Thematic Paper 4

Good Governance for Integrated Climate and Biodiversity Policy-Making

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Key Messages

- Developing a synergistic approach to tackling biodiversity loss and climate change in line with human development objectives requires good governance structures that tackle shared indirect drivers and achieve significant environmental and socio-economic outcomes.
- Existing governance systems often lack effective mechanisms to enhance integration while recognising and addressing trade-offs. Political will is a prerequisite for the transformative actions required for integration, while simultaneously achieving good governance principles such as equity, effectiveness, and responsiveness.
- Rights-based approaches represent an effective way to address equity-related concerns, ranging from recognition of indigenous peoples' rights and procedural environmental rights to innovative tools such as the rights of nature.
- Improving the effectiveness and responsiveness of policy-making depends on institutional design that enables complementarity and allows for inter-institutional and multi-stakeholder collaboration, including through coordination avenues, accountability mechanisms, and built-in monitoring regimes.
- Integrated implementation of biodiversity and climate commitments at the domestic level requires further integration of environmental considerations into broader development strategies and sectoral and planning instruments. International guidance exists for such mainstreaming efforts; effectiveness, however, largely depends on a radical redesign of the financial system and scrutiny of the international trade law and investment agreements that currently dictate domestic policy choices.

Introduction

The need for a synergistic approach to tackling the twin challenges of biodiversity loss and climate change at the global level is supported by both scientific evidence (for further information, see Thematic Paper 2: Linkages Between Biodiversity and Climate Change and the Role of Science-Policy-Practice Interfaces for Ensuring Coherent Policies and Actions) and legal argumentation (for further information, see Thematic Paper 1: Linkages and Synergies Between International Instruments on Biodiversity and Climate Change).

Governance structures are at the heart of such a synergistic approach in terms of domestic implementation. A synergistic approach can achieve significant environmental outcomes, as well as socio-economic ones, only as long as it is carefully designed, implemented, and monitored. Existing governance systems often lack effective mechanisms to improve integration between climate and biodiversity objectives while recognising and addressing trade-offs (Pörtner et al., 2021; Deprez et al., 2021). However, some promising initiatives exist, including both innovative and "traditional" tools and mechanisms.

BOX 1

ENVIRONMENTAL GOVERNANCE

Environmental governance encompasses the rules, practices, policies, and institutions that influence the relationship between humans and the environment (Haque, 2017). The literature distinguishes between "**governance**" and "**government**" (Paavola, 2007), as environmental governance involves actors that impact the environment beyond governments, including the private sector, indigenous peoples, local communities, and civil society. Although governments are usually responsible for legislation and policy-making, cooperation among all these actors is critical to finding solutions to global challenges. A conceptual distinction further needs to be made between **governance** and **management**: management refers to the implementation actions that result from the functioning of governance.

Scholarship has produced several theories and frameworks on environmental governance. Terminology differs, as different scholars focus on the process, structure, outcomes, or different objectives of governance, including, for instance, "good", "effective", "inclusive", "adaptive", or, more recently, "transformative" governance.

In a comprehensive literature review, Bennett and Satterfield (2018) have suggested that "good" environmental governance has four distinct objectives: to be **effective**, **equitable**, **responsive**, and **robust**. These objectives need to be considered simultaneously across institutional, structural, and procedural elements. In accordance with this categorisation, effective governance aims to improve ecosystem functioning; equitable governance suggests inclusiveness of process and fairness of socio-economic outcomes; responsive governance enables resilience of communities and adaptation of institutions to changing conditions; and robust governance ensures strengthened institutional performance amidst crises. Work on **multi-level governance** has further highlighted the need for bridging government levels and societal domains in order to engage subnational and local actors in the implementation of efforts to address global challenges and promote a whole-of-society approach (for further information see Thematic Paper 5: From National to Local Implementation: A Collaborative, Multi-Level Effort to Achieve Joint Climate and Biodiversity Goals).

BOX 2

TRANSFORMATIVE GOVERNANCE

"Transformative" governance places particular emphasis on the capacity to respond to and manage regime shifts in coupled social-ecological systems at multiple scales, triggered by climate change, among other causes (Chaffin et al., 2016). This implies expanding focus beyond the direct drivers of environmental degradation to include indirect drivers such as the economic activities and governance systems that fuel the direct drivers (Chan et al., 2020; Visseren-Hamakers et al., 2021). Importantly, it requires phasing out unsustainable practices and support systems (Loorbach et al., 2017).

