

SUMMARY OF THE CHAIR OF THE SECOND COMMITTEE AND THE PRESIDENT OF ECOSOC

Joint Meeting of the Second Committee of the General Assembly and the Economic and Social Council

“Ecosystem Approaches for shifting the world onto a sustainable pathway”

15 October 2019

The world today is characterized by climate change and species loss that are accelerating at an unprecedented and alarming rate. Natural disasters are more frequent and significant in scale, as are the collapses of ecosystems. To end these crises, innovative holistic approaches such as nature-based solutions (NBS) should be explored as they can help to collectively overcome sustainable development challenges. There are indeed several examples of successfully managing and preserving ecosystems with the use of NBS that should be drawn upon and scaled up. To achieve the maximum benefit possible, it is therefore essential to deepen our understanding in the field of NBS.

Nature-based definitions

According to the IUCN definition, NBS are actions to protect, sustainably manage and restore natural or modified ecosystems, which address societal challenges effectively and adaptively, while simultaneously providing human well-being and biodiversity benefits. For example, NBS can provide over one-third of the cost-effective climate mitigation needed by 2030 and remove land-based carbon.

Connecting Nature - a large scale demonstrator of NBS with 31 partners that aims to support cities in the large-scale implementation of NBS to address specific urban challenges – provides an alternative definition of NBS framed by the European Commission’s definition of the concept. According to their definition, NBS are solutions to societal challenges inspired and supported by nature that are also cost-effective, which simultaneously provide environmental, social and economic benefits and help build resilience.

IUCN publication on NBS in Nationally Determined Contributions (NDCs)

The recent IUCN publication on NBS in Nationally Determined Contributions (NDCs) provides an overview of the current level of ambition for NBS within NDCs, and recommendations on how climate ambition within future NDCs can be raised through the more substantive inclusion of NBS. According to its key findings, at least 66 per cent of Paris Agreement signatories include NBS in one form or the other to help achieve their mitigation/adaptation goals. However, more concrete, evidence-based targets for NBS are urgently needed, and NBS that synergise adaptation and mitigation should be promoted. The report also stressed that there is a major opportunity to scale up NBS in non-forest, carbon-rich ecosystems. Currently low-income countries include NBS actions more prominently in their NDCs, and high-income countries do the same implicitly.

Overall, all countries can strengthen their future NDCs by substantially incorporating NBS in them by:

- a) including NBS actions across a wide range of naturally occurring ecosystems;
- b) stepping up NBS actions that address climate change adaptation and mitigation, as well as support sustainable development and biodiversity conservation;
- c) including more specific, measurable and robust NBS targets in NDCs and associated national implementation plans
- d) aligning NDCs with other relevant national plans and international processes; and
- e) mobilizing greater funding for NBS to climate change

Nature-based solutions in the European context

The European Commission (EC) is promoting NBS and has to date invested over €200m into mainly 14 large-scale actions focusing on areas such as water and climate resilience and inclusive urban regeneration. Investments and projects on NBS contribute to many policy areas, all of which are related to biodiversity policies. There are also many research and innovation actions focusing on specific knowledge gaps addressing governance, business and financing models for NBS. Europe is focusing on urban NBS because most people live in cities or urban settlements or will do by 2050. Therefore, cities are a key contributor to climate change and bottom-up community-led urban NBS can empower people to fight climate change. In this respect, co-design, co-production and co-governance with local communities is crucial.

The relevant work of EC's Task Forces, which work together to tackle challenges to NBS mainstreaming from common impact indicators to governance, financing and business model challenges, provide a robust EU-wide evidence base regarding the benefits, cost-effectiveness and economic viability of these solutions, the establishment of a European reference framework on nature-based solutions, and support the creation of a global market.

Regarding financing in Europe, NBS tend to be either small-scale community type projects or large-scale infrastructure type projects. Relevant challenges include: a) the dominance of the public sector funding of urban NBS or the low level of investment from financial institutions due to lack of suitable projects (many NBS are too small), clarity on return on investment and common indicators on the economic, social and environmental impact; b) due to 'silo' funding, NBS is competing for funding with other public services such as health or education calling for systemic change within the public sector; c) governance is an issue as cities are increasingly interested in transitioning from public sector leadership of NBS to collaborative governance approaches underpinned by long term sustainable business models. There is also a lack of knowledge on how to achieve this transition.

The role of the private sector

There is a relatively new field of investments called Conservation Investments that combine financial returns with a measurable, positive impact on the environment.

In the USA, the drivers of conservation investments include: regulatory - government mandates or incentives; pre-regulatory - actions taken in anticipation of government mandates; and voluntary actions

such as certifications (independent-third party endorsements of environmental practices, which can drive consumer behavior) and optics (the marketing and public relations benefits of corporate social responsibility).

