

# Executive Summary

Biodiversity loss is among the top global risks to society. The planet is now facing its sixth mass extinction, with consequences that will affect all life on Earth, both now and for millions of years to come. Humans have destroyed or degraded vast areas of the world's terrestrial, marine and other aquatic ecosystems. Natural forests declined by 6.5 million hectares per year between 2010 and 2015 (in total, an area larger than the U.K.), and natural wetlands declined by 35% between 1970 and 2015. Over 30% of corals are now at risk from bleaching, and 60% of vertebrate populations have disappeared since 1970. These striking changes are driven by land-use change, over-exploitation of natural resources, pollution, invasive alien species and climate change. They are occurring in spite of international efforts (such as the Convention on Biological Diversity) to conserve and sustainably use biodiversity.

Human pressures are undermining the biodiversity that underpins all life on land and below water. Ecosystem services delivered by biodiversity, such as crop pollination, water purification, flood protection and carbon sequestration, are vital to human well-being. Globally, these services are worth an estimated USD 125-140 trillion (US dollars) per year, i.e. more than one and a half times the size of global GDP.

The costs of inaction on biodiversity loss are high. Between 1997 and 2011, the world lost an estimated USD 4-20 trillion per year in ecosystem services owing to land-cover change and USD 6-11 trillion per year from land degradation. Action to halt and subsequently reverse biodiversity loss needs to be scaled up dramatically and urgently. Biodiversity protection is fundamental to achieving food security, poverty reduction and more inclusive and equitable development.

There exists a strong business case for scaling up action on biodiversity. Business impacts and dependencies on biodiversity translate into risks to business and financial organisations, including ecological risks to operations; liability risks; and regulatory, reputational, market and financial risks. Acknowledging and measuring these dependencies and impacts on biodiversity can help businesses and financial organisations manage and prevent biodiversity-related risks, while harnessing new business opportunities.

The development of a post-2020 global biodiversity framework at the Convention on Biological Diversity's (CBD) 15th meeting of the Conference of the Parties (COP15) in Kunming, China, in 2020 presents a crucial opportunity to address this challenge. The global framework must help bring about the transformative changes in national goals, policies and actions needed to avert biodiversity loss and achieve the Sustainable Development Goals.

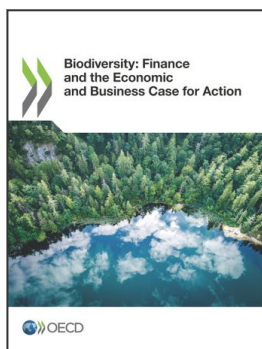
Given the urgent need for biodiversity action, the focus of the Group of Seven (G7) Environment Ministers' Meeting on biodiversity in May 2019 is both timely and welcome. Biodiversity is increasingly recognised as one of the defining global challenges of our time. G7 leadership on biodiversity in the run-up to CBD COP15 and beyond is vitally important.

This report supports these efforts by setting the economic and business case for the G7 and other countries to take urgent and ambitious action to halt and reverse global biodiversity loss. It presents a preliminary assessment of current biodiversity-related finance flows. It discusses the key data and indicator gaps to be addressed in order to underpin effective monitoring of both the pressures on biodiversity and the actions

needed and being implemented to address them. Finally, it provides recommendations on priorities for scaling up action on biodiversity.

Action is required on all fronts: by government (national and subnational), the private sector, civil society and individuals. This report identifies ten priority areas where G7 and other countries can focus their efforts:

- Pursue and advocate for specific, measurable and ambitious targets in the post-2020 global biodiversity framework to catalyse national and international action, including by using a focused set of headline indicators, across the state of biodiversity, the pressures on biodiversity and the actions needed to address these pressures and the underlying drivers of biodiversity loss. A clear, effectively structured and operational post-2020 framework is critical.
- Encourage business, financial organisations and other stakeholders to establish and share commitments and contributions to biodiversity through the *Sharm El-Sheikh to Kunming Action Agenda for Nature and People*, in order to mobilise action in advance of COP15.
- Promote policy coherence across different sectors and areas to harness synergies and reduce trade-offs for biodiversity.
- Scale up the suite of policy instruments for biodiversity and get the economic incentives right to ensure biodiversity is better reflected in producer and consumer decision-making.
- Scale up and align finance for biodiversity from all sources, public and private.
- Establish consistent and comparable finance tracking and reporting frameworks across countries and companies.
- Identify, assess and reform subsidies harmful to biodiversity at the national level, and expand internationally comparable information on those subsidies, for example, through peer review.
- Create a multi-stakeholder advisory group on biodiversity, business and finance, to advise on the adoption of a common approach for measuring and integrating biodiversity in business and investment decisions.
- Assess and communicate socio-economic dependencies and impacts on biodiversity at relevant geographic scales.
- Ensure inclusive and equitable transformative change, with special attention to public involvement, to lower-income households and most impacted people.



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