

Virtual conference
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Environmental Risks and the Insurance Industry: Stepping up actions

23 June 2021, 14:00–16:30 CEST / 8:00–10:30 EDT



Sir Robert Watson

Former Chair, Intergovernmental Panel on Climate Change (IPCC), and

Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES)



Making Peace with Nature

A scientific blueprint to tackle the climate, biodiversity and pollution emergencies

Environmental Risks Conference

23 June 2021

Bob Watson

MAKING PEACE WITH NATURE

Transforming nature
puts human well-being at risk

Transforming humankind's
relationship with nature is the
key to a sustainable future

HUMAN DEVELOPMENT (1970–2020):

- ▶ The economy has grown nearly fivefold and trade tenfold
- ▶ Human population has doubled to 7.8 billion
- ▶ Still, 1.3 billion people are poor and 700 million hungry

DISPOSALS OF WASTE MATTER:

- ▶ Greenhouse gas emissions have doubled
- ▶ Chemical production, waste and pollution have increased

USE OF SPACE AND RESOURCES:

- ▶ Resource use has tripled
- ▶ Humans impact 3/4 of ice-free land and 2/3 of oceans

HUMAN DEVELOPMENT (from 2020):

- ▶ Sustainable economic and financial systems
- ▶ Healthy nutritious food and clean water and energy
- ▶ Healthy lives and well-being for all in safe cities and settlements

DISPOSALS OF WASTE MATTER:

- ▶ Net-zero carbon dioxide emissions by 2050
- ▶ Management of chemicals, waste and pollution

USE OF SPACE AND RESOURCES:

- ▶ Recycling of resources
- ▶ Protection and sustainable use of land and oceans

Earth's capacities to

- ▶ support life
- ▶ provide resources
- ▶ absorb waste matter

**ARE DEGRADED
AND SURPASSED**

RISK to:

Livelihoods, equity, health, economic development, peace, food, water, sanitation, safe cities and settlements

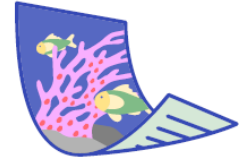
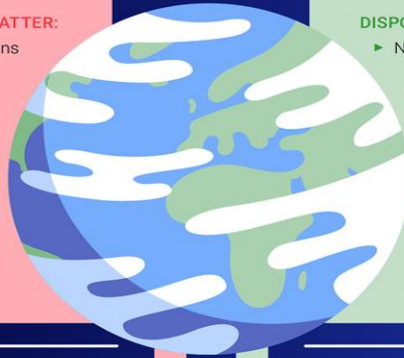
Earth's capacities to

- ▶ support life
- ▶ provide resources
- ▶ absorb waste matter

**ARE RESTORED
AND ADAPTED TO**

SUPPORT for:

Poverty elimination, equity, health, economic development, peace, food, water, sanitation, safe cities and settlements



