

Briefing Note Eleven¹ **Climate Action and Nature-Based Solutions (May 2023)**

1. Canada's commitment to Nature-Based Solutions

In December 2022, alongside China as President, Canada hosted the fifteenth Conference of the Parties (COP15) for the UN Convention on Biodiversity (CBD) in Montreal. At COP15 countries agreed to an ambitious Kunming-Montréal Global Biodiversity Framework, a historic global framework to safeguard nature and halt and reverse biodiversity loss by 2030.²

The goals of the Framework include protecting 30 per cent of the world's land, water and marine areas by 2030, as well as the mobilization, by 2030, of at least US\$200 billion annually in domestic and international biodiversity-related funding from all sources, both public and private. There is a pledge to reduce subsidies harmful to nature by at least US\$500 billion by 2030. Developed countries committed to providing developing countries with at least US\$20 billion per year by 2025, and US\$30 billion per year by 2030.

In line with this Framework, Canada's policy guidance for its 2021/22 to 2025/26 climate pledge commits to "allocate at least 20 percent of its \$5.3 billion climate finance commitment to projects that leverage nature-based solutions and projects that contribute biodiversity co benefits in developing countries. "These projects will represent at least \$1 billion within the \$5.3 billion pledge."³ Canada's commitment towards the US\$20 billion Kunming-Montreal target is not distinct from its \$5.3 billion climate pledge.

The Government committed in its framework for implementing its climate finance to "adopt a nature positive approach across all programming to ensure that its climate-related interventions do no harm to the environment, and strive to contribute to positive biodiversity outcomes," in all its climate thematic areas.⁴

A number of rigorous conditions and criteria have been established for any project that intends to be consistent with the 20% commitment to leveraging nature-based solutions and/or

¹ This Briefing Note was research and written by Brian Tomlinson, AidWatch Canada, in July 2022 and updated in May 2023. It has been prepared on behalf of the [Canadian CSO Coalition on Climate Change and Development \(C4D\)](#).

² See <https://www.cbd.int/gbf/>.

³ See Government of Canada, "Canada's International Climate Finance," accessed August 2022 at <https://www.canada.ca/en/services/environment/weather/climatechange/canada-international-action/climate-finance.html>. This \$1 billion is not a separate allocation to the other three thematic areas set out in its policy, but will be an integral part of these projects for climate smart agriculture, etc.

⁴ See Government of Canada, "Canada's approach to International Climate Finance," accessed August 2022 at <https://www.canada.ca/en/services/environment/weather/climatechange/canada-international-action/climate-finance/approach.html>.

contribute to biodiversity co-benefits.⁵ These include:

- **Biodiversity is explicitly promoted in the project approach** and is documented with evidence (avoidance of negative impact is not sufficient evidence); and
- **Specific measures are set out targeting biodiversity** in the project’s logic model, theory of change and performance measurement framework, as well as documentation and budget; and
- **The project meets one or more of the following areas:**
 - Protection or enhancing ecosystems, species or genetic resources through conservation, or remedying existing environmental damage; or
 - Integration of biodiversity and ecosystem services concerns [providing living spaces for plants and animals & genetic diversity] within recipient countries’ development objectives and economic decision-making, through institution building, capacity development, strengthening the regulatory and policy framework, or research; or
 - Developing countries’ efforts to meet their obligations under the Convention on Biological Diversity.

The identification of eligible project expenditures for the 20% commitment will be derived from the DAC Rio Marker for Biodiversity, at a minimum at the significant purpose level, where

“biodiversity is important, but not one of the fundamental drivers for undertaking the investment. At least one intermediate outcome (and corresponding indicators) should be biodiversity focused.”⁶

2. Situating Nature-Based Solutions in climate finance

The Government has indicated that it is working with the widely recognized definition of nature-based solutions set out by the International Union for the Conservation of Nature:

“Nature-based solutions are actions to protect, sustainably manage and restore natural or modified ecosystems. These solutions address societal challenges effectively and adaptively while providing human well-being and biodiversity benefits.”⁷

⁵ Extracted from Government of Canada, “Canada’s International Climate Finance,” How to Access Funding, Biodiversity Coding Requirements, Eligibility Criteria, accessed August 2022 at <https://www.international.gc.ca/world-monde/funding-financement/climate-developing-countries-climatique-pays-developpement.aspx?lang=eng#a5>.

