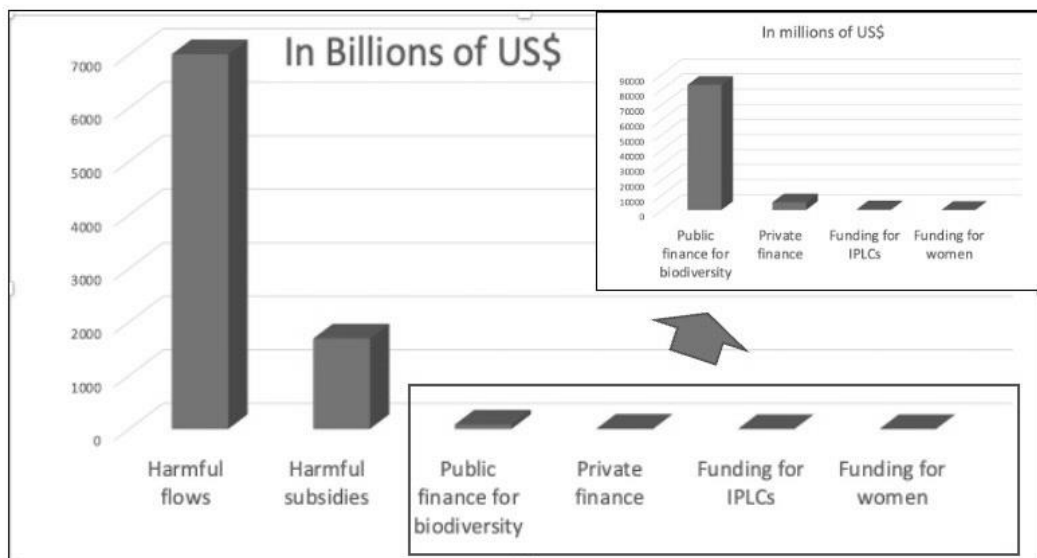




Harmful flows vastly outweigh biodiversity finance

CBD Alliance and Global Youth Biodiversity Network



It's well known that there is a huge gap between the funding needed and available for biodiversity. But beyond the funding gap, there is a gap in governments' political willingness to pass regulations to curb biodiversity-destructive activities.

Harmful flows are estimated at \$7 trillion per year, and harmful subsidies are estimated at \$1.69 trillion per year¹. While these are calculated in the trillions, public finance for biodiversity is only around \$83 billion per year. Private finance, many times claimed as a panacea for the biodiversity funding gap, is only reaching to \$5 billion approximately per year².

Funding to support the contributions of Indigenous Peoples, Local Communities, Women and Youth is almost non-existent. There are no clear figures regarding the support for action and participation of rights holders. The global annual disbursements to Indigenous Peoples, local communities, and Afro-descendant Peoples tenure rights and forest guardianship are estimated around \$517 million per year³.

Aid targeting gender equality and women's empowerment are calculated around \$65 million per year⁴. A global figure of expenditure on youth empowerment is not available.

1. United Nations Environment Programme (2023). State of Finance for Nature: The Big Nature Turnaround – Repurposing \$7 trillion to combat nature loss. Nairobi. <https://doi.org/10.59117/20.500.11822/44278>

2. Deutz, A., Heal, G. M., Niu, R., Swanson, E., Townshend, T., Zhu, L., Delmar, A., Meghji, A., Sethi, S. A., and Tobinde la Puente, J. (2020). Financing Nature: Closing the global biodiversity financing gap. The Paulson Institute, The Nature Conservancy, and the Cornell Atkinson Center for Sustainability

3 Rain Forest Foundation Norway (2024). State of Funding for Tenure Rights and Forest Guardianship.

4 OECD Data Explorer (2024). Aid activities targeting gender equality and women's empowerment, Official Development Assistance.

Biodiversity offsets and credits: Chronicle of a Death Foretold

Mirna Fernandez, TWN

Biodiversity offsets allow private actors to compensate for their actions that cause biodiversity loss, by paying for biodiversity conservation or restoration. They are listed as “innovative schemes” in target 19(d) of the KM GBF. With the concept of biodiversity offsetting around since the 70’s, these are not really innovative. Moreover, history has shown us that land-based offsets do little for ecosystem conservation and restoration, but they greatly benefit private interests that need to justify their ecosystem-destructive activities.

Biodiversity markets are modelled on carbon markets, and therefore most likely to repeat the same mistakes. Achieving permanence of biodiversity credits is inherently impossible since ecosystems are dynamic and impacts on biodiversity are unpredictable. Proving additionality is also difficult, because we cannot predict with certainty if the positive changes would have happened without the investment. The scandals associated with baseline manipulation and leakage in the carbon markets are probably going to be repeated and magnified.

Its market-driven nature forces a focus on short term gains, instead of on the science and traditional knowledge about ecosystems and their functioning. A number of poor methodologies represent a serious simplification of very complex ecosystems and millions of species, allowing in many cases cherry-picking indicators that report on what is cheapest to report on, or what shows the greatest results to potential investors.

Offsetting biodiversity impacts, besides delaying the urgent action to address the drivers of global biodiversity loss, will seriously threaten other land uses such as traditional agriculture and forestry. As carbon offsetting did, this would lead to further land displacements and violation of Indigenous Peoples’ and local communities’ rights. Based on the experience with carbon markets and the direction of current multi stakeholder discussions on their possible ways of development, there are no reasons to believe that most biodiversity credits will not be used for offsetting. In the meantime, real solutions to close the biodiversity funding gap such as stopping harmful flows and redirecting biodiversity harmful subsidies are not yet acted upon.

P **MRR**

Is Implementation falling out?

Nele Marien, FOEI

Parties from the Global South discussing Planning, Monitoring, Reporting and Review (PMRR) are expressing serious worries about the excessive effort, time and resources these processes will require. There seems to be a priority for funding PMRR processes over real implementation. This may come at the expense of efforts to protect biodiversity. In many countries the valuable time of government officials may almost entirely be dedicated to PMRR, instead of implementation.

Does it make sense to spend the few available resources on PMRR-ing processes when there is a lack resources for implementation?