20 Ingredients for a Successful G20 Communiqué

Naples' favorite toppings to put our Planet and People back on track

AVAAZ

As the environment, climate and energy Ministers of the world's 20 most powerful countries, you have the power to steer us away from the catastrophe of climate change and biodiversity loss, which are responsible for zoonotic diseases, food insecurity, species loss and extreme weather events. Your finance ministers agreed for the first time that "tackling climate change and biodiversity loss and promoting environmental protection remain urgent priorities" and that "a closer international coordination on climate action may help achieve our common goals." Now it's your job to work with them and others to make your voices heard, and be part of a new future where economies work for both the people, and the Planet.

This means instituting reforms to phase out perverse fossil fuel subsidies and incentives that are destructive to the environment, conserve and restore at least half the planet, and keep our world below 1.5 °C. You all have a key role to play in transformational recovery: it is time to align our economic policies with the realities of nature, and full respect of human rights. As you put together your communique, a just, equitable and sustainable recovery must include the following 20 "ingredients":

01.

Include ecological debt and debt cancellation for developing countries in the sovereign debt crisis negotiations: Call on the International Monetary Fund and other international financial institutions to bring forward new mechanisms to address the ecological debt of developed countries during discussions for restructuring sovereign debt. Also commit to discussing the cancellation of sovereign debt for poor countries to fund a global just, green and sustainable recovery, under the Common Framework for Debt Treatments. By alleviating debt constraints of low-income and vulnerable countries through the redirection of funds to investments in social inclusion, climate and biodiversity resilience we will establish a basis for new, sustainable, equitable, green economies. A considerable portion of this money will never re-enter the financial system and can be turned-over to address ecosystem degradation.

02.

Commit as a group to radical emissions cuts to limit global heating to below 1.5°C, with scaled-up financial resources for a global just transition starting with fulfilling the $100 billion climate finance promise: The G20, accounting for four-fifths of the world's emissions, must redouble efforts immediately on a coordinated mobilization to close the gap towards 1.5°C of global heating between now and the Glasgow climate summit. This includes delivering urgently on the $100 billion in climate finance that has long been promised, well before Glasgow. 50% of climate finance should be directed to climate adaptation, and a clear additional commitment to loss and damage needs to be communicated as climate impacts have grown increasingly severe.

03.

Share the Vaccines: Particularly G7 countries should urgently ensure access to lifesaving COVID vaccines, treatments and equipment for everyone in the world. Patents should be suspended, technological knowledge shared freely and openly, and no profiteering allowed during this pandemic. Governments, scientists and pharmaceutical companies must cooperate and combine resources to ensure no one is left behind. The pandemic will not be over, until it's over everywhere. It's more clear than ever that the health of all life on earth and the health of our economies are deeply intertwined. There will be no climate success while billions are scrambling to access the COVID vaccine and being financially crushed.

04.

To curb the risk of future zoonotic diseases like COVID-19, conserve at least half the world's lands and waters by 2030: Protecting at least 50% of the Earth's land and water by 2030 will permit global biodiversity to recover and thrive. Land-use changes are responsible for the emergence of more than 30% of all new diseases reported since 1960 which makes investing in healthy ecosystems an insurance policy for humankind against the risk of further zoonotic diseases. A cumulative total investment in nature of $8.1 trillion is required between now and 2050, while annual investment should reach $536 billion by 2050 to successfully tackle the interlinked biodiversity, climate, and land degradation crises.

05.

Promise to increase financial resources for biodiversity action to at least U$800 billion per year, including new, additional and effective financial resources, and ensuring that an increased number of such financial resources are directed to developing countries, taking into account common but differentiated responsibilities, and strengthening cooperation, capacity-building, and technology transfer.

06.

Commit to uphold the rights of Indigenous Peoples and Local Communities (IPLCs): by fully recognising their land rights by 2025 in multilateral agreements as well as national legislations and land tenure processes. The G20 should agree that traditional communities' knowledge, innovation, and practices are essential to guide biodiversity-related policies, and agree to uphold their right to free, prior and informed consent, as per the International Labour Organization Convention 169.

07.

Strongly condemn the increasing number of IPLC leaders killed while defending nature and their traditional lands: G20 leaders must commit to strengthen measures to curb crimes against the environment and the social impacts that come with it by those seeking to cash-in on the territory's natural wealth. The G20 should acknowledge that the lack of protective policies to IPLCs are a threat for biodiversity management and further raises the risks of human conflict in dispute of resources.

08.

Incorporate the just recovery into Global Corporate Tax negotiations: According to recent research, this tax could generate more than $640bn if its ambition increased to the 21% rate instead of the proposed 15%. These funds would be recuperated from a global clamp down on tax evasion and avoidance by big corporations could be put toward post-Covid recoveries, invested in renewable energy, and help to end poverty.

09.