⁶ See the OECD DAC Rio Convention Policy Markers for Climate at https://www.oecd.org/dac/environment-development/Revised%20climate%20marker%20handbook_FINAL.pdf. Projects that are mainly focused on biodiversity will be marked principal purpose biodiversity: Biodiversity is fundamental in the design and impact of the investment and is an explicit objective of the investment. The investment would have not been undertaken had biodiversity not been an objective. Most (at least 2 out of 3) of the expected intermediate outcomes (and corresponding indicators) should be biodiversity focused.” All eligible biodiversity projects, which are included in the 20% commitment must also be coded principal purpose adaptation or mitigation, under the Rio Markers.

⁷ See ICUN, Nature Based Solutions, accessed August 2022 at <https://www.iucn.org/our-work/nature-based-solutions>.

Nature-based solutions within climate finance are responding to the close inter-relationship between the climate emergency, rapid biodiversity loss, and rising poverty and inequalities. (See **Annex Two** for a diagrammatic representation.) The emphasis in the IUCN approach is on co-benefits, often in the area of adaptation, increasing resilience to climate change, while also working to enhance biodiversity and restore ecosystems, in ways that provide economic, social and cultural benefits to local communities.

Effective nature-based solutions are also very context-specific. A locally-led approach is particularly important to avoid the impacts from maladaptation, which result in unanticipated impacts on peoples' livelihoods or ecosystems. Approaches must therefore be sensitive to complex local realities taking account the mix of local climate change impacts, nature landscapes and the livelihoods of vulnerable and dependent populations. They must include systematic engagement with, and leadership by Indigenous peoples and their organizations. They point to the importance of financing through local partnerships, in which CSOs have considerable advantages.

Nature-based solutions and climate smart agriculture are also inter-related and promote and enhance biodiversity. According to the Convention on Biological Diversity, *agricultural biodiversity* focuses on:

- the ecosystems upon which agriculture is based and which maintain agro-sustainability, including the genetic resources for food and agriculture;
- the biodiversity that supports ecosystem services (nutrient cycle, pest and disease regulation, etc.); and
- socio-economic and cultural dimensions maintained by human activities and management practices in agriculture and food systems.⁸

Global Affairs Canada has indicated that it will support a pluralistic and feminist approach to agricultural biodiversity that will emphasize the sustainable use of biodiversity by all key actors – in particular local communities, and women specifically, who are custodians of agricultural biodiversity and often best placed to implement innovative solutions to steward their ecosystems and enhance their resilience over time.⁹

See **Annex One** for some current resources for further exploration and discussion of the inter-section of nature base solutions and responses to the climate emergency.

3. Indigenous peoples' leading role in protecting biodiversity

Indigenous peoples have a unique relationship with the land and the ecosystems within which they live. Indigenous communities are responsible for taking care of some of the most biodiverse places on the

⁸ See Convention on Biodiversity, "What is Agricultural Biodiversity?," accessed August 2022 at <https://www.cbd.int/agro/whatis.shtml>.

⁹ See Global Affairs Canada, 2022. [Draft] *Guidance Note on Agricultural Biodiversity*. A discussion paper prepared for a dialogue with Canadian CSOs, unpublished, page 2.

planet. Indigenous peoples' knowledge is crucial to resilience of affected socio-ecological systems and the effectiveness of local adaptation, especially in forest contexts.¹⁰

In this context, Indigenous peoples' organizations were key stakeholders in the final negotiations for the Kunming-Montréal Global Biodiversity Framework at COP15. While there was no explicit recognition in the Framework of Indigenous peoples' lands and territories as a separate category of conserved area, there is a recognition of Indigenous peoples' rights to their land in the agreement to conserve 30% of the Earth's land and seas. The Saami Council in Finland and the International Indigenous Forum on Biodiversity's regional coordinator for the Arctic, said the pact is a "major step" for indigenous peoples but "a lot of it is still in the hands of the states."¹¹

