



# COP16: A crucial step towards achieving global biodiversity targets

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## Key points

- This year's United Nations biodiversity conference COP16 marks the crucial next step in implementing the Global Biodiversity Framework (GBF) adopted in 2022 by 196 governments
- Governments are expected to submit their updated National Biodiversity Strategies and Action Plans, progress on the GBF resource mobilisation strategy and on a global mechanism to ensure fair access to genetic information and equitable sharing of benefits derived from its use
- COP16 should act as a catalyst in accelerating corporate action and disclosure on nature-related issues. This will progressively enhance the integration of biodiversity into investment decisions

The upcoming United Nations (UN) biodiversity conference, COP16, marks a pivotal next step in implementing the Kunming-Montreal Agreement signed by 196 governments at 2022's COP15.

The pledge, to halt and reverse biodiversity loss – known as both the Global Biodiversity Framework<sup>1</sup> (GBF) and the Biodiversity Plan – aims to protect 30% of the world's land and seas by 2030, among 23 targets. Its adoption is an historic step further compared to the previous strategic plan for biodiversity in that it not only includes a set of four goals and 23 targets but also a resource mobilisation strategy and a monitoring framework.

This framework was largely welcomed by the private sector - evidenced by around 1,000 business representatives in attendance at COP15<sup>2</sup> - as it offered clear global goals and a roadmap for business to develop nature strategies and implement actions to preserve and restore biodiversity.

In particular, businesses strongly supported the adoption of target 15, which commits governments to ensure that large companies and financial institutions regularly monitor, assess, and transparently disclose their risks, dependencies and impacts on biodiversity. This is widely seen as paving the way for more effective progress towards nature conservation and restoration. Following this breakthrough, COP16 is now considered an 'implementation COP'.

## **National strategies and a robust monitoring system to drive implementation**

Prior to the start of COP16 (which kicks off on 21 October), governments are required to submit their updated National Biodiversity Strategies and Action Plans (NBSAP), ensuring they are aligned with the GBF's goals and targets. Although only few have already been submitted (20 out of 193 as of August 2024<sup>3</sup>), many are being prepared, which shows that GBF implementation has already started at a national level.

These national strategies could serve as powerful catalysts, and act as a basis for enhanced synergies between governments and the private sector. For example, France's NBSAP is leveraged on existing businesses' voluntary commitment frameworks such as the government-led programme 'Entreprises Engagées pour la Nature'<sup>4</sup> (Companies Committed to Nature) and the Act4nature international initiative<sup>5</sup>. Through this framework, France set an ambitious target of 5,000 French companies having a biodiversity action plan by 2030.

France has subsequently launched the "Roquelaure businesses and biodiversity initiative<sup>6</sup>" that mobilised several large companies in sectoral and sector-specific working groups. Each has recently delivered a list of actions and recommendations<sup>7</sup>, guiding the private sector to take action to reduce negative impacts on biodiversity and generate positive outcomes for nature.

In addition to submitting their strategies, parties are also expected to further negotiate a global monitoring system to track progress globally. The UN's Convention on Biological Diversity's technical expert group on indicators recently delivered its final recommendations to further develop and operationalise the GBF's monitoring framework, which should serve as a strong foundation for the negotiations at COP16. We expect parties to adopt a clear set of indicators to monitor progress on each of the GBF's 23 targets. This would mark a significant step forward, addressing one of the key reasons for the reported failure of the 2011-2020 global Strategic Plan for Biodiversity<sup>8,9</sup>, - the lack of a robust monitoring system.

## **Financing the GBF**

However, negotiations on other key topics at the conference are expected to be more challenging due to diverging positions between parties – particularly around the gradual mobilisation of \$700bn in annual financial resources to support the implementation of the GBF.

COP16 will be an important step towards the first GBF goal of providing at least \$20bn a year from developed to developing countries by 2025. There is no doubt that developing countries will scrutinise the progress of this objective, with the spotlight on the key issues of how financial flows from the Global North to the Global South will be distributed. A compromise was reached at 2022's COP15 with the creation of a new fund, the Global Biodiversity Framework Fund, under the aegis of the Global Environment Facility.

The operationalisation of that fund is not a done deal though. Extensive discussions in Nairobi in May 2024 on the implementation of the GBF raised questions around how best to mobilise funds from all sources and to maximise their efficiency, accessibility, and allocation. Three possible options were identified so far and will need to be tackled at COP16: creating a completely new fund at COP16; launching negotiations to discuss this at COP17; or maintaining the current GBF Framework Fund.

