

Nature4Climate Coalition Submission to the

Third Technical Dialogue of the First Global Stocktake

Nature-based Solutions: Affordable, impactful, no regrets solutions to protect, manage and restore nature for climate, people, and biodiversity

March 6th, 2023

Issue: First Global Stocktake

Title: Call for inputs from Parties and observer States, UN Agencies and other international organizations and non-Party Stakeholders and observer Organizations, to the first global stocktake

Mandate: Decision 19/CMA.1, paragraph 19: requested the Chairs of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation to issue a call for the inputs referred to in paragraphs 36 and 37 of the same decision, taking into account that such inputs should be submitted at least three months before their consideration in the technical assessment.

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Nature4Climate (N4C) is a coalition of 20 organizations across the environmental sector, all dedicated to helping raise the profile of nature as a solution for a more sustainable, equitable and nature-positive future. Our submission to the Third Technical Dialogue covers four sections:

- 1. An introduction to the critical importance of nature-based solutions (NbS) to meeting the goals of the Paris Agreement and the N4C's high-level takeaways for the Global Stocktake
- 2. 10 'No Regrets' commitments on NbS and their link to the Global Stocktake outcome
- 3. Supporting resources from N4C
- 4. Context specific links to collective Non-State Actions on NbS

Section 1: Background

Nature-based Solutions (NbS) are critical for delivering upon the goals of the Paris Agreement, The Global Biodiversity Framework and wider Sustainable Development Goals by 2030. Integrated actions to

deliver NbS within our oceans, land-use, food, and agriculture globally, can deliver 11Gt of CO₂e each year by 2030: a third of the solution towards achieving a 1.5°C pathway.

NbS are critical for enhancing the resilience of ecosystem services and vulnerable communities against the impacts of climate change. NbS are also critical to supporting the rights, livelihoods, and cultures of Indigenous Peoples and local communities. Key actions, such as rapidly protecting nature; transitioning to regenerative forestry, farming, and grazing; restoring natural ecosystems, and deploying urban nature at scale, are needed. Every country, city and citizen, every financial institution, company and civil society organization has a role to play in rapidly deploying the power of NbS.

Nature is our life source: providing a stable climate, food, biodiversity and our wellbeing. More than US\$44 trillion of economic value generation (more than half of the world's total GDP) is dependent on nature (WEF). But right now, nature is not being valued. Because of human activities, vital carbon sinks in our land and our food systems are being destroyed, undermining our ability to adapt to climate change impacts as well as our ability to capture and store carbon. The IPCC states that maintaining biodiversity and ecosystem services resilience depends on effective and equitable conservation of 30% - 50% of Earth's land, freshwater and ocean areas, including near-natural ecosystems. We must protect, manage and restore nature to leverage its unique capacity to provide viable and scalable climate solutions and a more abundant, stable planet. Thus, N4C is calling on the Parties to the Paris Agreement to galvanize an effective Global Stocktake by

- Encouraging each other to enhance the inclusion and ambition of specific, measurable and
 inclusive targets for Nature-based Solutions in Nationally Determined Contributions (NDCs),
 National Adaptation Plans (NAPs), Long Term Low-Emissions Development Strategies (LT-LEDs)
 and other climate policy instruments which are aligned with science, best practice, and
 traditional knowledge about what is needed to deliver 1.5 degrees, SDGs and the Global
 Biodiversity Framework in an integrated way.
- 2. Galvanizing the international community to deliver the means of implementation and support needed for collective action to protect the critical places and ecosystem services needed to stabilize our climate and ensure a just transition to a world where nature is more valuable when it is protected and sustainably managed.

N4C calls on the Global Stocktake outcome to support this high-level ambition for the role of NbS and our proposed '10 critical no regrets actions to accelerate NbS'.

Section 2: Ten no regrets actions to accelerate NbS and links to the GST

Action 1: By 2030, secure Indigenous and local community rights across all land uses to help protect 45Mha.

The Global Stocktake outcome needs to call upon Parties to strengthen the role, participation, and rights of Indigenous and local communities— the stewards of nature— across the Rio Conventions, and through promoting non-state actor action to support Parties in delivering action and increased ambition.

