



# Fauna & Flora International

## The climate-nature nexus: our priorities

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# COP27 – NO TIME TO WASTE

The science is clear and unequivocal. Human induced climate change, biodiversity loss and declines in human well-being are severe and inter-connected crises that cannot be addressed in isolation. There is no solution to these acute societal challenges that does not include putting the protection and restoration of nature at the centre of any approach. The outcomes from COP27 must reflect this.

We are witnessing a transformation in global attention on the link between climate and nature. The COP26 final decision 'emphasises the importance of protecting, conserving and restoring nature and ecosystems to achieve the Paris Agreement temperature goal' and we also saw international commitments to halt and reverse deforestation by 2030.

But pledges on paper need to become action, right now. Countries must set more ambitious near-term emissions goals through updated NDCs by COP27, prepare detailed delivery plans for their nature commitments, and accelerate national implementation planning to drive systematic reforms across all sectors. It will be important to engage all decision-making levels in these processes, including ensuring the effective involvement of indigenous peoples and local communities (IPLCs).

COP27 must challenge nations and corporations to renew ambition, invest more in nature positive transformations, and live up to their commitments to deliver on limiting global temperature rise to 1.5°C above pre-industrial levels. The pace, effectiveness and credibility of the approaches to the implementation of the Paris Agreement are critical to success, because we cannot afford to waste more time. It is clear that the less we do on mitigation, the more we will need to do on adaptation; and the less we do on adaptation, the more we will need to do to address loss and damage.

The pivotal Sixth Assessment Report of the IPCC<sup>1</sup> lays bare the existential threat to well-being, to livelihoods, to the global economy and to the health of natural ecosystems posed by climate change. However, it also spells out how the protection and restoration of nature can help us adapt to climate change and prevent the worst warming scenarios, and that the economic benefits of limiting global warming can outweigh the costs, with nature at the heart of a just, green transition.

**Based on best available science and evidence, FFI is highlighting four priority areas ahead of, and at, COP27. Our aim is to drive discussion, debate and, most importantly, action that delivers for climate, nature and people.**

**1. Ensuring nature and people are not an afterthought in climate action**

**2. Prioritising protection of nature's remaining carbon sinks**

**3. Accelerating adaptation action hand in hand with communities and nature**

**4. Scaling up and directing finance to locally-led implementation**







# 1. ENSURING NATURE AND PEOPLE ARE NOT AN AFTERTHOUGHT IN CLIMATE ACTION

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

‘Nature-based Solutions’ (NbS) to climate change, in both the terrestrial and marine contexts, are a critical tool to support and accelerate the transition to a net-zero future, while driving positive climate, biodiversity and social impact at scale.

When not used as a substitute for decarbonisation, but in tandem with ambitious and rapid decarbonisation, FFI believes nature-based carbon credits have an important role to play, to accelerate the green transition and to channel finance into the long-term conservation of biodiverse ecosystems and to local people. However, appropriate guardrails must ensure that the growing demand for NbS does not drive a race to the bottom, i.e. an over-reliance on offsetting and declining offset quality.

FFI supports NbS that are applied appropriately in the context of wider decarbonisation priorities, and developed to high standards that deliver for biodiversity, people, and climate, such as the [Guidelines for Nature-based Solutions to Climate Change](#) and the [IUCN Global Standard for NBS](#).

