

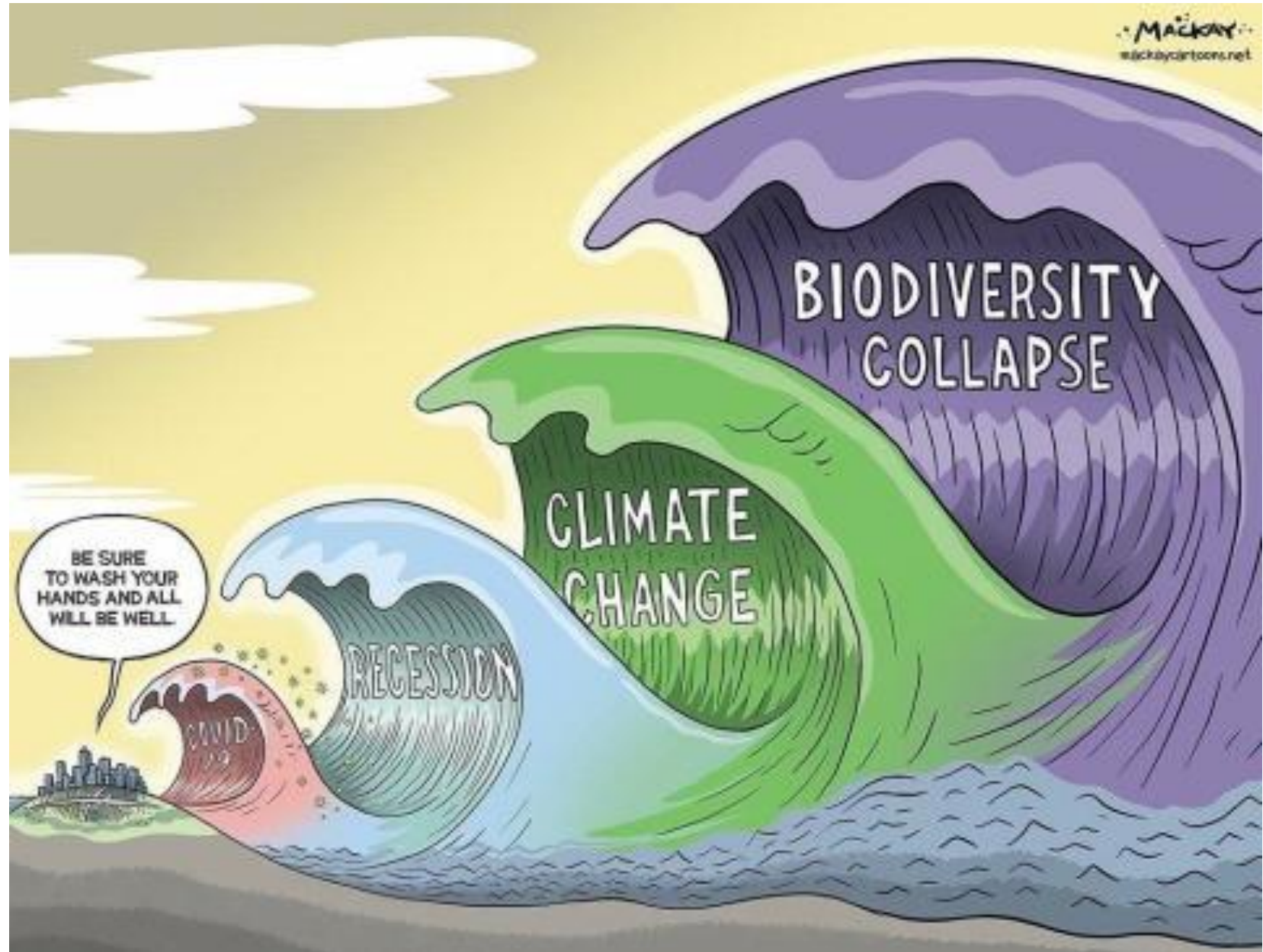
Nature is the next wave ...

...ready or not!