It is imperative that Indigenous Peoples and local communities participate in NbS not just as beneficiaries, but as active participants in decision-making. The efforts of IPLCs to conserve, manage, and restore nature are critical to scaling NbS. For example, collective property rights reduce deforestation. Indigenous Peoples, traditional owners, and local communities (IPLCs) safeguard vast reservoirs of forest carbon. Worldwide, IPLCs manage more than one-fifth of the forest carbon stored in tropical and subtropical countries. Indigenous communities have proven to be the world's most effective guardians against tropical deforestation. Indigenous territories in the Amazon lost less than 0.1% of their aboveground carbon stocks between 2003-2016, compared to 3.6% for other lands. However, globally only 39% of countries have laws related to NbS that include Indigenous Peoples and Local Communities.

The COP26 Glasgow Leaders Declaration on Forests and Land Use demonstrates Governments/
Non-state Actors ambition to support IPLC leadership on NbS with a specific commitment to increase
IPLC Finance: where 14 public and private entities pledged US\$1.7 billion to advance IPLC forest tenure
rights. Further, Peoples Forests Partnership members seek to mobilize US\$20 billion per year by 2030 in
direct private investment in community-driven forest conservation and restoration projects, and set a
high standard for equitable, accessible, and culturally appropriate mechanisms for forest communities to
engage with climate finance.

The Global Stocktake outcome needs to call upon Parties and the international community to 1.) to ensure rapid delivery of pledged funds and deliver further increased funding to support IPLCs to secure their rights needed to implement NbS within their territories and 2.) support the effective participation of IPLCs within the UNFCCC, via the Local Communities and Indigenous People's Platform. The outcomes should also call on Parties to ensure clear <u>FPIC regulations</u> are written into national laws and regulations to accelerate the delivery of NbS. 3.) and consult with IPLC groups on where technical assistance and capacity support can provide further help to ensure their continued leadership on NbS.

Action 2: By 2025, 100% of companies exposed to forest-risk commodity production adopt and implement policies that halt deforestation and disclose progress against targets.

Business awareness of deforestation-related challenges has dramatically increased over the past years. Supply Change evaluated 125 prominent consumer-facing retailers, manufacturers, and traders who source forest-risk commodities from the tropics. Three-quarters of the 125 companies made a high-level climate target (91/125), but only 24 companies explicitly linked their climate target with their deforestation strategy.

Yet, according to the OECD: Monitoring land cover change, agriculture is the biggest driver of conversion of habitats globally. There are a number of non-state actors' tools and frameworks to provide evidence and accountability to support this transition, including a <u>roadmap for achieving Net Zero Food Systems</u> by 2050 and the <u>Accountability framework</u>. Global Canopy provides annual tracking of companies with the greatest exposure to commodity driven deforestation risk in its <u>Forest 500</u>. Recently the SBTI launched the forest, <u>Land and Agriculture (FLAG) Science Based Target Setting Guidance</u>.

Some countries are taking action as well, such as the recent proposed EU <u>Regulation to curb EU-driven</u> <u>deforestation and forest degradation</u> and the <u>EU banking and financial services law.</u> But it is not enough.

The Global Stocktake outcome must call on all Parties to cooperate both from a supply and a demand side to introduce effective measures to incentivize and hold accountable the actors along commodity supply chains to halt and reverse habitat destruction and transparently report on their efforts, such as regulation on mandatory corporate reporting. This should be aligned with the GBF calls made at CBD COP15: Business Statement for Mandatory Assessment and Disclosure.

Action 3: By 2025, Financial institutions eliminate commodity-driven deforestation from portfolios to halt land conversion, with corresponding interim risk assessment and disclosure.

Recent <u>UNEP finance for nature tracker</u> shows that finance flows to NbS are currently US\$154 billion per year, less than half of the US\$384 billion per year investment in NbS needed by 2025 and only a third of investment needed by 2030 (US\$484 billion per year). Currently 40 times more finance drives the conversion of habitats over investment needed for their conservation. Annually Global Canopy will report on this transition through its <u>Deforestation Action Tracker</u>.