## WHAT WE ARE CALLING FOR:

- **Deep, rapid, and immediate decarbonisation of human activity, by nation states and the private sector – driven by fair, rigorous and transparent net-zero emissions targets, supported by enhanced near-term targets, concrete implementation plans and adequate finance.**
- **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 slow the temperature rise. These plans must deliver actual emission cuts, with offsets used only for hard to abate emissions in the immediate term. Companies should move forward with adopting a science-based target aligned with the Paris goal of limiting warming to 1.5°C.**
- **High quality implementation of NbS by all stakeholders. FFI does not support NbS applications that have a narrow, carbon centric approach at the expense of biodiversity and people. To be effective, equitable and enduring climate solutions, NbS must deliver net positive impacts for nature and IPLCs.**
- **Ensuring decarbonisation efforts do not cause new drivers of nature destruction. Technical innovation will have a critical role to play in the green transition, but must be approached with care. For example, 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’.**

## 2. PRIORITISING PROTECTION OF NATURE'S REMAINING CARBON SINKS

We need a rapid paradigm shift in the way we protect and restore natural ecosystems, based on sound science, guided by local and indigenous knowledge systems, supported by fair governance and incentivised by long-term funding mechanisms.

Nature must be our ally in tackling climate change. We argue that avoiding further loss of nature is so critical that the nature-based response to climate change should follow 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. The more nature is degraded, the more we erode its capacity to contribute to climate change mitigation and adaptation.

Whilst much attention has focused on carbon removal projects, 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 and reservoirs, including blue carbon ecosystems, are simultaneously destroyed. Removals have a key role to play, but the balance of attention is skewed – we need to shift focus towards securing existing sinks and stocks, which took centuries to establish, and whose carbon we do not have time to re-sequester through new tree plantations.

To maintain healthy ecosystems that are able to regulate climate and support local biodiversity and livelihoods, halting further loss of nature must be prioritised now. Existing frameworks such as REDD+ are vitally important to finance and implement the action needed at scale. 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 and scaling.

### WHAT WE ARE CALLING FOR:

- **Changes in market based solutions, attitudes and approaches to enable a big push to protect and conserve functioning natural ecosystems, for example enabling flows of finance to incentivise leaving old-growth forest intact.**
- **Clearer differentiation in the market between natural forests and monoculture tree plantations and the value of their associated carbon credits, where the former provides a wide range of benefits for biodiversity, people and climate and should be valued higher than the latter, which has few additional benefits.**
- **Enhanced action and finance for non-forest 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. We call for more focus to fast-track non-forest methodologies to quantify impact and attract finance.**
- **Development of enabling conditions for blue carbon opportunities. For this, clarity is needed on how blue carbon can best be addressed in carbon accounting for political jurisdictions and national REDD+ programs. FFI also calls for enhanced support for ocean carbon cycle research, including gathering evidence on the carbon dioxide released by bottom trawling fishing practices to inform the development of policies.**
- **Connect the UNFCCC and CBD processes so that they are aligned in their ambition, pace of action and resourcing to enable protection of nature, with full participation of IPLCs. This matters at both the level of the international agreements (including the new Global Biodiversity Framework, updated NDCs, the design of the Global Goal on Adaptation and the post-2025 climate finance goal) and at the level of national implementation. Integrated approaches on nature and climate and linking national strategies and plans should be reflected in countries' NDCs, National Adaptation Plans and the National Biodiversity Strategies and Plans.**

### 3. ACCELERATING ADAPTATION ACTION HAND IN HAND WITH COMMUNITIES AND NATURE

Impacts of climate change are increasingly felt around the globe in the sweltering cities, droughts now leading to famine, and harsh storms, forest fires and flood events destroying lives and livelihoods. We already need to adapt to the changing climate, yet the IPCC's Sixth Assessment Report<sup>1</sup> noted that to date, adaptation action is "small scale and incremental and not transformational". A good Global Goal on Adaptation (GGA) is needed to drive the necessary transformational change.

The IPCC also highlights the value of ecosystem-based adaptation (EbA)<sup>2</sup> as an effective approach to reduce the impacts of climate change while at the same time delivering additional benefits for people and biodiversity. The resilience of communities and ecosystems depends upon their integrity, therefore, preserving and restoring ecosystem integrity are the cornerstones of adapting to climate change. However, 'maladaptation' must be avoided. For example, afforestation of naturally unforested land can harm biodiversity, water and food security, as well as livelihoods, especially if implemented at large scales or in regions with insecure land tenure.