Strengthen progressive carbon and pollution taxes and implement a financial transaction tax to curb harmful speculation: Strengthen progressive carbon and pollution taxes at different levels to restrain harmful emissions. Use revenues raised for investment in renewable energy, for meeting the costs of climate change mitigation and adaptation, and to pay reparations for climate-related loss and damage in income-poor and vulnerable countries. Also implement a financial transaction tax on trade in equities, bonds, currencies and derivatives to curb harmful speculative activities. Proceeds would be allocated towards global public goods and the protection of our ecosystems, as well as towards reparations for slavery and other historical injustices.

10.

Create and protect jobs by investing in ecosystems and renewables. Experts estimate that by 2030, 45 million new green and blue jobs can be created in sustainable land management and ocean economy, and 6 million more in electric vehicle charging alone. On average, solar and wind industries create three times more jobs than their fossil fuel counterparts. According to the International Energy Agency, solar is now the cheapest source of electricity in history.

11.

Redirect, repurpose, reform, or eliminate incentives harmful to biodiversity: in a just and equitable way, reduce them by at least US$ 500 billion per year, including all of the most harmful subsidies, and ensure that incentives, including public and private economic and regulatory incentives, have either a positive or neutral impact on biodiversity.

12.

Commit to a complete fossil fuel phase-out and decarbonisation of global economies: Building efficient, sustainable, and robust societies requires a commitment to placing a high price on carbon (through taxes and an effectively governed, friction-free carbon market), and ensuring that more climate and biodiversity-inclusive public investments are prioritised.

13.

Ensure gender equality in the green recovery: During the pandemic, working women (a large percentage of whom already carried most of the childcare and housework responsibilities before the pandemic) were forced to leave their jobs, or cut the number of hours they worked, primarily because of mandated lockdowns which kept families at home. We urgently need to include women at the center of all decisions on green recovery since they are a fundamental pillar for it, and because of their essential know-how and leadership skills in climate action, biodiversity conservation, sustainable use and restoration.

14.

Follow through on the agreement for a new allocation of Special Drawing Rights: At least $650 billion is needed to support reallocation mechanisms that can widen financing options for recovery programmes in low income and vulnerable countries including the promotion of green transitions, stimulate private investment and innovation, and buttress fiscal sustainability.

15.

Invest in rural areas and step up action to eradicate hunger and poverty: 80% of the world's poorest people live in rural areas. Women represent the majority. Most of the poor work in the agricultural sector, yet they go to bed hungry. Nearly half are children under 15, with few opportunities for education and future employment. Investments in sustainable agriculture have the potential to help eradicate poverty and undernourishment while providing employment and thereby reducing disruptive migration.

16.

Support a Green and Blue recovery: The G20 should commit to greening and blueing their recovery packages through an overall do-no-harm principle and a common minimum floor of 30% for public expenditure to be directed towards climate-safe, net-zero and resilience-enhancing activities. They should establish deforestation-free supply chains and agree on principles, actions and the establishment of an independent transparency mechanism for monitoring commitments and reviewing progress. And finally they must move forward with a 'common ground' taxonomy process (currently led by China within the International Platform on Sustainable Finance) and implement social protection systems and other concrete actions in countries most in need.

17.

Enable Multilateral Development Banks (MDBs) and all financial institutions to scale up support for a green recovery and help countries recover from the economic consequences of the Covid-19 pandemic. Once the G20 further capitalises these financial institutions, they should also direct the Multilateral Development Banks to significantly increase net financial flows, with a mix of balance sheet optimisation, capital increases, and an accelerated IDA20 round. This would allow them to set a longer-term agenda for collectively increasing access to public finance, to recover and strengthen their resilience to future shocks through MDBs and international finance institutions. For example, this could include a 'Clean Green Initiative' bringing together G20 and other countries' investments, however it would need to be underpinned by a package of new money, such as signalling readiness to replenish/recapitalise MDBs in 2021. G20 Leaders should build on the Finance Minister's outcome by setting a timeline for full Paris-alignment of MDBs and ending fossil fuel subsidies by 2022.

18.

Tackle climate migration by supporting the recovery of vulnerable countries: Re-establish healthy, safe and humane living conditions in areas of the world that are becoming increasingly uninhabitable due to the consequences of climate change. By securing dedicated funding from a variety of financial bodies for a global green recovery, we can turn lands that have become uninhabitable into places where people and nature can once again thrive. This in turn would dramatically reduce climate-induced migration.

19.

Confirm the commitment to implement the G20 Marine Litter Action Plan its Implementation Framework, and the Osaka Blue Ocean Vision: aiming to reduce additional pollution by marine plastic litter from both land and sea-based sources to zero by 2050 through a comprehensive life-cycle approach and integrated upstream, midstream and downstream measures. Public pressure just helped persuade Indonesia to commit to a 70% reduction in plastic waste and more than 1 million people have signed Avaaz's petition asking world leaders to phase out single-use plastics.

