

GLF-Luxembourg 20 Finance for Nature 23



What comes next?



The 6th GLF

Investment Case

Symposium

7 Mar
2023

With support from the Luxembourg-GLF Finance for Nature Platform

Concept Note



Global
Landscapes
Forum



THE GOVERNMENT
OF THE GRAND DUCHY OF LUXEMBOURG

Investing in a 'net zero' world

The financial sector has been a leading contributor to the multiple crises we face today, from climate change to land degradation and biodiversity loss – but it also has the potential to be an important part of the remedy.

It's time for a different kind of finance conference. The last GLF Investment Case Symposium, held during [GLF Climate 2021](#), questioned whether the concepts 'greening finance' and 'financing green' are two sides of the same coin, and discussed both topics equally. But regardless, it is clear that financial actors need to move away from destructive investments and prioritize solutions that can save us.

During the 6th GLF Investment Case Symposium, the focus will be on how to move forward on financing green. Many commitments have

been made, such as various net zero and zero deforestation pledges, but now it's time to act – and act fast.

Objectives

The 6th GLF Investment Case Symposium aims to:

- Gather champions from across the globe to shift from high-level conversation towards **concrete solutions to drive sustainable land use investments in the Global South**.
- Showcase frontrunners who **demonstrate how barriers can be overcome to catalyze private sector investments** in local nature-based solutions and green commodity value chains.
- **Identify investable community-led business models** and launch a process that will lead to investments in nature.



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Financing green: Increasing financing towards green activities, such as climate action, land restoration and biodiversity.

Greening finance: Moving funding away from environmentally damaging activities by integrating sustainability issues into investment processes.

Who is this conference for?

- **Finance stakeholders from across the globe** who want to help define the next steps to accelerate funding for projects in some of the world's most biodiverse landscapes.
- **Project developers, entrepreneurs and fund managers from the Global South** working on sustainable land use projects looking for funding.
- **Development finance institutions, impact investors, donors and foundations** aiming to play a catalytic role in channeling more private funding to community- and nature-based projects in the Global South.
- **Investors, funds, banks and other financiers** looking for investable sustainable land use projects in the Global South.
- **Youth, local communities and changemakers** who want to learn about the current state of sustainable finance and opportunities for investments in nature.

Why we are organizing this conference now

Businesses cannot operate without funding, which is why the financial sector has a big role to play in driving change. Over the past six years, the world's largest banks have **invested some USD 4.6 trillion in the fossil fuel industry**. Many have also been **funding deforestation** by doubling down on commodities like beef in the Amazon and palm oil in Southeast Asia. In recent decades, more and more financiers have become more conscious about how such investments are negatively affecting the planet and its people and have begun phasing them out. But as current emissions pledges are **not enough**

to stay below 1.5 degrees of global heating, there is an urgent need to accelerate investments in nature-based business models and climate solutions.

Investing where it is most needed

It is especially crucial to invest in climate adaptation and mitigation for the poorest and most vulnerable communities, who have contributed the least to the climate crisis. Just **23 of the world's richest countries** are responsible for half of all historical carbon emissions, while **the wealthiest 1% of the world's population** have produced almost a quarter of greenhouse gas emissions since 1990. Yet the poor, primarily residing in the Global South, are most likely to suffer the consequences.

And despite wealthy nations **pledging USD 100 billion annually** for climate mitigation and adaptation, **less than 3% of the funding needed** for climate adaptation has reached the countries that need it the most.

It is time to move beyond barriers that are keeping investments from reaching those who are most severely affected by climate change. Frontrunners across the Global South have already demonstrated that these barriers to investing in local climate solutions can be overcome.

Showcasing success stories

There is no lack of opportunities to invest in nature: on the contrary, many projects, funds and investors are making waves in the world of sustainable finance with ambitions to positively impact local communities and the world at large. But they still all too often fall off the radar of large investors, sometimes because of a lack of visibility or due

“Global funds such as the Green Climate Fund can play a catalytic role and collaborate with private funds to help channel the available trillions to the ground.”

