

Proteus Partners update: Nature @UNFCCC COP27

The 27th Conference of the Parties to the UN Framework Convention on Climate Change (UNFCCC COP27) took place in Sharm el-Sheikh, Egypt, from 6-20 November 2022. The conference was originally scheduled to finish on 18 November, but negotiations ran over by two days. The focus was on implementation, including around reducing emissions, climate change adaptation, securing technical support, and finance. Attention to nature has been increasing in climate COPs. This trend accelerated in COP27, for example with a thematic day on biodiversity designated by the Egyptian Presidency and strong references to the links between addressing climate change and biodiversity loss in the [overarching decision](#). This document summarises headline outcomes from COP27, focussing on nature linkages and implications for Proteus Partners.

COP27 headline outcomes

Two issues predominated much of the COP27 discussion, 'loss and damage' and progress towards the global target to limit temperature rise to 1.5 degrees Celsius above pre-industrial levels:

- **Loss and damage:** An agreement was reached to create a new fund for countries most affected by climate change. Pay-outs are intended to support responses to impacts that cannot be avoided without adequate climate change mitigation, such as extreme weather events and sea level rise. Details around who will pay into, who can benefit, and the overall functioning of the fund remain to be determined. Parties agreed to establish a transitional committee to make recommendations on how to operationalise the fund at COP28 (which will be held in the United Arab Emirates in late 2023).
- **Global temperature target:** The 1.5°C target was reaffirmed through COP27, but concerns remain that commitments to limit warming are insufficient. For example, a proposal around phasing out all fossil fuels (strengthening the COP26 decision on phasing down use of coal) was not adopted. The COP27 text references "low emission and renewable energy" which can be perceived as weakening the previous text and potentially allowing more use of natural gas. Some commentators have drawn links between the lack of progress and the large number of delegates linked to fossil fuels in attendance.

Nature at COP27

UNFCCC COP27 shortly preceded the fifteenth meeting of the Conference of the Parties to the Convention on Biological Diversity (CBD COP15), where it is anticipated the final decision on the post-2020 global biodiversity framework will be taken. While CBD COP15 was not specifically referenced in the [Sharm el-Sheikh Implementation Plan](#), nature featured heavily at COP27. The Egyptian Presidency has placed long-standing emphasis on the connections between the UNFCCC and CBD, Executive Secretaries from both Conventions participated in discussions, and notable input was made from state representatives on the connections between the biodiversity and climate crises. Key outcomes from COP27 related to nature include:

- **Progress towards linking nature and climate through implementation:** The COP26 [Glasgow Climate Pact](#) established a strong link between nature and climate by emphasising the importance of nature for achieving the 1.5°C temperature goal. The COP27 text strengthened this further by underlining *"the urgent need to address, in a comprehensive and synergistic manner, the interlinked global crises of climate change and biodiversity loss..."* placing emphasis on implementation and the importance of transitioning to a net zero future that also considers positive outcomes for nature.

- **Promoting nature's role in climate adaptation:** The COP27 text encouraged parties to consider nature-based solutions and ecosystem-based approaches in climate change mitigation and adaptation. These approaches present opportunities for adaptation finance (also a big focus in COP27) to achieve multiple benefits. Reference to nature-based solutions in the UNFCCC Decision is likely to increase attention elsewhere, including at CBD COP15. Sustainable land use was another major topic at COP27, where nature-based solutions and ecosystem-based approaches can be used to address linked issues of climate change, biodiversity loss and food security.
- **Mobilising and aligning finance with the Convention objectives** was a key topic through COP27, including ensuring finance is directed into developing countries and driving market shifts to clean energy. Analogous discussions are expected in CBD COP15 with the draft post-2020 global biodiversity framework target 18 addressing environmentally harmful subsidies and a dedicated [finance day](#) in the Presidency agenda. COP27 Decisions acknowledged that non-state actors (e.g. businesses) can contribute finance towards the Convention objectives, and it is expected that the private sector may contribute to filling financing gaps, for example in climate change adaptation.
- **Numerous national and multi-country initiatives were announced**, including with strong climate-nature linkages. Examples include the [Forest and Climate Leaders' Partnership](#) to boost action towards halting and reversing forest loss and land degradation by 2030, binding [EU targets for natural carbon sinks](#), the [ENACT Initiative for Nature-based Solutions](#), the [USA's nature-based solutions roadmap](#), Brazil renewing its commitment to protection of the Amazon rainforest, and the USA and China publicly committing to resume cooperation on climate change.

Nature also featured heavily through pavilions and side events at COP27, reinforced by the thematic day on biodiversity. Discussions here were progressive, involving perspectives from government representatives, financial institutions (multilateral and private), businesses, indigenous peoples and local communities, academics, and a strong voice from youth. There was considerable attention on topics such as nature-based solutions, biodiversity credits and markets, and nature-positive business and finance. As is usual, discussions in side-events moved ahead of topics in official negotiations but may indicate the direction of travel for future COPs. They also inspire outcomes beyond the exact wording of agreed text. COP27 saw unprecedented attendance from the private sector, and the same is expected at CBD COP15. This alone indicates the key role that the business and finance communities will play in the net zero and nature-positive transitions.

Partners looking to engage further on global nature policy can consider:

- Advocating for the adoption of a strong post-2020 global biodiversity framework at CBD COP15, for example through [Business for Nature's COP15 business advocacy campaign](#).
- Attending CBD COP15 in December 2022 and engaging in events such as the Business and Finance Focus Days, [Business and Biodiversity Forum](#), [Finance Day](#), Business and Finance Hub, Nature Positive pavilion, and offsite business-relevant sessions*.
- Investigating the resources under the [Policy & Regulation](#) section of the Proteus website and considering how to apply insights in their businesses.

*Stacey Baggaley and Matt Jones from the Proteus team will be at CBD COP15 and happy to help Proteus Partners engage effectively.

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