Environmental emergencies are intertwined

The Earth's climate has already warmed more than 1°C

Biodiversity is being lost at an unprecedented rate

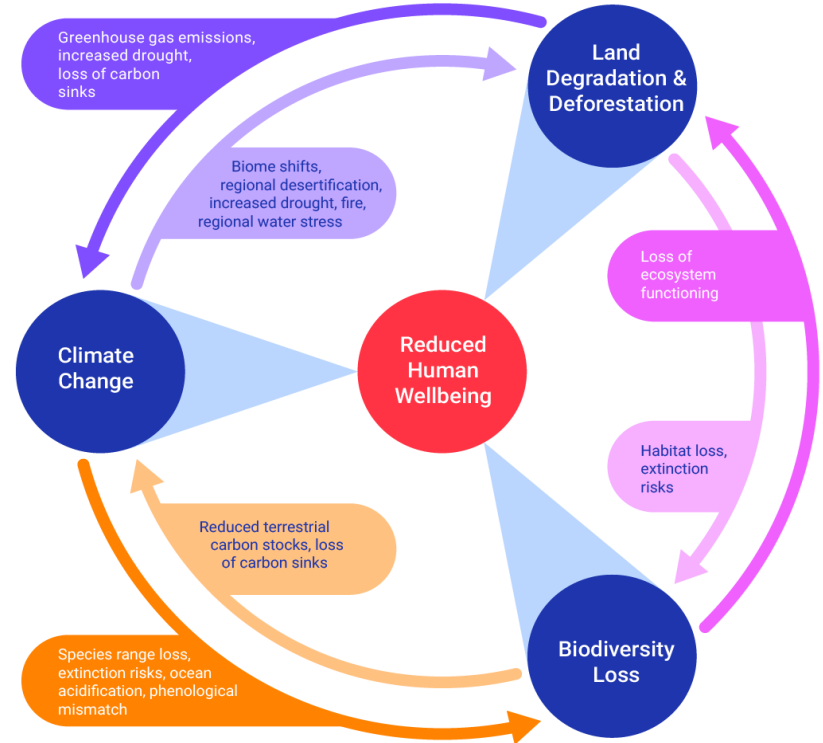
Earth's environmental emergencies and development challenges need to be addressed together to achieve sustainability

International environmental agreements need to be aligned and become more mutually supportive

All actors have a role to play, especially governments and the financial sector

The G7 Communique recognised the importance of addressing these issues together

The interactions between climate change, land use and biodiversity



Closing the greenhouse gas emissions gap

CO₂ emissions need to be:

