



TRANSITIONING TO A NATURE POSITIVE ECONOMY

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Biodiversity loss – a global crisis demanding a rapid global response

- All economic activity depends on natural capital
- Growing risks to human health, well-being and economies
- Political momentum rising
 - G7 2030 Nature Compact: *our world must become ... **nature positive**; commit to take actions that are **nature positive**.*
 - Kunming-Montreal Global Biodiversity Framework (CBD COP15) – to halt and *reverse* biodiversity loss
- Need action to ensure swift and inclusive transition to a **nature-positive economy**



Key questions

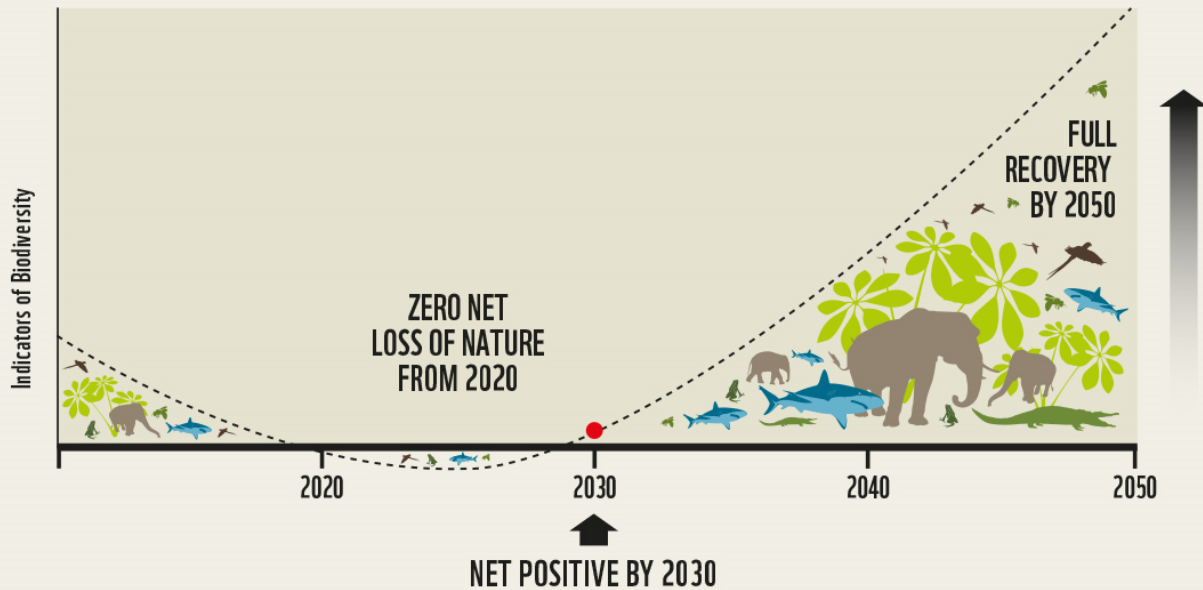
- What does a nature-positive economy mean, conceptually and in practice – including for the private sector?
 - What are the key obstacles to transitioning to a nature-positive economy?
 - What are key actions government can take to address obstacles and foster nature positive outcomes?
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What is a Nature-Positive Economy?

- Various definitions of nature-positive emerging
- Broadly, a nature-positive economy is one that realises a nature-positive outcome

Global Goal for Nature: Nature Positive by 2030



Environmental integrity requires:

- Clear common goal
- Timebound
- Baseline
- Consensus on scope
- Alignment at global, national, sector, company and project level



Obstacles to achieving a nature positive economy

Economic incentives

- Negative externalities unpriced
- Governments support harmful activities

Data / information Metrics/measurement

- Gaps (e.g. on location of assets and supply-chain sources)
- Challenges understanding and identifying appropriate data
- Lack of transparency and integrity of reporting

Competitiveness and distributional issues

- Concerns regarding a level playing field
- Leakage across companies or countries
- Just transition