In its climate finance, Canada has committed to respect, learn and support Indigenous approaches, focusing on their spiritual, cultural, social and economic connections with lands and resources. Within its \$5.3 billion pledge, a dedicated \$15 million fund has been established to support Canadian Indigenous peoples' international partnerships and a call for proposals was launched and closed in February 2023. But to date (May 2023), no projects have been announced for this aspect of Canada's commitment to nature-based solutions.¹²

4. Measuring the Financing for Nature Based Solutions

Measuring the financial support for the full complexity of nature-based solutions (NbS) is very challenging. In 2021, the UNEP *State of Finance for Nature* Report put forward a broad methodology for determining this financing. This approach made assumptions about the degree of finance for NbS in 16 DAC sector codes and then deployed a coefficient against the ODA recorded for each of these sectors. This method

¹⁰ See International Working Group on Indigenous Affairs, "Recognizing the contributions of Indigenous Peoples in global climate action? An analysis of the IPCC report on Impacts, Adaptation and Vulnerability," March 2022, accessed August 2022 at https://www.iwgia.org/doclink/iwgia-ipcc-briefing-march-2022-eng/eyJ0eXAiOiJKV1QiLCJhbGciOiJIUzI1NiJ9.eyJzdWUiOiJpd2dpYS1pcGnlLWJyaWVmaW5nLW1hcmNoLTlwMjltZW5nliwiaWF0IjoxNjQ4MDM3MTIwLWJleHAiOiJlE2NDgxMjM1MjB9.gUkACpWNfOyboJi4Y5k8Wc3ipP-RY9by-AwO_vmvwzA%22%3Ehttps://www.iwgia.org/doclink/iwgia-ipcc-briefing-march-2022-eng/eyJ0eXAiOiJKV1QiLCJhbGciOiJIUzI1NiJ9.eyJzdWUiOiJpd2dpYS1pcGnlLWJyaWVmaW5nLW1hcmNoLTlwMjltZW5nliwiaWF0IjoxNjQ4MDM3MTIwLWJleHAiOiJlE2NDgxMjM1MjB9.gUkACpWNfOyboJi4Y5k8Wc3ipP-RY9by-AwO_vmvwzA.

¹¹ Jack Graham, "COP15 nature deal hailed as 'major step' for indigenous rights," Context, Reuters Foundation, December 19, 2022, accessed at <https://www.context.news/nature/cop15-nature-deal-hailed-as-major-step-for-indigenous-rights> and the International Indigenous Forum on Biodiversity, "Indigenous Peoples and Local Communities celebrate COP15 deal on nature, and welcome the opportunity of working together with states to implement the framework," December 19, 2022, accessed at <https://iifb-indigenous.org/2022/12/19/indigenous-peoples-and-local-communities-celebrate-cop15-deal-on-nature-and-welcome-the-opportunity-of-working-together-with-states-to-implement-the-framework/>.

¹² See Government of Canada, "Indigenous Peoples' Partnering for Climate," accessed May 2023 at <https://www.international.gc.ca/world-monde/funding-financement/indigenous-partnering-partenarias-autochtones.aspx?lang=eng>.

produces only a crude approximation of donor NbS support as it cannot verify that the resulting coefficient allocations in each of these codes was actually applied to nature-based solutions.

Using this UNEP methodology, the DAC donors directed about US\$3.3 billion towards Nature-Based Solutions in 2019 (2.8% of sector-allocated DAC donors' gross disbursements), with Canada deploying US\$70.3 million (2.2% of Canada's sector-allocated gross disbursements).¹³

A more direct measurement of actual activity relating to support for biodiversity activities is the DAC Rio Marker for biodiversity.¹⁴ This marker is similar to the Rio climate markers. It is distinct from the DAC sector code for biodiversity projects and allows the identification of projects in other relevant sectors. This biodiversity marker can be used to assess a narrower set of activities (than the UNEP methodology) that could relate to nature-based solutions.

