

CBD COP17 | YEREVAN, ARMENIA

CONCEPT NOTE

Financing Nature with Integrity

Building High-Integrity Biodiversity Credit Markets for the Global South

The proposition

Biodiversity finance should pay for measurable ecological change through financing structures that are rights-aware, investable, independently verifiable and capable of returning value to the people who steward biodiversity-rich landscapes.

This session focuses on the missing implementation architecture between biodiversity ambition and credible finance.

DATE 22 October 2026	TIME 17:45-19:15	VENUE Main Stage COP17 Green Zone	FORMAT 90-minute high- level dialogue
ORGANISER TERI	COLLABORATION Value Network Ventures	FOCUS People, biodiversity, finance	ALIGNMENT KMGBF Target 19

People | Nature | Finance | Evidence | Integrity

01 Background and purpose

THE IMPLEMENTATION GAP

The Kunming-Montreal Global Biodiversity Framework has placed resource mobilisation at the centre of implementation. Target 19 recognises public and private finance, blended finance, payment for ecosystem services and biodiversity credits. Yet the challenge is not simply about how much capital can be mobilised, but whether that capital can be deployed through a financial architecture that connects it to interventions that are ecologically credible, financially workable and socially legitimate, **allowing it to bear the right risks, and ultimately be rewarded for measurable ecological outcomes.**

Across conservation and restoration projects, the missing middle is often project architecture. Baselines may be weak or non-spatial, rights and resource-use arrangements may be unresolved, project preparation and monitoring costs are not fully financed, outcome metrics are disconnected from cash-flow needs, and benefit-sharing is designed only after financial value emerges. **These gaps create risk for communities, investors and biodiversity outcomes alike.**

Biodiversity credits can reward verified performance, but they cannot substitute for public biodiversity expenditure, regulation, local institutions or long-term stewardship. A credible credit or outcome payment should sit at the end of a defined pathway: a measurable ecological outcome, a clear rights and governance basis, a financing structure that supports implementation, and evidence strong enough to support the claim being made. **The important question then becomes: How can verified biodiversity outcomes become a basis for mobilising private capital to finance conservation and restoration activities?**

Why this matters in the Global South

Many biodiversity-rich areas are also working landscapes. Farmers, forest-dependent communities, pastoralists and Indigenous Peoples may bear the opportunity costs of conservation while financial value is captured elsewhere. Biodiversity finance therefore has to make stewardship economically viable at landscape level. That requires explicit rights, predictable incentives, transparent benefit-sharing and monitoring systems that local institutions can participate in and trust.

Session objectives

Outcome integrity: Define what ecological change is being financed, compared with what baseline, and what evidence is required to demonstrate it.

Financing architecture: Explore how enabling, implementation and outcome-linked capital can be sequenced so projects can start before credits are generated.

Risk & Return: Examine how private capital can assume upfront implementation and performance risk, and how outcome payments or biodiversity credits can provide an appropriate risk-adjusted return when agreed outcomes are achieved.

People and rights: Place tenure, participation, local institutions and benefit-sharing inside project design before financial value is created.

MRV and assurance: Identify how ecological science, geospatial evidence, field monitoring and community information can support credible verification and claims.

Governance and scale: Clarify the roles of government, standards, registries, finance institutions, project developers, verifiers and local institutions.

Session thesis: Finance should follow a measurable nature outcome and a credible implementation pathway. It should not begin with a tradable unit.

02 Proposed solution: a People-Nature-Finance Architecture

1. Nature outcome and spatial baseline. Define the ecological problem, reference condition, pressures and intended outcome before choosing a financing instrument. Use spatially explicit baselines so intervention areas, leakage risks and ecological context are visible.

2. People, rights and benefit-sharing. Map tenure, resource use, rights and dependencies at project inception. Establish participation, consent where applicable, grievance mechanisms, local governance roles and benefit-sharing before financial value is generated.

3. Financing stack matched to project stage. Separate enabling capital from implementation capital and outcome-linked payments. Use public or grant finance for enabling conditions, concessional capital for de-risking, private or impact capital for implementation, and verified outcome payments or credits where appropriate.

4. Integrated MRV and evidence. Combine ecological field observations, habitat and species indicators, remote sensing, GIS, historical land-use information and community-generated data. MRV should demonstrate ecological performance and the integrity of implementation.

Unlike carbon, biodiversity does not have a universally interchangeable accounting unit. Measurement should therefore be based on ecosystem-specific indicators reflecting habitat condition, species diversity and abundance, ecological functionality and landscape connectivity. Composite indices or biodiversity gain units may support quantification within defined methodologies, but comparability must not be assumed across ecosystems.

