The objective of UN Environment's work on ecosystem management is to enable countries to **maintain healthy and productive ecosystems** so that they continue to provide important **services and goods, such as water, food, flood control, biodiversity and climate regulation.**

This work contributes directly or in-directly to a large number of the sustainable development goals and targets (1.b, 2.1, 2.4, 3.3, 6.3, 6.5, 6.6, 7.2, 11.4, 11.6, 11.a, 12.6, 12.7, 12.8, 13.3, 14.1, 14.2, 14.3, 14.4, 14.5, 14.6, 14.c, 15.1, 15.2, 15.3, 15.4, 15.5, 15.6, 15.7, 15.8, 15.9, 15.a, 17.5, 17.14, 17.19).

Overview of Progress
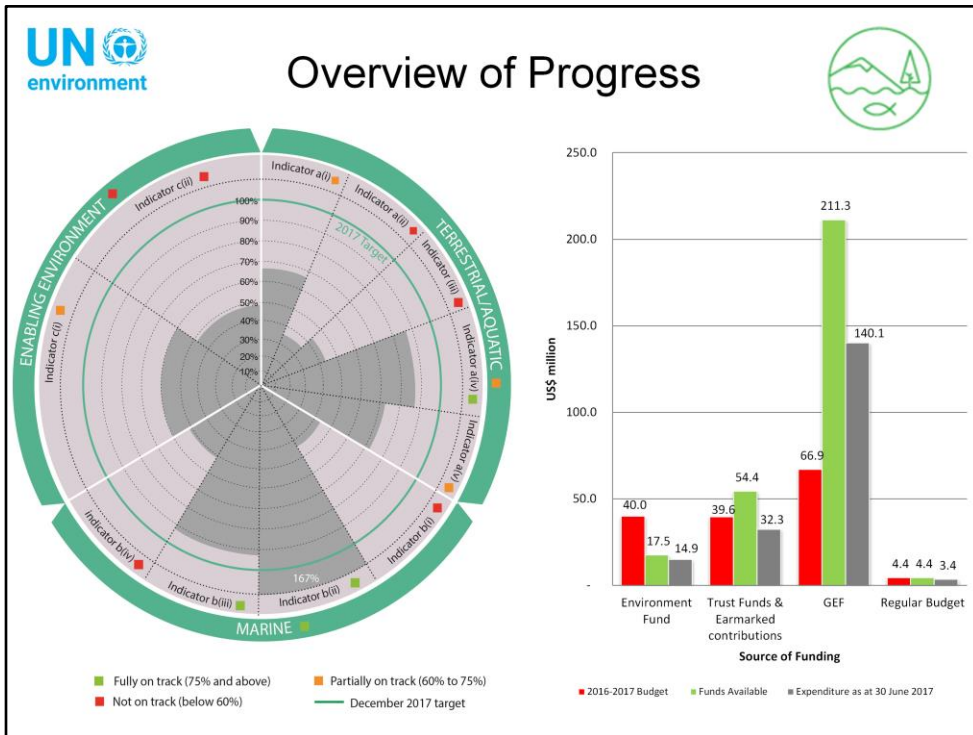
The available resources are about twice the budget for 2016-2017 but 92% of available resources are earmarked (73% Global Environment Facility funding and 19% is in Trust Funds as a result of earmarked contributions). Furthermore, these resources are dedicated to projects extending beyond 2017 while expenditure shown in this graph is only until end of June 2017.
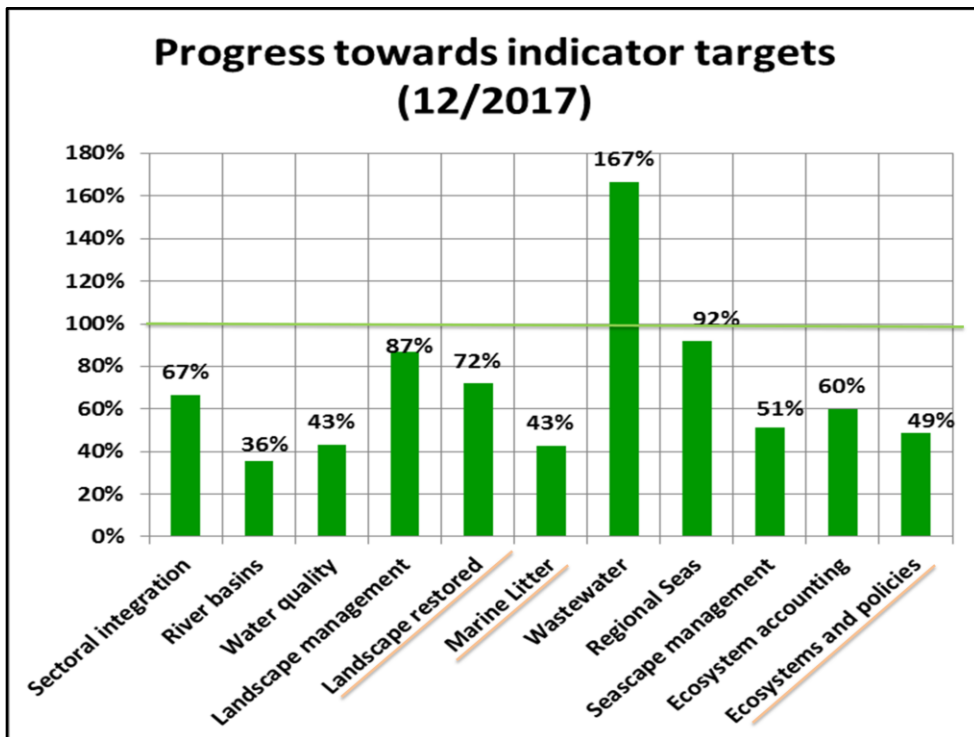
The slide shows progress on the 11 indicators in the preceding slide against the December 2017 targets set up in the Programme of Work 2016-2017. Progress on several indicators appears to be lagging behind. Part of the reason is the different reporting time frame on our extra-budgetary projects which account for more than 92% of the available resources to meet our performance targets. For instance, reports on the Global Environment Facility projects are due in September and these will be included in the end of 2017 report.