Simon Zadek

Chair, Finance for Biodiversity

June 2022



The Nature-Finance Nexus



**100%
of GDP
is 100%
dependent on
nature**

**1,000,000
species
are threatened
with extinction**

Question: What is Wrong With This Picture?

Answer: biodiversity is central to global economy but immaterial to its lifeblood, finance

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FINANCE FOR BIODIVERSITY

OUR FIRST PHASE: 2019-2022

1. MARKET
EFFICIENCY AND
INNOVATION

2. ENHANCED
LIABILITY

3. CITIZEN
ENGAGEMENT

4. PUBLIC
FINANCE

5. NATURE
MARKETS

6. CROSS
-CUTTING



Taskforce on Nature-related
Financial Disclosures

Bankrolling Extinction

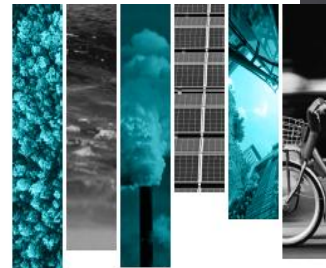
THE BANKING SECTOR'S ROLE IN THE
GLOBAL BIODIVERSITY CRISIS

Nature Loss and Sovereign Credit Ratings

WORLD ECONOMIC FORUM

THE FUTURE OF NATURE MARKETS

April 2022



July 2021

Greenness of Stimulus Index

An assessment of COVID-19 stimulus
by G20 countries and other major economies
in relation to climate action and biodiversity goals

vivid economics



Governing Carbon Markets



April 2022

Towards an Integrated Transition Framework

Managing Risks
and Opportunities
from the Nature-Climate
Interface

January 2022

The Climate- Nature Nexus



An investment
expansion
to nature

April 2022

Breaking the Environmental Crimes-Finance Connection



January 2022



COMMONWEALTH
Climate and Law Initiative

The emergence of foreseeable biodiversity-related liability risks for financial institutions

Aligning Development Finance with Nature's Needs The role of government shareholders of development banks

October 2021

Our Mission

“Increasing The
Materiality Of Nature In
Financial Decision-
making”