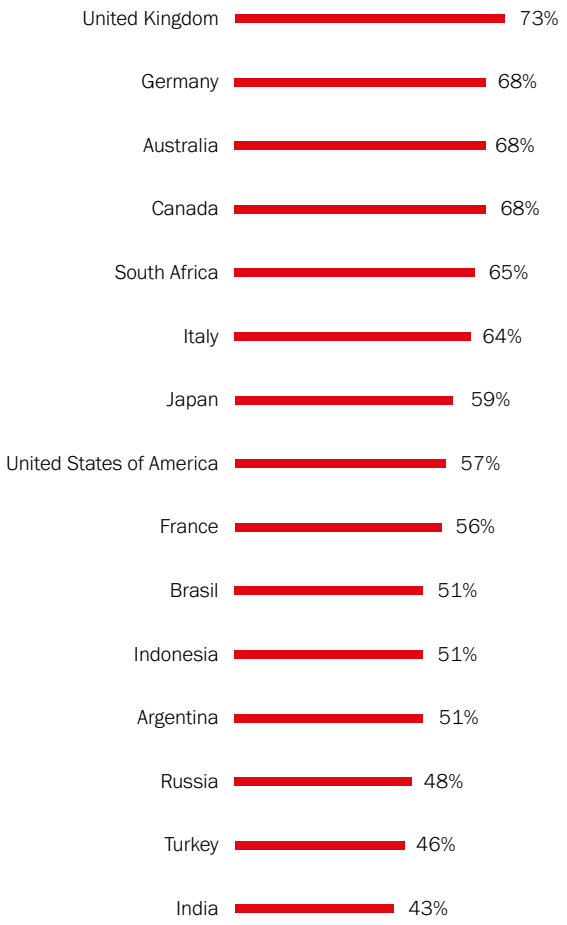
20.

Enable the necessary digital tools for greater efficiency in international coordination, as a key element to quantify, reduce and monitor countries' and companies' emissions, climate commitments and tackling activities harmful to biodiversity and soil..

People in G20 countries support a just and a sustainable recovery

An analysis conducted by United Nations Development Programme (UNDP) and the University of Oxford earlier this year[1] found that people in G20 countries support increased investment in sustainable businesses and jobs.

There is majority support in nearly all G20 countries surveyed for more just, green and sustainable investment, led by the United Kingdom (73%), and followed by Germany, Australia, and Canada (68%), South Africa (65%), Italy (64%), Japan (59%), United States (57%), France, (56%), and Argentina, Brazil and Indonesia (all 51%).



1 People's Climate Vote Results (2020), Survey from United Nations Development Programme and University of Oxford. Available at https://www.undp.org/publications/peoples-climate-vote (accessed: June 3, 2021)

The costs of Covid-19: the high price we're paying for neglecting nature

Let's cut to the chase: our unsustainable economies are causing great damage to our ecosystems through an increased proliferation of diseases, pathogen spillover and the risks of pandemics of zoonotic origin[2].

Land use changes are believed to be responsible for the emergence of over 30% of all new diseases reported since 1960. Today, 75% of human infectious diseases come from animals ("zoonoses"). As the world faces the SARS-CoV-2 pandemic, the dangerous and highly contagious zoonotic virus responsible for Covid-19, as a result of contact with wild animals due to habitat loss from deforestation, agriculture, and urbanization, the world now knows that the risk of similar outbreaks in the future is very high[3].

We, humans, have done such damage to our relationship with nature that it is no exaggeration to say that we are now facing life-or-death decisions about our future. Without significant action to stop biodiversity loss and curb climate change, science tells us that we risk increased food insecurity, further climate destabilization, increased water stressed regions, species extinction, global pandemics (such as zoonotic diseases[4]), environmentally induced mass migrations and a host of other challenges.

The responsibility of ensuring our existence on Earth belongs not only to Environment Ministers but to all of us, but particularly elected and appointed government officials including those responsible for Health, Education, Technology and Finance. Just as there is no arguing with science, there is no negotiating about "*if* we have the money" to invest in stopping biodiversity loss and curbing climate change. The money exists, the question is *how* we are going to quickly, equitably and effectively gather, oversee and allocate it so that we are to meet the requirements of science and protect our planet. As Treasury Secretary Janet Yellen says, "finance ministries have a vital role to play to integrate climate into our financial planning [and] decision-making"[5].

