



One Forest Summit

Ministerial session – March 1, 2023 – 3:00 to 4:30pm

Leveraging innovative finance mechanisms for nature

In the fight to protect, restore and halt biodiversity degradation and to ensure its sustainable use, as agreed in the Global Biodiversity Framework, an important investment gap needs to be filled. Indeed, there is a necessity to fund the institutions of biodiversity protection as well as to invest in nature positive development models for key sectors (forestry, agriculture, fisheries, etc.). While the current focus is often centred on carbon markets, other types of instruments such as biodiversity certificates, debt for nature swaps, forest bonds, and payments for ecosystems services, also need innovation, analysis, and scrutiny,

This session will discuss the state of play of existing innovations for investments in nature positive development pathways in large forest basins and for the sustainable development of Indigenous People and Local Communities (IPLCs). The panel will discuss the comparative merits of these different instruments in the case of forests, setting the foundations for a paper to feed into the process of the Summit for a New Financial Pact that will be hosted by France in Paris in June 2023.

Outline

Moderator: Justin MUNDY

Rapporteur: M. SANJAYAN (Conservation International)

1. Opening remarks (10 mins)

- H.E. Nicole Jeanine Lydie ROBOTY, Minister of Economy and Recovery of the Republic of Gabon
- H.E. Franz TATTENBACH CAPRA, Minister of Environment and Energy of Costa Rica

Panel 1: Leveraging mainstream finance for the benefit of nature (30 mins)

This panel will look at the ways in which large-scale financial flows can be harnessed to protect and restore nature and the financial and policy architecture *needed to ensure this*.

- Ousmane DIAGANA, World Bank: the role of multilateral and regional development banks to scale up finance for nature.



- Kevin KARIUKI, African Development Bank: Using credit enhancement and guarantees to scale the use of KPI-linked bonds and other debt instruments.
- Craig Cogut, CEO Pegasus Capital: Impact Investing as a source of finance for nature protection and restoration
- Berta PESTI, Head of the Secretariat, CAFI: how forest bonds and payments for results programs could scale up financial flows for forest?

Panellists will have 5 minutes each, followed by discussion/Q&A from the co-chairs and audience.

Panel 2: Innovative Financial Instruments and the need for good Governance (45 mins)

This panel will look at the governance frameworks needed to ensure that innovative financial instruments – such as nature certificates result in outcomes that are positive for communities and the economy as well as for nature.

- H.E. Arlette SOUDAN-NONAULT, Minister for Environment, Sustainable Development, and Congo Basin, Republic of the Congo: What tropical forest nations need from well-governed nature markets.
- H.E. Lucky MEDINA, Minister for Natural Resources and Environment, Honduras: Debt for nature swap, experience from a beneficiary country.
- *Lord Zac Goldsmith, Minister for The Commonwealth & UKOTs, and International Environment, Climate, Forests & Energy*: Creating the governance conditions for a prosperous and equitable nature-based economy.
- Simon ZADEK, NatureFinance: Why good governance of biodiversity credits and other new nature markets is crucial.
- Mafalda Duarte, CEO of Climate investment fund: How a multi-actor fund could finance piloting innovative approaches for forest.

Panellists have 5 minutes each, followed by discussion/Q&A from the co-chairs and audience.

Conclusion by the rapporteur M. SANJAYAN (5 mins)

Points of contact (incl. for speaking requests):

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