At COP26, over 30 <u>financial institutions commit to eliminating agricultural commodity-driven</u> <u>deforestation</u>. As a political outcome of the Global Stocktake we would like to see more institutions follow the recent <u>EU banking and financial services law</u>.

The international community needs a dedicated focus to bring more climate and carbon finance to smallholder farmers in vulnerable regions through <u>High Yielding Adaptive and Resilient Practices</u>, and adapted, <u>de-risked blended finance</u>; thus, supporting the scaling of regional initiatives like the <u>One Acre Fund</u>: <u>The Smallholder Resilience Fund</u> and the <u>IUCN</u>: <u>Nature + accelerator fund ready for investors</u> to increase public & private investment (especially RD&D) with its massive untapped investment potential.

The Global Stocktake outcomes need to call on Parties and the international community to commit to transforming finance so that by 2030 more money is supporting Nature Positive finance than driving conversion of native habitats, with a special focus on finance for R&D, NatureTech smallholders and SMEs sustainable and regenerative management of agriculture.

Action 4: By 2025, In addition to new finance flows, \$400 billion of the over \$600 billion a year spent globally in agricultural subsidies can be repurposed to support more sustainable regenerative food production.

We all depend on nature thriving for the food we eat. Estimates suggest that only 2% of the global public climate finance in 2020 (\$640 billion) was dedicated to NbS. \$4-6 trillion of subsidies each year damage nature. Whilst the remaining agricultural subsidies need urgent reform, harmful subsidies should be immediately repurposed to create predictable investments in NbS for climate change mitigation and adaptation, at the same time as direct benefit from the reduction in the damage they cause to nature. This will provide a significant contribution of public finance towards the US\$ 339 billion per year needed by 2030. (UNEP)

Building on the work of the Just Rural Transition which shows that refocusing <u>subsidies could help drive</u> the transition to sustainable regenerative agriculture. The World Bank reports on how <u>repurposing</u> current policies could deliver multiple benefits for farmers, food security and climate.

The Global Stocktake outcome needs to call on Parties to commit to shift harmful agricultural subsidies to incentivize the transition to sustainable and regenerative agriculture that reduces emissions and enhances carbon soil stocks by 2030.

Action 5: By 2030, Scale-up financial mechanisms such as result based payments and carbon pricing approaches for Nature-based Solutions, with the highest quality and integrity standards ensuring additionality and delivering benefits for people and nature.

Over the last 12 months there has been much progress by non-state actors' in creating new frameworks, standards, accountability mechanisms, and guidance to support high integrity approaches to carbon pricing and results-based payments for NbS. The Integrity Council for Voluntary Carbon Markets (IC-VCM) has the potential to align the voluntary carbon market under a clear vision of integrity that includes high-quality credits from NbS. The Tropical Forest Credit Integrity Guide (TFCI) and the work of the LEAF Coalition Mobilizes \$1 Billion for Tropical Forest Conservation are starting to help realize the ambition set over a decade ago by the REDD+ framework for an effective payment of results for nature. (UN REDD annual reports).

The Global Stocktake outcome needs to call on Parties and the international community to enact the necessary measures for ensuring high integrity carbon markets, including Article 6 mechanisms, and delivering finance for REDD+ results.

Action 6: By 2025, enact coherent policy systems (including natural capital accounting, accreditation systems and incentives, regulation and budgets), ensuring landscape scale planning, secure IPLC rights and mandatory climate and nature related risks, impacts and disclosure.

Nature-based solutions are ready to be implemented and must be designed in accordance with <u>principles</u> that responsibly tackle the climate crisis, restore biodiversity, and benefit planetary health and human well-being. States and non-state actors can now use the <u>IUCN Global Standard</u> on nature-based solutions to guide implementation, using a rights based approach.

National and sub-national actors need to have the tools to solve climate and biodiversity crises together in an integrated way through NbS. Good regulation, standards and budgets are critical for delivering high quality NbS at scale. Many parties however, do not have the policies and budgets in place to deliver the scale of ambition set out in their NDCs. (Nature4Climate NbS Policy Tracker)

For example, Parties need to build the political will and commitment to improving and mainstreaming climate governance and the international community needs to provide coherent, long term capacity building for effective climate governance, especially for LDCs.