5. Canada's Performance in Financing Nature Based Solutions

Canada publishes data in GAC's Historical Projects Data Set (HPDS) using the DAC biodiversity marker. This data also allows a cross-referencing with Canadian support for climate adaptation and mitigation. As noted above, the HPDS's biodiversity marker (significant or principal purpose) will be the basis for assessing the achievement of the policy goal of 20% of the \$5.3 billion in climate finance devoted to nature-based solutions and projects.¹⁵

According to this marker, **Annex Three** sets out 35 projects to date (April 2023) relating to Canada's climate mitigation and adaptation \$5.3 billion pledge that have been marked biodiversity. These commitments total \$942 million, which is 89% of the pledge target of \$1,060 million up to 2025/26. Of this \$942 million, \$641 million (68%) were allocated to adaptation projects.

Of the \$942 million marked biodiversity, \$435 million (46%) are for large projects where biodiversity was a significant purpose, but not all finance for these projects were devoted to this purpose (e.g. Global Environment Facility replenishment, Green Climate Fund, Least Developed Countries Fund). If biodiversity significant purpose were included at 30% for these three project allocations, the total for biodiversity in the \$5.3 billion pledge to date would be \$690 million or 65% of the pledge.¹⁶

¹³ See Brian Tomlinson, *The Reality of Canada's International Climate Finance, 2021: Setting a framework for Canada's \$5.3 billion post-2020 climate finance*, September 2021, page 26 and Annex Three, accessed August 2022 at <http://aidwatchcanada.ca/wp-content/uploads/2021/10/2021-Final-Canada-Climate-Paper.pdf>

¹⁴ OECD DAC, *OECD DAC Rio Markers for Climate: Handbook*, nd, accessed at https://www.oecd.org/dac/environment-development/Revised%20climate%20marker%20handbook_FINAL.pdf and Hani Petri, "Short guide to the use of Rio Markers," June 3, 2021, European Commission, accessed at <https://europa.eu/capacity4dev/public-environment-climate/wiki/short-guide-use-rio-markers>.

¹⁵ The \$5.3 billion policy goal does not specify the methodology for inclusion of significant purpose biodiversity projects. This Briefing Note assumes the same share (30%) that the Government currently applies to significant purpose adaptation or mitigation in its reports on climate finance to the UNFCCC.

¹⁶ There is insufficient information for many of the announced projects to determine which might be principal purpose biodiversity.

Table One summarizes disbursement data for 2019/20, 2020/21 and 2021/22 and compares these disbursements to Canada’s principal purpose climate finance disbursements for these years.

Table One: Total Biodiversity Rio Marker in Canadian Principal Purpose Climate Finance Disbursements, 2019/20 to 2021/22

Disbursements Millions of Cdn Dollars	Biodiversity in Adaptation	Biodiversity in Mitigation	Biodiversity in Total Climate Finance	Biodiversity in Total GAC Disbursements
Biodiversity Principal Purpose				
2019/20	\$1.2	\$54.8	\$56.0	\$58.3
2020/21	\$3.2	\$54.9	\$58.1	\$60.7
2021/22	\$2.5	\$54.8	\$57.3	\$58.3
Biodiversity Significant Purpose (@ 30% of total disbursements)				
2019/20	\$18.5	\$17.3	\$35.8	\$56.4
2020/21	\$95.6	\$12.3	\$107.9	\$156.8
2021/22	\$49.7	\$40.8	\$90.5	\$162.4
Total Biodiversity Marker				
2019/20	\$19.7	\$72.1	\$91.8	\$114.7
2020/21	\$98.8	\$67.2	\$166.0	\$217.5
2021/22	\$65.5	\$95.6	\$161.1	\$220.7
Biodiversity Share of Climate Finance and GAC Total Disbursements				
2019/20	8%	24%	17%	2%
2020/21	20%	10%	14%	3%
2021/22	18%	13%	15%	3%
Three-Year Average	16.5%	14.0%	15.0%	2.7%

Notes: Significant Purpose at 30% of project disbursements for both Biodiversity and Climate Finance.
Total GAC Disbursements are less in-donor refugee expenditures.

Several observations can be highlighted from **Table One**:

- Over the three years, on average, 15% of total climate finance were also marked principal or significant purpose biodiversity, with the share for adaptation 17% and for mitigation 22%. This outcome for the three years (and for 2021/22, the first year of the \$5.3 billion pledge) is three-quarters of the 20% goal set for the \$5.3 billion pledge.
- Almost 3% of GAC total disbursements for all purposes were dedicated to biodiversity, on average, over the three years.
- In 2020/21, significant purpose biodiversity increased dramatically within adaptation at \$95.6 million. This increase is mostly related to two one-off climate initiatives that year – 1) very large Canadian climate loans for the International Fund for Agriculture Development’s (IFAD)

agriculture / adaptation program and 2) support for the Land Degradation Neutrality Fund with the UN Convention on Desertification.