- reduced by 45% by 2030
- net zero by 2050

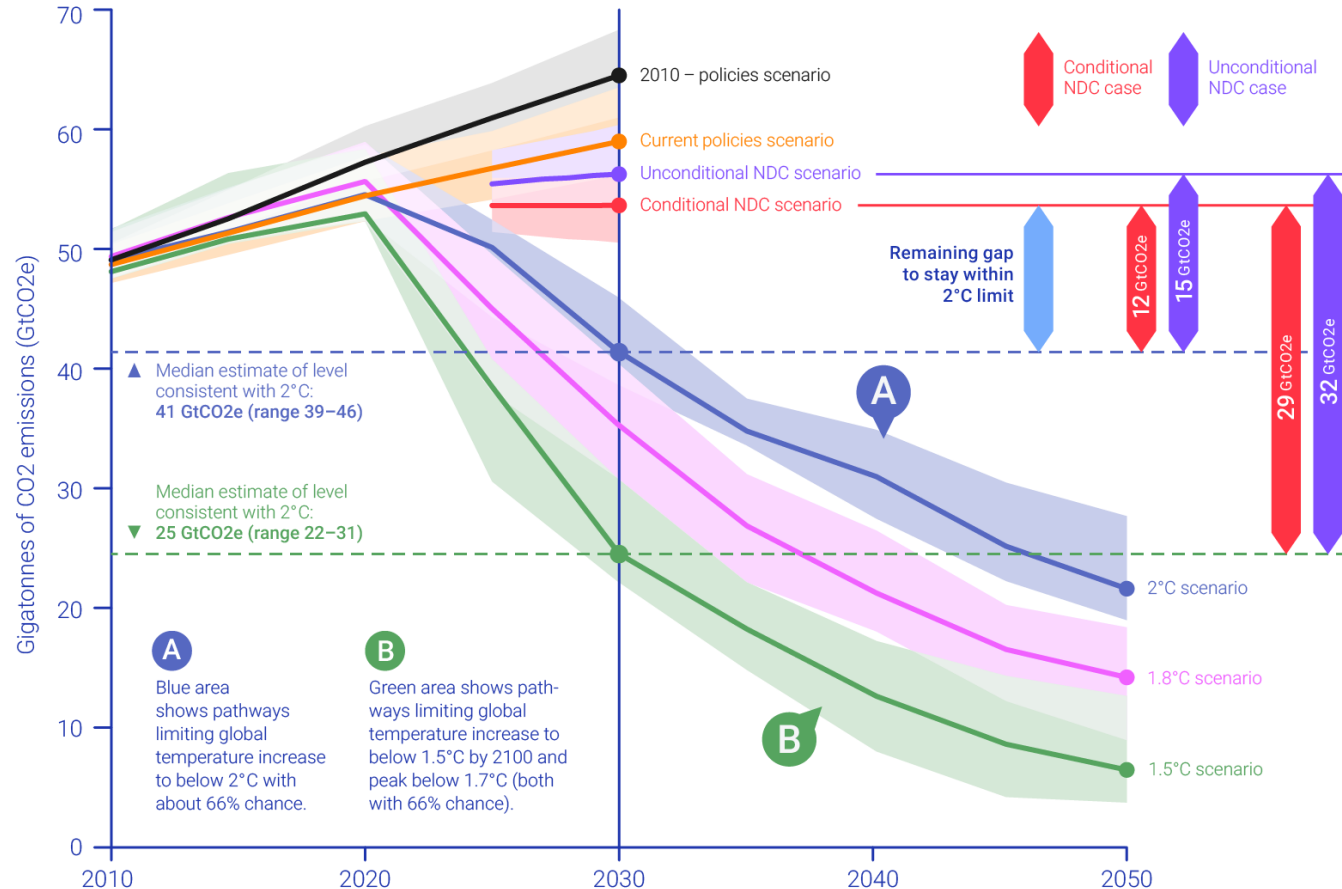
to limit global warming to 1.5°C

- reduced by 25% by 2030
- reach net zero by around 2070

to limit warming to 2°C

We are currently on a pathway to 3–4°C warming

The key issue is NOT net-zero emissions by mid-century but emission reduction between now and 2030. We need to rapidly decarbonise



Protecting and restoring life on Earth

Address drivers of biodiversity loss, e.g.:

- changing land and sea use
- over-exploitation
- climate change
- pollution
- invasive alien species

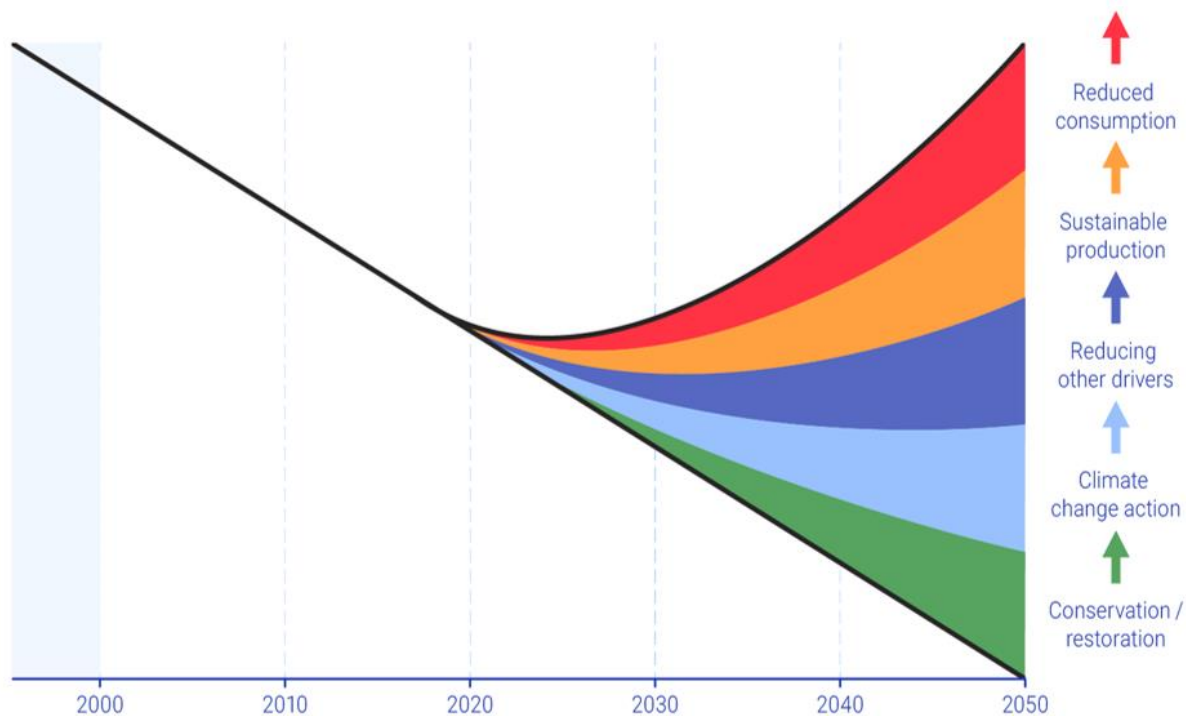
We need to:

- provide space dedicated to nature – well designed and managed protected areas

- protect and restore biodiversity. This requires investing in nature.

Appropriate nature-based solutions are beneficial for biodiversity, climate change and the SDGs, but care must be taken to avoid unintended consequences

Aligned actions for protecting and restoring life on Earth



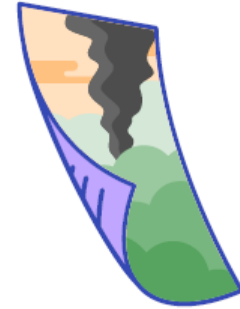
Transformed economic, financial and productive systems can lead and power the shift to sustainability

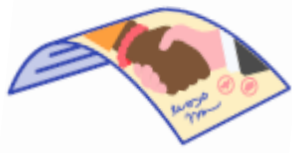
Society needs to include natural capital in decision-making, eliminate environmentally harmful subsidies, internalise externalities, embrace a circular economy, and invest in the transition to a sustainable future

Food, water and energy systems can and should be transformed to meet growing human needs in an equitable, resilient and environmentally friendly manner

Biodiversity, climate and other environmental finance could be ramped up by redirecting some of the direct and indirect subsidies to fossil fuels, agriculture, fisheries and transport

Keeping the planet healthy is key to achieving the SDGs

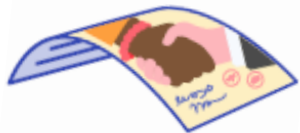




Selected key messages for the finance sector (1)

1. Address Earth's environmental emergencies and human well-being together

- a) Disclose climate-related financial risk and the use of natural resources, and their environmental impact.
- b) Align lending to the global net-zero carbon emissions objective with immediate decarbonisation of portfolios.
- c) Increase the share of adaptation and resilience finance to at least 50% that of climate finance to support activities such as early warning systems, and climate-resilient infrastructure and agriculture.
- d) Develop and promote innovative financing mechanisms for the conservation and restoration of biodiversity, including through payments for ecosystem services.
- e) Support the expansion and better management of protected areas and other effective area-based conservation measures.
- f) Support One Health and disease prevention initiatives and strategies to meet WHO guidelines for air pollutants.
- g) Support health research, especially in developing countries.



Selected key messages for the finance sector (2)

2. Transform economic, financial and productive systems

- a) Promote and use natural capital accounting and inclusive wealth in decision-making.
- b) Promote the internalisation of externalities in prices and a circular economy.
- c) Promote the elimination of environmentally harmful subsidies.
- d) Facilitate carbon trading, schemes for offsetting nature and payments for ecosystem services.
- e) Develop environmental and social risk registers for all financial transactions.
- f) Facilitate a major shift away from investments in environmentally unsustainable activities and toward economic activities that enhance the stock of natural assets.
- g) Fund the transition to a circular, green and low-carbon economy.
- h) Fund programmes that improve access to affordable and nutritious food, clean energy and safe water for all.
 - i) Finance sustainable intensification and ecological intensification of agriculture and sustainable fisheries.
 - j) Stop supporting unsustainable activities such as deforestation.
 - k) Advance the use of agricultural, forestry, aquaculture and fisheries certification standards and labelling. Encourage healthy diets and reductions in food, water and energy waste.
 - l) Finance low-carbon energy production and use.

#PeacewithNature

Information, resources and contacts:

<https://www.unep.org/resources/making-peace-nature>

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Norwegian Ministry
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