5. Governance, verification and claims. Set explicit rules for additionality, leakage, durability, ownership, registry tracking, independent verification, claims and benefit distribution. Every market claim should be traceable to evidence and to a clear right to make that claim.

Implementation pathway

Landscape diagnosis > Ecological and social baseline > Rights and governance > Intervention design > Financing architecture > MRV and assurance > Verified outcome finance > Claims, benefit distribution and durability

03 Discussion framework and expected outcomes

Five questions the session will test

Integrity: What minimum ecological and implementation evidence should be required before an outcome can support a biodiversity credit or outcome payment?

Finance: How should public, concessional and private capital be layered so that project preparation and implementation can begin before verified outcomes are available?

People: How should local stewards participate in governance, monitoring and financial value creation, and how should stewardship costs and benefits be recognised?

Measurement: How can ecological science, geospatial MRV and local knowledge demonstrate change without forcing biodiversity into one universal metric?

Scale: What institutional, registry and assurance infrastructure is needed to move from isolated pilots to credible finance at landscape scale?

Expected outcomes from the session

- A common set of integrity conditions linking ecological outcomes, rights, finance, MRV and claims.
- A practical financing sequence distinguishing enabling capital, risk-bearing private capital, and verified outcome payments.
- A clearer model for private sector participation, including how upfront risk can be compensated through outcome-linked returns.
- Clear expectations for participation, safeguards, benefit-sharing and the role of local institutions in biodiversity-finance projects
- A workable MRV and assurance logic that connects spatial evidence, ecological indicators, field monitoring and independent verification.
- Implementation priorities for scaling high-integrity biodiversity finance across Global South landscapes.

KMGBF relevance

The session aligns primarily with Target 19 on biodiversity resource mobilisation, particularly through private and blended finance, biodiversity credits, payments for ecosystem services, and equitable benefit-sharing mechanisms supported by environmental and social safeguards. It further contributes to Target 20 through scientific and technical capacity-building for biodiversity assessment and monitoring; Target 21 through improved access to biodiversity data and evidence-based decision-making; and Target 22 by promoting inclusive participation, community rights, equitable engagement and access to information.

Central message: Biodiversity finance is credible when every financial claim can be traced to measurable ecological change, a clear right to act, a transparent flow of value and evidence that can withstand independent scrutiny.

04 Session format and indicative flow

Session format

The session will combine a short strategic opening, a technical context-setting presentation, a short presentation on financing mechanisms, a moderated high-level panel and an audience dialogue. The format is designed to avoid a sequence of standalone speeches. Instead, each segment will test a specific part of the implementation architecture and build toward a concise set of practical takeaways.

Perspectives to be represented in the panel

National biodiversity governance and safeguards | biodiversity finance and investment | standards, market integrity and verification | community-led conservation and landscape implementation

Proposed flow

TIME	SEGMENT	PURPOSE
17:45-17:50	Opening remarks and strategic framing Dr J. V. Sharma, Senior Director, Land Resource Division, TERI	Why biodiversity finance needs an implementation architecture
17:50-18:02	Technical context setting Presenter: Sayanta Ghosh, Senior Associate Fellow, TERI	Making Biodiversity Finance Investable: Connecting Ecological Outcomes, People, Capital and MRV
18:02 – 18:10	Financing Outcomes Presenter: Shreya Dutta, Head of Programs, VNV	Nature that Delivers: Creating a Results-Based Financing Mechanism
18:10-18:55	High-level panel - Chair: Dr. B. Balaji, IFS, Member-Secretary, NBA, Govt. of India - Moderator: Shreya Dutta, Head of Programs, VNV Panellists: - Gaurav Gupta Senior Advisor & Blended Finance Lead, UNDP BIOFIN - Smriti Harueanphuech Chief Nature Based	Move biodiversity finance from promise to practice: define what constitutes credible ecological gain, who bears investment risk, who benefits, and what makes outcomes financeable.

TIME	SEGMENT	PURPOSE
	Solutions Officer, Mae Fah Luang Foundation, Thailand • Vishaish Uppal Senior Director, Governance, Law and Policy, WWF-India • Jasmine Khatri Public Policy Associate, Finance for Biodiversity Foundation • Dr Joe Huddart Lead Nature Consultant, Okala	
18:55-19:05	Audience Q&A	Questions to panellists from delegates and practitioners
19:05-19:10	Synthesis	Identify areas of convergence and priorities
19:10-19:15	Vote of thanks and closing Rachit Kumar, Senior Associate Fellow, TERI	Close with key takeaways and acknowledgements

Intended session result

A concise set of integrity and financing principles that can be applied when converting biodiversity priorities into financeable, rights-aware and independently verifiable interventions in Global South landscapes.