Our Approach

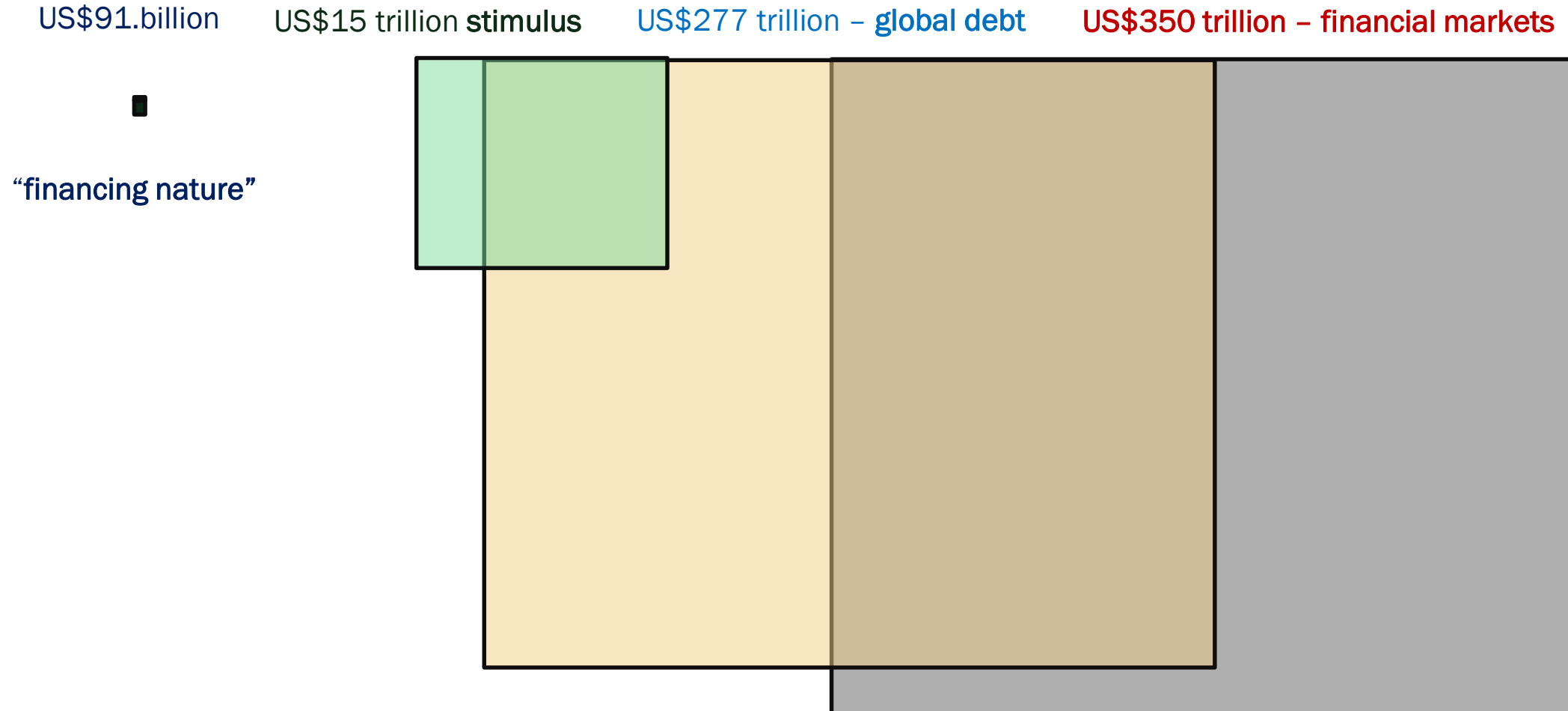
High-risk, high-
impact potential

Drive market and
policy innovations

Prototype solutions,
fail fast

Shape catalytic
pathways

REMEMBER: IT'S NOT ABOUT THE SMALL CHANGE



its not about financing nature, but about aligning financing with equitable nature positive outcomes

THE CLIMATE-NATURE NEXUS

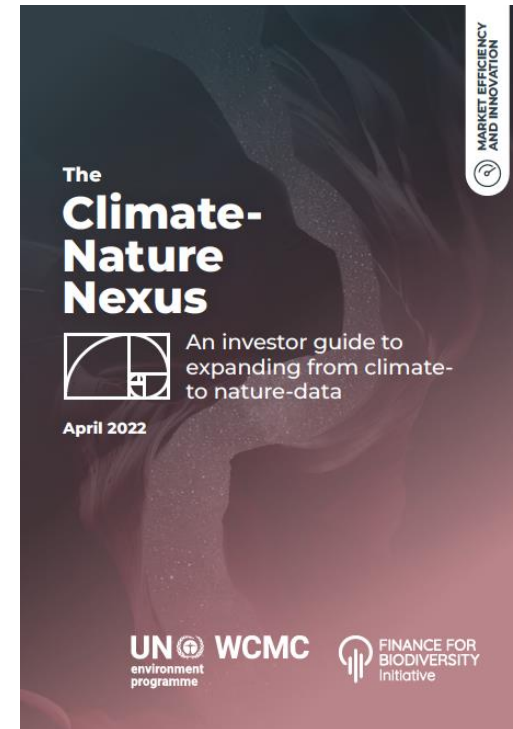


Taskforce on Nature-related
Financial Disclosures



*“Nature-related risk – encompassing biodiversity loss and ecosystem degradation, and *climate-related risk* are interdependent but distinct.”*

