



CBD Alliance

SBI 3 online sessions, March 2021

***Agenda item 6. Resource mobilization and the financial mechanism***

*Thank you, Chair. I am making this statement on behalf of the CBD Alliance, which gathers a diverse range of views and proposals from civil society.*

The international financial architecture is currently stacked against living in harmony with nature. Private and public capital have accelerated biodiversity loss and concentrated power among elites. International trade and financial rules, huge inequalities in wealth, high debts and pervasive austerity are the primary drivers that lead to extraction of natural resources. Pouring investment into biodiversity without addressing extractivism is a recipe for planetary ruin and further human rights abuses. Genuine transformative change is required, including debt cancellation, international taxation, and full accountability for financial and other corporations. Governments should end the debt-austerity nexus that fuels extractivism and impedes CBD implementation.

We cannot continue to tolerate complete policy incoherence. As long as the Parties to the CBD spend 4 to 6 trillion USD annually on subsidies that promote biodiversity loss, it makes a mockery of resource mobilization for biodiversity conservation. Too many Governments with one hand spend some money on biodiversity, but with the other spend multiple times more on perverse incentives. Perverse incentives have to be phased out and redirected.

This was already mandated by the Aichi Targets but failed so far, despite its economic advantages. A recent report by the Global Forest Coalition with local case studies concludes that the main obstacle to perverse incentive reform is the corporate capture of policy-making, because large corporations benefit most from harmful subsidies. It is essential that the CBD and the GEF avoid all forms of corporate capture. This includes phasing out public-private partnerships that create financial dependencies on private sector interests. We also call on governments to reject blended finance and public-private partnerships that socialize losses and privatize gains.

The panel of experts points out the importance of reducing the pressure on biodiversity by addressing the root causes of biodiversity loss, such as overconsumption in industrialized countries. Less pressure means that less money is needed to act against these pressures, providing an important way to make sufficient resources available.

Meanwhile in 2019, the biggest private banks spent at least 260 billion in private investments that harm biodiversity, particularly in agroindustry and its unsustainable livestock farming sector. Strict legislation to redirect these investments are a priority. Ecosystems would not need to be restored if they were not deliberately destroyed by agro-industry or unsustainable use, but recognition and gender-responsive support to community conservation initiatives and related sustainable livelihood options of local communities and Indigenous Peoples are needed. Their land governance and tenure rights have to be recognized. Industries known to damage biodiversity and the rights of Indigenous peoples, local communities and women have to be penalized.

Resource mobilization is key to the implementation of the post-2020 GBF, but it must be within the context of Article 20 of the Convention and the principle of “common but differentiated responsibilities”. Resource mobilization and GEF resources must be focused on support for ongoing stewardship and legal and political rights of IPLCs, women and smallholder producers who are conserving and sustainably using biodiversity.

We caution against reliance on innovative financial mechanisms, because serious challenges to market-based instruments remain, such as more intensive environmental harm and on-going land rights violations. We are very concerned about the hype over ‘nature-based solutions’ because this is used by fossil fuel emitters to offset emissions while continuing emitting. Money provided for offsetting cannot be considered to be biodiversity funding. It is merely money that attempts to rebuild what has been destroyed, and will likely fail in that task too.

We’ve tried all the market-based and voluntary approaches since Rio but they have clearly failed. Now is the time for far-reaching political-economic reforms and strong public investment, which can be generated through redistribution of wealth by time-tested means – taxes and payments for ecological debts.

Thank you.