- Approximately 76% of total biodiversity support has been carried out within climate finance projects, either as principal purpose or significant purpose biodiversity over the three years.
- Over the three years, only 41% of all biodiversity support within climate finance is principal purpose biodiversity finance. Of this \$171.4 million in principal purpose biodiversity finance, almost all, \$164.7 million, was directed to Canada's five-year replenishment for the Global Environment Fund (GEF). The Convention on Biological Diversity has designated the GEF as its primary multilateral mechanism for aid to biodiversity. According to a detailed review of biodiversity finance, about 32% (US\$1.3 billion) of the US\$4.2 billion replenishment for the GEF (2018-2022) is dedicated to biodiversity programming.¹⁷ Accordingly, the actual amount for biodiversity in Canada's replenishment is \$52.7 million, not \$164.7 million.

5. Indigenous Peoples' Organizations and Climate Action

The Government's has committed to respect, learn and support Indigenous approaches, particularly through Indigenous peoples' organizations' partnerships through Canada's \$5.3 billion climate pledge. The Partnering for Climate includes a \$15 million allocation for Canadian Indigenous Organizations' partnerships in support of climate action. To date (May 2023) there has been in depth consultations with Indigenous organizations and a call for proposals, for which projects have not yet been announced.

In monitoring this broad commitment, the HPDS identifies "Indigenous Issues" as a policy marker for Canadian ODA. **Table Two** sets out the amounts and share of climate finance (principal purpose) that is also marked "Indigenous Issues," either principal or significant purpose, for 2019/20 to 2021/22. Some highlights include:

- In these three years, there was only one small climate finance project in which Indigenous Issues were the principal focus (\$300,000 for youth programming with Canada World Youth in 2021/22).
- Overall, 13% of climate finance, on average in these three years, were marked as having at least one objective relating to Indigenous Issues, with a large increase in 2021/22 at 20%. More than two-thirds (68%) of Indigenous Issues project disbursements were made through climate finance projects.
- While a small but growing share of total GAC disbursements (2.6% on average over the three years), the value of all projects in GAC marked Indigenous Issues has been increasing over these years, from \$97.5 million in 2019/20 to \$269.5 in 2021/22.

¹⁷ Deutz, A., et. al. 2020. *Financing Nature: Closing the global biodiversity financing gap*. The Paulson Institute, The Nature Conservancy, and the Cornell Atkinson Center for Sustainability, page 170, accessed at https://www.paulsoninstitute.org/wp-content/uploads/2020/10/FINANCING-NATURE_Full-Report_Final-with-endorsements_101420.pdf.

- The increase in 2020/21 and again in 2021/22 is mainly related to the inclusion of climate finance loans to IFAD, which are also marked significant purpose Indigenous Issues, as well as a large project with BRAC in Bangladesh marked significant purpose Indigenous Issues in 2021/22.

Table Two: Total Indigenous Issues Marker in Climate Finance Disbursements, 2019/20 and 2020/21

Millions of Canadian Dollars	2019/20	2020/21	2021/22	Three-Year Average
Indigenous Issues, Principal Purpose, in Climate Finance	\$ --	\$ --	\$0.3	\$ --
Indigenous Issues, Significant Purpose in Climate Finance	\$44.1	\$101.2	\$216.8	\$72.7
Total Indigenous Issues in Climate Finance	\$44.1	\$101.2	\$217.1	\$120.8
Indigenous Issues Share of Climate Finance Disbursements	8.1%	8.8%	20%	13%
Total Indigenous Issues in GAC Disbursements	\$97.5	\$167.3	\$269.5	\$178.1
Indigenous Issues Share of Total GAC Disbursements	1.7%	2.2%	3.7%	2.6%

Note: Significant Purpose at 30% of project disbursements for both Indigenous Issues and Climate Markers
Total GAC Disbursements are less in-donor refugee expenditures.