Another pressing issue for COP16 is the review of the progress made against the fast-approaching 2025 deadline for identifying subsidies harmful to biodiversity – for example, those supporting intensive agriculture or infrastructure which are sealing soils and fragmenting ecosystems. The aim is either eliminating them, phasing them out, or reforming them.

## **Genetic information: Fair and equitable access and benefit-sharing**

Another sensitive issue involves the finalisation of a multilateral mechanism on the fair and equitable Access and Benefit Sharing (ABS)<sup>10</sup> from the use of genetic information, covering all living beings (animals, plants, microorganisms, etc.) for example used to develop new medicines and vaccines, hybrid seeds, cosmetics and more. The Nagoya Protocol, a component of the Convention on Biological Diversity, was adopted in 2010 to enhance the fair and equitable sharing of the benefits arising from the utilization of genetic resources, including by appropriate access. It grants countries the right to perceive a share of the benefits derived from the use of their nation's genetic resources by arranging ABS Agreements with users.

However, as scientific research becomes more open and accessible, individuals and researchers can increasingly access and use this data on their own. While such an approach can promote research, biodiversity conservation and sustainable use globally, it can also pose a potential risk for expanding inequities and compromising benefit-sharing obligations. The multilateral mechanism currently under negotiation seeks to find the balance between these competing priorities.

Despite recent progress with the preparation of draft recommendations for negotiators, the draft text remains heavily bracketed, with several disagreements and unresolved questions (e.g. methods of monetary contributions, methodology and criteria for funding allocation, data governance, etc). It remains to be seen whether the reported consensus that emerged around requiring monetary benefit-sharing contributions from all companies in sectors relying on the data use<sup>11</sup> will effectively go through. But if approved, this option could generate a significant amount of funding towards the GBF's implementation.

### **Strengthening the connexions with other conventions**

More positively, COP16 is also expected to focus on strengthening the coherence between the different international conventions and other environmental and social themes. This would be beneficial, highlighting the opportunities linked to developing holistic and integrated transition strategies in the private sector.

As an example, COP16 is expected to showcase the connections and interdependencies between climate and biodiversity (with special attention to key issues like deforestation and the agri-food sector). This could further guide the private sector in addressing the climate and biodiversity nexus and result in strengthened links between NBSAPs and Nationally Determined Contributions at a national level.<sup>12</sup>

The event also provides the opportunity for governments to meet again ahead of the last Intergovernmental Negotiating Committee on Plastic Pollution (scheduled for November in Korea), which could result in an international and legally binding global plastics treaty. COP16 will also help prepare for the June 2025 UN Ocean Conference, in France, where the financial sector is expected to play a significant role.

As the COP16 hosting country, Colombia will likely play a dynamic role to enhance mobilisation around its vision - "making peace with nature". Colombia and Germany are co-chairing a new GBF implementation instrument, the NBSAP Accelerator Partnership, which should directly contribute to higher ambitions ahead of and during COP16. At the UN climate change conference COP28, Colombia President Gustavo Petro announced the country will formally join an alliance of nations calling for a fossil fuel non-proliferation treaty to prevent the "omnicide" of planet earth – the death of all living things.<sup>13</sup>

### **A catalyst for investors**

Although business momentum is building fast, biodiversity remains a niche topic in the private sector and needs to be mainstreamed to the wider business community to meet the global goals for nature. In that respect, COP16 is likely to be a catalyst for raising awareness, accelerating corporate transitions, and driving action and disclosure on nature-related issues. Together, these efforts will support the progressive implementation of investors biodiversity strategies, including engagement activities and investments in enabling solutions or natural capital.

Several initiatives are already amplifying efforts to advance business maturity and action: over 400 organisations are now committed to disclosing their material nature-related issues based on the Taskforce on Nature-related Financial Disclosures (TNFD) recommendations<sup>14</sup>. Elsewhere, the Business for Nature coalition led a policy statement signed by more than 180 companies and financial institutions calling for a renewed policy ambition ahead of COP16<sup>15</sup>, as well as the 'It's Now for Nature' campaign<sup>16</sup> which encourages businesses and financial institutions to develop and publish a nature strategy. In addition, the Finance for Biodiversity Foundation will be announcing new signatories to its pledge, and Nature Action 100, a global investor-led engagement initiative, is expected to publish the results of its corporate benchmark.

