

Indigenous Peoples & Local Communities and Resource Mobilization in the Global Biodiversity Framework (GBF)

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The Nature Conservancy (TNC) has been a leader in promoting an ambitious resource mobilization component to the Post-2020 [Global Biodiversity Framework \(GBF\)](#). Our study with the Paulson Institute and Cornell University, [Financing Nature: Closing the Global Biodiversity Financing Gap Report¹](#), identified the scope of the global biodiversity finance gap and proposed mechanisms to close the gap.

We believe resource mobilization mechanisms should also ensure that adequate, accessible, and appropriate finance and capacity are available for Indigenous Peoples (IPs) and Local Communities (LCs)² to fully engage in implementation of all aspects of the GBF – with their Free Prior and Informed Consent (FPIC) - including *inter alia* for territorial planning, conservation management of species and ecosystems, participation in national policy processes and resources to support restoration, and nature-based climate solutions on IPs and LCs territories. Ensuring IPs and LCs full and effective participation and the recognition and safeguarding of their rights, including the right to self-determination for Indigenous Peoples, are essential.

TNC recognizes the critical importance of IPs and LCs in achieving the goals of the Convention on Biological Diversity (CBD) and the GBF. Preliminary studies indicate that IPs' and LCs' lands overlap with at least 30 to 40% of the Earth's intact ecosystems and protected areas, and that in some areas they may protect up to 80% of the biodiversity.³ IPs' and LCs' stewardship and management often achieve greater conservation results⁴ and sustain more biodiversity⁵ than government protected areas. **Accordingly, IPs and LCs should have access to finance commensurate with their role in biodiversity management and conservation.**

TNC recommends that CBD Parties, donors, foundations, and development finance institutions enhance IPs' and LCs' access to resources by including provisions in the GBF and its Resource Mobilization Strategy to:

- Recognize IPs as legal entities, and enable IPs and LCs organizations to receive and manage funding and be directly included in existing and new biodiversity financing opportunities and projects;
- help ensure that National Biodiversity Finance Plans have specific components for support of IPs- and LCs-led biodiversity and related development and capacity-building projects, commensurate with IPs' and LCs' roles in and contributions to national biodiversity outcomes;

¹ Deutz, A., Heal, G. M., Niu, R., Swanson, E., Townshend, T., Zhu, L., Delmar, A., Meghji, A., Sethi, S. A., and Tobinde la Puente, J. 2020. Financing Nature: Closing the global biodiversity financing gap. The Paulson Institute, The Nature Conservancy, and the Cornell Atkinson Center for Sustainability.

² Indigenous Peoples (IPs) & Local Communities (LCs) in the Convention on Biological Diversity are referred to collectively as "IPLCs." TNC recognizes the distinction between "IPs" and "LCs", with IPs holding collective rights as enshrined in the United Nations Declaration on the Rights of Indigenous Peoples (TNC, 2015). Throughout this document, we have refrained from using the acronym "IPLCs" out of respect for this distinction between Indigenous Peoples and Local Communities.

³ As per conversations with the International Indigenous Forum on Biodiversity (IIFB), the formal advisory body to the Convention on Biological Diversity.

⁴ Stevens, C., R. Winterbottom, J. Springer, and K. Reytar. 2014. "Securing Rights, Combating Climate Change: How Strengthening Community Forest Rights Mitigates Climate Change." Washington, DC: World Resources Institute. Accessible at www.wri.org/securing-rights.

⁵ Richard Schuster, Ryan R. Germain, Joseph R. Bennett, Nicholas J. Reo, Peter Arcese. "Vertebrate biodiversity on indigenous-managed lands in Australia, Brazil, and Canada equals that in protected areas", *Environmental Science & Policy*, Volume 101, 2019, Pages 1-6.

- prioritize funding for securing IPs' and LCs' land tenure and respective rights to territories and resources;
- support and ensure capacity-building; community leadership, including in the design, implementation and management of conservation financing; equitable governance; and the equitable distribution of resources, to strengthen effective and meaningful partnerships;
- support the facilitation of impactful, stable, and long-term financial support for IPs- and LCs-led biodiversity projects when engaging with large-scale funding mechanisms and programmes, e.g., GEF and BIOFIN;
- help ensure that ODA⁶ budgets have specific components for support of IPs- and LCs-led biodiversity and related development and capacity-building projects, commensurate with IPs' and LCs' roles in and contributions to biodiversity outcomes;
- Require reporting on biodiversity funding by all parties, including by disaggregating figures on funding provided to customary rights- and stakeholders, and accounting that includes their in-kind contributions appropriately and effectively.

