

# Fauna & Flora International Priorities Paper for UNFCCC COP26

and climate-nature nexus in CBD COP15



### COP26 - a pivotal moment for us all

"Tackling climate change is now as much a political and communications challenge as it is a scientific or technological one. We have the skills to address climate change in time, all we need is the global will to do so...Decisions taken at this G7 meeting, at the Biodiversity COP in China, and COP26 in Glasgow are the most important decisions humanity has ever taken."

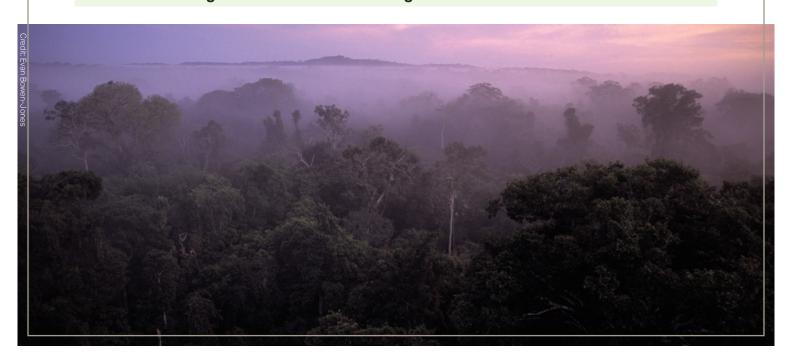
COP26 can and must provide the platform for decisive action to ensure that the goals of the Paris Agreement are achieved. FFI is calling for an end to the frustration of negotiations since Paris, and for completion of the rule book to operationalise the Agreement and realise its ambition, with nature at its core.

Sir David Attenborough, COP26 People's Advocate: Statement to the G7, June 2021

The science is clear and unequivocal. The human-induced climate, nature and health crises are severe, fundamentally intertwined and cannot be addressed in isolation. Global willingness to act in order to achieve the Paris goals is urgently required, and COP26 must challenge nations and corporations to renew ambition, drive systemic reforms and deliver a future that limits global temperature rise to 1.5°C above pre-industrial levels.

Following the pivotal Sixth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC), Fauna & Flora International (FFI) is calling for a focus on four priority areas ahead of, and at, COP26. Our aim is to drive discussion, debate and, most importantly, action to deliver the Paris Agreement ambition for climate, nature and people:

- 1. Prioritise protection of nature
- 2. Embed nature into deep, rapid and well-designed decarbonisation
- 3. Connect the systems with the grassroots
- 4. Scale and target finance where need is greatest



# 1 Prioritise protection of nature

The protection and restoration of nature must be prioritised as a vital route to raise global climate ambition and accelerate the transition to net zero; and to build resilience and capacity to adapt to the increasingly devastating impacts of climate change that are already being faced.

FFI's primary call with respect to the nature-based response to climate change is that this effort follows a principle of *protection first*. The carbon-rich, biodiverse carbon sinks and stores that underpin climate regulation are not secure and, once lost, can never be brought back. If we do not actively protect them, we will fail to prevent the worst effects of climate change. The time to take action for nature is now – the more that is lost and degraded, the weaker its ability to counteract climate change effects and slow the accumulation of  $\mathrm{CO}_2$  in the atmosphere; nature is fundamental to enabling and accelerating the transition to net zero.

Whilst much attention has focused on removals projects, to take carbon dioxide out of the atmosphere, it makes no sense to prioritise the planting of new trees to sequester carbon dioxide, while old-growth forest and other vast natural carbon sinks are simultaneously destroyed. Protection of these natural carbonand species-rich ecosystems on land and in the ocean, combined with natural regeneration, high-quality restoration and sustainable management, must be prioritised to maintain healthy ecosystems that are able to regulate climate and support local biodiversity and livelihoods.

- Robust recognition in the CBD and UNFCCC decision texts of the role of ecosystems in the mitigation of, and adaptation to, climate change, with acknowledgement that whilst a broad suite of nature-based approaches have value and relevance, the primary focus must be on protection, to limit further loss. Further, recognition of key gaps in scientific understanding, and the role of new evidence in influencing priorities going forward; noting, for example, the dynamic field of ocean and forest carbon cycle research, and our developing understanding of the carbon dioxide released by fishery bottom-trawling practices.
- Removals have a key role to play, but the balance of attention is skewed we need to shift focus towards securing existing carbon sinks and stocks, which took centuries to establish, and whose carbon we don't have time to re-sequester through removals projects. Carbon accounting rules should enable flows of finance for leaving old-growth forest intact, and differentiate between natural forests and monoculture tree plantations. We need greater recognition of the importance of other natural sinks and stores of carbon; wetlands, grasslands, seagrasses, soils, ocean sediments and other ecosystems play key roles in climate regulation and need to be financed.
- Recognition and support to scale the best existing frameworks, such as REDD+, to finance and implement the action needed. We acknowledge that the existing mechanisms are not flawless, but they have a pivotal role to play in ensuring international climate finance reaches grassroots conservation action, so we support their continual improvement.
- Increased incentive mechanisms to maintain historically stable, intact and biodiverse forests, since these areas increasingly risk becoming unstable. We need a rapid paradigm shift in the way we protect and restore forests, based on sound science, guided by indigenous knowledge and local communities, supported by fair governance and incentivised by long-term funding mechanisms.