Deloitte, 2022

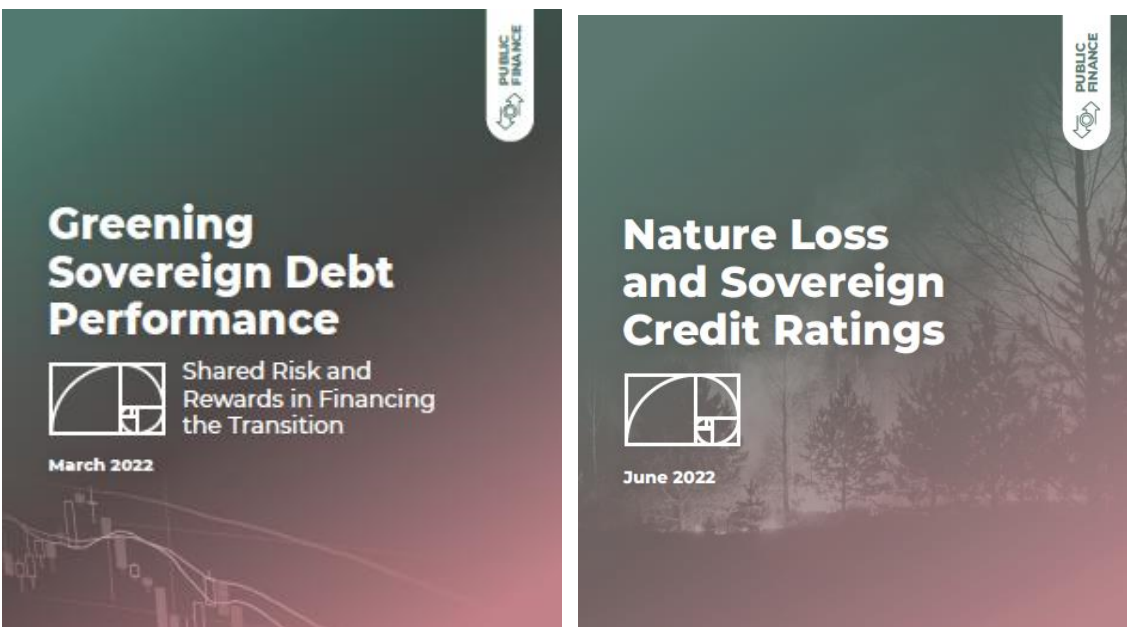


Nature-based solutions can contribute up to 37% of the emissions mitigation required to limit global warming to 2 degrees Celsius by 2030