Discussion

Resource Mobilization mechanisms should ensure that adequate, accessible, and appropriate finance and capacity is available for IPs and LCs to fully engage in implementation of all aspects of the GBF, including, *inter alia*, for territorial planning, conservation and sustainable management of species and ecosystems, participation in national policy processes and resources to support restoration and nature-based climate solutions on IPs and LCs territories.

Historic and ongoing economic and social marginalization pose obstacles to IPs' and LCs' pursuit of both their socioeconomic and conservation goals. One such obstacle relates to financing, and supporting IPs' and LCs' conservation efforts involves addressing conservation financing needs within a larger context of sustainable development, climate and biodiversity goals. IPs and LCs, through their ongoing sustainable stewardship/development, are providing essential services leading to biodiversity conservation and climate change mitigation - benefitting all of society. The conversation necessarily should shift from that of securing relatively small amounts of charitable financing to compensating more fully for the cost and value of the crucial public services IPs and LCs are and will be providing.

The global biodiversity financing gap is formidable: our *Financing Nature* report estimates this to be between US\$598 billion and US\$824 billion per year. While significant research gaps remain with regards to aggregate needs and flows for IPs and LCs biodiversity financing, it is telling that just 3 percent of a lower estimate of the need for IPs and LCs tenure and forest management in 24 top countries, identified by the Rights and Resources Initiative (RRI) as ready for national or subnational scale projects to implement forest tenure reforms, is being met.^{7,8} More than 90 percent of this funding comes from ODA, which is anticipated to at most double by 2030. At current trajectories, IPs' and LCs' tenure and forest management financial needs will remain almost entirely unmet, and the IPs and LCs biodiversity financing gap will likely substantially grow in proportion to various other categories of conservation activity. It is imperative that biodiversity resource mobilization dialogues at the highest levels address these major gaps and concerns. Despite a strong desire on the part of IPs and LCs to steward key ecosystems, there is a severe lack of long-term sustainable funding to do so. The Global Environment Facility (GEF) Small

⁶ ODA is defined by the Organisation for Economic Co-operation and Development (OECD) Development Assistance Committee (DAC) as government aid that promotes and specifically targets the economic development and welfare of developing countries. The DAC adopted ODA as the "gold standard" of foreign aid in 1969 and it remains the main source of financing for development aid.

⁷ <https://www.cwis.org/wp-content/uploads/2021/06/rainforestmanagement.pdf>

⁸ Such recent estimates are not currently comprehensively available for IP and LC stewardship of non-forest ecosystems including coastal, grassland, and freshwater ecosystems.

Grants Programme⁹ is one mechanism that has the explicit aim of supporting IPs- and LCs-led projects to restore and conserve the environment while enhancing people's well-being and livelihoods. It has been found to consistently deliver environmental results at local, national, and global levels and to generate economic and social benefits with high levels of local ownership¹⁰. However, it provides a relatively small amount of funding against the overall need; individual projects are capped at \$50,000, and the current four-year phase has a core resource envelope of \$128 million. While biodiversity projects receive the largest share of this funding (39% during the 6th phase), SGP also supports climate change mitigation, land degradation and other types of projects. In addition, faced with overall funding limitations, GEF has adopted a country 'upgrading' policy requiring that the most mature SGP country programs transition to other funding sources. The GEF has also actively engaged IPs and LCs in hundreds of other projects outside the SGP and recently approved the \$23 million Inclusive Conservation Initiative (ICI) to support IPs- and LCs-designed and led activities to mainstream biodiversity in land/seascapes and sectors. This initiative is still at an early stage of its development and implementation. However, securing larger-scale GEF funding is a complex process that may not always be easily accessible to IPs and LCs. The same is true for BIOFIN¹¹, a global program working with governments and the private sector to tailor investments and incentives in biodiversity. TNC would recommend specific dialogue on the critical issue of how to ensure both long-term, sustainable financing and creating more directly accessible funding for IPs and LCs.