Progress on indicators

Expected Accomplishment (a) (terrestrial and aquatic ecosystems)

- Sectoral integration of the ecosystem approach: End of 2015 baseline was 25 countries with an expected increase of 12 by end of 2017. Current increase of 8 countries accounts for 67% of the end of 2017 target. **Attainment of target likely.**

- River basins and the ecosystem approach: UN Environment is or has been working in 14 river basins since the beginning of the 2014-2017 Mid-Term Strategy and out of these 5 have demonstrated either an approval of the ecosystem approach by respective governance bodies or implementation by respective river basin countries. The indicator calls for the approval or

implementation of the ecosystem approach by river basin governing bodies or parties in 100% river basins we work in. The 14 river basins we currently work in are at various stages in the project cycle with some projects coming to closure and showing results whereas others are just starting. Therefore, we are unlikely to reach the full 100% target for all 14 river basins though further evidence of progress is expected in GEF project reports. **Partial attainment of target likely.**

- Water quality frameworks: End of 2017 target is 30 countries and current progress is 13 (or 43%). Work stream has taken a slightly different approach since the approval of the Programme of Work indicator due to the Sustainable Development Goals and the target/indicator on water quality (6.3.2). UN Environment is the custodian agency for reporting on this indicator and efforts have thus focused on country ability to report on water quality under the SDG framework. **Partial attainment of target likely.**

- Increased area managed through integrated landscape management: Evidence based on the World Database on Protected Areas where 14.8% of terrestrial area is covered by a protection measure as per one of the seven IUCN categories. T**arget 17% is a global target with 2020 timeframe thus the full attainment of target not likely by end of 2017.**

- Area of landscape/watershed restoration: 72% has been completed of the 2014-2017 timeframe restoration target of 5000 hectares. Achievement expected to increase when Global Environment Facility project reporting is included in end of 2017 reporting. **Attainment of target likely.**

Expected Accomplishment (b) (coastal and marine ecosystems)

