

Reflections from COP15

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The recent [UN Biodiversity Conference](#) (COP15) in Montreal has proven to be a turning point as biodiversity and nature are finally being brought to center stage, formalized by the [Global Biodiversity Framework](#) (GBF) which sets out 23 targets to halt and reverse biodiversity loss by 2030 which was adopted by 196 countries¹.

Spending those days in Montreal on behalf of New Forests together with Rayne van den Berg from Forico, one of New Forests' portfolio companies, I could sense the growing momentum from the business and finance community to contribute meaningfully to reach nature positive by 2030. Finance (particularly private finance) has a critical role to play to fill the financing gap necessary to meet nature targets.

The first step is enhancing nature-related disclosures, which can and should learn from climate. The [Taskforce for Nature-related Financial Disclosures](#) (TNFD), has been actively developing their framework and requirements. This groundwork supports the rising call from companies to [Make It Mandatory](#), a campaign that urges governments to require nature-related disclosures, including meaningful targets for nature positive that address remedying negative impacts and advancing positive impacts. While nature positive has yet to be fully defined, the GBF does call for urgent action to "halt and reverse" biodiversity loss by 2030. Companies shouldn't wait to act until this wording is complete; we need to address nature and biodiversity loss now. As we've learned from climate, there is a sense of urgency required to meet our global goals.

Setting nature and biodiversity targets requires decision-useful data that helps companies identify the most material areas to focus their attention. While many organizations have previously voiced that there is not enough data available, that is not actually the case – the data exist, and it is up to companies to work with academics, researchers, NGOs, and other organizations to link that information into business processes. Target 15 of the GBF makes it mandatory for all large businesses and financial institutions to disclose their impacts and dependencies on nature.

COP15 sent a clear message that nature, climate, and people are intricately linked, and that the land sector has an important role to play across these spheres. As we build nature-related markets, we cannot forget these connections and must meaningfully engage Indigenous Peoples, farmers, and other community groups. Our solutions to reduce risks and enhance opportunities must solve multiple problems simultaneously. One commonly raised solution was regenerative agriculture, which has the potential to support an emissions-intensive sector and potentially vulnerable communities while moving towards nature-positive goals. We should therefore continue to support financial flows to Natural Climate Solutions to achieve nature action at scale.

To address the nature-related financing gap, there was increased interest at the COP in innovative financing mechanisms including blended finance – the type of structure that New Forests has employed in its Tropical Asian Forest Fund 2. Natural capital accounting was presented as an opportunity to financially quantify nature-related risks and opportunities. COP15 also highlighted the potential of biodiversity credits; while the concepts around these credits are in the early stages, they present opportunities to direct financial flows towards conservation and restoration. However, we need to learn from the carbon

¹ UN Environment Programme, <https://www.cbd.int/doc/c/e6d3/cd1d/daf663719a03902a9b116c34/cop-15-l-25-en.pdf>

markets and make these markets credible and equitable to land custodians including indigenous peoples to avoid greenwashing concerns.

Rayne van den Berg agrees that the momentum and alignment of the business community with COP negotiators and other stakeholders was extraordinary and will be pivotal to ensure that the GBF commitments are realised with measurable and creditable outcomes over the next two years and beyond.

While challenges remain such as mobilizing capital at scale and engaging companies that are resistant to changing their business models for a nature positive future, the clear message from the COP was that we cannot let the ambition of the [Global Biodiversity Framework](#) fall short; no company can reverse nature loss alone and so we must work together to create a nature positive world with both accountability and actions.

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