Enabling conditions for successful conservation finance in support of IPs and LCs

TNC engages in a wide range of successful conservation financing projects where IPs and LCs have significant roles in their implementation, including: direct responsibility for conservation management; selection of grants/sub-grants to support community development and social benefits; execution of livelihoods and enterprise development efforts; and oversight and direction of implementing entities for financing. The Nature Conservancy (TNC) recognizes the need to address the Nature Financing Gap in a way that is inclusive of financing accessible to IPs and LCs, and therefore commissioned EcoAdvisors to produce a dedicated study¹² on *Conservation financing for conservation programs with Indigenous Peoples and Local Communities Study (IPs and LCs Conservation Financing Study)*. The overall aim of this study was to explore options for generating sufficient levels of finance over sustained periods of time so that IPs and LCs can have the financial capacity to continue to effectively steward their natural resources. It further identified sustainable financing¹³ models and examples employed in conservation projects associated with IPs and LCs, assessing these for key contextual and design factors to facilitate replication and adaptation.

This study determined key enabling factors for successful Indigenous Peoples and Local Communities conservation financing including:

- IPs and LCs leadership in the conservation of their lands, territories, waters and resources;
- investment in IPs and LCs institutional capacity beyond conservation, to address communities' more holistic visions of well-being;
- clarity of tenure, title or some form of property/resource rights of IPs and LCs;

⁹ <https://sgp.undp.org/>

¹⁰ [OPS7.pdf \(thegef.org\)](#)

¹¹ <https://www.biofin.org/about-us>

¹² https://www.nature.org/content/dam/tnc/nature/en/documents/EA_IPLC_Full_Report_2020.pdf

¹³ The word 'sustainable' often appears appended to financing or funding (not to mention development) and generally is understood with the connotation of perpetuity and some form of self-reliance or self-sufficiency.

- for the largest-scale long-term financing solutions, political/government support for IPs and LCs and conservation, for example through creation of new institutions or enabling legislation; and
- access by IPs and LCs to technical capacity through trusted partners.

It identified key features of successful conservation financing¹⁴ solutions including:

- recognizing IPs and LCs critical role in leading the design, implementation and management of financial mechanisms;
- ensuring IPs and LCs have support for ongoing fundraising capacity and sustained efforts;
- diversification of financing sources;
- clearly distributed roles and responsibilities within the financing strategy;
- private sector partnerships for enterprise-based solutions; and
- flexible funding to respond to new opportunities.

TNC's *IPs and LCs Conservation Financing Study* demonstrates - rather than investing in narrow approaches - the added power and value of building institutional capacity for ongoing IPs and LCs efforts to advance communities' holistic visions of well-being and sustainable development. TNC believes that sustainable financial models can synergistically support IPs and LCs broader community goals and aspirations *and* achieve significant biodiversity conservation outcomes

Conclusion

TNC is pleased with how the current GBF has progressed overall in the area of Resource Mobilization. However, we recognize that there is a need to continue to address the ongoing, significant, and disproportionately high gap for IPs and LCs in adequate, accessible, and appropriate finance and capacity to be able to fully engage in the implementation of the GBF. TNC hopes that with its expertise in this area it can actively and effectively contribute to closing the nature financing gap, and strengthening resource mobilization for Indigenous Peoples and Local Communities.

Contact: Misty Edgecomb medgecomb@tnc.org

¹⁴ Clark, Story & Altman, Roger. *A Field Guide to Conservation Finance*. Bibliovault OAI Repository, the University of Chicago Press. 2007. This guide offers the following definition of conservation finance "... the practice of raising and managing capital to support land, water, and resource conservation." More recently, in Meyers, D., Bohorquez, J., Cumming, T., Emerton, L., Heuvel, O.v.d., Riva, M., and Victorine, R. *Conservation Finance: A Framework*, Conservation Finance Alliance, 2020, the concept of conservation finance is expanded as "... mechanisms and strategies that generate, manage, and deploy financial resources and align incentives to achieve nature conservation outcomes."