- Marine litter: since beginning of 2016, 3 out of targeted 7 countries (or regional bodies) demonstrated adoption of marine litter action plans, bringing the total number of countries to 76. **Attainment of target likely.**

- Waste water: since the beginning of 2016, 5 countries or other entities have adopted action plans to reduce untreated waste water exceeding the end of 2017 target by 2. The total number of countries is now 73 and **target exceeded.**

- Regional Seas: Eleven out of 12 regional seas (end of 2017 target), have demonstrated the implementation of the ecosystem approach during the 2014-2017 timeframe. **Attainment of target likely.**

- Increased area managed through integrated seascape management: Due to challenges in collecting area based information we are using globally collected data (by UN Environment) and comparing this with targets under the Strategic Plan for Biodiversity 2011-2020 and the Aichi Biodiversity Targets. **The target of 10% conservation of coastal and marine areas is therefore, unlikely to**

be met before the global timeframe of 2020.

Expected Accomplishment (c) (integration of ecosystem services in planning and accounting)

- Accounting of ecosystem services: 6 out of 10 (end of 2017 target) have demonstrated integration of ecosystem services in their accounting and planning processes. **Attainment of target likely.**

- Integration of ecosystem services in at least two different policies: The target calls for revision of at least one environmental policy framework and one development plan to integrate biodiversity and ecosystem services. UN Environment has supported 83 countries to update their National Biodiversity Strategies and Action Plans of the 189 countries that have submitted their National Biodiversity Strategies and Action Plans to the Convention on Biological Diversity. In addition, we have supported 50 countries to develop their National Action Programmes under the UN Convention on Combatting Desertification and a number of countries to put in place other environment or development frameworks. However, the countries above that have received support from us do not directly overlap and thus only 44 countries have made changes to at least two strategies/policies with the assistance of UN Environment. **The attainment of the end of 2017 target of 90 countries is not likely due to the explanation above.**

More than 150 million hectares pledged for restoration

Indicator on "Landscape restored"

The focus of UN Environment's work is to catalyze action by building the business case for restoration, building capacity, and promoting tools which, together, **facilitate large scale restoration** of terrestrial and fresh water ecosystems.

A few key examples of our work include, the **Global Partnership on Forest Landscape Restoration**. This is a partnership, chaired by UN Environment, which supports the Bonn Challenge, a global aspiration to restore 150 million hectares of degraded and deforested lands by 2020. The partnership assembles best experiences, conducts awareness raising, assesses socioeconomic and ecological restoration potential and provides technical support to restoration efforts. To-date 150 million hectares has been pledged (May 2017) by countries. www.forestlandscaperestoration.org/

Furthermore, UN Environment is working through various partnerships to support ecosystem restoration through restoration monitoring, economics of natural infrastructure/land degradation, investment facilitation and training courses for private sector. We are currently seeking partners to set up a Seed

Capital Assistance Facility for Forest and Landscape Restoration to unlock private finance in restoration projects in developing countries. This initiative builds on the experiences of the Seed Capital Assistance Facility for renewable energy which UN Environment set up in 2011 and which to date has unlocked more than US $500 million in private finance for renewable energy and energy efficiency.

