





# TACKLING THE TRIPLE PLANETARY CRISIS: A NEW FUNDING PARADIGM

UNEP's mission is to provide leadership and encourage partnership to protect the global environment by informing, enabling and inspiring nations and peoples to improve their quality of life without compromising that of future generations.



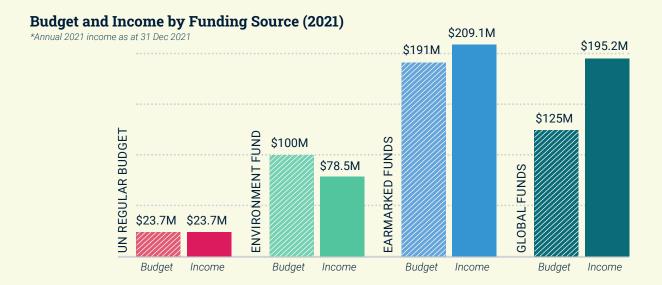
# How is UNEP currently funded?

There are three main sources of funding for UNEP:

**UN Regular Budget** - supports some of the core functions of the UNEP Secretariat, including the Governing Bodies, coordination in the UN system, and cooperation with global scientific communities and amounts to around 5 per cent of UNEP's budget annually.

**UNEP Environment Fund** - UNEP's core fund which supports the essential capacity needed for the balanced and efficient delivery of UNEP's programme of work. Based on a voluntary indicative scale of contributions, it is approved by the Member States at the biennial UN Environment Assembly and amounts to around 15 per cent annually. The Environment Fund remains the principal fund for receiving contributions from Member States.

**Earmarked Contributions** - funds that are earmarked for specific projects, themes or countries. They amount to around 80 per cent annually and consist of bilateral and multilateral contributions and Global Funds (GEF and GCF).



# Thematic Funds to tackle the triple planetary crisis

UNEP's 2022-2025 Medium-Term Strategy (MTS) asked for bold and transformative actions that target the drivers of climate change, biodiversity loss and pollution. That call to action was answered by the creation of **three thematic funds** to directly engage to tackle the triple planetary crisis of climate change, biodiversity loss, and pollution.

The interconnected triple planetary crisis which has been fueled by unsustainable production and consumption, has put the world's economic and social well-being at risk, while undermining opportunities to reduce poverty, and improve lives and livelihoods. Tackling it calls for a stronger, more agile, innovative and forward-looking UNEP. As it currently stands UNEP's reliance on tightly controlled earmarked contributions, which account for 80% of its financing,

is hindering the ability of the organization to achieve transformational change. Such change requires a rethinking of the entire funding model to be more flexible. That is why the **new thematic funds** were created.

Launched at UNEP@50, the three thematic funds directly address the streams of Climate Stability, Living in Harmony with Nature, and Towards a Pollution Free Planet. The purpose of these funds is to shift the balance away from rigidly earmarked funding of individual projects towards improved income distribution and resource allocation for bigger impact. As such, contributions to the thematic funds will enable a comprehensive, science-based approach, which will further position UNEP in its role as the Global Environmental Authority.

# Thematic Contributions - a tool for impact

- » Pooled funding makes for more efficient and strategic programming,
- » Longer-term planning enables funding partners and UNEP to comprehensively address the triple planetary crisis,
- » Open to public and private contributions,
- » Enables UNEP to positively influence policies on the environment, through sufficient resource allocation to normative and operational work.

# **Thematic Fund for Climate Stability**

Climate stability is where net zero greenhouse gas emissions and resilience in the face of climate change are achieved. Achieving this over the long-term will depend on countries making balanced progress towards their mitigation and adaptation commitments under the Paris Agreement. This includes "holding the increase in the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C." (UNFCCC, 2016).

The UNEP Thematic Fund for Climate Stability will focus on fostering planetary sustainability for people, prosperity, and equality through safeguarding climate stability. By 2025 the <u>climate stability fund</u> expects that:

- 1. Access to finance and technology will help countries achieve the goals of the Paris Agreement
- 2. Decarbonization and resilience will drive global growth
- 3. Greater transparency in line with the Paris Agreement has become the norm for States and territories

# Why contribute to the Climate Stability Thematic Fund

### The Fund Will Help UNEP:



Science for policy options. Provide policy relevant scientific information that measures progress towards carbon neutrality and resilience. It will also compile, assess, and communicate the latest climate-related scientific data and propose policy options to help public- and private-sector decision makers engage in ambitious climate actions in line with the Paris Agreement.



## Policy support to national governments

through the promotion of information and data exchange, education, capacity-building and technical assistance. This will strengthen national environmental governance systems with the aim of fully implementing the Paris Agreement.



### Promote business models and markets for

decarbonization, adaptation and resilience. It will engage value chain actors in adopting energy- and resource-efficient solutions, advocate for financial alignments, create green jobs and disseminate consumer information tools to support sustainable lifestyles.



# Accelerate the adoption of low-carbon behaviours and products by consumers and citizens. UNEP

will communicate carbon footprint information through certifications, digital applications and e-commerce platforms. It will also scale up efforts to reduce the carbon footprint of the information and communications technology sector, focusing on data centres, blockchain applications and the gaming sector.