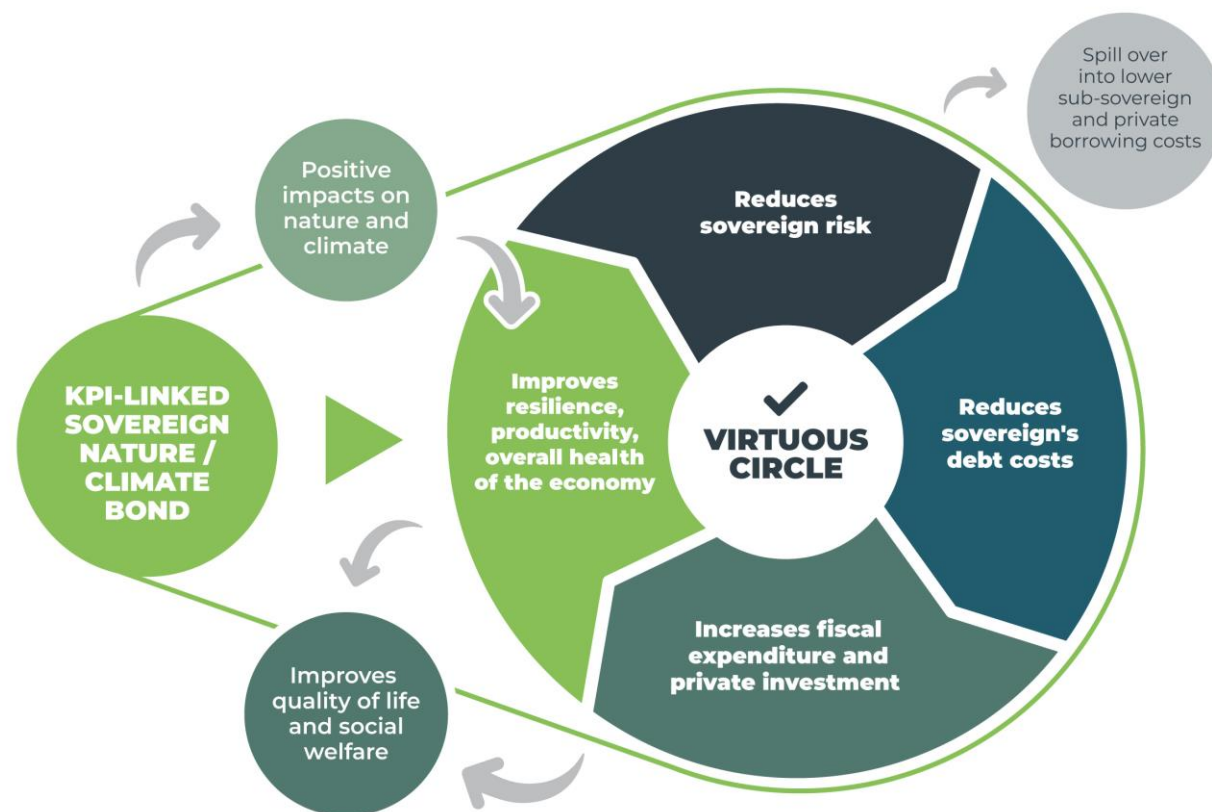
Repsol, 2021

net zero, nature positive and equity goals are entirely inter-dependent

NATURE AND CLIMATE PERFORMANCE (KPI-LINKED) SOVEREIGN DEBT



Chile has raised \$2 billion from the first sovereign sustainability-linked bond. The 20-year bond deal – with a 4.346% coupon – attracted more than 230 investors from Europe, Asia and the Americas with the order book reaching \$8.1 billion.



F4B with partners will launch a Sustainable Sovereign Debt Facility at COP27 to support scaling the issuance of nature and climate linked sovereign debt

BREAKING THE ENVIRONMENTAL CRIMES- FINANCE CONNECTION

global witness 

DEFORESTATION DIVIDENDS

How global banks profit
from rainforest destruction
and human rights abuses

October 2021



**Nature crimes valued at US\$280 billion
per annum are usually linked to legal
businesses that profit from resulting
access to low-cost eco-system services**

**Financial institutions that invest in
companies that profit from nature crimes
are in effect money laundering**

**Financial institutions need to commit to
ensuring that there are no nature crimes
in their investment value chains.**

Breaking the Environmental Crimes-Finance Connection



January 2022

ENHANCED
LIABILITY

F4B with partners are advancing work to establish a credible robust due diligence mechanism for financial institutions to demonstrate to their clients, the public and regulators that their value chains are nature crime free

NATURE MARKETS WILL BE CORE TO THE NEXT ECONOMY



FINANCE • ENVIRONMENT

NYSE's new investment vehicle—'natural asset companies'—will tap into ESG fever

CONSUMER TECH

The Stock Exchange Of Nature? A Startup Is Tokenizing The Planet To Save It

Blockchain for forest landscape restoration: FLRchain marries two brilliant concepts

Biodiversity credits could be 'huge for finance'

Channels: Natural Capital

Companies: Climate Asset Management, Anglian Water, Finance in Motion, International Finance Corporation

People: Irina Likhachova, Martin Berg, David Riley, Sandra Abella Noriega



The Taskforce on Nature Markets was established in April 2022 “...to shape a new generation of purposeful nature markets that deliver nature positive and equitable outcomes”