Not protecting nature (the failure to stop biodiversity loss and tackle climate change) will be costly for G20 countries, and all of the economies of the world. The economic costs of nature are being recognized in many important global studies, including the Millennium Ecosystem Assessment, The Economics of Ecosystems and Biodiversity, and the Dasgupta Report. As a relevant example, here are some basic figures on the losses triggered by the Covid-19 pandemic:

DEATHS: 3.68 million deaths. As of May 2021, the Covid-19 pandemic had infected more than 169 million people and caused more than 3.5 million deaths worldwide[6]. This and other pandemics have their origins in microbes carried by animals, but their emergence is entirely driven by human activities. Without strong measures to stop the

2 Gibb, R. et al. (2020). Zoonotic host diversity increases in human-dominated ecosystems. Nature 584, 398–402. Available at https://doi.org/10.1038/s41586-020-2562-8 (accessed: June 3, 2021)

3 Myers, S. S. et al. (2013) Human health impacts of ecosystem alteration. Proc. Natl Acad. Sci. USA 110, 18753–18760.

4 Gottdenker, N. et al (2014). Anthropogenic land use change and infectious diseases: a review of the evidence. EcoHealth 11, 619–632.

5 U.S. Department of the Treasury (2020). Remarks by Secretary of the Treasury Janet L. Yellen addressing the threat of climate change to the Coalition of Finance Ministers for Climate Action https://home.treasury.gov/news/press-releases/jy0104 (accessed: June 3, 2021)

6 Covid-19 DashBoard by the Center for Systems Science and Engineering (CSSE) at Johns Hopkins University (JHU). Available at https://coronavirus.jhu.edu/map.html (accessed: June 3, 2021)

The costs of Covid-19: the high price we're paying for neglecting nature

key drivers of biodiversity loss (primarily deforestation, intensive industrial agriculture and expanding urbanization), we will certainly increase the risk of new pathogen spillover and further global pandemics. Economic analysis suggests that the costs of halting the causes of such environmental changes will be two orders of magnitude less than the damage the Covid-19 pandemic produced.

ECONOMIC LOSS: Per Capita GDP Loss of 11- 20%. The coronavirus pandemic not only prevented the global economy from growing, but it also caused an economic contraction. Compared to pre-pandemic projections for emerging markets and developing economies (excluding China), social losses (as a result of the contraction of the economy) over 2020–22 are equivalent to 20% of 2019 per capita GDP. The expected economic impact of the pandemic on advanced economies is a loss of 11% per capita GDP[7].

POVERTY: An estimated 95 million people were pushed into extreme poverty in 2020. The impacts of the economic fall-out from Covid-19 on low-income people was particularly acute, imperiling the significant progress made in reducing extreme poverty in the world since the 1990s.

GENDER INEQUALITY: Women with younger children experienced the greatest percentage of job losses. Working women –a large percentage of whom already carried most of the childcare and housework responsibilities before the pandemic– were forced to leave their jobs, or cut the number of hours they worked, primarily because of quarantines which kept families at home. Women with young children experienced the greatest percentage of job losses and/or cuts in hours worked in relation to women without children, women with older children, or men.[8] Only in the US, the number of women with young children who left their jobs as a result of the Covid-19 pandemic led to a 45% increase in the employment gender gap. This exodus of women from the workforce caused an estimated economic loss in the US of almost 0.4% of output between April and November 2020.

HUNGER: An additional 80 million people are now malnourished. A decrease in income due to the pandemic led to an increase in poverty. One immediate consequence is that an additional 80 million people have become malnourished since the start of the pandemic.[9] The majority are children.

7 IMF - International Monetary Fund (2021) What is the impact of coronavirus on the global economy? Available at https://www.imf.org/en/About/FAQ/imf-response-to-covid-19#Q4 (accessed: June 3, 2021)

8 IMF - International Monetary Fund (2021). Covid-19: The Moms' Emergency. Available at https://blogs.imf.org/2021/04/30/covid-19-the-moms-emergency/ (accessed: June 3, 2021)

9 IMF - International Monetary Fund (2021) What is the impact of coronavirus on the global economy? Available at https://www.imf.org/en/About/FAQ/imf-response-to-covid-19#Q4 (accessed: June 3, 2021)

The costs of Covid-19: the high price we're paying for neglecting nature

FUTURE ECONOMIC COST: The cost of the pandemic will certainly continue to rise. We will only be able to accurately assess the total impact of Covid-19 on the global economy once vaccines are fully deployed and transmission vectors are contained. However, it is worth noting that in July 2020 the economic costs of the pandemic were already estimated at US$8-16 trillion globally, and according to The Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) costs in the US alone could reach US$16 trillion by the 4th quarter of 2021[10].

THE LONG-TERM COST OF DISABILITY: Focusing only on the number of cases and deaths from Covid-19 ignores the pandemic's lasting health burden on people, societies, and economies. In March 2021, a British consortium reported that one in five people who were hospitalized with the disease developed a new disability after being discharged. A large US study found similar effects for both hospitalized and non-hospitalized people. Among adults who were not hospitalized, 10% experience ongoing symptoms 12 weeks after a positive test. Treatment services for the long-term consequences of Covid-19 are still being developed and their costs will certainly present a significant contribution to the overall economic burden of the pandemic. In fact, according to an early estimate, Covid-19-induced disabilities could account for up to 30% of the overall pandemic-related 9 health costs.

