

Inputs for an Elements Paper on Financing for Development

What are the key financing policy reforms and solutions that the fourth International Conference on Financing for Development should deliver? How could the Conference strengthen the follow-up process, to ensure accountability to and full implementation of commitments made?"

Building on the Pact for the Future and recognizing the urgency to achieve the commitments made by the international community in several multilateral environmental agreements, IUCN recommends that the fourth International Conference on Financing for Development results in commitments to reform the International Financial Architecture so that it promotes concrete actions to address the interlinked challenges of climate change, biodiversity loss and land degradation.

The risks associated with the global decline of nature have the potential to negatively impact economies, especially in low- and lower middle-income countries. Recent [World Bank research](#) estimates that even a partial collapse of ecosystem services would cost 2.3% of global GDP in 2030, while Sub-Saharan Africa and South Asia could lose 9.7% and 6.5% of their real GDP respectively if key ecosystem services collapse.

In this regard, we emphasize that it is imperative to change the economic and financial system to redirect financial flows towards nature-positive activities is imperative. We also need to increase funding for biodiversity from all sources, including public, private, and blended financing, domestic and international funding, and align all financial flows, including development finance flows, with the Kunming-Montreal Global Biodiversity Framework (GBF). A whole-of-economy approach to mainstreaming biodiversity into all economic decisions is urgently needed to achieve the GBF goals and targets.

IUCN stresses the need for larger portions of development financing to flow towards high integrity Nature-based Solutions and, particularly, for significantly increased funds to be made more easily and directly accessible to Indigenous peoples and local communities, noting that they are presently the custodians and stewards of the world's most intact ecosystems. Lastly, the conference should result in strengthening efforts to implement actions needed to achieve Target 18 of the GBF by reducing harmful incentives by at least \$500 billion per year and scale up positive incentives for biodiversity.