www.naturemarkets.net

NATURE MARKETS WILL BE CORE TO THE NEXT ECONOMY



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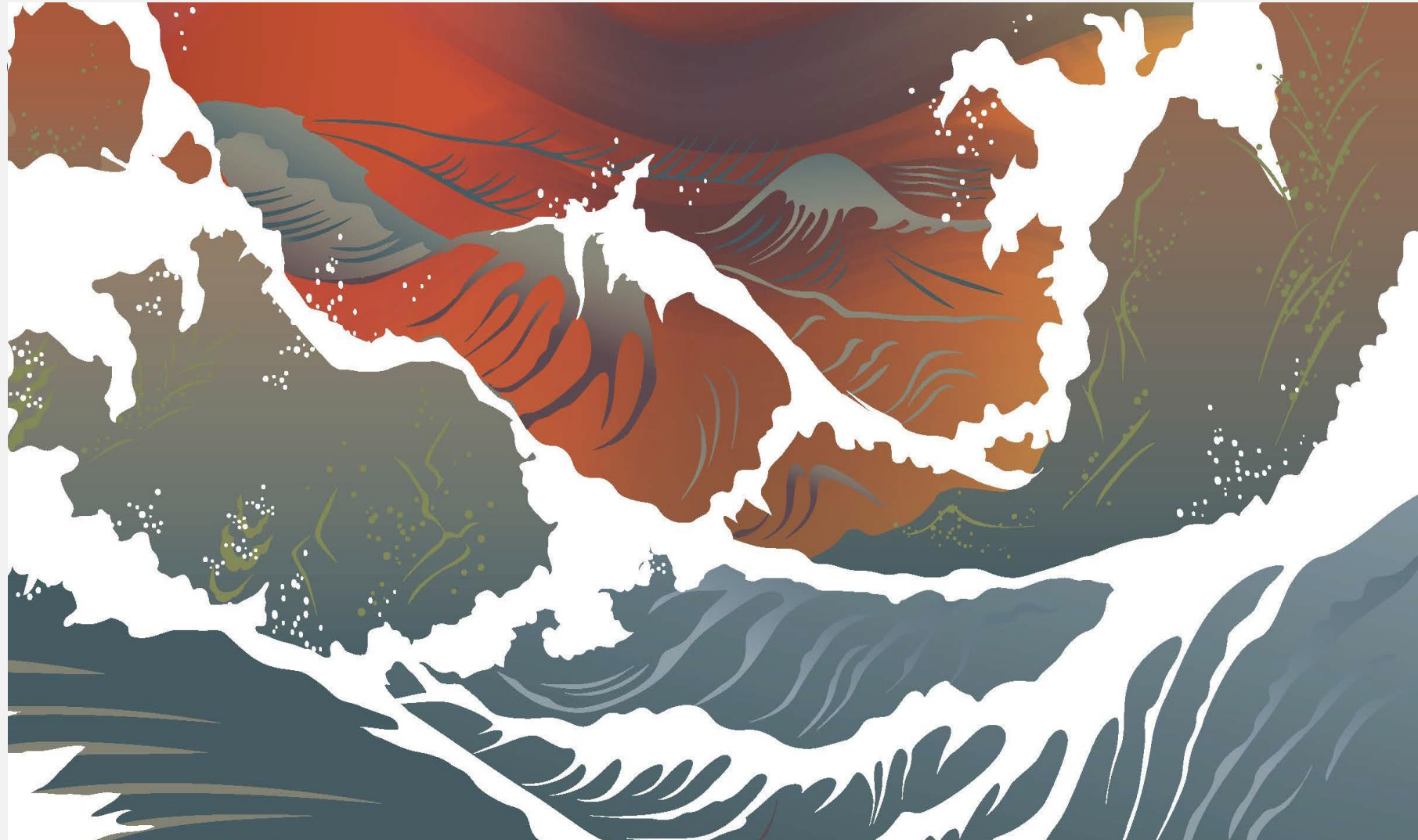
RIDING THE NATURE WAVE

Get your head
around the basics
facts

Learn to manage
risks and
dependencies

Engage in policy and
regulatory
development

Identify/advance
nature related
opportunities



STOP PRESS



FINANCE FOR
BIODIVERSITY
Initiative

... is establishing itself in Geneva and will launch its second life at the *Building Bridges* event in October 2022 under a new name ...



NATURE
FINANCE

Benefiting from Geneva's unique ecosystem of financial, research, technological & international cooperation communities

Helping to create a Geneva-based world-class nature finance cluster



k

Thank You !