The creation of enabling conditions to promote investments in NBS is essential. It can be done by creating clear regulatory drivers, attracting private capital with positive environmental impacts and financial returns, and empowering entrepreneurs to identify and start these projects.

Regarding regulatory drivers, legislation requires mitigation of certain environmental impacts and encouraging the use of natural systems to meet pollution reduction obligations.

With regard to private capital, it should be noted that there is available untapped investment capital from socially conscious investors seeking out investments that align with their values, including green infrastructure and nature-based solutions. To help leverage this opportunity, governments can document and disseminate information about existing green infrastructure projects, providing additional datapoints about their impact to help make environmental outcomes more predictable; engage international investors and educate them about local opportunities and key partners, like certain governments already do for investors in other industries; and offer blended finance to allow projects to be tested in developing countries.

Empowering entrepreneurs to identify and start these projects is critical. This can be achieved by involving local experts because nature-based solutions must be tailored to the specific site, partnering with local experts is essential to success, whether those experts are private partners or government employees. Building local support is also important as successful projects secure buy-in from the local community, which shares in the environmental and economic benefits.

Key messages:

The presentations from panelists were followed by interventions from Member States. The main messages that emerged from the floor are as follows:

- Ensuring the health of the planet remains essential in achieving the SDGs, as loss of nature drives climate change, biodiversity collapse, and poverty, among others. It is therefore **critical to protect the remaining ecosystems, and tackle climate change and biodiversity loss together**.
- **NBS play a crucial role in fighting climate change, biodiversity loss, water and food shortages, soil degradation, deforestation etc.** They have the potential to cost-effectively deliver up to a third of the climate mitigation required by 2030.
- **Political commitment and public mobilization are essential for the implementation of NBS.**
- The recent Intergovernmental Panel on Climate Change's Special Report on Climate, Desertification and Land degradation noted that **land is both a source and sink of GHGs** and plays a key role in the exchange of energy, water and aerosols between the land surface and atmosphere. Sustainable land management can contribute to the reduction of the negative impact of multiple stressors, including climate change.
- Addressing climate change, however, goes beyond NBS. **It is also crucial to transform energy mix and the way economies work.**

- It is important to recognize the cross-cutting nature of environment and economic issues as **NBS can help create new jobs and promote economic growth through new products and services that enrich the natural capital rather than exhaust it.**
- **Creating clear regulatory drivers at all levels, tax incentives, research and finance are important contributors to NBS.**
- **Overcoming the siloed work across different government entities and business communities is a critical challenge.**
- **Another challenge is the fact that ecosystem-based solutions need more time to demonstrate their benefits, unlike the short-term results presented by technological solutions.**
- Despite their benefits, NBS receive less than 4 per cent in global climate finance. **To ensure sustainable finance for them, it is important to raise awareness among large scale investors on which areas they can invest on sustainable development projects and link policy makers and business.**
- **NBS can be achieved through nature-inspired technologies** e.g. biomimicry of processes and systems that work according to the laws of nature. Such technology can be used in manufacturing or developing renewable energy sources.
- The future looks optimistic due to the growing global awareness on NBS, increasing investments in them, and the fact that momentum will continue in 2020 with the convening of the **Convention on Biodiversity Conference in Beijing, the 26th UNFCCC Conference of the Parties in Glasgow and the IUCN Congress in Marseille.** These events offer a unique opportunity to amplify the links between climate and biodiversity as well as the role of NBS.
- The Global Consultation report by the Food and Land Coalition states that **our food production is destroying ecosystems.** To protect the planet and people it is important to produce enough food in less land; promote sustainable use of oceans; promote healthy diets; waste less.
- The High-level Panel for a Sustainable Ocean Economy has concluded that **ocean-based climate action has the potential to reduce emissions by up to 20 per cent till 2050.** At the Climate Summit, the Panel launched an ambitious call for actors to join in accelerating progress in this regard such as investment in NBS.
- It is important to adopt a **systematic approach regarding the sustainable use of ecosystems.** The UN Strategic Plan on Forests, the Declaration of the Decade of Action on Water for Sustainable Development and the Restoration of Ecosystems are good examples.
- There is an **undeniable link between water resources, maintaining the climate and forest ecosystems.** The ability of forests for sequestration must be fully integrated into the implementation of mechanisms under the Paris Agreement.
- **On 20-23 October, the inaugural Forest Summit,** jointly organized by the Armenia Tree Project and the American University of Armenia, Center for the Environment, will be held in Yerevan, Armenia. The Summit will bring together forest experts to discuss a wide range of policy issues such as financing mechanisms for forest conservation and restoration, balancing rural energy demand in the context of rural poverty reduction and forest conservation, and the role of IT and innovation in forest management and other aspects of international cooperation across several SDGs.