This term has been gaining traction in scholarship as well as in policy forums, including the Convention on Biological Diversity (CBD) negotiations on a post-2020 global biodiversity framework (GBF). The scientific outcome of the workshop on biodiversity and climate change organised by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) and the Intergovernmental Panel on Climate Change (IPCC) notes that meeting climate, biodiversity, and sustainable development commitments simultaneously relies on "immediate and sustained efforts for transformative change which encompass technological and environmental policies as well as changes to economic structures and profound shifts in society," adding that "transformative change in governance of socio-ecological systems can help create climate and biodiversity resilient development pathways" (Pörtner et al., 2021, pp. 14–22). The **theory of change** put forward by the first draft of the GBF "assumes that transformative actions are taken to (a) put in place tools and solutions for implementation and mainstreaming, (b) reduce the threats to biodiversity and (c) ensure that biodiversity is used sustainably in order to meet people's needs" (CBD, 2020) Such actions should be supported by enabling conditions, including integrative governance and whole-of-government approaches and political will, as well as adequate means of implementation, including financial resources, capacity, and technology.

In this study, we refer to **good governance** in a broad sense to pursue objectives related to effectiveness at achieving ecological outcomes, thus finding solutions to global challenges while minimising trade-offs; **institutional efficiency** through collaboration and coordination as well as accountability; **equity**, including by addressing normative concerns related to participation, fairness, and justice as well as transparency and legitimacy; and **responsiveness** to facilitate learning and adaptation to changing conditions. These attributes accompany and add value to the objective of **integration** at appropriate levels, enabling transformation. This categorisation of objectives related to good governance is also in line with the Principles of Effective Governance for Sustainable Development, developed by the UN Committee of Experts on Public Administration under Sustainable Development Goal (SDG) 16 (peace, justice, and strong institutions), with SDG target 16.7 aiming to "ensure responsive, inclusive, participatory and representative decision-making at all levels." Endorsed by the UN Economic and Social Council in 2018 (ECOSOC Resolution 2018/12), these principles highlight the need for pragmatic and ongoing improvements in national and local governance capabilities to reach the SDGs.

This study will first provide an overview of governance-related drivers of climate change and biodiversity loss. Drawing from academic work, international guidance, and implementation efforts, it will then explore possible pathways for addressing governance-related challenges, with a focus on rights-based approaches, mechanisms to enhance inter-institutional coordination and accountability, and tools for mainstreaming biodiversity and climate considerations into finance, production, and trade. Other crucial governance-related areas, including provision of scientific knowledge for decision-making, involvement of non-state actors in multi-level governance, and delivery of finance for joint biodiversity and climate solutions, are addressed in Thematic Papers 2, 5, and 6, respectively.

Climate Change and Biodiversity Loss Share Key Drivers Related to Governance

There are significant differences in the overall governance efforts across climate and biodiversity challenges. For instance, unlike climate goals, biodiversity objectives cannot be encapsulated in a single quantitative target, nor can they be fully informed by analysis through modelling due to the complex nature of ecosystems and uncertainty regarding interlinkages. At the same time, the IPBES–IPCC workshop has highlighted a number of governance challenges for climate and biodiversity related to **shared indirect drivers** (Pörtner et al., 2021, Section 7.3). These challenges may be categorised by their relation to:

- **The political and legal system,** such as lack of political will, inadequate legal frameworks, unclear rights, and overreliance on voluntary measures.
- **Institutional structures and decision-making**, such as lack of resources, time, and knowledge; limited coordination among government agencies and among diverse stakeholders; and inadequate accountability mechanisms, with poor implementation and weak enforcement.
- **The economic system**, production, and trade, including inadequate financing, with existing funding mechanisms for climate and biodiversity both underfunded and poorly integrated, as well as financial flows for biodiversity that continue to lag behind projected needs (for further information see Thematic Paper 6: Delivering Financing for Joint Biodiversity and Climate Solutions). There is also a lack of integration of biodiversity and climate values in production and trade.

Political will remains the single most important prerequisite for building good governance frameworks capable of addressing climate change and biodiversity loss in line with human well-being objectives. Building the necessary political will to address the climate and biodiversity challenges remains a problem, despite the amount of scientific evidence justifying urgent action, as well as increased societal awareness.

Addressing Challenges Related to the Political and Legal System: Equity and rights-based approaches

To achieve effective outcomes and successfully address potential trade-offs in the climate–biodiversity–society nexus, the principle of **equity** should guide the development of governance frameworks. Equitable governance is built around the pillars of **inclusiveness**, **participation**, **fairness**, and **justice**. It can facilitate recognition of diverse groups and worldviews of rights holders, inclusion of stakeholders in decision-making, fairness in the allocation of costs and benefits, and access to justice (Bennett & Satterfield, 2018). It is achieved through various mechanisms and tools depending on domestic circumstances and legal traditions, including **rights-based approaches** and **recognition of indigenous peoples' rights**, as well as novel approaches, including the **rights of nature**.