JUAN CHANG

Head of Land Use, Green Climate Fund

to perceived risks that could be managed with appropriate mitigation measures. At the same time, there is a need to increase the number of bankable projects in the ecosystem by converting promising projects into investment-ready ones.

At the **6th GLF Investment Case Symposium**, we will showcase existing and innovative financial mechanisms, investable community-led business models and successful climate investments that are paving the way to a greener and more equitable world. We will connect local project developers, especially in the Global South, with investors, and highlight how barriers are being removed to catalyze private sector investment in community-led and nature-based projects.

Community-managed funds

In 2021, the COP26 climate summit acknowledged the critical role of local communities and especially Indigenous Peoples in combating the biodiversity and climate crises. During the event, governments and private funders pledged USD 1.7 billion to support local land tenure, recognizing their valuable contribution to environmental protection, including forest preservation.

While some primary climate adaptation finance has been provided, there is **little evidence** thus far of these projects being led by local communities. In fact, Indigenous Peoples and local communities received **less than 5%** of development aid for environment protection and less than 1% for climate mitigation and adaptation between 2010 and 2020. One of the primary barriers is a lack of direct investment in community-managed funds.

The 6th Investment Case will showcase the various successful financial mechanisms that are working closely with Indigenous Peoples, rural communities and other land stewards. By connecting them with financiers, we aim to create matchmaking opportunities and to inspire action by all.

“Moving to nature-based positive economies is easily an opportunity to unlock 10 trillion dollars in economic value.”

PAUL POLMAN

Businessman, Campaigner
and author of ‘Net Positive’

Key highlights

- **Project developers and entrepreneurs** with community- and nature-based business models will be showcased to sustainable finance stakeholders during the event, and **top projects will pitch their work to investors in a Dragon’s Den.**
- **The Women in Finance campaign** will leverage International Women’s Day on 8 March 2023 to raise awareness about the 6th Investment Case by elevating women who are paving the way in sustainable finance and sustainable land use projects.
- **In-person and online networking** will be facilitated between local project developers, donors, investors, fund managers, and other private sector stakeholders.





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Proposed topics

1. Bridging the financing gap between investors and local nature projects

There are myriad community-led projects and businesses that need funding for landscape management and restoration activities, but they often struggle to attract investors. This may be because investors are not always able to identify these projects, or because they are unable to provide the type of financing required. However, there are a range of possible solutions that can bridge this gap, such as incubator and accelerator programs working on investment readiness, as well as microfinance institutions, local funds, and other innovative financing solutions, such as securitisation platforms, that would allow

investors to contribute larger amounts of funding that can be distributed among multiple smaller projects.

2. Adapted financial instruments for forest and landscape management

The financial sector has established a wide range of products that have been standardized over time. However, these instruments are not always suitable for investments in nature and must be adapted to better meet the needs of green investments. Meanwhile, other innovative products such as green bonds and carbon finance lack the standardization needed to be more widely adopted by investors. How are investors tailoring financial instruments to forest and landscape management? What

“In the framework of our nationwide decarbonization strategy, revising our green fiscal system is key to create positive incentives and a good environment for private investors.”

PAMELA CASTILLO BARAHONA

Vice Minister of Environment and Energy of Costa Rica and President of FUNBAM

steps need to be taken to grow sustainable land use finance to accelerate investments in forest and landscape management?

3. Building effective carbon markets for local communities

Carbon markets provide an excellent opportunity to finance local climate solutions, such as reforestation and other sustainable land uses. However, voluntary and compliance markets must be used ethically to contribute to a green and just future. How can we ensure that voluntary markets contribute to achieving a true net zero and are not used as an excuse to push on with business as usual? In compliance markets, we see wealthy countries primarily offsetting their emissions in countries in the Global South, so how can we make sure these nations are not excluded from carbon offsetting projects in their own countries? What is the role of benefit sharing in achieving a just market?