Annex One

Some current resources for further discussion of nature-based solutions and their financing:

A. Approaches to nature-based solutions

1. Terton, A (2022). **Nature-Based Solutions: An Approach for Joint Implementation of Climate and Biodiversity Commitments**. Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), International Institute for Sustainable Development (IISD), Helmholtz Centre for Environmental Research (UFZ), accessed at <https://www.adaptationcommunity.net/wp-content/uploads/2022/05/03-thematic-paper-NbS-biodiv-climate-implementation-giz-iisd-ufz.pdf>.
Provides an overview of current approaches consistent with nature-based solutions, challenges with NbSs, and core standards for operationalizing nature-based solutions.
2. Hou-Jones, X, Roe, D and Holland, E, (July 2021). **Nature-Based Solutions in Action: Lessons from the Frontline, Harnessing Nature to Address the Triple Emergency of Poverty, Climate Change and Biodiversity Loss**. BOND, a paper produced with substantial contributions from the Climate Action Network UK (CAN-UK) Nature Based Solutions Working Group, accessible at https://www.bond.org.uk/sites/default/files/resource-documents/bond_-_nbs_case_studies_-_v4.pdf
A CSO generated overview of nature-based solutions and their implementation by CSOs, with 13 case studies from BOND members [Cooperation Canada equivalent platform in the UK]. See in particular the summary of challenges and risks associated with Nature Based Solutions (Box 2, page 11) and Key Success Factors (page 56 – 58).
3. Carbon Brief, June 2022. **Explainer: Can climate change and biodiversity loss be tackled together**. Accessed August 2022 at <https://www.carbonbrief.org/explainer-can-climate-change-and-biodiversity-loss-be-tackled-together/>.
A web-based briefing note exploring the relationships between biodiversity loss and climate change.

B. Agriculture and Biodiversity

4. Global Alliance for the Future of Food, December 2021. **The Politics of Knowledge: Understanding the Evidence for Agroecology, Regenerative Approaches, and Indigenous Foodways**. Accessed at <https://futureoffood.org/wp-content/uploads/2021/12/GA-Politics-of-Knowledge.pdf>.
A compendium of evidence related to dynamics, opportunities and challenges in efforts to advance agroecology, regenerative approaches, and impacts of traditional Indigenous foodways on these approaches.
5. Carbon Brief, April 2022. **UN Land Report: Five key take aways for climate change, food systems and biodiversity loss**. Accessed August 2022 at <https://www.carbonbrief.org/un-land-report-five-key-takeaways-for-climate-change-food-systems-and-nature-loss/>.
An overview of the findings of this UN Report for the United Nations Convention to Combat Desertification, focusing on on the rehabilitation, conservation and sustainable management of land and water resources.

6. Global Affairs Canada, 2022. [Draft] **Guidance Note on Agricultural Biodiversity**. A discussion paper prepared for a dialogue with Canadian CSOs, unpublished.

An overview of agriculture biodiversity, a pluralistic feminist perspective, agricultural programming that supports biodiversity outcomes, and tools and indicators for agricultural biodiversity programming. This draft Guidance was subject to a consultation with Canadian CSOs in 2022, but is not yet available as a public resource.

C. Financing Biodiversity and Nature-Based Solutions

7. Deutz, A., Heal, G. M., Niu, R., Swanson, E., Townshend, T., Zhu, L., Delmar, A., Meghji, A., Sethi, S. A., and Tobin-de 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, accessed at <https://www.paulsoninstitute.org/wp-content/uploads/2020/10/FINANCING-NATURE-Full-Report-Final-with-endorsements-101420.pdf>.

A major report with a detailed analysis of the economic case for protecting nature and addressing biodiversity loss as well as an estimate and analysis of the biodiversity financing gap, setting out nine policy and financing mechanisms to address this gap, including ODA. The context is the work in developing the resource mobilization strategy for the Post-2020 Biodiversity Framework that will be agreed to at the 15th Conference of the Parties (COP15) of the UN Convention on Biological Diversity (CBD) in Montreal in December 2022.