Locally led, inclusive and rights-based approaches should also play a central role in designing and delivering effective, sustainable, and just adaptation action. It is these communities, including indigenous and marginalised groups, who have the specialist, on-the-ground knowledge of their adaptation needs and are best able to develop bottom-up, transformative solutions for their particular context to tackle the underlying drivers of inequality, poverty, climate change, and the degradation of nature.

Climate impacts and vulnerabilities are unequally distributed and these disparities lead to climate injustice. Inequity and marginalisation linked to gender, ethnicity and low incomes are causing those with the least resources, and that have contributed the least to cause this existential problem, to face the worst impacts. With every partial degree of warming the various limits to our ability to adapt to climate change are being reached, leading to losses and damages. Communities on the frontline are already paying too high a price for climate inaction – there is no time to waste.

#### **WHAT WE ARE CALLING FOR:**

- **Embed effective, high quality EbA solutions and locally led approaches in National Adaptation Plans, Adaptation Communications, NDCs and other national and sectoral plans and policies with robust targets, indicators, and defined metrics. This will mean Governments investing in identifying local level climate risks, vulnerabilities and adaptation options based on best available science, evidence and participatory approaches. FFI endorsed the Principles of Locally Led Adaptation (LLA)<sup>3</sup> at COP26 and we encourage governments, funding institutions, and others in the adaptation space to also embed them in their operations.**
- **Recognition of the key role of EbA and LLA approaches in the framework of the Global Goal on Adaptation (GGA) will better enable countries to prioritise and scale these actions in their climate resilient development, and count them towards the progress made on the GGA.**
- **The monitoring and evaluation systems for the GGA must be able to accommodate the broad diversity of local adaptation actions. National and local Monitoring, Evaluation and Learning (MEL) systems will inform global assessments, but will be capturing adaptation action in very many different situations for which different methodologies will be appropriate. Frameworks that can be used to assess the efficacy, adequacy and integrity of locally-led and ecosystem-based adaptation approaches include the EbA<sup>4</sup>, the IUCN NbS<sup>5</sup> and the LLA Principles<sup>3</sup>.**
- **Establish a new and additional, needs-based and adequately resourced finance facility for loss and damage to address those adverse impacts of climate change that cannot be avoided, and to support the most vulnerable in their response. Currently, the mechanisms available under the UNFCCC are geared towards averting and minimising loss and damage through mitigation and adaptation, however they do not provide means for addressing them, i.e. for helping people recover from the impacts of climate change that go beyond their ability to adapt. As such, a dedicated facility is critical for the missing third pillar of climate finance.**



## 4. SCALING UP AND DIRECTING FINANCE TO LOCALLY-LED IMPLEMENTATION

Global systems, mechanisms, finance and processes to scale up delivery of NbS to climate change 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), FFI call for a focus on bridging the growing gap between systems-level ambition and theoretical frameworks, and grassroots delivery.

The overall climate finance deficit still remains vast, and there is a risk of significant disconnect between the quality and quantity of this finance and the needs of those whose rights and livelihoods are implicated in delivery of NbS on the ground. Only about 10% of climate finance currently reaches local actors in developing countries<sup>6</sup>, and only a small fraction of international adaptation finance for low-income countries also supports nature<sup>7</sup>. We are missing out on significant opportunities to maximise financial support to achieve benefits for local livelihoods, ecosystems, and climate action.

Though most crucial details in Article 6 of the Paris Agreement were finalised at COP26, the exact carbon accounting rules remain a grey area. FFI therefore calls for completion and ratification of Article 6 to ensure market integrity and efficacy, whilst enabling the much needed scaling of NbS. At a time where quality, quantity and speed of delivery are increasingly in tension, and significant commercial interests are at play, we support the principle of ‘scaling with care’, building on successful examples of locally-led, nature-positive approaches. This will help to ensure that the interests of local actors are not overlooked.