The Global Stocktake outcome needs to recognise the need for direct institutional support to strengthen governance for both Parties and sub-national actors to accelerate NbS delivery. New resources are needed to accelerate capacity-building and technology transfer partnerships which in turn will ensure the institutions and governance is in place to de-risk much larger flows of public and private investment for NbS.

Action 7: By 2030, conserve 30% of earth's lands and inland waters

Maintaining the resilience of biodiversity and ecosystem services at a global scale depends on effective and equitable conservation of approximately 30% to 50% of Earth's land, freshwater and ocean areas, including currently near-natural ecosystems. (IPCC AR6). Protecting and restoring ecosystem integrity in terrestrial, inland water, and coastal and marine ecosystems is critical to keep global warming to 1.5°C; limiting and adapting to the inevitable climate impacts and stopping biodiversity loss.

According to the <u>June 2022</u> Protected Planet statistics, 15.79% of the land and 8.09% of the ocean are covered by protected areas - still below the global goal to reach 17% of the land and 10% of the ocean by the end of 2020 set by Aichi Target 11 as part of the Aichi global biodiversity targets in 2010 and now a critical part of the Global Biodiversity Framework.

Protecting nature, and increasing biodiversity could generate \$10 trillion per Year, while creating 400 million New Jobs. So it is no surprise World leaders have pledged more support for nature with more than 100 countries supporting protection of 30% of land and ocean. While this is a step in the right direction, Indigenous communities are calling for stronger action.

The Global Stocktake must call on all countries to conserve and protect nature through implementing and scaling NbS and in doing so align with the Global Biodiversity Framework and deliver on an integrated approach to addressing the climate and biodiversity crises.

Action 8: By 2030, Restore 350 MHa of degraded and deforested landscapes.

Land degradation affects over 3 billion people and over 30 percent of Earth's arable land. <u>Countries and organizations energized by the Bonn Challenge</u> have fostered regional political and technical cooperation spaces to share expertise and lessons learnt.

One of the most effective ways to achieve this is to support partnerships and regional initiative like the <u>Great Green Wall of Africa</u> and <u>Regen10 network which is to work with over 500 million farmers</u>, the African Forest Landscape Restoration Initiative (AFR100), Initiative 20x20 in Latin America and the Caribbean, ECCA30 in Europe, Caucasus and Central Asia, and the Agadir Commitment in the Mediterranean region.

Global Stocktake outcome needs to call on Parties and the international community to build on this political ambition in support of the UN Decade on Ecosystem Restoration and ensure <u>The Bonn Challenge</u> restoration commitment is resourced to meet its goal including finance to support more regional collaboration.

Action 9: By 2030, local governments representing cities and urban areas must collaborate with partners to triple investments in nature-based solutions.

Between now and 2030, 1.5 million people are expected to arrive in urban areas every week, and 75% of the population on Earth will be living in cities by 2050, compared with 56% today. Cities that recognize biodiversity as the axis of their development are directly contributing to urban sustainability, climate resilience and human wellbeing. Urban transformation and innovation efforts must continue, embracing the opportunities offered by new technological developments, and addressing the global crises concurrently through the untapped potential of nature. WEF <u>BiodiverCities by 2030</u> report.

It is widely recognised the multiple benefits of investing in NbS within and adjacent to urban areas. Increasing access to nature is recognised as a key drive of an equitable and just transition. White House: Biden-Harris Administration has committed to Create More Equitable Access to Parks and Nature in Communities, Partnerships such as Cities4Forests has been set up to help cities better conserve, manage and restore their inner forests, including city trees, urban parks, natural areas and other green infrastructure; nearby forests, such as watersheds; and faraway forests, especially tropical forests.

Local governments have recognized the need to increase investment in NbS to increase their proportion of tree canopy and green space benefiting the most vulnerable, providing climate resilience, mitigate

heat, improve hazard protection for communities and infrastructure, strengthen ecosystems and reduce emissions.

