

Link Briefing Note: The Biodiversity Emergency & the Dasgupta Review

April 2021

Link welcomes two upcoming discussions of biodiversity in the House of Lords:

- Question for short debate Thursday 22 April:
Lord Teverson to ask Her Majesty's Government what plans they have to declare a biodiversity emergency.
- Debate in Grand Committee Wednesday 28 April:
Baroness Boycott to move that the Grand Committee takes note of the economic value of biodiversity and the report *The Economics of Biodiversity: The Dasgupta Review*, published on 2 February.

This briefing note highlights the latest evidence concerning the biodiversity emergency and presents views from the nature sector as to how the Government can implement the Dasgupta Review, as part of its response to that emergency.

The Biodiversity Emergency: Latest evidence

Human activity is profoundly altering the natural flora and fauna of the planet. A paper published this month suggests that the scale of this impact is such that just 2.9% of the world's habitats remains ecologically intact, with healthy populations of all its original animals and undisturbed habitat.¹

The change to the remaining 97.1% has been negative in character. The 2019 Global Assessment Report on Biodiversity concluded that 25% of species in animal and plant groups are threatened with extinction in the next few decades. Over 85 per cent of global wetlands have been lost, with other habitats suffering at a similar scale - 32 million hectares of forest were destroyed between 2010 and 2015 alone. This change is accelerating along with human activity – to allow one statistic to stand in for many, marine plastic pollution has increased tenfold since 1980.²

Recent efforts to arrest this trend have failed – it was confirmed last year that the Aichi Biodiversity Targets set in 2010 by the Convention on Biological Diversity have not been met.³

The consequences of this accelerating degradation of biodiversity are already being felt, especially in terms of economic disruption. Land degradation has already reduced productivity in 23 per cent of the global terrestrial area. Looking ahead, \$235 billion and \$577 billion of annual global crop output is at

¹ <https://www.frontiersin.org/articles/10.3389/ffgc.2021.626635/full>

² https://ipbes.net/sites/default/files/inline/files/ipbes_global_assessment_report_summary_for_policymakers.pdf

³ <https://www.cbd.int/gbo5>

risk as a result of pollinator loss.⁴ The number of floods and other hydrological events have quadrupled globally since 1980.⁵

The Covid-19 pandemic provides a warning of how much worse the disruption could get. Biodiversity is nature's immune system and evidence is mounting that human incursions into the natural world, including illegal wildlife trade, industrial farming and deforestation, can all turn our planet into a petri dish for new diseases.⁶ Even before Covid, vector-borne diseases arising from human interactions with wildlife accounted for approximately 17 per cent of all infectious diseases in humans and caused an estimated 700,000 deaths globally per annum.⁷

Degraded ecosystems also reduce the ability of the planet to respond to the linked crisis of climate change. Climate change is already - in the words of the World Economic Forum - striking economies 'harder and more rapidly than expected'.⁸

The scale of biodiversity decline, the speed of its progression and the severity of its impacts all warrant the title of emergency. It is an emergency that is already upon us, with the consequences of [failing to respond](#) becoming clearer each year.

A three-part action plan that the UK could take to recognise the biodiversity emergency, and to set a global lead in responding to it, is set out in this [Link paper](#). Amending the Environment Bill to include [State of Nature target](#) would be an effective first step in this response, setting an ambitious target for 2030 to turn the tide for nature. Implementing the Dasgupta Review would also allow the UK to lead the global response to the biodiversity emergency.

The Dasgupta Review: Implementation proposals

The nature sector has welcomed the findings of Professor Dasgupta's review of the Economics of Biodiversity, and its central conclusion:

Humanity faces an urgent choice. Continuing down our current path – where our demands on Nature far exceed its capacity to supply – presents extreme risks and uncertainty for our economies. Sustainable economic growth and development requires us to take a different path, where our engagements with Nature are not only sustainable, but also enhance our collective wealth and well-being and that of our descendants.⁹

⁴https://ipbes.net/sites/default/files/inline/files/ipbes_global_assessment_report_summary_for_policymakers.pdf

⁵https://easac.eu/fileadmin/PDF_s/reports_statements/Extreme_Weather/EASAC_Press_Release_Extreme_Weather_Events_March_2018.pdf

⁶ <https://www.wcl.org.uk/docs/Biodiversity%20and%20Ecosystems%20Inquiry%20-%20Link%20response%2010.09.20.pdf>

⁷https://ipbes.net/sites/default/files/inline/files/ipbes_global_assessment_report_summary_for_policymakers.pdf (p22)

⁸ <https://www.weforum.org/reports/the-global-risks-report-2020>

⁹ <https://www.gov.uk/government/publications/final-report-the-economics-of-biodiversity-the-dasgupta-review>

The Government now has the opportunity to act on the review, as part of its response to the biodiversity emergency.

