



COP15 – MOVING ON

by:

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The Fifteenth UN Biodiversity Conference is finally over. After a long hiatus of around two years, the ‘lesser known’ environment-focused Conference of Parties – COP15 – ended on Monday, the 19th of December 2022 in Montreal, Canada with the adoption of the ‘Kunming-Montreal Global Biodiversity Framework’ (GBF), including 4 goals and 23 targets to be achieved by 2030. It has been hailed as a ‘landmark’ moment in humanity’s attempt at reversing the nature loss to secure our own health and well-being alongside the planet. Representatives of 188 governments on site (95% of all 196 Parties to the UN CBD (Convention on Biological Diversity)), as well as two non-Parties – the United States and The Vatican), finalized and approved measures to contain the ongoing loss of terrestrial and marine biodiversity.

Overarching goals have managed to cover the most pressing issues regarding nature and biodiversity loss. It was encouraging to see the final text having much less ambiguity than what had been discussed over the past year in Open-Ended Working Groups. Targets are quantitative and measurable, incorporate the “whole-of-government and whole-of-society approach” and focus on making finance work for nature. The agreement also obligates countries to monitor and report every five years or less on a large set of “headline” and other indicators related to progress against the GBF’s goals and targets. The CBD will combine national information submitted by late February 2026 and late June 2029 into global trend and progress reports.

One of the most important milestones achieved in the GBF is the focus on finance. In 2015, the Paris Agreement charted a new course in the global climate effort by including, as one of its three overarching objectives, a commitment to making finance work for climate. The GBF has taken the right steps in that direction with Goal D requiring the alignment of financial flows with both the 2030 targets and the 2050 vision, securing a focus on implementation in the short, medium and long term. This goal, along with several targets that reference private financial flows, provides the hook required to stimulate and scale up action from the financial sector. We hope that these create the same incentive for financial institutions to align their portfolios with a pathway towards halting and reversing nature loss in 2030.

Last month, along with over 330 corporates and financial institutions, La Française signed the Business Call for making nature-related disclosures mandatory for businesses and financial institutions in the GBF. Although the word ‘mandatory’ did not make it to the final text, wording on ‘ensuring’ policy, administrative or legal measures are still intact. This means that governments will need to have policies and regulatory frameworks in place to ensure that large and transnational businesses and financial institutions will assess and disclose their nature impacts and dependencies. This is positive news for investors who will need actual data from the corporates they invest in, for both regulatory reporting and to better align financial flows with the biodiversity goals and targets. An enabling policy environment that supports financial institutions in better managing the risks and capitalizing on the opportunities in portfolios is key to unlocking a nature-positive future.

In addition to the adoption of the GBF, there were several other parallel announcements and agreements during the last two weeks that will enable nature action. The Global Environment Facility was requested to establish, as soon as possible, a Special Trust Fund to support the implementation of the Global Biodiversity Framework (“GBF Fund”). COP15 delegates agreed to establish within the GBF a multilateral fund for the equitable sharing of benefits between providers and users of Digital Sequence Information (DSI) on genetic resources; to be finalized at COP16 in Turkey in 2024. Nature Action 100, a new global engagement initiative was announced on the 11th of December, to mobilize investors to drive urgent action on the nature-related risks and dependencies in the companies they own. La Française AM will be

a part of the Technical Advisory Group along with its membership of the Finance for Biodiversity foundation, when it is launched in early 2023.

Before the COP started, world leaders and nature experts asked for a 'Paris moment for nature' – and all headlines have declared it as so. However, even the Paris accord has had its moments in the heat, where countries are still struggling to respect their NDCs (Nationally determined contributions), and financing flows from developed to developing countries have missed the \$100bn target for many years. The CBD has warned: "Without these actions, there will be a further acceleration in the global rate of species extinction, which is already at least tens to hundreds of times higher than it has averaged over the past 10 million years."

In September, La Française co-signed a letter addressing the finance ministers of the world (including France), urging them to take a strong position during COP15 and enable the adoption of a robust, comprehensive framework. We can safely say that the Kunming-Montreal Global Biodiversity Framework has not disappointed. We still have to see how implementation will be executed, but we have to hope that this agreement will set the world on the right course for a sustainable relationship with nature. With one of the most eagerly awaited COPs on nature behind us, we can now focus on action. The world can finally move on!

Key elements of the Kunming-Montreal GBF

Clear targets to address overexploitation, pollution, and unsustainable agricultural practices:

- Effective conservation and management of at least 30% of the world's lands, inland waters, coastal areas and oceans, with emphasis on areas of particular importance for biodiversity and ecosystem functioning and services. Reduce to near zero the loss of areas of high biodiversity importance, including ecosystems of high ecological integrity.
- Cut global food waste in half and significantly reduce overconsumption and waste generation.
- Reduce by half both excess nutrients and the overall risk posed by pesticides and highly hazardous chemicals.

Making finance work for biodiversity and the alignment of financial flows with nature to drive finance toward sustainable investments and away from environmentally harmful ones:

- Mobilize by 2030 at least \$200 billion per year in domestic and international biodiversity-related funding from all sources – public and private.
- Progressively phase out or reform by 2030 subsidies that harm biodiversity by at least \$500 billion per year, while scaling up positive incentives for biodiversity's conservation and sustainable use.

Safeguarding the rights of indigenous peoples and recognizing their contributions as stewards of nature:

- Raise international financial flows from developed to developing countries, in particular least developed countries, small island developing States, and countries with economies in transition, to at least \$20 billion per year by 2025, and to at least \$30 billion per year by 2030.
- Prevent the introduction of priority invasive alien species, reduce by at least half the introduction and establishment of other known or potential invasive alien species and eradicate or control invasive alien species on islands and other priority sites.

Emphasis on disclosures and reporting to monitor progress on targets and the alignment of businesses and finance to the global goals:

- Require large and transnational companies and financial institutions to monitor, assess and transparently disclose their risks, dependencies and impacts on biodiversity through their operations, supply and value chains and portfolios.

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