ISSUES BRIEF

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NATURE-BASED RECOVERY

- Governments are drawing up plans to support economic recovery in response to the COVID-19 pandemic.
- Nature and biodiversity are mostly neglected in existing stimulus packages.
- Globally, economic stimulus funding that is harming nature exceeds that benefiting it.
- Unless stimulus is redirected to nature, recovery investments risk exacerbating the biodiversity and climate crises and ultimately damaging economies.
- To prevent this, governments should ensure that economic investment in response to COVID-19 does no additional harm to nature, and direct at least 10% of the overall recovery investment to protecting and restoring nature.

What is the issue?

The COVID-19 pandemic caused the global economy to shrink by an estimated 3.5% in 2020. 8.8% of global working hours were lost, equivalent to 255 million full-time jobs, and severe long-term economic consequences are predicted. **Governments are allocating funds to recover their economies from the pandemic.**

Global fiscal support to stimulate and recover economies has reached USD 16.7 trillion (April 2021). Fiscal policy actions have concentrated in advanced economies but are constrained by financing in many developing countries.

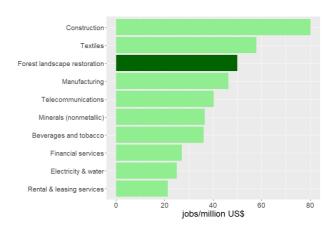
Nature has been largely neglected in existing stimulus packages, even though nature supports the majority of global GDP and the processes that provide humanity with clean air, food, and water. So far, only USD 56 billion of spending is directed towards natural capital measures (UNEP). Moreover, stimulus with harmful effects on the environment exceeds that with beneficial effects on nature.

Unless much more stimulus is redirected to initiatives that protect and restore nature, recovery investments risk exacerbating the biodiversity and climate crises and so ultimately undermining economies in the future.

Over half (55%) of global GDP depends on healthy ecosystems but unsustainable economic activity is driving nature loss faster than ever before. This degradation of nature puts economies at risk. Changes in crop supplies caused by the decline in pollinating insects alone, for instance, could result in an annual net loss of USD 191 billion globally.

Why is this important?

Nature is a source of economic prosperity for many countries, especially those that rely heavily upon it for resources and production. Investment in nature can create jobs, aid economic recovery, bring economic benefits for society, and support nature-based solutions to global goals. Nature, for example, increases the resilience of countries to climate change, helps reduce the risk of disasters, protects human health, and improves water and food security.



El Salvador: comparison of job creation per USD 1 million injected into various industries (Source: IUCN)

Investment in nature provides effective policy options to **create jobs** and support socio-economic development. For example, IUCN found that forest landscape restoration in El Salvador created approximately 50 jobs per USD 1 million invested in ecosystem restoration. This is more jobs than were created by a similar investment in the manufacturing sector amongst others, and these jobs were concentrated in **rural and low-income areas**.

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Unlike many other sectors, the benefits of these jobs can support those who the pandemic has hit hardest. For example, the jobs created from Rwanda's efforts to restore forests under the Bonn Challenge accrued roughly equally between women and men, with women gaining 49% of the short-term jobs and 46% of the long-term jobs.

This is important because worldwide women are over-represented in informal and vulnerable employment that has been particularly impacted by the pandemic.



Community restoration projects support the Rwanda government's pledge to restore two million hectares as part of the Bonn Challenge. © IUCN

In addition to creating more than 60,000 jobs planting trees to support **unemployed workers** due to the pandemic, Pakistan has created about 5,000 jobs specifically for **young people** through projects to expand protected area coverage and list national parks on the <u>IUCN Green List of Protected and Conserved Areas</u>.

To mitigate the expansion of the Sahara Desert, the Great Green Wall Initiative aims to provide food security for 20 million people, create 350,000 jobs and sequester 250 million tonnes of carbon by 2030.

The Initiative, a partnership of 21 African countries and international organisations, restored approximately 18 million hectares of land, created over 350,000 jobs, and generated around USD 90 million between 2007 and 2018.

What can be done?

Governments should ensure that investment to aid economic recovery does no additional harm to nature and livelihoods.

Furthermore at least 10% of the total global recovery investment should be directed to

initiatives that protect and restore nature. This in addition to other 'green' stimulus spending with broader, indirect environmental benefits.

Projects which governments might direct stimulus to include: restoring ecosystems such as forests, wetlands and mangroves; expanding protected areas; implementing sustainable agricultural and land management practices.

Alongside creating jobs, these projects simultaneously allow governments to address other societal challenges. Ecosystem restoration to mitigate climate change, for example, could count towards Nationally Determined Contributions (NDCs) under the Paris Agreement. Actors and investors should consider the IUCN Global Standard for Nature-based Solutions throughout project design and implementation.

The economic impact of the pandemic varies considerably around the world. Fiscal distress due to debt has increased, often affecting countries with a high number of threatened species. Programmes of debt relief and restructure offer another opportunity to invest in nature conservation.

Cross-referencing data from the <u>IUCN Red List of</u>
<u>Threatened Species™</u> with measures of debt distress and potential for nature-based solutions for climate change shows countries in urgent need of assistance to overcome the triple crises of economy, nature, and climate. Several countries in **Africa, Southeast Asia, and South America** emerge as priorities.

The new Species Threat Abatement and Restoration (STAR) metric, co-created by IUCN, will help quantify the benefits of specific actions in specific places for global biodiversity.

Where can I get more information?

IUCN Nature-based Recovery Initiative: iucn.org/nature-based-recovery-initiative

IUCN Global Standard for Nature-based Solutions: https://doi.org/10.2305/IUCN.CH.2020.08.en

Species Threat Abatement and Restoration (STAR) metric: <u>iucn.org/resources/conservation-tools/species-threat-abatement-and-restoration-star-metric</u>

IUCN COVID-19 resources: iucn.org/resources/covid-19-resources

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