

Submission to UNFCCC Standing Committee on Finance Forum on “Finance for Nature-Based Solutions”

Introduction

The World Business Council for Sustainable Development (WBCSD) is an active supporter of the UNFCCC and has worked to mobilize the voice of progressive business towards the implementation of ambitious climate action. We engage with the UNFCCC on several fronts such as the Koronivia Dialogues, Talanoa Dialogues and continue to support mission of the Marrakech Partnership for Global Climate Action (MP-GCA), where we are lead focal point for Industry, to strengthen collaboration between Party and Non-Party stakeholders towards greater climate action, where we lead the work within the industry thematic group.

WBCSD and its member companies support the swift implementation of the Paris Agreement, recognizing that this can be achieved at a much faster pace through collaboration among stakeholders and a common vision to accelerate climate action.

WBCSD is committed to support the development of the SCF’s next Forum and is ready to engage in further conversations about shaping its agenda and to bring private sector voices into the discussions. We kindly invite you to count on us as a leading business organization to help mobilize progressive business stakeholders to deliver the most value and impact at the Forum.

The need to accelerate finance for Nature-Based Solutions for climate

Nature is a proven, scalable carbon removal technology that has been refined endlessly over millennia and can provide a wide range of environmental, social, and economic benefits, which are indispensable for both climate change mitigation and adaptation.

Nature-Based Solutions for climate (NBS) are a fundamental part of action for climate and biodiversity. Recent research shows that nature can provide up to one third (11.3 billion tons CO₂e at less than USD \$100 per tCO₂e) of the GHG emissions reductions needed by 2030.¹ The same study showed that a high proportion of this is available at relatively low cost; around 3 GtCO₂e can be delivered annually for less than USD \$10 per tCO₂e.

Adequate investment in NBS will help reduce financial consequences of climate change, and contribute to the creation of new jobs, to livelihood resilience and to reducing people’s poverty. NBS also underpin the Sustainable Development Goals by supporting vital ecosystem services, biodiversity, access to fresh water, improved livelihoods, healthy diets, and food security from sustainable food systems. NBS represent an essential component of the overall global effort to achieve the goals of the Paris Agreement on Climate Change.

¹ Griscom et al., Natural climate solutions, 2017



WBCSD's main activities to advance the work on nature based solutions through direct and related projects are further elaborated within our [Natural Climate Solutions](#), [TCFD preparer Forum](#) and [Food & Nature](#) programs. The Nature Action Project of WBCSD is developing the collective action platform for business to scope, scale and implement Nature-based Solutions. This project aims to provide guidance to companies on the scope, and value of Nature-based Solutions, and help clarify and align definitions around Nature-based Solutions, Nature-based Solutions for Climate and Natural Climate Solutions, and their relationship to other initiatives including Apex goals and Science-based Targets for Nature

Scope & key themes to consider for the Forum

1. Mobilizing public-private finance for Natural Climate Solutions and other Nature-based Solutions.

Carbon markets represent a key mechanism for directing private sector finance to Natural Climate Solutions. Companies have already begun to take action, predominantly through use of the voluntary carbon markets and independently certified credits. However, policies that enable and support these markets represent a significant opportunity to scale up investment in Natural Climate Solutions (NCS).

Together with the World Economic Forum and a number of companies, NGOs, and service providers, WBCSD is exploring the policy, supply-side, and demand-side challenges to scaling up NCS in the Natural Climate Solutions Alliance (NCSA). Additional topics for consideration at the Forum (beyond those covered in the NCSA) include new financing mechanisms for upfront costs of NCS interventions

In addition to Nature-based Solutions for Climate (or Natural Climate Solutions), Nature-based Solutions can deliver other benefits, including water purification, flood defence, coastal erosion protection, natural infrastructure, food production, health etc. Many of these provide additional climate mitigation and adaptation benefits.

2. Mobilizing finance for a Just Rural Transition

Investing in justice and equity for rural communities is essential to decarbonising the food system. By making rural livelihoods desirable – enabling rural people to live well, to own and manage land, to access new technologies and financing – we can begin to facilitate a Just Rural Transition and incentivise the practices needed on farm and in challenged landscapes.

There is growing recognition in the financial industry that Environmental, Social and Governance (ESG) factors influence investor returns, and that food systems offer huge opportunity to use nature-based solutions while support livelihoods and a Just Rural Transition.

WBCSD is hosting a new Investment Partnership Network (IPN) to achieve this. The IPN will scale finance that supports a just transition for nature-positive agricultural systems. The IPN brings together financial institutions with other key stakeholders to develop and align investment criteria, promote financial innovation and new investment partnerships and scale proven models.



3. Harnessing the TCFD to accelerate finance for Nature Based Solutions

The TCFD recommendations represent a powerful model for taking account of climate-related risks and opportunities in company decision-making and capital market valuations. We invite the Forum to consider leveraging corporate and investor experiences of Implementing the TCFD recommendations to explore whether there is any learning that could be applied to developing the way that finance could support nature-based solutions.

WBCSD Publications and recommended resources

- [Natural Climate Solutions at WBCSD](#)
- [Natural Climate Solutions: the business perspective](#)
- [Business is ready to step up investment in nature](#)
- [Natural Climate Solutions Alliance](#)
- [Disclosure in a time of system transformation: TCFD disclosure for food, agriculture and forest products companies.](#)

About WBCSD

WBCSD is a global, CEO-led organization of over 200 leading businesses working together to accelerate the transition to a sustainable world. Our member companies come from all business sectors and all major economies, representing a combined revenue of more than USD \$8.5 trillion and 19 million employees. Our global network of almost 70 national business councils gives us unparalleled reach across the globe.

WBCSD works with leading businesses along and across value chains to deliver impactful business solutions to the most challenging sustainability issues. We help make our member companies more successful and sustainable by focusing on the maximum positive impact for shareholders, the environment, and society. Together, we are the leading voice of business for sustainability: united by our vision of a world where more than 9 billion people are all living well and within the boundaries of our planet, by 2050.

<http://www.wbcasd.org>

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