

CONCEPT NOTE



# 5<sup>TH</sup> INVESTMENT CASE SYMPOSIUM

7<sup>TH</sup> NOVEMBER  
HYBRID EVENT, HELD  
IN THE UNIVERSITY OF  
GLASGOW AND ONLINE

GLF CLIMATE: FORESTS, FOOD, FINANCE – FRONTIERS OF CHANGE

#GLFClimate



THE GOVERNMENT  
OF THE GRAND DUCHY OF LUXEMBOURG



In the framework of the [Luxembourg-GLF Finance for Nature Platform](#)

## THE CONTEXT

The world's population is expected to increase by 2 billion people in the next 30 years, from 7.7 billion today to 9.7 billion by 2050, according to the United Nations. This will present significant challenges, not least of which will be food security. The aim is not only to provide food for everyone but to do so in ways that are environmentally sustainable. Forests have long suffered collateral damage as a result of increased food production. Large swathes of forested areas have been destroyed for food and commodity crops. Among the many threats faced by forests – including mining and logging – food production remains a major factor contributing to deforestation.

While finance is often a catalyst in the conflict between forests and food, it could be part of the solution in the future thanks to green finance. The Food and Agriculture Organization of the United Nations estimates that 40% of deforestation in tropical and subtropical countries is driven by commercial food production. Agriculture is the main cause of deforestation in Latin America and Southeast Asia, while an increase in such activity is now being observed in sub-Saharan Africa. According to the World Trade Organization, global exports of food rose 7% per year, on average, from 2000 to 2019 and reached volumes exceeding USD 1.4 trillion. The production of beef, soy, palm oil, coffee and cocoa for commercial purposes has been the key contributor to high deforestation rates.

Finance stakeholders can be arbiters in the ongoing conflict between forests and food by incentivizing the push toward zero-deforestation food production and value chains through the promotion and exploitation of untapped opportunities, especially in the Global South.

**Financing green and greening finance** should be the guiding principle in this process. Mechanisms such as green bonds have yet to provide sufficient resources supporting sound practices in the forest and food sectors. Green finance can therefore fill a void by reconciling the various interests surrounding forests, food, economic progress and people's livelihoods. Carbon markets, which can help reduce emissions and encourage sustainable practices, represent such an opportunity. Forests and food can cohabit "peacefully" if finance rewards responsible conduct in various sectors.

However, it is not finance that ultimately rewards. Nature does this with its wealth of ecosystem services. Therefore, as a step beyond the **GLF 4th Investment Case symposium** in Luxembourg in 2019, it is time to renew our focus on the financing of nature-based solutions (NbS). Hosted by the government of Luxembourg, the 5th Investment Case symposium will be a key moment in this **Super Year for Nature**.





## OBJECTIVES

The 5th Investment Case symposium will have two overarching objectives: i) the increased adoption and incorporation of NbS and sustainable land-use approaches in sustainable finance practices, and ii) to promote and explore opportunities for NbS investments. The following issues are on the agenda:



Mainstreaming sustainable finance for nature-based solutions.



Boosting the adoption of sound practices for zero-deforestation, sustainable value chains and green commodities.



Creating the conditions to mobilize finance for land restoration at scale and for the benefit of local stakeholders.



Identifying and unlocking financial opportunities and mechanisms to scale up nature-based solutions.

The event will also celebrate the next generation of finance innovators promoting nature-based solutions (including young entrepreneurs), and foster financing alliances/partnerships to support the implementation of global commitments, such as the [Great Green Wall Initiative](#), [AFR100](#), [Initiative 20x20](#) and [ECCA30](#).

## KEY TOPICS

The themes covered will take stock of the discussions taking place within the context of the UNFCCC Standing Committee on Finance (SCF) work on nature-based solutions (including the SCF forum on NbS in October 2021). They will also consider the latest developments and negotiation priorities for the REDD+ mechanism, as well as for the [Koronivia Joint Work on Agriculture](#). As a result, critical topics for the financing of climate-smart land use will be echoed in the day's agenda, including:

- Innovative and scalable financing approaches to nature-based solutions
- Increasing opportunities for nature-based solutions in global sustainable finance (e.g. green bonds)
- Tapping into the huge shift toward green investments in the mainstreaming of sustainable finance for nature-based solutions in the financial sector:
  - Green bonds for nature-based solutions
  - The role of a sustainable finance taxonomy for investments in nature-based solutions
  - Drivers from the carbon market, including for REDD+
- Scaling up nature-based solutions amid other global sustainable development targets, and building synergies between Rio conventions (e.g. [LDN Transformative Projects and Programmes](#) and the Rio Conventions Project Preparation Facility)
- The EU Sustainable Finance Taxonomy – relevance to nature-based solutions
- Accelerating the growth and adoption of nature-based solutions in developing and emerging countries: the role of sustainable finance
- Natural climate solutions, including drivers from carbon markets
- Sound practices for the development and structuring of bankable projects for nature-based solutions, and the role of project preparation facilities and accelerator programmes.



## KEY QUESTIONS



What are the major challenges still hindering the flow of finance for nature-based solutions, especially toward sustainable food systems, forest conservation and sustainable management?



What is the best way to channel some of the growing private capital for greener investments toward emerging and developing countries, in particular for projects focusing on nature-based solutions?



What financial mechanisms are best suited to scaling up bankable projects for nature-based solutions? How should these mechanisms be implemented, taking into consideration the specific features of key value chains (including for green commodities)?



Do the sustainable finance frameworks (especially the EU Sustainable Finance Taxonomy) currently incorporate enough nature-based solutions? What can be done to fill the gaps?



Financing green and greening finance: How can sustainable finance initiatives (e.g. the Task Force for Climate-related Financial Disclosures (TCFD) and the Taskforce on Nature-related Financial Disclosures (TNFD), among others) effectively cover two sides of the same coin?



How can nature-based solutions become a significant tool in fighting climate change while generating sustainable business and livelihood opportunities?

## **JOIN US FOR GLF CLIMATE TODAY**

[events.globallandscapesforum.org/Climate-2021](https://events.globallandscapesforum.org/Climate-2021)

### **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 livelihood initiatives, landscape restoration, rights, finance and measuring progress. It is led by the Center for International Forestry Research (CIFOR), in collaboration with its co-founders UN Environment and the World Bank and Charter Members.

**Charter Members:** CIAT, CIFOR, CIRAD, Climate Focus, Conservation International, Crop Trust, Ecoagriculture Partners, EFI, Evergreen Agriculture, FSC, GEF, GIZ, ICIMOD, IFOAM - Organics International, ILRI, INBAR, IPMG, IUFRO, Rainforest Alliance, Rare, RRI, SAN, UN Environment, (TMG) Think Tank, Wageningen Centre for Development Innovation, part of Wageningen Research, WFO, World Agroforestry, World Bank Group, WRI, WWF Germany, Youth in Landscapes Initiative.

### **Funding partners**



Federal Ministry  
for the Environment, Nature Conservation  
and Nuclear Safety



Federal Ministry  
for Economic Cooperation  
and Development



THE GOVERNMENT  
OF THE GRAND DUCHY OF LUXEMBOURG