Rights-based approaches represent an effective way to address equity-related concerns (Pörtner et al., 2021, p. 163). This is strongly put forward, particularly by civil society, in the CBD GBF negotiations (International Institute for Environment and Development, 2021). Upholding a rights-based approach in biodiversity governance would mean ensuring respect for procedural and substantive environmental rights while paying particular attention to the rights of indigenous peoples and vulnerable and marginalised groups. Rights-based approaches are critical for giving voice to such groups who, despite being at the forefront of biodiversity conservation and sustainable use, are often left behind due to power asymmetries. A rights-based approach to climate action would need to protect the range of human rights that are threatened by both climate change and by solutions to address climate change, for instance in the case of bioenergy with carbon capture and storage. It is also put forward in REDD+[1] implementation, briefly explored below.

Issues related to the **rights of indigenous peoples and local communities** in particular, including related to **land tenure**, are specific challenges to be addressed in the context of the interconnected issues of biodiversity, climate, and human well-being. Indigenous peoples and local communities can play key roles in creating and implementing ecosystem-based approaches and nature-based solutions. Lack of recognition of their rights (including customary rights), however, or lack of effective consultation processes, may result in inequitable distribution of costs and benefits, dispossession, and even enforced relocation. Deficiencies in legal frameworks combined with vested economic interests and power asymmetries may lead to further impoverishment and disenfranchisement, even resulting in violence and the death of land defenders in recent decades. In addition, research increasingly indicates a strong link between socio-economic inequalities and biodiversity loss (Billé et al., 2013). The IPBES–IPCC workshop report has also underlined the need to reduce inequalities, pointing to the fact

1 A framework put forward by the United Nations Framework Convention on Climate Change (UNFCCC), REDD+ stands for Reducing Emissions from Deforestation and Forest Degradation, as well as the sustainable management of forests and the conservation and enhancement of forest carbon stocks in developing countries.

that land inequality can lead to worsening livelihoods while driving biodiversity loss and greenhouse gas emissions (Pörtner et al., 2021, p. 165). Although land policies remain largely within the purview of domestic law, gradual shifts under international human rights law have led to the recognition of certain standards related to indigenous peoples' land rights (Tsioumani, 2020). This shift has arguably culminated with the adoption of the UN Declaration on the Rights of indigenous Peoples. Similarly, the first global instrument addressing land tenure in detail, the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security, establishes a framework calling for recognising and respecting legitimate tenure rights, including customary rights.

At the same time, the contribution of the traditional and local knowledge of indigenous peoples and local communities to the achievement of environmental objectives is recognised in multilateral environmental agreements. The **CBD** in particular provides an advanced framework for the participation of indigenous peoples and local communities in its processes. Recognising not only the dependence of many indigenous peoples and local communities on biological resources but also their contribution to biodiversity conservation and sustainable use, CBD parties have acknowledged the linkages between land tenure security and the status of traditional knowledge, identifying land tenure security as an indicator for achieving the Aichi Target on respecting traditional knowledge (CBD, 2013). The ongoing GBF negotiations provide an opportunity to further promote indigenous rights. The first draft of the GBF includes targets to ensure that traditional knowledge guides biodiversity management and decision-making, and that indigenous peoples and local communities participate equitably and effectively in decision-making, with respect for their rights over lands, territory, and resources (CBD, 2020).

In the United Nations Framework Convention on Climate Change (**UNFCCC**) realm, engagement of indigenous peoples and local communities has more recently been facilitated through the establishment and operationalisation of the Local Communities and indigenous Peoples Platform. Interestingly, REDD+ has also provided space for promoting indigenous rights at the domestic level. In Peru, for instance, many indigenous peoples' groups initially opposed it because they expected it would lead to further repression and displacement. However, the REDD+ agreement between Peru, Norway, and Germany has promoted the protection of indigenous rights in the country by focusing on participation, enhancing intersectoral coordination, and securing funding for land titling and land use planning processes (Lozano Flores, 2018).