4. Blended finance and risk mitigation for nature-based solutions

Blended finance has huge potential to help scale up investments in nature-based solutions and biodiversity projects. As public funds are not enough to protect our planet, there is a need to catalyze more private capital. Nonetheless, public funds have an important role to play in creating an enabling environment. They can reduce risks by funding non-financial support such as technical assistance and regulatory work, or by taking first losses in the case of non-repayment to encourage private investors to provide capital for projects they wouldn't typically finance. What are some of the world's leading blended finance solutions, and how can foundations and public institutions be encouraged to use their funding as leverage for private financing?

5. Managing environmental portfolio risks through investments in sustainable land use

All business value chains are directly or indirectly dependent on natural capital assets and ecosystem services, making them highly susceptible to natural risks such as extreme weather and biodiversity loss. As financiers invest in these businesses, they too expose themselves to these risks, such as through non-performing loans or reduced profitability. Investing in nature-based solutions allows investors and businesses to mitigate risks from unsustainable land use. What capacities do financiers need to develop to be able to more effectively invest in sustainable land use? What should investors be aware of when providing finance for nature-based solutions to mitigate their land use risks?

6. Sustainable finance taxonomies, metrics and standards

Various taxonomies, metrics and standards have been established to improve transparency in sustainable finance and ensure that the funding provided contributes to the advertised goals. However, more tailored indicators will be needed to catalyze finance for nature-based solutions and green commodity value chains. What are some world-leading examples of how sustainable finance standards can be set for net zero and zero deforestation? Which taxonomies and metrics must be established to catalyze the growth of sustainable land use finance? How can metrics be further standardized while remaining adaptable to local contexts?

“We are trying to show how nature-based solutions can be turned into solid financial cash flows while not compromising sustainability.”

DOROTHÉE HERR

Manager Oceans and Climate Change, Global Marine and Polar Programme (GMPP), IUCN

Road to the 6th GLF Investment Case Symposium

The 6th GLF Investment Case Symposium will build upon key messages and calls to action from previous GLF events and campaigns, such as GLF Africa 2022, which held dialogues on finance for smallholder farmers and zero-deforestation commodity value chains. Other events and campaigns leading up to the 6th Investment Case are upcoming, such as GLF Climate and the GLF's digital communications campaign. The symposium will also draw connections with major UN climate and biodiversity summits taking place in 2022, including the COP27 climate conference, UNCCD COP15, and CBD COP15.

GLF Climate Hybrid Conference, 11–12 November 2022

One of GLF Climate's thematic areas is 'innovative climate finance solutions' and focuses on the issue that less than 3% of climate finance flows to smallholder farmers and local communities. The event will emphasize the need for financiers to rise to the challenge and green their portfolios. A focus on financing local climate action through national and regional funds is a key stepping stone to the 6th Investment .

Digital communications campaign

In the buildup to the 6th Investment Case, we will showcase highlights from past conferences and collaborations as well as new creative multimedia content to raise awareness of the key issues, learnings, opportunities and stories, and build momentum towards GLF Finance online. The campaign will kick off on 29 November with a Digital Forum hosted by the Luxembourg–GLF Finance for Nature Platform on biodiversity finance, followed by a campaign week dedicated to value chains.



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GLF Biodiversity Finance Digital Forum, 29 November 2022

This Digital Forum will explore how finance can tackle the global extinction crisis by investing in conservation and restoration. Food, medicine, energy, raw materials – we depend on biodiversity for all of these things. But as the sixth mass extinction beckons, how can we make our natural resources last for generations to come? Ahead of the CBD COP15, the Luxembourg–GLF Finance for Nature Platform will look at ways to support local action for nature-based solutions, conservation and ecosystem restoration through appropriate financing mechanisms and incentives.

Communications, outreach and engagement

The GLF has blazed a trail for a new way of conferencing, connecting large numbers of experts and practitioners simultaneously while lowering carbon emissions from travel and logistics. GLF online and hybrid conferences have enabled new participants to join the conversation from wherever they are, giving a platform to voices that were previously not heard.