#### **REPORT**

# 2 Embed nature into deep, rapid and well-designed decarbonisation

The substantial gap between existing Nationally Determined Contributions (NDCs) and what is needed to limit a temperature rise to 1.5°C must be bridged. This requires increased ambition and improved mechanisms to finance and deliver decarbonisation swiftly and at scale.

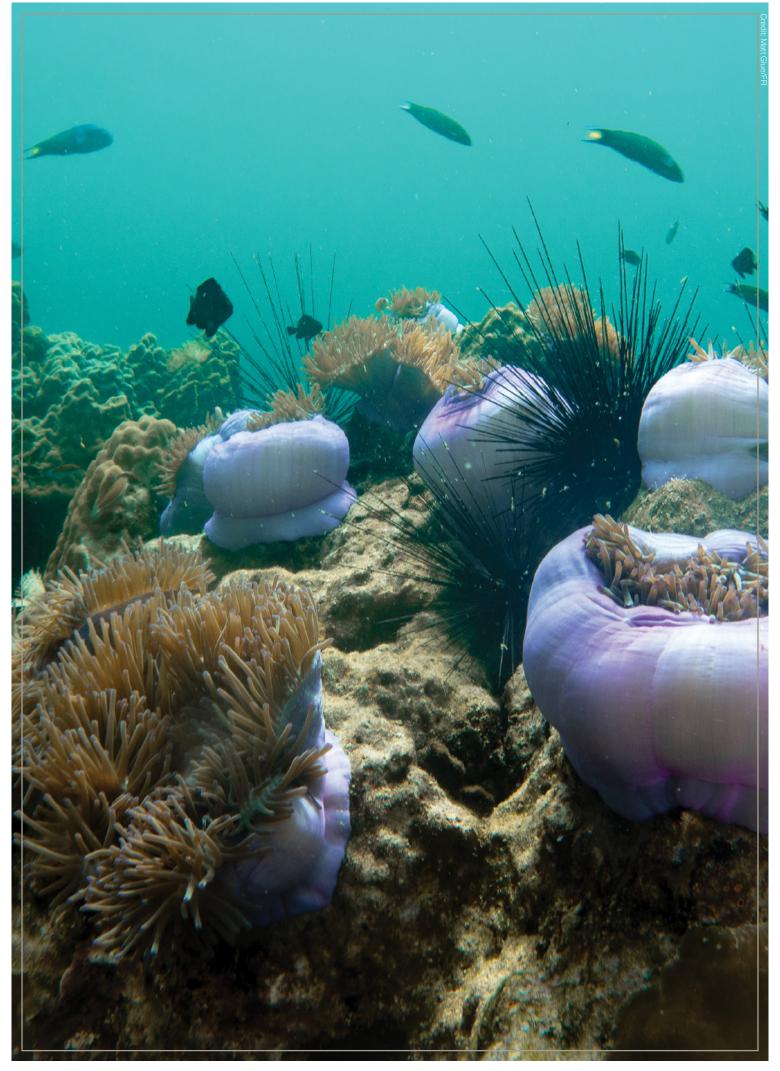
To support and accelerate the transition from fossil fuels to a net-zero future, we call for nature to be further embedded within NDCs and corporate action.

Nation states need to be guided, impelled and enabled to increase the contribution of nature within all NDCs, ensuring this serves to increase climate ambition and helps bridge the gap between the current targets and what is needed in practice to limit global temperature rise to 1.5°C.

Corporates need to declare transparent and verifiable pathways to Paris-aligned net-zero targets, and turn pledges into ambitious net-zero action. In parallel, they need to invest in high-quality nature-based solutions (NbS) to climate change to accelerate the pathway to net zero.

The more nature is degraded, the more we erode its capacity to contribute to climate change mitigation and adaptation. Scaling of NbS and, specifically, halting further loss of nature, must be prioritised now, in conjunction with aggressive and nature-positive decarbonisation across industry and society. FFI supports the <u>Guidelines for Nature-based Solutions to Climate Change</u>, to ensure NbS are applied appropriately in the context of wider decarbonisation priorities, and developed to high standards that deliver for biodiversity and people, as well as for climate.