8. Ivo Mulder, Aurelia Blin, Justin Adams, Teresa Hartmann, Danielle Carreira, Mark Schauer, Waltraud Ederer, Robin Smale, Mateo Salazar, and Marta Simonetti, 2021. **The State of Finance for Nature: Tripling investment in nature-based solutions by 2030**. UN Environment Program, accessed at <https://www.unep.org/resources/state-finance-nature>.

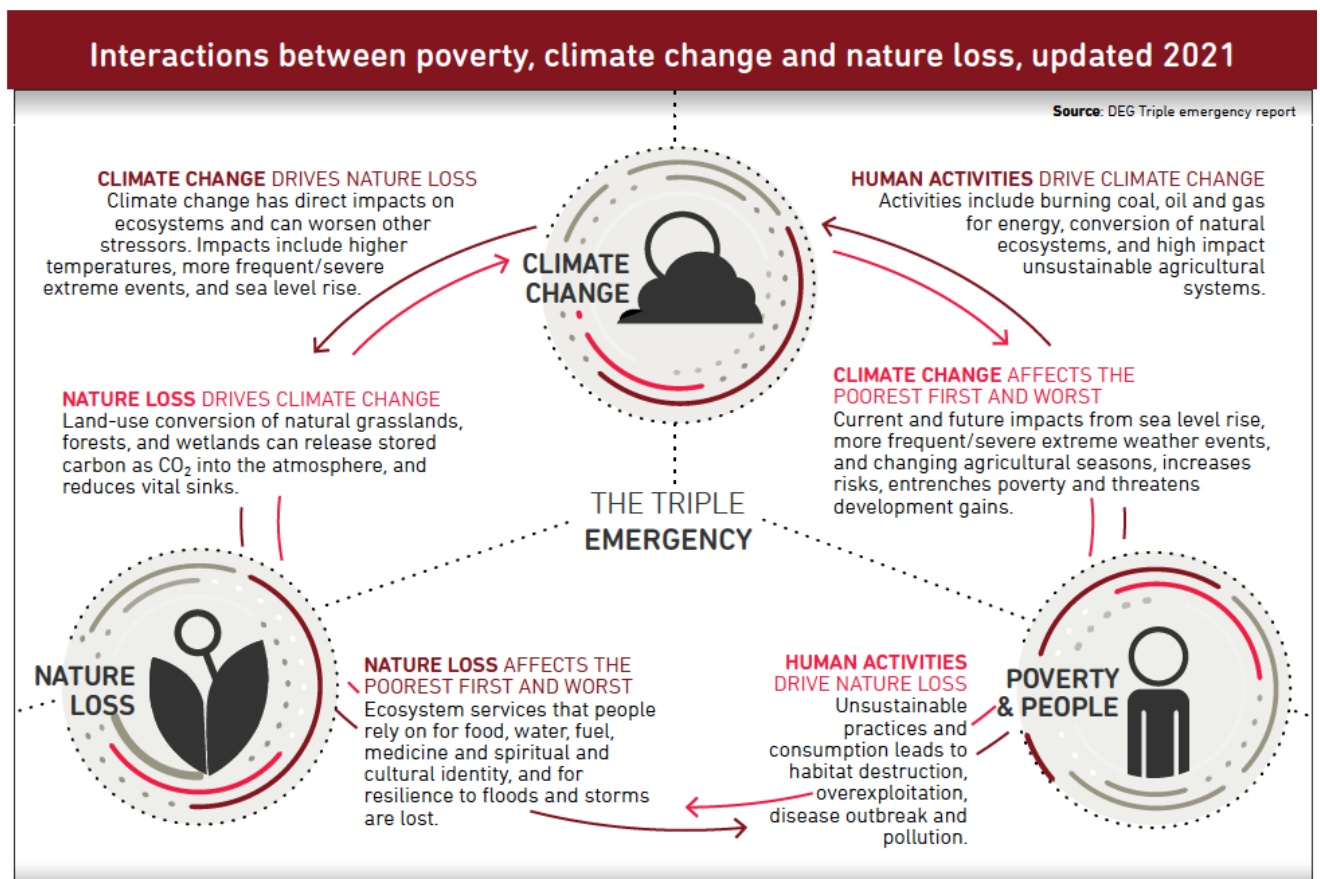
The State of Finance of Nature tracks global trends in public and private investment in nature-based solutions, aiming to improve data quality and identify opportunities for governments, businesses and financiers. The Report describes the complexity of determining both targets for nature-based solutions and assessing current finance, while proposing a broad sector methodology to determining this finance.