UN Environment is also one of the partners in a new Restoration Initiative which is lined up for funding and contributions worth US $250 million. The initiative aims to increase restoration on more than 40 million hectares in 10 countries (Cameroon, Central African Republic, China, Democratic Republic of Congo, Guinea-Bissau, Kenya, Myanmar, Pakistan, Sao Tome & Principe and Tanzania). The initiative is targeted to start early 2018.
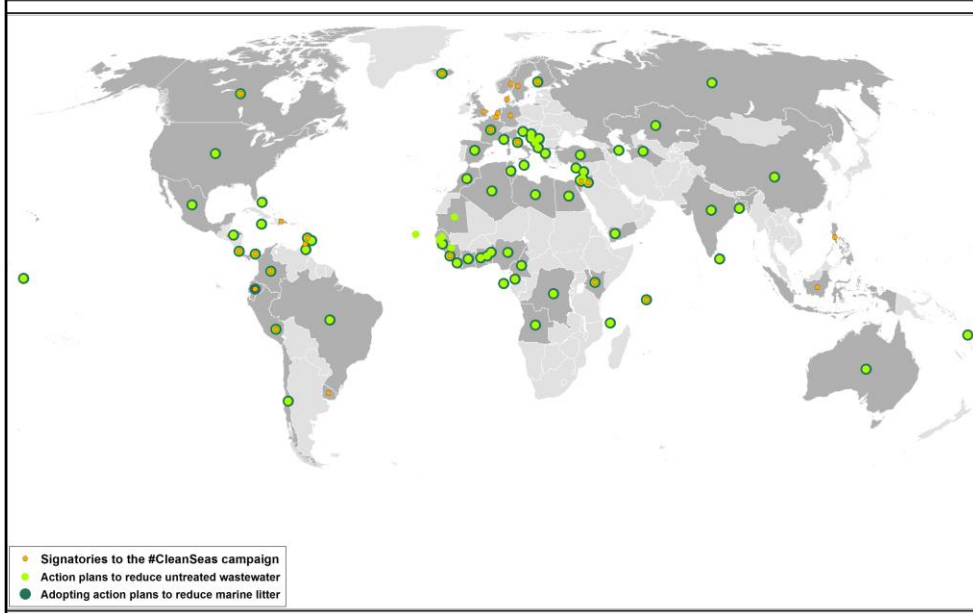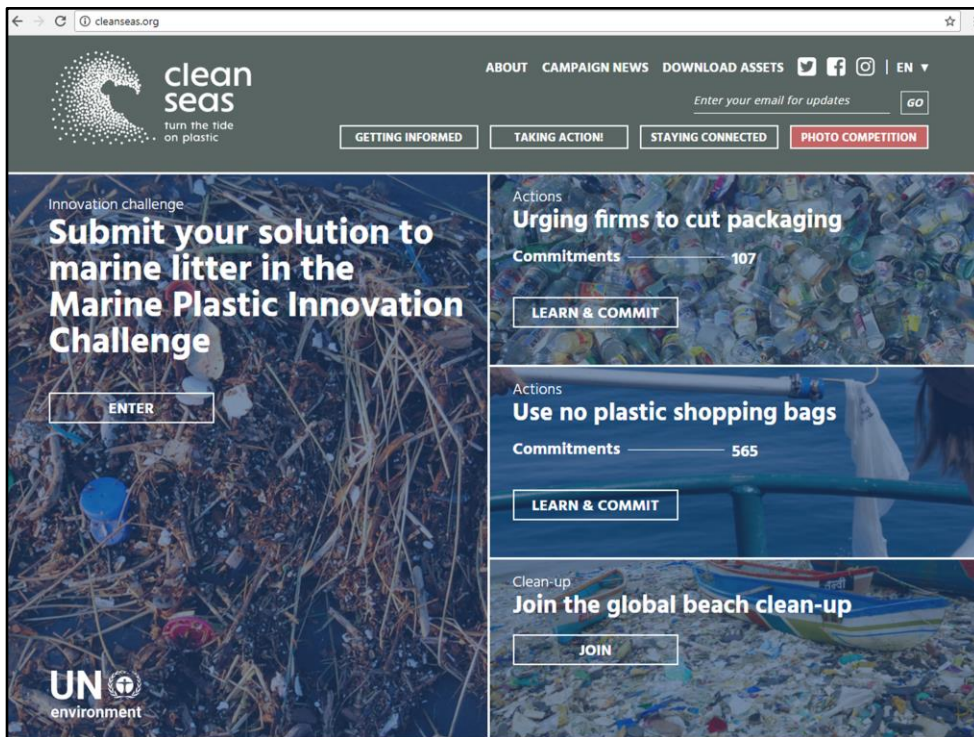
Indicators on marine litter and wastewater:

The map presents the countries which have signed on to the #CleanSeas campaign or have put in place waste water/marine litter action plans.

76 countries have put in place marine litter action plans.