- Deep commitments, and immediate action, to decarbonise human activity, by nation states and the private sector - driven by fair, rigorous and transparent net-zero emissions targets and concrete implementation plans, and proceeding irrespective of the wider progress of global enabling frameworks.
- Embedding of NbS, both terrestrial and marine, into NDCs and corporate net-zero pathways; never serving to dilute contribution to the Paris goals, but as a mechanism to raise ambition further, with defined targets and concrete road maps for implementation.
- Integration of nature-positive policies and practice into all decarbonisation efforts, to avoid 'new
  environmental bads' in the transition to net zero. FFI highlights the importance of a moratorium
  on deep-sea mining given the profound risks of destabilising deep ocean ecosystems in a race to
  secure heavy metals for new technologies in the 'green transition'.
- Leadership by nation states in commitments to abandon the perverse subsidies and investment practices that perpetuate the least sustainable aspects of our economies and continue to drive climate change and biodiversity loss, and to equitably repurpose resources to drive a just and green economic recovery.



#### REPORT

# 3 Connect the systems with the grassroots

Global systems, mechanisms and processes to scale up delivery of nature-based solutions to climate change (NbS) must be aligned with, and in service of, grassroots implementation. As a grassroots-focused organisation, committed to working with and for those closest to biodiversity and carbon-rich ecosystems (to benefit all of us), we call for a focus on bridging the growing gap between systems-level ambition and frameworks, and grassroots delivery.

While target setting and debates about the implementing framework for climate and nature are necessarily high level and systemic, results in practice will depend on delivering with and for people at local level. Currently, there is a risk of significant disconnect between international demand for NbS, particularly in the context of mitigation action, and the needs of those whose rights and livelihoods are implicated in delivery.

Engagement of people, both women and men, particularly Indigenous Peoples and Local Communities (IPLCs), as empowered actors in all stages of NbS development will be critical to achieving the desired outcomes for climate, and to maintaining the functioning ecosystems we all need to survive and thrive.

- Recognition of the importance of, and guarantees of increased investment in, locally led approaches
  to nature-based mitigation and adaptation action, ensuring IPLCs are empowered to participate
  effectively and benefit equitably.
- Robust standards and safeguards for NbS projects and programmes, to ensure that they uphold
  and champion the rights of IPLCs and are designed, implemented and managed with full and active
  local participation.
- Mechanisms agreed to make carbon markets operational, under Article 6, should facilitate efficient
  and equitable flows of investment to local actors, including IPLCs. This has key implications for the
  development of jurisdictional benefit-sharing mechanisms, and ensuring that benefits reach projects
  and local stakeholders delivering on the ground.



## 4 Scale and target finance where need is greatest

Finance must be made available for NbS and must be scaled, made accessible and used to prioritise protection of nature to halt the continued, devastating losses.

While market failures have driven destruction of nature, and climate change, market mechanisms that drive significant investment into high-quality NbS have the potential to shift economic incentives in favour of the protection and restoration of nature. The political and technical challenges to doing this well are significant, yet success would be a game changer and drive finance where it is needed most. The framework for market-based cooperation and international finance flows must be enabled by the successful completion of the Article 6 negotiations at COP26.

Within Article 6 negotiations, FFI calls for appropriate measures to ensure market integrity, and efficacy. COP26 is the pivotal moment to negotiate the rules for effective carbon markets that enable highquality action, by actors committed to, and delivering, successful decarbonisation. The question of integrity demands that complex challenges such as the avoidance of double counting are addressed. We urge that technical solutions to ensure integrity, such as corresponding adjustments, are designed and implemented in ways that enable rather than compromise efficacy - avoiding the creation of barriers to high-quality private sector investment and/or grassroots action.

Alongside market-based finance, the importance of scaling development finance to enable and accelerate action in developing countries cannot be underestimated. The climate finance deficit remains vast. Developing nations are disproportionately exposed to climate change, and are also home to some of the largest and most biodiverse carbon sinks globally. The trust of the Global South in the international climate response is increasingly undermined by the gap between rhetoric and reality regarding climate finance commitments.

- Developed nations to deliver in full, and provide detail on their intent to exceed, their long-standing commitment to mobilise US\$100 billion per year by 2020 to support climate action in developing countries, ensuring a primarily grant-based mechanism, over loans.
- Delivery of an Article 6 rule book that ensures environmental and social integrity, and enables maximum ambition for both climate and nature.
- Delivery of an Article 6 rule book that ensures the technical instruments to manage carbon markets deliver functionality and accessibility, in addition to integrity - emphasising the importance of capacity building to enable widest possible participation and access to benefits, particularly by IPLCs; and the need for innovation to ensure market mechanisms are an enabler of high-quality national action, and private-sector investment, not a barrier.
- A significant scaling up of finance specifically for the protection of nature and for ecosystem-based adaptation, linking to national plans under the UNFCCC and the CBD, including allocation of a share of finance from carbon markets to adaptation.



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