10 IPBES - Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (2020) Workshop Report on Biodiversity and Pandemics of the Intergovernmental Platform on Biodiversity and Ecosystem Services. Daszak, P. et al., IPBES secretariat, Bonn, Germany, DOI:10.5281/zenodo.4147317. Also available at: https://www.ipbes.net/pandemics (accessed: June 3, 2021)

Why biodiversity is important for the economy

As noted by the OECD in its report to the G7 in 2019[11], financial flows to biodiversity are three to ten times smaller than what is actually needed to secure our planet's healthy, sustainable biodiversity. An intensive **greening of the global financial system led by the G20 would be the ideal catalyst for the necessary synergies between governments, private sector, financial regulators, banks and investors who must agree to dramatically increase finance for biodiversity-friendly investments**.

We are exploiting nature far more rapidly than it can renew itself[12], according to the United Nations' Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES). The result of inaction on stopping biodiversity loss and curbing climate change could include the disappearance of up to one million known species by 2050 (with further catastrophic consequences for peoples and ecosystems). Research from **the World Economic Forum shows that businesses highly depend on nature and its ecosystem services –either directly or through their supply chains– to the tune of $44 trillion of economic value generation.** This is more than half of the world's total GDP. Therefore, businesses are exposed to risks from nature loss[13].

The recent convergence of two momentous decisions regarding climate change -the recommendations of the International Energy Agency's (IEA) roadmap for Net-Zero by 2050[14] and the landmark legal decision regarding Royal Dutch Shell's emissions and global climate goals[15]- demonstrate the financial **perils of inaction and the enormously positive trade-offs of early and decisive transformation. Biodiversity finds itself at a similar crossroads where the cost of inaction is eclipsed by the benefits of investment in measures to stop its loss.**

Different methodologies and metrics arrive at the same conclusion: **biodiversity loss causes existential threats to humankind in the short and mid-term and is comparable in impact and likelihood to threats such as climate change, weapons of mass destruction and the collapse of state and multilateral actors**[16]**.** The accelerated decline in biodiversity, along with environmental degradation and climate change will very likely exacerbate food and water insecurity in poor countries, and erode human security and

11 OECD - Organisation for Economic Co-operation and Development (2019), Biodiversity: Finance and the Economic and Business Case for Action. Available at https://www.oecd.org/env/resources/biodiversity/biodiversity-finance-and-the-economic-and-business-case-for-action.htm (accessed: June 3, 2021)

12 The Nature Conservancy (2020). Closing the Nature Funding Gap: A Finance Plan for the Planet

13 World Economic Forum (2020). Nature Risk Rising: Why the Crisis Engulfing Nature Matters for Business and the Economy. Available at https://www.weforum.org/reports/nature-risk-rising-why-the-crisis-engulfing-nature-matters-for-business-and-the-economy (accessed: June 3, 2021)

14 International Energy Agency (2020) Net-zero by- 2050, Available at https://www.iea.org/reports/net-zero-by-2050 (accessed: June 3, 2020)

15 Ziady, H. (2021) "Court orders Shell to slash CO2 emissions in landmark climate ruling" (May 26). CNN Business. Available at https://edition.cnn.com/2021/05/26/business/shell-court-case-climate-change/index.html. The full set of official documents of the case Milieudefensie et al. v. Royal Dutch Shell plc. available at http://climatecasechart.com/climate-change-litigation/non-us-case/milieudefensie-et-al-v-royal-dutch-shell-plc/ (both pieces accessed: May 31, 2020)

16 World Economic Forum (2021) The Global Risks Report 2021, 16th Edition. Available at https://www.weforum.org/reports/the-global-risks-report-2021 (accessed: June 3, 2021)

Why biodiversity is important for the economy

global resilience to emerging health challenges leading to dramatic increases in conflicts and migration[17].

In this context, investment in nature is an insurance policy for humankind. According to the recent State of Finance for Nature report by United Nations Environment Program (UNEP), the World Economic Forum (WEF), The Economics of Land Degradation Initiative (ELD) and Vivid Economics), **investing just 0.1% of global GDP every year** in restorative agriculture, forests, pollution management, and protected areas could close the estimated $4.1tn financial gap by 2050 thereby **avoiding a breakdown of vital natural ecosystem "services"** such as clean water, food, and flood protection, among many others.

It is therefore imperative that the international community gradually **increases official development aid to meet the UN target of 0.7**% of Gross National Income in order to help many low-income developing countries meet their sustainable development goals by 2030, while also increasing their natural capital. This is noted by the IMF[18], The Nature Conservancy[19] and others. Scaling up finance from both public and private sources, with full involvement of indigenous people and local communities, is critical.

The global community must expand the use of existing tools and policies such as Debt Service Suspension Initiatives (DSSI) which have proven successful at aiming debt relief and redirection towards what matters most: social inclusion, biodiversity conservation and sustainable use, and climate action.

