because it seeks to set reductions in subsidies against funding to be transferred, so reducing that funding to 200 billion USD, whereas these reductions in subsidies should be additional transfers, adding up to some 1,200 billion USD, and they must not be controlled by those who previously benefited from them.

- Building on climate financing

Biodiversity finance must be new and additional to climate finance and should not “build on climate finance” as this can easily lead to double-counting

- Through mainstreaming biodiversity across sectors and institutions and strengthening the use of positive economic incentives stimulating innovative schemes such as payment for ecosystem services and calling on domestic development banks to increase their funding

Finance should be provided by additional, stable and predictable government funding. However, finance provided by “mainstreaming”, by “positive economic incentives”, “innovative schemes” and by “payment for ecosystem services” is not the type of finance that will be beneficial for biodiversity or IPLCs. Instead, it serves corporate interests, e.g. by allowing offsetting, which ultimately allows for the further destruction of ecosystems and greenwashing.

- Nature-based solutions and ecosystem-based approaches, payment for environmental ecosystem services, green bonds, biodiversity offsets, carbon credits, and debt-for-nature swaps

Most of this language is unacceptable because it encourages the monetising and marketing of biodiversity and seeks to avoid immediate action. Many of these financial resources also come with significant negative impacts on the rights and livelihoods of Indigenous Peoples, local communities and women.

<u>Further reading on target:</u>

J.Dempsey et al. Biodiversity targets will not be met without debt and tax justice, Nature, December 2021 https://www.nature.com/articles/s41559-021-01619-5