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Nature-positive recovery refers to the sustainable and environmentally friendly economic revival that is needed after the COVID-19 pandemic in order to counteract the loss of biodiversity and climate change at the same time.

The pandemic has caused economic downturns worldwide with significant cuts in public social spending. With a nature-positive strategy, several crises could be overcome at the same time.

Specifically, nature-positive recovery is defined as economic stimulus programs that aim to achieve economic, social and ecological goals through measures (such as nature-based solutions) that have a positive effect on the protection, restoration and sustainable use of biological diversity.

## Criteria for nature-positive recovery

- · Negative effects on nature are evidently avoided
- · Contribution to the conservation, sustainable management or restoration of biodiversity and ecosystems
- Improvement of livelihoods and resilience to crises of people and nature
- Contribution to social participation and a just transition to a climate-neutral economy

### Challenges for nature-positive recovery

- From an entrepreneurial perspective, investments in nature conservation entail a risk that the created "ecological assets" (forests, mangroves, etc.) could be destroyed by natural disasters or the like.
- **Opportunity costs** associated with renouncing the destruction of nature continue to be a major concern for many companies, where the resulting loss of profit is particularly deterrent.
- Conflicting goals can arise between biodiversity or climate protection measures and the promotion of development, for instance the transition to electric mobility, which increases the degradation of minerals and thus has nature-negative effects.

From a holistic point of view, however, these challenges can be resolved. Investment risks can be avoided by granting state securities. It becomes apparent that conflicting goals and opportunity costs are often only relevant in the short term and on a small scale. Furthermore, numerous studies show that nature-positive recovery actually helps to overcome these conflicting goals (Dasgupta, McKinsey).

# **Economic potential of nature-positive recovery**

Nature-positive economic stimulus programs have advantages over conventional recovery measures from both an ecological and a macro-economic point of view. Especially since conventional recovery measures often only rely on short-term employment effects and investments in grey to brown infrastructure:

- From an economic perspective, ecosystem services are already of central importance for the functionality of economic systems (WEF).
- Compared to conventional investments, nature-positive economic stimulus programs offer immediate positive effects on corporate employment policies with a significant increase in the medium- and long-term return on investment (WEF).
- Investments in the protection, restoration and sustainable
  use of biodiversity have positive impacts on economic
  development cross-sectorally, for example through carbon
  sequestration and improved water quality (multiple or
  co-benefits). At the same time, they achieve better and
  more long-term knock-on effects (FAO, WRI).
- Many private companies are aware of their dependence on ecosystems. Thus, the conservation and restoration

- of biodiversity is increasingly included in the company's own strategy and at the same time offers **profitable business opportunities** (OECD, WEF).
- From a **social and economic perspective**, unsustainable ways of production and consumption burden future generations, through the deterioration of the natural foundations of life, the associated productivity losses and investment risks due to changes in climate and nature conservation requirements ("stranded investments") (UBA).

If you are interested, you will find a lot of useful information in the following links or can contact us via <a href="mailto:bioframe@giz.de">bioframe@giz.de</a>.

- BioFrame Project
- Build Forward Better Briefings

### Green Recovery for Practitioners:

- Setting the Course Towards a Sustainable, Inclusive and Resilient Transformation
- Examples from around the World for Building Forward Better
- <u>Fiscal Policies for a Sustainable, Inclusive and Resilient</u>
  Transformation



Positive impact on human and economic health

10.1 trillion US dollars



Generation of 10.1 trillion US dollars economic value until 2030



Every US dollar invested in the restoration of degraded land generates 7 to 30 US dollars in return



Improvement of cost efficiency and risk management





**50**%

of the global gross domestic product is dependent on the use of ecosystem services



Creation of 395 million jobs, especially in rural areas until 2030

#### CONTACT

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