Building on the proposals in the U.N. Secretary General's policy brief of March 2021[20], long-term **credit ratings** that account for investments in SDG achievements should also **explicitly include natural capital accounting in order to accurately reflect accrual of conservation and sustainable use actions in favor of the global community.** Furthermore, recommendations to **support liquidity for developing countries** (in order to **create fiscal space for investment** in crisis response and the SDGs including strong climate action and social inclusion) -as discussed by the IMF and recommended by the G7 Foreign Ministers[21] should now officially agree upon. For example, the must be allocation of Special Drawing Rights (SDR) to provide balance of payment support to countries in need, as well as voluntary reallocation of SDRs from countries with sufficient international reserves to countries facing persistent external deficits or

17 US National Intelligence Council (2021) Global Trends 2040 A more contested world. Available at https://www.dni.gov/files/ODNI/documents/assessments/GlobalTrends_2040.pdf (accessed: June 3, 2021)

18 IMF - International Monetary Fund (2021). A Post-Pandemic Assessment of the Sustainable Development Goals. Available at https://www.imf.org/en/Publications/Staff-Discussion-Notes/Issues/2021/04/27/A-Post-Pandemic-Assessment-of-the-Sustainable-Development-Goals-460076 (accessed: June 3, 2021)

19 Deutz, A., et. al. (2020) Financing Nature: Closing the global biodiversity financing gap (The Paulson Institute, The Nature Conservancy, and the Cornell Atkinson Center for Sustainability)

20 United Nations (2021). Liquidity and Debt Solutions to Invest in the SDGs: The Time to Act is Now (Policy Briefs and Papers, March 2021). Available at https://unsdg.un.org/resources/liquidity-and-debt-solutions-invest-sdgs-time-act-now (accessed: June 3, 2021)

21 G7, Foreign and Development Ministers' Meeting Communiqué, paragraph. 85 (2021) Available at https://www.diplomatie.gouv.fr/en/french-foreign-policy/news/2021/article/g7-foreign-and-development-ministers-meeting-communique-london-5-may-2021 (accessed: June 3, 2021)

Why biodiversity is important for the economy

emergency situations (including vulnerable and conflict-affected countries). In this situation, possible reallocation of SDR for countries rich in natural capital would be considered in terms of both the accelerated rate of loss of biodiversity and increased economic vulnerability.

Human health depends on the goods and services provided by the various ecosystems that help human beings meet their basic needs including water, food, nutrients to an emotional balance. We, as humans, have fractured our relationship with nature and wildlife, increasing the frequency of zoonotic diseases and pathogen spillover, responsible for epidemics and pandemics including Covid-19 a zoonotic virus, which most likely resulted from unusual human contact with wildlife prompted by habitat loss caused by deforestation, unsustainable agriculture, and/or urbanization expansion.

The financial consequences of the current Covid-19 pandemic in regard to public health have been devastating and have disproportionately impacted the poor and women. According to the IMF[22], compared with pre-pandemic projections, the coronavirus pandemic social losses in the world's economy from 2020–2022, are equivalent to 20% of 2019 per capita GDP in emerging markets and developing economies (excluding China). In advanced economies the losses are expected to be slightly smaller, at 11%. This has reversed recent substantial gains in poverty reduction, moving an estimated additional 95 million people in 2020 to the ranks of the extreme poor, and causing a further 80 million individuals to suffer from undernourishment. Expected divergent recovery paths are likely to create even greater gaps in living standards between developing and developed countries, compared to pre-pandemic expectations. The adverse impact on low-income populations will be particularly acute, imperiling the significant progress made in reducing extreme poverty in the world since the 1990s, and increasing gender inequality[23]. Therefore, protecting biodiversity is vital for avoiding the next pandemic and supporting the economic recovery of the world's poorest people.

As requested by Elizabeth Maruma Mrema[24], the Executive Secretary of the UN Convention on Biological Diversity (CBD), States must **review and adapt support for agriculture, fishing and other industries that are driving the destruction of the natural world** and adopt policies that meet human needs while also conserving the health of the planet. According to the OECD[25], government **expenditure on subsidies harmful to biodiversity was at least five times greater than total spending to protect biodiversity.** A rough calculation shows that support for fossil fuels in 77 economies (principally OECD and G20) was equal to $478 billion in 2019. Agricultural support, (often

22 International Monetary Fund (2021), What is the impact of coronavirus on the global economy?, Available at https://www.imf.org/en/About/FAQ/imf-response-to-covid-19#Q4 (accessed: June 3, 2021)

23 International Monetary Fund, Covid-19: The Moms' Emergency, (2021), See: https://blogs.imf.org/2021/04/30/covid-19-the-moms-emergency/ (accessed: May 31, 2021)

24 Greenfield, P. (2021). Green fiscal policy network, Available at: https://greenfiscalpolicy.org/redirect-harmful-subsidies-to-benefit-the-planet-un-urges-governments/ (accessed: May 31, 2021)

25 OECD - Organisation for Economic Co-operation and Development (2020), A Comprehensive Overview of Global Biodiversity Finance (2020), See: https://www.oecd.org/environment/resources/biodiversity/report-a-comprehensive-overview-of-global-biodiversity-finance.pdf (accessed: May 31, 2021)

Why biodiversity is important for the economy

considered the most harmful to biodiversity)[26], averaged $112 billion per year for the period 2017-2019 in OECD countries alone[27].