73 countries have waste water action plans in place.

28 countries have to date signed on for the #CleanSeas campaign

Indicators on marine litter and wastewater:

UN Environment launched the **#CleanSeas** campaign in February 2017, with the aim of engaging governments, the general public, civil society and the private sector in the fight against marine plastic litter. It is anticipated that broader public engagement spawn public measures to address ocean pollution.

28 countries have signed on to the campaign as well as hundreds of individuals. The #CleanSeas campaign will also feature prominently in the Volvo Ocean Race for its 2017-18 edition of the world's longest and toughest professional sailing event. An exciting addition to the race fleet will see one of the 65 boats race under the campaign name of 'Turn the Tide on Plastic', drawing attention to the growing menace of plastic waste in the world's oceans.

44 countries show integration of biodiversity and ecosystems in national policies
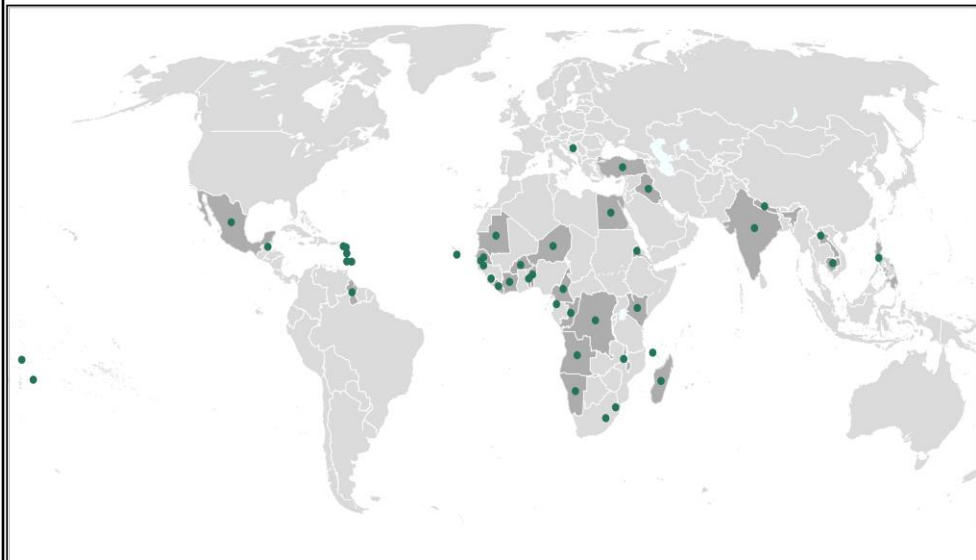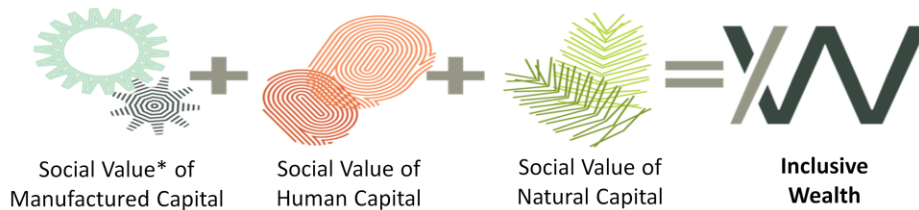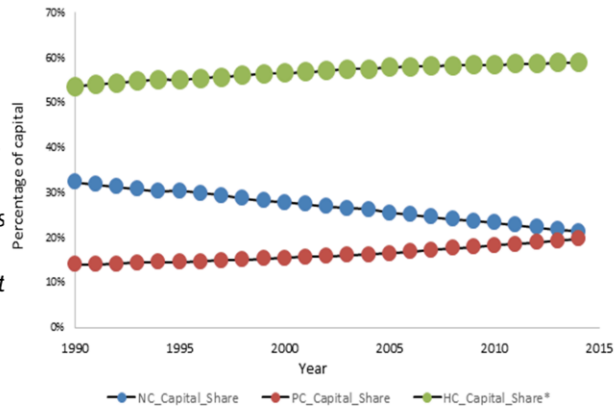
Indicator on ecosystems and policies:

As of 30 June, 44 countries have integrated ecosystem services in at least two different policy frameworks, with the assistance of UN Environment (one of our indicator targets in the programme of work), but we are unlikely to reach the end of 2017 target of 90 countries. This is largely due to programming and funding constraints, which tend to focus on one policy document at a time and funding across policy areas do not always match geographically. Achieving the target is further facing constrains due to difficulties to create a causal link between policy change and UN Environment advocacy work.