Active and appropriately resourced engagement of stakeholders and rights holders, including Indigenous Peoples and Local Communities (IPLCs), women and other marginalised or vulnerable groups, as empowered actors in all stages of NbS development and implementation will be critical to achieving the desired outcomes for climate, and to maintaining the functioning ecosystems we all need to survive and thrive.



## WHAT WE ARE CALLING FOR:

- **Delivery in full by developed nations of their overdue commitment to mobilise US\$100 billion per year (totalling US\$600 billion by 2025) to support climate action in developing countries, primarily using a grant-based mechanism, rather than loans. Clarity is vital on what counts as climate finance and progress must be made on removing barriers to access this finance, particularly for sub-national and local level actors. Furthermore, the new finance goal starting in 2025 should be set in line with the needs and priorities of developing countries.**
- **Recognition of the importance of locally led approaches to nature-based mitigation and adaptation action, ensuring IPLCs are empowered to participate effectively and benefit equitably. A reference in the COP27 decision would give a strong signal and help to unlock increased public and private investment in projects with a locally led approach.**
- **Financial, commercial and governance structures of nature-based carbon projects to be transparent and equitable, which facilitate efficient and direct flows of investment and benefits to local actors, including IPLCs.**
- **Recognition of the value of “other effective area based conservation measures” (OECMs), which provide a mechanism to support effective biodiversity conservation and nature-based climate action, outside of formal protected areas, and to enable greater recognition and participation of, and benefits to, IPLCs in the implementation of NbS, at scale.**
- **Bridge the gap between the currently available adaptation finance and the increasing needs. At COP26 we saw a call to double adaptation finance from 2019 levels by 2025, but this level still falls far short of estimated needs<sup>8</sup>. Contributing countries, multilateral development banks, and multilateral climate funds should raise ambition in terms of the overall amount (commit at least 50% of their climate finance to adaptation), access to, and quality of adaptation finance, including major increases going to LDCs, SIDS, and fragile and conflict-affected states. In the COP27 decision, countries should also agree to develop concrete delivery plans on their adaptation finance pledges.**
- **Agricultural subsidies should be repurposed to support the health of soil, ecosystems, people and climate. More funding is needed for the urgent transformation of the food system to shift away from carbon intensive, ecosystem degrading, chemical agriculture, to agroecology, agroforestry, and other sustainable food production systems. Adopting agroecological principles and practices will underpin healthy and productive food systems that are resilient and sustainable in a changing climate, as well as help maintain livelihoods and halt biodiversity loss.**





#### Endnotes:

- 1 IPCC Sixth Assessment Report (<https://www.ipcc.ch/assessment-report/ar6/>)
- 2 Ecosystem-based Adaptation (EbA) is a nature-based solution that harnesses biodiversity and ecosystem services to reduce vulnerability and build resilience of human communities to climate change. EbA is defined as the use of biodiversity and ecosystem services as part of an overall adaptation strategy to help people to adapt to the adverse effects of climate change (CBD, 2009 & 2010).
- 3 Principles of Locally Led Adaptation (<https://www.iied.org/principles-for-locally-led-adaptation>)
- 4 FEBA framework for EbA ([https://www.iucn.org/sites/default/files/2022-07/feba\\_eba\\_qualification\\_and\\_quality\\_criteria\\_final\\_en.pdf](https://www.iucn.org/sites/default/files/2022-07/feba_eba_qualification_and_quality_criteria_final_en.pdf))
- 5 IUCN Global Standard for NBS (<https://www.iucn.org/resources/publication/iucn-global-standard-nature-based-solutions-first-edition>)
- 6 <https://www.iied.org/climate-finance-not-reaching-local-level>
- 7 <https://www.iied.org/only-fraction-international-climate-adaptation-finance-for-least-developed-countries-found-also>
- 8 <https://www.unep.org/resources/adaptation-gap-report-2021>

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