The following recommendations for implementing the Dasgupta Review across four strategic areas have been proposed by RSPB, Green Alliance and Link. They can be found in fuller form [here](#).

1) UK institutions, governance & government policymaking framework, including measures of economic success

The review makes clear the urgency to move to a nature positive economy. HMT's role in setting the UK's economic framework will play a vital role here. HMT's actions on recognising the role of nature in the economy are a priority, these will enable further policies on regulation, the private sector and internationally to achieve a nature positive economy.

- ***Establish a baseline and measure regularly the state of the natural environment***, focusing on clear outputs against agreed environmental plans. HMT's initial commitment of £5m to begin this process is encouraging but must be built on to adequately understand UK natural capital stocks and flows.
- ***Future spending plans must be assessed against this baseline***, and our net zero target to ensure overall government spending and fiscal policy is in line with our climate and nature goals. Including overseas development aid budgets; mandates with development finance institutions; and the reform of agricultural and fisheries subsidy payments and tax reliefs. Fully implementing the existing guidance of the Treasury Green Book across all appraisal decisions could be a start to this process. The Public Accounts Committee should regularly assess how the guidance is being applied.

2) Regulatory mechanisms, including financial disclosure and reporting mechanisms

Governments have a critical role in scaling up investment in ecosystem restoration through direct financing but also through the introduction of regulation and guidance in specific sectors.

- ***UK Governments must scale up incentives for private sector investment in ecosystem restoration, including through:*** the adoption of net gain principles, or equivalent in planning and development measures to drive more investment in natural flood risk management, water catchment restoration and other ecosystem services. The development of high standards in carbon markets to help facilitate investment in Nature Based Solutions to the climate crisis.
- ***UK Governments must champion and continue to fund the work of the Taskforce for Nature-related Financial Disclosure internationally and domestically***, seeking alignment of existing initiatives and taxonomies to reflect international goals and norms, and committing to legislate for mandatory disclosure of nature-related impacts by businesses, including the financial sector, as soon as the TNFD and taxonomies are ready.

3) Public-private investment vehicles

Closing the gap between the impact of our current policies on nature (which is largely negative) and nature-positive outcomes will require systemic choices about investments and production processes, in both the public and private sectors. We therefore need to go beyond measurement and transparency, and take mandated action governed by new legislation and policy.

- UK Governments must commit to a minimum **£1bn annual investment package in the next Spending Review**. A long-term investment plan for the natural environment is an essential part of the country's economic recovery. It will help to meet domestic goals for nature's recovery and to leverage further scaled up investment by the private sector. This could initially be an upscaling of existing funds such as the Nature for Climate fund and the Green Recovery Challenge fund.
- **Equip the National Infrastructure Bank to be nature positive**, and crowd in private investment. The bank has promised to review its role in natural capital. This must be completed as a matter of urgency so the bank can invest in domestic nature restoration that delivers green jobs across the country. The mandate, as well as net zero should include nature restoration, and be embedded across all the bank's projects so that it is not only providing positive investments, but avoiding damaging ones.

4) International leadership

The government's integrated review of foreign policy recognised the urgency of addressing biodiversity loss and nature's role in a functioning economy. Ahead of the G7, COP15 and COP26 government can take the domestic actions detailed above and amplify them at the international level. Both the finance ministers track and the climate and environment ministers track of the G7 offer an immediate and tangible opportunity for the UK government to implement the Dasgupta review internationally.

- **Finance Ministries take responsibility for assessing national natural capital stocks.** Building on HMT's commitment of £5million to meet the NCC's recommendation of a Natural Capital Baseline Survey, Finance Ministries need to make natural capital stocks and flows integral to their economic monitoring.
- **Finance ministries to charge other ministries and domestic budget oversight bodies with ensuring environmental compatibility with overall spending.** Building on domestic application of net zero and nature tests on overall spending, HMT should use the G7 to bring the over 50 per cent of global GDP on board with similar plans.
- **Due diligence on supply chains to ensure they are protecting our natural resources.** The G7 can set a broader understanding of what sustainable supply chains should look like. This should extend the concept of due diligence to other environmental issues like carbon, as well as promoting sourcing of secondary materials. There is an opportunity for the UK to galvanise this action, and as global businesses have called for go beyond illegality to all deforestation.
- **Put the Taskforce for Nature Related Disclosures on the same footing and prominence as the Taskforce for Climate Related Disclosures.** As with the TFCDD the UK should make TFND

mandatory across the economy, encouraging the G7 to do the same However, finance ministries should recognise neither TFND nor TFCN are as powerful as a mandatory duty on investors in relation to climate and nature due diligence.

Wildlife and Countryside Link (Link) is the largest environment and wildlife coalition in England, bringing together 58 organisations to use their strong joint voice for the protection of nature.

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