Nature Finance Action Tracks

USD 133 billion invested in NbS annually

WE NEED TO TRIPLE THAT NUMBER

Pathway for public and private actors to scale up investments in nature-based solutions by 2030
Transitioning towards a net-zero, nature positive economy

1. short-term
Actions that can be taken unilaterally, are taking place today

- Leverage green recovery packages
- Innovate regenerative business models
- Derisk and aggregate investments

2. medium-term
Actions that require multilateral cooperation and policy processes

- Improve global metrics and disclosure
- Transform land use sectors
- Align subsidy and incentive regimes

3. long-term
Market led transitions driven by financial viability, instigated by policy environment

- Regenerative land use practices outcompete
- Full valuation of nature risks and co-benefits
- Scale finance through mature secondary markets
Enhancing capital flows in the net zero transition, nature positive assets

**Classification of NbS finance**

<table>
<thead>
<tr>
<th>Domestic Government</th>
<th>Private Capital</th>
<th>Public ODA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Protection of biodiversity and landscape, $53b</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agro, forestry &amp; fishing, $23b</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental policy and other, $6b</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Private sector financing for NbS 2019 by category (with upper and lower bounds)**

<table>
<thead>
<tr>
<th>Category</th>
<th>Domestic Government</th>
<th>Private Capital</th>
<th>Public ODA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Protection of biodiversity and landscape</td>
<td>$53 billion</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agro, forestry &amp; fishing</td>
<td>$23 billion</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental policy and other</td>
<td>$6 billion</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Climate finance relative to finance for NbS**

<table>
<thead>
<tr>
<th>Finance for NbS</th>
<th>Climate Finance</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic Government</td>
<td>56%</td>
<td>44%</td>
</tr>
<tr>
<td>Private Capital</td>
<td>14%</td>
<td>86%</td>
</tr>
</tbody>
</table>

**Private sector actions to accelerate finance for NbS**

- Innovate: Leverage new business models to improve investability
- Scale: Increase financing through aggregation and derisking
- Transform: Harness regenerative supply chain models
- Measure: Use ESG metrics to quantify and disclose impacts
- Decarbonize: Reduce exposure to climate impacts in investment portfolios
Tripling investments in nature-based solutions by 2030 to meet the climate change, biodiversity and land degradation targets

USD 133 billion invested in NbS annually

WE NEED TO TRIPLE THAT NUMBER

USD 8.1 trillion

Spread out over three decades, total investment needs reach USD 8.1 trillion

At current investment rates we will have a funding gap of USD 4.1 trillion

Invest smarter: reimagine, recreate, restore

Half of the estimated financing needs are for the management, preservation and restoration of forest assets.

Summary of future investment needs

<table>
<thead>
<tr>
<th>Type of NbS</th>
<th>Total cumulative investment (2021-2050) (USD billion)</th>
<th>Additional annual investment (USD billion per year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Establishment</td>
<td>4,684</td>
<td>203</td>
</tr>
<tr>
<td>Mangrove restoration</td>
<td>15</td>
<td>0.5</td>
</tr>
<tr>
<td>Pastland restoration</td>
<td>301</td>
<td></td>
</tr>
<tr>
<td>Silvopasture</td>
<td>3,130</td>
<td>193</td>
</tr>
<tr>
<td>Total investment needs</td>
<td>8,130</td>
<td>403</td>
</tr>
</tbody>
</table>

Investment outcomes (under the immediate action scenario)

- Forest and agro-forestry area to increase by approximately 300 Mha by 2050, relative to 2020
- Carbon emissions from land use change to fall and become net negative by 2035, falling further to minus 1.1 GtCO₂ per year by 2050
- Biodiversity to stabilize at current levels by 2050
We need to fill the USD 4.1 trillion gap to halt the climate, biodiversity and land degradation crisis by 2050.

Spread out over three decades, total investment needs reach USD 8.1 trillion.

At current investment rates we will have a funding gap of USD 4.1 trillion.

Nature-based Solutions

- Protection
- Restoration
- Infrastructure
- Management

Investment outcomes (under the immediate action scenario)

- Forest and agro-forestry area to increase by approximately 300 Mha by 2050, relative to 2020
- Carbon emissions from land use change to fall and become net negative by 2035, falling further to minus 1.1 GtCO2 per year by 2050
- Biodiversity to stabilize at current levels by 2050