COP16 will also provide an opportunity to strengthen collaborations with peers and partners, to identify and integrate the latest scientific developments and best practices in the private sector. More importantly, it will help align towards consensual definitions, standards, frameworks, and tools.

For example, following the GBF's identification of several financial tools (e.g. green bonds, biodiversity offsets and credits, payments for environmental services, etc.), COP16 will focus on ways to upscale these instruments to enhance nature-related financing. Discussions are also expected to make progress on creating a clear and consensual definition of what "nature positive" or "credible nature transition plan" mean within a business context. Further attention will be on taxonomies, biodiversity data and methodologies to assess nature related dependencies, impacts and risks – all of which could help identify solutions that can support investors' decision making.

As the global biodiversity framework is sector agnostic, it can be difficult for companies to make it actionable. Therefore, another way to support the mainstreaming of biodiversity is to develop sector-specific tools and guidance that will translate the GBF targets to sector specific contexts and outline clear priority actions for companies depending on their context. This will be a key theme of COP16 and is likely to accelerate the implementation of the GBF among corporates and financial institutions. Sectoral guidance recently published by several organisations like the World Business Council for Sustainable

Development, Business for Nature, the World Economic Forum and the TNFD will likely serve as a robust basis for these efforts. Progress in all these areas will be essential in helping investors integrate biodiversity challenges more comprehensively into their decision-making processes. It will progressively facilitate the scaling up of financing for biodiversity protection and restoration, ultimately increasing the resilience and performance of businesses over the long term – which in turn should help reduce the financial risks for investors.

<sup>1</sup> The Kunming-Montreal Global Biodiversity Framework (GBF). <https://www.cbd.int/gbf>

<sup>2</sup> <https://dialogue.earth/en/nature/cop15-whose-business-is-nature-anyway/>

<sup>3</sup> Revised and updated NBSAPs due by COP16. <https://www.cbd.int/nbsap/post-cop15.shtml>

<sup>4</sup> Entreprises engagées pour la nature gathers 308 committed companies <https://engagespourlanature.ofb.fr/entreprises>

<sup>5</sup> Act4nature International gathers 73 large companies committed for nature <https://www.act4nature.com/en/>

<sup>6</sup> Christophe BECHU and Sarah EL HAÏRY launched the first edition of “Roquelaure Business & Biodiversity” and commissioned eight working groups on the issues of dependence on nature <https://www.ecologie.gouv.fr/presse/christophe-bechu-sarah-el-hairy-ont-lance-premiere-edition-du-roquelaure-entreprises>

<sup>7</sup> “Roquelaure businesses & biodiversity”: 250 companies mobilised <https://www.ecologie.gouv.fr/actualites/roquelaure-entreprises-biodiversite-250-entreprises-mobilisees>

<sup>8</sup> World fails to meet a single target to stop destruction of nature – UN report <https://www.theguardian.com/environment/2020/sep/15/every-global-target-to-stem-destruction-of-nature-by-2020-missed-un-report-aoe#:~:text=On%20Monday%2C%20the%20RSPB%20said,elements%20to%20monitor%20overall%20progress.>

<sup>9</sup> Secretariat of the Convention on Biological Diversity (2020) Global Biodiversity Outlook 5. Montreal. <https://www.cbd.int/gbo/gbo5/publication/gbo-5-en.pdf>

<sup>10</sup> Access and benefit-sharing (ABS) refers to the way in which genetic resources may be accessed, and how the benefits that result from their use are shared between the people or countries using the resources and the people or countries that provide them. <https://www.ipbes.net/glossary-tag/access-and-benefit-sharing>

<sup>11</sup> 2nd Meeting of the Ad Hoc Open-ended Working Group on Benefit-sharing from the Use of Digital Sequence Information on Genetic Resources. Summary report, 12–16 August 2024. Earth Negotiation Bulletin. <https://enb.iisd.org/oewg-2-digital-sequence-information-genetic-resources-dsi-cbd-summary>

<sup>12</sup> Nationally determined contributions are commitments made by countries to reduce their greenhouse gas emissions under the Paris Agreement

<sup>13</sup> <https://fossilfueltreaty.org/>

<sup>14</sup> <https://tnfd.global/tnfd-adoption-now-over-400-organisations-and-new-sector-guidance-released/>

<sup>15</sup> More than 180 businesses and financial institutions call for renewed policy ambition to implement the Biodiversity Plan and halt and reverse nature loss this decade <https://www.businessfornature.org/business-statement>

<sup>16</sup> <https://nowfornature.org/>

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