Business as usual? No – this is not what you expect a finance event to be. The GLF and its core partners, the Center for International Forestry Research and World Agroforestry Centre (CIFOR–ICRAF) and 33 Charter Members, will build an interactive, creative and visionary campaign and a hybrid event experience that will engage, inspire and promote change. The event will reach over 25 million people from over 100 countries around the globe through social media, partners, influencers, and the networks of conference speakers, participants and media.

The GLF's **41 social media ambassadors** are amplifying the campaign in 26 countries and 16 languages. For more information, please **contact GLF Digital Communications Hub Manager Emmi Riikonen**.

How to participate

The 6th Investment Case will be a hybrid event taking place in Luxembourg and online, and participants will have the option of attending in person or digitally. To maximize the event's outreach and impact and encourage global action on issues and solutions discussed, all sessions will be live-streamed across the GLF's social media and online platforms, emceed by dynamic moderators well-versed in the issues at hand.

To learn more about the many ways to participate by hosting and/or attending various activities, including Inspirational Talks, plenaries, interactive sessions, #GLFLive sessions, polls, launchpads and more, please **visit our website** or **contact GLF Sustainable Finance Project Coordinator Nina Verduin**.

Sponsorship opportunities

Over the past nine years, the GLF has reached more than 1.5 billion people across the globe and established itself as the largest forum on integrated and sustainable land use management. The GLF is supported by its Charter Members – 33 of the world's leading developmental organizations, including the World Bank, the World Wildlife Fund (WWF), the World Resources Institute, Rights and Resources Initiative (RRI), the Food and Agriculture Organization (FAO) and the Rainforest Alliance. Brands that support the GLF are associated with a movement that has engaged more than 8,000 entities so far, including international organizations, governments, universities, corporations and community groups.

The last GLF Investment Case Symposium brought together nearly 7,000 of the world's leaders of sustainable finance institutions with politicians, researchers and practitioners and reached over 6.7 million on social media. We expect this year's conference to be even larger, and we're looking for the right organizations to partner with through a limited number of sponsorship opportunities.

We offer Gold, Silver and Bronze sponsorship packages, each including a speaking opportunity, logo placement and social media promotion as part of the six-month campaign leading to and following the event.

To learn more about the various sponsorship options and get your tailored package, **visit our website** or **contact GLF Partner Engagement Officer Marina Brunale**.

“We are financing less and less commodities and more and more landscape projects. When you finance commodities you put pressure on the supply chain to get the lowest price. When you finance a landscape project you finance a community.”

PIERRE ROUSSEAU

Senior Strategic Advisor, BNP Paribas



About Global Landscapes Forum

The Global Landscapes Forum (GLF) is the world's largest knowledge-led platform on integrated land use, dedicated to achieving the Sustainable Development Goals and Paris Climate Agreement. The Forum takes a holistic approach to create sustainable landscapes that are productive, prosperous, equitable and resilient and considers five cohesive themes of food and livelihoods, landscape restoration, rights, finance and measuring progress. It is led by the Center for International Forestry Research (CIFOR), in collaboration with its co-founders UNEP and the World Bank and Charter Members.

Charter members: CIAT, CIFOR-ICRAF, CIRAD, Climate Focus, Conservation International, Crop Trust, Ecoagriculture Partners, The European Forest Institute, Evergreen Agriculture, FAO, FSC, GEF, GIZ, ICIMOD, IFOAM - Organics International, The International Livestock Research Institute, INBAR, IPMG, IUFRO, Rainforest Alliance, Rare, Rights and Resources Initiative, SAN, TMG-Think Tank for Sustainability, UNEP, Wageningen Centre for Development Innovation part of Wageningen Research, World Farmer Organization, World Agroforestry, World Bank Group, World Resources Institute, WWF International, Youth in Landscapes Initiative (YIL)

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