UN Environment is, however, undertaking interventions which influence policy setting. The **Inclusive Wealth Index** is an extremely promising entry point to integrate ecosystem goods and services across most national policies.

A better way to measure the wealth of nations

"...the UN exercise makes all three kinds of capital comparable and commensurable. Some call it comprehensive, some call it inclusive. If the notion catches on, neither name may be needed. Pretty soon we ought to drop both adjectives and just call it wealth...."
Economist

Social Value* of Manufactured Capital + Social Value of Human Capital + Social Value of Natural Capital = Inclusive Wealth

Indicator on ecosystems and policies:

The Inclusive Wealth Index establish a measure of wealth by measuring three forms of capital. Manufactured, Human and Natural Capital. It provides a response to SDG 17 calling for measures of progress on sustainable development that complement gross domestic product and thus can form a key approach for bringing the health and productivity of ecosystems into the centre of all national policies. Inclusive Wealth has been well received by main financial media outlets.

The Inclusive Wealth Report 2017 will be launched in January 2018 (World Economic Forum) and it covers 170 countries. The graph in the slide demonstrates the changes in the three forms of capital between 1990 and 2015 in the 170 countries assessed. While there are several examples of countries which have been able to build all three forms of capital the overall trend points to a decline in natural capital. This means that there are less minerals, fisheries, timber, etc for future generations and their inclusive wealth is declining.

Canada has done their own assessment and several countries including India, Ecuador and Japan are in the process. UN Environment welcomes engagement

with more countries to assess their National Inclusive Wealth.

*The social value of the three forms of capital incorporates both the positive and negative impacts on society.

Challenges & opportunities

- Un-synchronized reporting timeframes between Programme of Work and project portfolio
- Successful fund raising of ear-marked funding but does not allow us to move funding to under performing work areas.
- "Conservation Futures": multi stakeholder intervention for elevating ecosystem health into political and financial decision-making

Challenges: The lack of a stable, core funding is a key issue. In addition to the comments already made, it also means that our staff have to spend an inordinate amount of time on fund raising and that's not a very efficient use of time for people who are hired for their technical expertise.

Some of our key challenges has been the earmarking of our resources. As mentioned in the previous slides as most of our resources have been ear-marked our ability to fund work streams which are an organizational priority e.g., such as including ecosystems in education frameworks has been hampered.
It also hampers our ability to take advantages of potential synergies and provide a more comprehensive and integrated support to countries when we have funding for ecosystem economics in one country and cross-sectoral institutions in the next.
An smaller, internal challenge has been the formulation of 2016-2017 indicators:
- Some of the indicators changed from the 2014-2015 cycle, which means that we are not able to give you an overview of longer-term progress.
- Others did not have a baseline and it turned out to be near impossible to create one and to collect data to demonstrate progress so we've had to resort to proxy indicators (**example: area managed using an ecosystem approach (projects do not report on this in project level reports and when they do we do not have consistency across projects e.g., hectares versus percentage.**

Opportunities:
- 2017 has been our most successful year so far in securing Global Environment facility resources. This will have a positive impact on programme delivery in the coming years once the project portfolio begin to deliver impact. Furthermore, many of these projects address our 2018-2019 indicators which focus on finance and education frameworks for better ecosystem management.

- Our pipeline for Green Climate Fund project is also well aligned with the 2018-2021 Mid-Term Strategy and this funding source may prove a substantial boost to our impact.

- "Conservation Futures" a potentially game changing intervention to build a social movement and elevating the political and financial attention to ecosystem health and its role in sustainable development.