## Thematic Fund for Living in Harmony with Nature

Living in harmony with nature means "maintaining ecosystem services, sustaining a healthy planet and delivering benefits essential for all people", as well as ensuring that "biodiversity is valued, conserved, restored, and wisely used" (SCBD, 2010). Dependency on biodiversity and ecosystems, including for food, fibre, materials, water, medicines and human health, climate regulation and protection from extreme events, has been outlined clearly in assessments by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services, the Global Environment Outlook and the International Resource Panel, among others.

The Thematic Fund for Living in Harmony with Nature aims to contribute to ecosystem stability and human well-being

through nature recovery. By 2025 the <u>living in harmony with</u> <u>nature fund</u> expects that:

- 1. The implementation of the post-2020 global biodiversity framework is underway
- Biodiversity is mainstreamed and treated as essential for sustainable development
- 3. Significant actions have been taken to reduce ecosystem degradation and build resilience
- From governments to financial institutions, biodiversity has been integrated into consumer, infrastructure, and financial decision making

# Why contribute to the Living in Harmony with Nature Fund

## The Fund Will Help UNEP:



Science for policy options. Provide the scientific information and data needed to secure policies and actions for nature. Science will be the basis for justifying the systemic policies, actions and solutions across all sectors.



Support impactful national legislation. Countries will receive assistance in developing the necessary policies, legislation and strategies to implement their respective obligations under Multilateral



Develop and advocate for sustainable finance and economic measures that roll back biodiversity loss, promote sustainable consumption and production practices that reduce pressure on ecosystems and nature. It will promote the economics of biodiversity, identifying its value, its link to human health, opportunities for green jobs and other socially just outcomes of natural resource management as well as resilient and future proof societies.



## Thematic Fund Towards a Pollution Free Planet

Good environmental quality and its positive implications for reducing inequality, ill health, poverty and vulnerability are powerful motivators for moving Towards a Pollution-free Planet. A pollution-free planet would positively impact biodiversity by enhancing the health of ecosystems by preventing further damage and increasing resilience. Addressing air pollution and waste is directly related to human health, but also linked to climate change mitigation, especially when action is taken against short-lived climate pollutants.

Accelerated action on chemicals and pollution will result in benefits for both nature and people and will align with the

development of intergovernmental processes to look at the future of global efforts to address the sound management of chemicals and waste. By 2025 a towards a pollution-free planet fund expects that:

- 1. The management of chemicals and waste are essential to national planning and development
- 2. 30 percent of the world's population lives in areas where the WHO Air Quality Target 3 is met
- Actions towards modifying economy-wide nitrogen use are in place, to halve the losses of anthropogenic-reactive nitrogen to the environment

# Why contribute to the Towards a Pollution Free Planet Fund?

## The Fund Will Help UNEP:



Facilitate access to up-to-date, credible and relevant scientific information, data and statistics on chemicals, waste, and pollution to support policy making and governance. This will encourage systemic shifts towards less polluting outcomes at all levels of governance and in society at large.



Advocate for the right to a clean, healthy and sustainable environment. Countries will receive support in developing the necessary policies, legislation and strategies to implement their respective obligations under the Multilateral Environmental Agreements in a coherent manner.



Promote the internalization of the true costs of pollution in financial and economic decisions by public and private actors, to redirect finance and investments towards cleaner and safer economic activities.



Amplify the adoption of clean technologies and digitalized circular approaches towards a pollution-free planet. It will explore the significant potential of digital technologies and circular design to contribute to reducing waste and pollution.



## Thematic funds, delivering planetary sustainability for people, prosperity and equity.

As a package, supporting the three thematic funds will allow UNEP to deliver its 2022-2025 Medium-term Strategy and, together with the rest of UN system, tackle the triple planetary crisis.

For Climate Stability, this means global and national mitigation and adaptation goals will be further incorporated into policy and decision making for all UNEP audiences – governments, private sector and non-governmental and intergovernmental organizations – based on sound science.

Funding the strategic objective of *Living in harmony with* 

nature will give UNEP the capacity to help reduce the rates of species loss and ecosystem degradation, such that we maintain the integrity of biodiversity for the health and well-being of people and planet.

Finally, funds contributed *Towards a pollution free planet* will support better science and evidence-based sound management of chemicals and waste and reduce the level of waste and pollutants discharged to our water, land and air, improving environmental quality across the board.

Further details can be found in the **Medium Term Strategy**.

"UNEP remains challenged by the overall size and limited flexibility of its resource base. While donors provide the bulk of its total resources to finance specific operations on the ground, its non-earmarked financing comes predominantly from the Environment Fund (EF), composed of voluntary contributions from member states, which has had uneven and, in some cases, declining

resource increments during the assessment period. It is not always easy for UNEP to align the use of donor resources with its priorities. UNEP continues to seek flexible funding from its member states and other key stakeholders..."

(2021 MOPAN Assessment Brief for UNEP)



"The truth is, we have been poor custodians of our fragile home. Today, the Earth is facing a triple planetary crisis. Climate disruption. Nature and biodiversity loss. Pollution and waste. This triple crisis is threatening the well-being and survival of millions of people around the world.

Antonio Guterres, Secretary-General of the United Nations The building blocks of happy, healthy lives — clean water, fresh air, a stable and predictable climate — are in disarray, putting the Sustainable Development Goals in jeopardy.

But there is still hope."