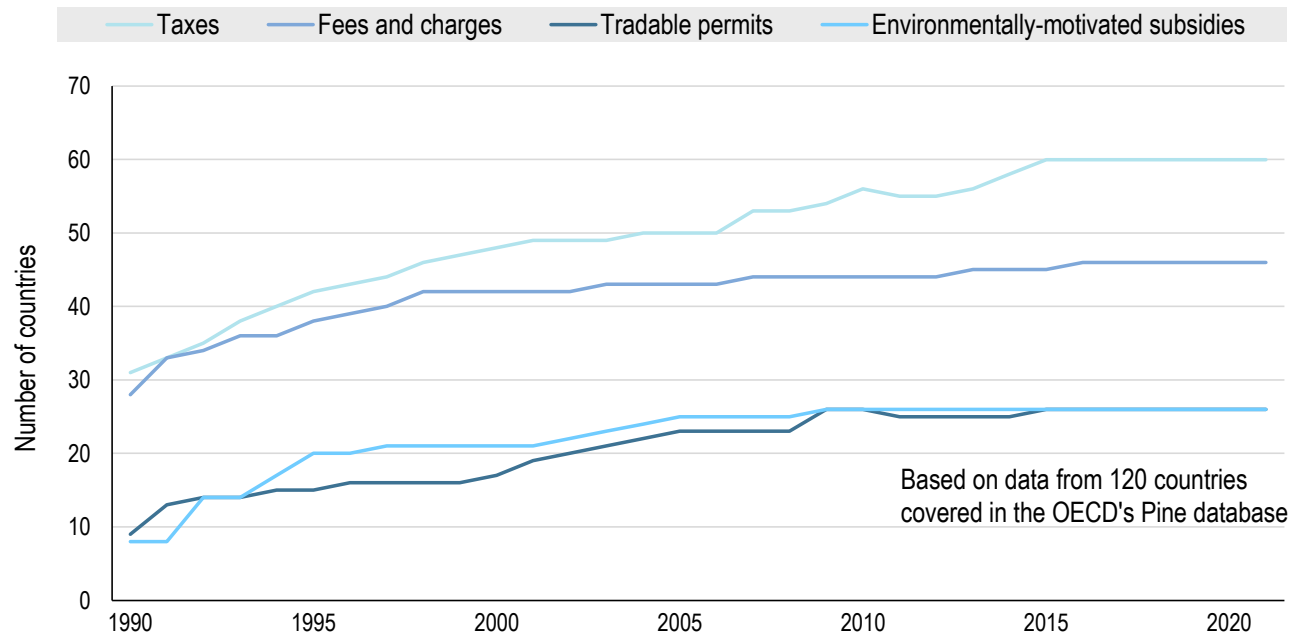
Other enabling conditions

- Lack of sufficient public and private finance
- Underinvestment in nature-positive technologies
- Siloed approaches to nature, climate change, circular economy



Key actions: Align incentives for biodiversity

Adoption of policy incentives to protect biodiversity have plateaued



- Scale up positive incentives for biodiversity
- Reform subsidies and other incentives harmful to biodiversity



Key actions: Data, information, metrics, measurement

- Support work to address data and information gaps, and metrics and measurement challenges
 - Task Force on Nature-related Financial Disclosure; Science-Based Targets Network; others
- Encourage business and financial institutions to:
 - Set SMART targets
 - Assess, disclose and address biodiversity- and nature-related impacts, dependencies, risks and opportunities
- Share outcomes/evidence and lessons learned



Key actions: Competitiveness and distributional issues

- Take multilateral commitments and coordinate (G7 leadership and beyond) to foster a level playing field
- Promote dialogue across government, business, workers and local communities
- Devise targeted policies to address distributional issues
 - Identify winners and losers of policy reform
 - Consider pros and cons of different compensation policies



Key actions: Foster other enabling conditions

- Scale up public and private finance for nature
 - Foster enabling conditions to mobilise private investment in nature-positive activities and technologies
 - Create pipelines of projects (e.g., ecosystem restoration)
 - Partner with IFIs, investors and businesses
 - Tailor financial instruments, vehicles and funds
- Harness synergies and mitigate trade-offs across biodiversity, climate change, circular economy



Thank You!

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