The Global Stocktake outcome should call on Parties to play a stronger role in recognising the multiple benefits of NbS for Cities and urban areas and commit more funding to their Local Governments which are often best placed to lead on NbS locally.

Action 10: Establish clear taxonomies with open standards for geospatial Nature-based Solutions data, fully interoperable, machine readable and aligned with international accounting standards.

Nature-based solutions exist at the intersection of people, and the political processes for both protecting and restoring our climate and biodiversity and managing our working lands. Digital, geospatial data is relied upon to develop systems to review collective progress, monitor impact and to better understand interdependencies in often complex value chains. NbS still being a relatively new area within the wider climate set of solutions, the data taxonomies, metrics and accounting systems have yet to effectively align across parties and non-state actors and need to have high integrity and transparency.

N4C, working with <u>Open Earth Foundation</u>, alongside the <u>Spaces coalitions</u> wants to highlight the importance of geospatial data and the need to include the data provenance with the data. This is especially important so that these aggregated land use assessments from parties, corporates and finance can be better understood and scrutinized and interrelationships understood.

The Global Stocktake outcome needs to call upon Parties and the international community to ensure any data resulting from and/or related to NbS is transparent, inter-operative and helps to solve a problem for citizens and for civil society wanting to engage and hold to account actors working on NbS. We would like the Global Stocktake to support the aims of interoperability and publicly available data that can help develop accountability systems that put the citizen and civil society at the center of the transition to a Nature Positive economy.

Section 3: Supporting Resources from N4C

N4C Commitment Tracker. Nature4Climate has developed an "NBS commitment tracker" – an evaluation of progress on joint action commitments that have been made on nature-based solutions from 2019 to 2022. The tracker shows some good progress across a number of different initiatives and commitments, but also that there is much more to do. Overall it tracks 80 commitments so far and finds that 55% demonstrate substantial signs of progress or completion, while 45% show only small signs of progress, or no progress at all.

N4C Policy Tracker. Nature4Climate and our partners Metabolic have updated and expanded the database for the NbS Policy Tracker, launched in 2021 at COP26. The NbS Policy Tracker is the world's largest global database of public policies that facilitate the delivery of crucial NbS solutions. This includes legislation (laws or constitutions), subsidies, and strategies and plans with budgets. In addition to these policies, the database now also includes NbS in international commitments, such as the Nationally Determined Contributions (NDCs), National Adaptation Plans (NAPs) and National Biodiversity Strategies and Action Plans (NBSAPs). The nature-based policies identified—both last year and this year—will be further integrated into N4C's upcoming naturebase platform.

Naturebase. Nature4Climate is developing a new online platform to help decision-makers put Natural Climate Solutions into action: naturebase. The tool will deliver information grounded in science, lighting up pathways to protect, manage, and restore nature for measurable climate benefits. Users will be able to explore and compare target areas across forests, wetlands, grasslands, and agricultural lands, while considering issues such as land tenure, opportunity cost, financing opportunities, and enabling conditions at global, regional, national and local levels, as well as discover new case studies.

Case study Map. N4C is compiling case studies that highlight action on the ground, and we're proud to present our NBS Case Study map. This is a product of a collaborative effort to enhance knowledge and to bring to the surface the development of nature-based solutions in countries around the world. The projects showcased in this index are not exhaustive, and we understand that there are many more excellent examples that were not included in this list. Really, this is just the start; the result of the first step in the journey to crowdsource case studies from around the world. The map and underlying index will continue to be updated and improved continuously throughout the coming days, weeks and months. It currently does not comprehensively assess levels of implementation and impacts on the ground, instead, it provides a first overview of what and where climate action linked to NbS is taking place.

Section 4: Collective Non-State Action on NbS

Most of the solutions to deliver the transition where NbS can deliver 1/3 of the climate solution by 2030 are already available and <u>mapped out by Civil Society</u>, with support of public and philanthropic funding.