Such perverse financial support is likely to drive further ecosystem degradation, thereby increasing the risk of future pandemics, climate-related disasters, and disruption of commodity supply chains. A 2019 report[28] found that the taxpayer provides more than $1m a minute in global farm subsidies, much of which goes towards promoting the overuse of fertilizers, deforestation, activities with the goal of expanding agricultural frontiers, and high-emission cattle production. Governments should redirect subsidies to activities that deliver beneficial socio-economic outcomes and have a positive (or at least neutral) impact on biodiversity. For example, governments could provide targeted payments to promote biodiversity and other environmental public goods in agricultural systems. Agri-environmental payments is another effective instrument for recovery programmes in developing countries. Agri-environmental schemes are payments that include implicit transfers, such as tax and interest concessions, to farmers to address environmental problems and/or provide ecosystem services and usually target specific farming practices[29]. Similarly, redirecting fisheries support towards activities that improve the sustainability of fishing operations has proven to have significant benefits for the environment and for the lives and livelihoods of fisherfolks[30].

Independent evaluations confirm that **while conservation projects involving indigenous peoples have better-than-average implementation records, support for these projects is limited in scale and scope**[31]. The International Fund for Agricultural Development (IFAD)'s Indigenous People's Assistance Facility, and the GEF-UNDP Small Grants Program (SGP) are two examples of how to successfully support and leverage indigenous peoples' own vision of development. In fact, a recent evaluation of SGP[32] concludes that the program has been consistent in its delivery of environmental improvements at local, national, and global levels, and in generating economic and social benefits.

That's not all. SGP currently reports 7.1 million hectares of landscapes and seascapes under sustainable use, and 17.1 million hectares of protected areas existing well below the

26 OECD - Organisation for Economic Co-operation and Development (2020), Biodiversity and the economic response to Covid-19: Ensuring a green and resilient recovery, (2020), See: https://www.oecd.org/coronavirus/policy-responses/biodiversity-and-the-economic-response-to-covid-19-ensuring-a-green-and-resilient-recovery-d98b5a09/ (accessed: May 31, 2021)

27 OECD - Organisation for Economic Co-operation and Development (2021) OECD Secretariat calculations based on OECD "Producer and Consumer Support Estimates", OECD Agricultural Statistics (database), (2020), See: http://dx.doi.org/10.1787/agr-pcse-data-en or OECD Agriculture Statistics https://www.oecd-ilibrary.org/agriculture-and-food/data/oecd-agriculture-statistics_agr-data-en (accessed: May 31, 2020)

28 The Food and Land Use Coalition (2019). Growing Better Global Report 2019. Available at: https://www.foodandlandusecoalition.org/global-report/ (accessed: May 31, 2021)

29 Tarek (2010) in Ottaviani (2011) Payments for Ecosystems Services and Food Security (FAO, Food and Agriculture Organization of the United Nations, Rome) . Available at http://www.fao.org/3/i2100e/i2100e01.pdf (accessed: May 31, 2021)

30 Martini, R. and J. Innes (2018). Relative Effects of Fisheries Support Policies, (OECD Food, Agriculture and Fisheries Papers, No. 115, OECD Publishing, Paris, 2018), Available at: https://dx.doi.org/10.1787/bd9b-0dc3-en (accessed: May 31, 2021)

31 Global Environment Facility Independent Evaluation Office (GEF IEO), Evaluation of GEF Engagement with Indigenous Peoples, (Evaluation Report No. 119, Washington, DC: GEF IEO, 2018)

32 GEF-UNDP, Joint Evaluation of the Small Grants Programme (2021)

Why biodiversity is important for the economy

targets proposed for Indigenous Peoples and Local Communities (IPLC) lands in the Global Safety Net[33].

Local ownership, visibility and credibility constitute social capital that could be leveraged with significantly higher levels of financing to expand IPLC conservation areas and sustainable productive land and seascapes at the scale required to meet the science-based call for "50 by30" (conserving at least half of the world's lands and waters). Examples of donors currently using the SGP platform to mobilize non-GEF funds include the Satoyama Initiative and the ICCA Consortium for Indigenous Peoples and Community-Conserved Territories and Areas.