**Annex Two
Nature-Based Solutions**

A Diagrammatic Representation of the linkages between climate change, nature loss and poverty and people.

Source (with permission): Catherine Pettengel, Addressing the Triple Emergency: Poverty, Climate Change and Environmental Degradation, Bond Development and Environment Group Report, April 2020, accessed at https://www.bond.org.uk/sites/default/files/resource-documents/bond_addressing_the_triple_emergency.pdf.

FIGURE 1- INTERACTIONS BETWEEN POVERTY, CLIMATE CHANGE AND NATURE LOSS (SOURCE: DEG TRIPLE EMERGENCY REPORT, DIAGRAM UPDATED 2021)



Annex Three
Canada's \$5.3 Billion Climate Pledge: Nature Based Solutions Projects (April 2023)

A. Mitigation Projects

Millions of Current Canadian Dollars

Global Environment Facility	GEF	\$74.0
Scaling up Nature-Based Leadership Platforms	International Model Forest Network	\$18.7
Green Climate Fund	Green Climate Fund	\$167.5
GEF 8th Replenishment	Global Environment Fund	\$59.1
Enhancing Climate Resilience of Biodiversity Hot Spots in Jordan	International Union of Conservation of Nature	\$7.0
Promoting Improved Climate Change Governance through the Implementation of Nature-Based Solutions in Latin America and the Caribbean	Inter-American Development Bank	\$2.5

Total Mitigation Nature Based Solutions: \$328.8 million

B. Adaptation Projects

Millions of Current Canadian Dollars

Least Developed Countries Fund	Global Environmental Facility	\$37.5
Phase I and II of Ocean Risk and Resilience Action Plan	Stockholm Resilience Centre (Stockholm University)	\$9.0
Global Fund for Coral Reefs	United Nations Multi-Partner Trust Fund Office	\$6.0
Partnering for Climate	Global Affairs Canada	\$315.0
Consultative Group on International Agricultural Research (CGIAR)	CGIAR or World Bank Trust Fund for CGIAR	\$27.5
On-Air for Gender-Inclusive Nature-based Climate Solutions	Farm Radio International	\$10.9
Nature-Based Climate Solutions Knowledge and Capacity Initiative	International Institute for Sustainable Development	\$1.0
Biodiversity Finance Initiative (BIOFIN)	UNDP	\$10.0
Flood Impacts, Carbon Pricing and Ecosystem Sustainability (Indonesia)	University of Waterloo	\$15.0
Accelerating Green and Climate Finance in the Philippines	UNDP	\$4.5
Climate Smart Agriculture and Agro-biodiversity in Old and New Lands of Upper and Lower Egypt	FAO	\$10.0
Green Climate Fund	Green Climate Fund	\$82.5
GEF 8th Replenishment	Global Environment Fund	\$14.8
Women and Youth in Action for Sustainable Ecosystems	SOCODEVI and Viridis Terra Innovation Inc.	\$25.0

Enhancing Eco-systems and Coastal Protection for Climate Change Resilience in the Caribbean	CARICOM: Caribbean Community Climate Change Centre (CCCCC)	\$12.0
Scaling up Investments in Nature-Based Solutions	Global Center on Adaptation	\$10.0
Moroccan Forest Strategy / Resilient women of the Middle Atlas Project	Société de coopération pour le développement international (SOCODEVI)	\$10.0
Caribbean Organizations for a Resilient Environment (CORE) Project	Caribbean Biodiversity Fund	\$8.0
Promoting Improved Climate Change Governance through the Implementation of Nature-Based Solutions in Latin America and the Caribbean	Inter-American Development Bank	\$2.5
Nature-Based Solutions for Climate Adaptation: Monitoring and Impact project	International Union for the Conservation of Nature (IUCN)	\$3.0

Total Adaptation Nature Based Solutions: \$614.1 million

Total Nature Based Solutions: \$943.0 million (89% of target)

Nature Based Solutions Target (20%): \$1,060 million