Civil society coalitions are using some of the most advanced scientific and technological data and analytical tools to propose localized actions required to deliver the 2030 Land-use breakthrough. These initiatives are helping to accelerate critical systemic and practical land-use transformation, including influencing a shift in consumption patterns.

Below is a list of organizations and partnerships established to drive ambition and delivery of NbS. We call on the GST to recognise this action, dedicate new resources to accelerate action, knowledge sharing,

technical transfer and capacity building, while committing significant new finance to incentivise delivery at scale in jurisdictions that have yet to realize their potential.

Nature4Climate has been tracking *NbS Commitment*s going back to the 2019 UNSG summit. Beyond these big announcements there are numerous other initiatives that are worth noting below are some of these many critical pieces of work. But taken together they demonstrate that we are making progress toward collectively ensuring NbS can cost effectively deliver a third of the solution towards achieving the goals of the Paris Agreement and a Nature Positive future. The GST outcome could play an instrumental role in encouraging, and ultimately accelerating Parties and non-state actors alike to scale up support for these initiatives, and their contribution to the global climate goals.

Nature and Land Use Initiatives

Global Commons Alliance

<u>Exponential Roadmap Initiative</u>
<u>Nature4Climate</u>

<u>System Change Lab</u> <u>Forest declaration platform and Forest</u>

<u>Declaration Assessment</u>
State of Climate Action

<u>LEAF Coalition</u>

Forest Carbon Partnership Facility

Science based targets network

REDD+

Project Drawdown

Marrakesh Partnership Land Use pathway
Nature-Based Solutions Initiative

The Natural Climate Solutions Alliance

Food and Agriculture Initiatives

GAIN Global Alliance for Future of Food

<u>EAT</u> <u>WHO</u>

50 by 40 Food Systems Dashboard

WWF Commitment on Eliminating Agricultural

Commodity-Driven Deforestation

Regen10 to work with over 500 million farmers to

scale regenerative food production by 2030

Glasgow Food and Climate Declaration

Milan Urban Food Policy Pact

Clim-Eat: The future for urban agriculture

WWF, UNEP, EAT and ClimateFocus: Enhancing NDCs for food systems recommendations for

decision-makers

Global Alliance for the Future of Food: Untapped opportunities for climate action GHG Protocol:

Agriculture guidance

SBTi Flag: developing guidance for companies

Just Rural Transition: policy action

Agriculture Innovation Mission for Climate

Koronovia joint work on agriculture

UNSDSN & FOLU: From global commitments to national action: a closer look at NDCs from a food

and land perspective

Global Panel on Agriculture and Food Systems

Nutrition

CGIAR Initiatives

Our World in Data: crop yields

Business focused Initiatives

SBTi FLAG One Planet Lab Business for Biodiversity

Business for Nature Accountability Framework

Sustainable Agriculture Platform

Finance focused Initiatives

Taskforce on Nature-related Financial Disclosures

Commitment on Eliminating Agricultural

Commodity-Driven Deforestation Rockefeller Philanthropy

Civil Society and knowledge holders (IP, Farmers, ranchers, youth)

Consortium of International Agricultural Research 100 Million Farmers; Regen 10

Centres; Global Research Alliance on Agriculture

GHGs

FAIRR

Agri3 Fund

Youth4Nature; Indigenous peoples at heart of partnerships

YOUNGO <u>Lands Right Now:</u>

World Economic Forum: 14 innovations led by
young ecopreneurs
participation in nature-based solutions

young ecopieneurs

Cites and Local Government

<u>RUAF</u> <u>RMI</u>

<u>BiodiverCities by 2030</u> <u>Milan Urban Food Policy Pact</u> (2015)

<u>ICLEI</u> <u>C40 Good Food Cities Declaration</u> (2019)

<u>Cities4Forests</u> <u>Glasgow Food and Climate Declaration</u> (2021)

Regional Initiatives

<u>Climate Action Platform - Africa: Nature-based</u>

<u>AFR100</u>

<u>carbon dioxide removal opportunities in Africa</u>

20x20 Good examples of integrating food systems

Bonn Challenge Regional Actions measures into NDCs can be found in Kenya's and

Colombia's NDC

HealthyfoodAfrica:

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