As estimated by Credit Suisse[34], additional flows of conservation finance between $200 and 400 billion in only three sectors (sustainable forestry, sustainable agriculture, and eco-tourism) could be made possible by providing appropriate risk management (collateral, stable cash flows, insurance, etc.) for traditional, low-risk financial instruments such as mature equity and debt. A process of scaling-up and replication would help to mitigate transaction costs and partnerships with local communities would contribute to transparency, monitoring and evaluation. Greening the supply chains would generate positive incentives to invest in nature while reducing asymmetrical relationships and ensuring IPLCs rights. Success in relatively mature markets would allow for expansion in emerging markets and in new value chains with the additional co-benefit of generating green jobs. According to recent information from the International Labour Organisation (ILO)[35], **over 1.2 billion jobs worldwide that depend on biodiversity** - including work in forestry, tourism and agriculture -are currently at risk due to environmental degradation and unsustainable and-management practices.

Moreover, the generation of **green jobs under an integrated strategy to *build back better* is a smart investment**: nature-based solutions are cost-efficient ways to create jobs in areas such as forest ecosystem restoration, improved watershed management, forest fire management and agroecology. The ILO research estimates that sustainable transformation of the agricultural and livestock sector could generate 14 million new jobs[36].

33 Dinerstein et al. (2020) A 'Global Safety Net' to reverse biodiversity loss and stabilize Earth's climate. Science Advances. Available at https://advances.sciencemag.org/content/6/36/eabb2824 (accessed: May 31, 2021)

34 Credit Suisse AG and McKinsey Center for Business and Environment, Conservation Finance from Niche to Mainstream: The building of an Institutional Asset Class, (2016)

35 International Labour Organization (2020). Green Jobs Report 2020. Available at https://www.ilo.org/wcmsp5/groups/public/---ed_emp/documents/publication/wcms_758537.pdf (accessed: June 3, 2021)

36 International Labour Organization (2020). Nature Hires: How Nature-based Solutions can power a green jobs recovery. Available at: https://www.ilo.org/employment/units/emp-invest/rural-urban-job-creation/WCMS_757823/lang--en/index.htm (accessed: June 3, 2021)

The benefits of investing in nature largely outweigh the costs

Given the estimates of inaction, an investment of just under $32 billion in nature would lead to a savings of more than $1 trillion annually. Global strategies to prevent pandemics based on reducing wildlife trade, diminishing land-use change and increasing surveillance would cost an estimated US$22 to 31.2 billion, and would decrease the necessary investment in nature to US$17.7 to 26.9 billion (as a result of the impacts of reduced deforestation on carbon sequestration).

In contrast, pandemics and other emerging zoonotic diseases responsible for tremendous human suffering around the globe carry a financial cost of more than $1 trillion in economic damages annually.

By looking at these numbers, it should be clear to anyone interested in the well-being of people, our planet, and our pocketbooks, **that the economic incentive for conserving biodiversity and reducing the risk of pandemics cannot be beat**[37]**.**

37 IPBES - Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (2020) Workshop Report on Biodiversity and Pandemics of the Intergovernmental Platform on Biodiversity and Ecosystem Services. Daszak, P. et al., IPBES secretariat, Bonn, Germany, DOI:10.5281/zenodo.4147317. Also available at https://www.ipbes.net/pandemics (accessed: June 3, 2021)

Contacts Environment ministers G20

Juan Cabadié
Argentina
https://twitter.com/juancabandie

Sussan Ley
Australia
https://twitter.com/sussanley

Marcus Henrique Morais Paranaguá
Brazil
https://twitter.com/mmeioambiente

Carolyn Bennett
Canada
https://twitter.com/Carolyn_Bennett

Jonathan Wilkinson
Canada
https://twitter.com/JonathanWNV

Huang Runqiu
China
https://weibo.com/u/6059162597

Barbara Pompilli
France
https://twitter.com/barbarapompilli

Svenja Schulze
Germany
https://twitter.com/SvenjaSchulze68

Prakash Javadekar
India
https://twitter.com/PrakashJavdekar

Siti Nurbaya Bakar
Indonesia
https://twitter.com/SitiNurbayaLHK

Roberto Cingolani
Italy
https://twitter.com/MiTE_IT

Shinjiro Koizumi
Japan
https://twitter.com/shinjirokoiz

María Luisa Albores
Mexico
https://twitter.com/Mary_Luisa_AG

Han, Jeoung Ae
South Korea
https://twitter.com/mevpr

Alexander Kozlov
Russia
https://www.instagram.com/min.prirody/

Abdulrahman Al Fadle
Saudi Arabia
https://twitter.com/MEWA_KSA

Barbara Creecy
South Africa
https://twitter.com/BarbaraCreecy_

Murat Kurum
Turkey
https://twitter.com/murat_kurum

Alok Sharma
(United Kingdom)
https://twitter.com/AlokSharma_RDG

John Kerry
US
https://twitter.com/JohnKerry U

Frans Timmermans
UE
https://twitter.com/TimmermansE

20 Ingredients for a Successful G20 Communiqué

Naples' favorite toppings to put our Planet and People back on track

For more information please contact us at:

biodiversity@avaaz.org

AVAAZ