

'MOVING TOGETHER ON NATURE': STATEMENT FROM THE PRIVATE FINANCIAL SECTOR TO THE CONFERENCE OF THE PARTIES TO THE CONVENTION ON BIOLOGICAL DIVERSITY

This statement was drafted by the UNEP Finance Initiative (UNEP FI), the Principles for Responsible Investment (PRI), and the Finance for Biodiversity Foundation.

Introduction

Against the backdrop of a volatile world humanity is facing a triple planetary crisis of climate change, biodiversity loss and pollution, impacting millions of people today, especially the most vulnerable, and future generations. Coordinated action is needed. We cannot reach net-zero without halting and reversing nature-loss, and we cannot tackle biodiversity loss without tackling climate change. We, the financial community, have a role to play in this complex ecosystem.

Increasingly, the financial sector is stepping up to the biodiversity challenge. This includes, among others, the [Finance for Biodiversity Pledge](#), the [Financial Sector Commitment Letter on Eliminating Commodity-Driven Deforestation](#), the [Principles for Responsible Banking Signatories' target-setting on biodiversity](#), the work of the [Principles for Sustainable Insurance](#) in tackling biodiversity loss and championing nature-positive insurance, and efforts to align debt issuance with sustainability goals and create markets for sovereign debt that support governments to cut emissions and protect biodiversity. Further efforts such as the [Taskforce on Nature-related Financial Disclosures](#) (TNFD) are driven by our core fiduciary duties and the need to transition to a [nature-positive economy](#), where economic activities not only minimize impact but also enhance ecosystems and support the resilience of our planet and our societies.

But voluntary action is not enough. We take inspiration from the Paris Climate Agreement where Article 2.1(c) set a clear mandate for countries to require the financial sector to align its activities with climate goals. COP15 provides a unique chance to get a similar policy mandate in respect of the financial sector and biodiversity.

Our Commitment as private financial institutions

We - the signatories of this statement - realize that biodiversity loss threatens our ability and the ability of future generations to live and thrive in a healthy, peaceful and prosperous world. As a result, we commit to contribute to the protection and restoration of biodiversity and ecosystems through our financing activities and investments. In support of this, we call for the adoption of an ambitious Global Biodiversity Framework (GBF) at the Biodiversity Conference to the UN Convention on Biological Diversity (COP 15) held 7 - 19 December 2022 in Montréal under the presidency of the People's Republic of China.

The signatories of this statement are calling on governments to, in addition to protecting and conserving nature, provide an agreement that creates the clarity and action to align all economic actors, including finance, to halt and reverse nature loss, and contribute to Nature-based Solutions to climate change, a fair and just transition, and other sustainable development challenges.

From the viewpoint of the financial sector, a robust agreement would put in place: a clear mandate in the goals of the agreement for the alignment of financial flows; support the assessment and disclosure of nature-related impacts and dependencies; and provide clear targets and definitions to take action and support the development of a pipeline of nature-positive projects and investments.

We call for coordinated action by governments to tackle climate change and halt and reverse biodiversity loss to ensure synergies are taken advantage of and trade-offs are better managed, including across National Biodiversity Strategy Actions Plans (NBSAPs) and Nationally Determined Contributions (NDCs). We also call on the support of UN entities to align portfolio target-setting for climate and biodiversity, especially in key sectors such as food and agriculture. We recognize that the ability to deliver on commitments under the Paris Climate Agreement and the GBF will depend on both public and private capital flows playing a strong and supportive role in mobilizing finance at a scale that mirrors the challenge of halting and reversing nature loss by 2030.

With a clear and robust GBF as a result of COP15, signatories of this statement are committed to working as part of a wider ecosystem of actors to ensure the framework is translated into effective actions and provides the incentives and tools to halt and reverse nature loss. As part of this, we will continue to work alongside Central Banks in understanding how to effectively address systemic nature risks and to contribute to global financial stability.

We commit to working within our own organizations to support the effective alignment of the vision proposed in the draft post-2020 GBF of “Living in harmony with Nature” by 2050; for example, through incorporating nature and biodiversity into our investment decision-making processes, seeking appropriate disclosure from investees on nature-related issues, and engaging in collaborative initiatives to further our efforts.