BOX 3

COSTA RICA: INDIGENOUS PEOPLES' INVOLVEMENT IN BIODIVERSITY AND CLIMATE GOVERNANCE

In **Costa Rica**, indigenous peoples were involved in the development of the National Biodiversity Policy 2015–2030, as well as the second National Biodiversity Strategy 2016–2025. A series of participation processes addressed cultural, environmental, economic, and agricultural issues, and workshops were held based on different indigenous cosmologies. As a result, indigenous proposals have contributed to 38 of the 98 goals of the biodiversity strategy. Dialogues with public institutions have also been taking place on implementation of these goals (Local Biodiversity Outlooks, 2020).

When it comes to climate, the country's updated nationally determined contribution (NDC) states that "it was informed by indigenous and Afro-descendant communities' contributions and respects their worldviews and their rights. The NDC declares the intention of carrying out a consultation process with indigenous communities for implementing the National REDD+ Strategy and national forestry plans" (World Wide Fund for Nature, 2021).

BOX 4

SENEGAL: TRADITIONAL RULES AND RIGHTS FOR BIODIVERSITY AND CLIMATE ACTION

Kawawana (meaning: "Our local heritage to be preserved by us all") is an indigenous and community conserved area in the Casamance region of **Senegal**. Aiming to respond to the degradation of the coastal environment, it was established by the local community through an association of fishers. Following community struggles, it was also recognised by the municipal and regional governments. The local fishers govern, manage, and monitor the estuarine area, having re-established traditional rules (e. g., no entry in the zones where the spirits live). This has led to a recovery of species, such as fish, dolphins, crocodiles, and birds, and has also improved the capacity of local communities to adapt to climate change. The recognition and assertion of the rights of the community over their heritage territory and of their capacity to govern and manage it were critical for the success of the project.

Source: Amend, 2019; for further information, see ICCAs Consortium, 2014.

"Traditional" rights-based approaches to biodiversity governance are progressively being complemented by more novel legal approaches, including rights for nature. A body of law on the rights of nature and related obligations is emerging across a range of jurisdictions (from New Zealand to Ecuador and India) despite the absence of a corresponding multilateral instrument (Pörtner et al., 2021, p. 171).

BOX 5

FROM ENVIRONMENTAL RIGHTS TO RIGHTS OF NATURE

A new generation of environmental laws has been emerging recently. Aiming to respect nature's rights to maintain its cycles, such legal instruments grant legal rights to nature itself, together with enforcement rights to affected communities. This development marks a move from the human right to the environment to rights of nature and, arguably, from an anthropocentric to a more eco-centric approach to environmental law and policy.

While the formal recognition of a universal right to the environment has faced obstacles, a number of regional instruments have built on the concept of environmental rights. These include the 1998 Aarhus Convention on Access to Information, Public Participation in Decision-Making and Access to Justice in Environmental Matters, adopted under the auspices of the UN Economic Commission for Europe, and the 2018 Escazu Agreement on Access to Information, Public Participation, and Justice in Environmental Matters in Latin America and the Caribbean. In addition, the jurisprudence of regional human rights tribunals has developed an expansive interpretation of existing human rights to provide for protection of the right to environment, while more than 50 countries have explicitly recognised the right to environment in their constitutions. In a landmark development, in October 2021 the United Nations Human Rights Council adopted a resolution on the human right to a clean, healthy and sustainable environment (Human Rights Council, 2021).

At the same time, it has been argued that environmental human rights imply that the environment and natural resources have no intrinsic value but exist only for the benefit of humans. Promoting a more eco-centric approach, the Ecuadorian Constitution, Bolivian legislation, and a growing number of towns in the United States base their environmental protection systems on the concept that nature has rights, as do humans.

The **legislation in New Zealand** provides a notable example. With the Crown not willing to transfer area ownership to the Māori tribes of Te Urewera and Whanganui, the Te Urewera National Park and Whanganui River became entities in their own rights. The Whanganui River Settlement Agreement (2012 and 2014) recognises the intrinsic value of the river. Ownership was transferred from the Crown to the "river itself." A board with representatives from the Crown and the tribes (Te Pou Tupua) has been designated as a guardian. A strategy group was established to develop a Whole of River Strategy, and a fund was created for the management and restoration of the river.

Source: Borràs, 2016; Darpö, 2021

Addressing Challenges Related to Institutional Structures and Decision-making: Mechanisms supporting effectiveness, responsiveness, and accountability

Both the biodiversity and climate crises are typically seen as "wicked" problems, characterised by uncertainty around knowledge, contested values, and unclear decision-making pathways. Many actors and parts of government may be involved in governance at multiple levels, sectors, and jurisdictions. Improving the effectiveness and responsiveness of policy-making depends on institutional design that enables complementarity and allows for inter-institutional and multistakeholder collaboration, strengthens accountability, and integrates learning and built-in monitoring regimes, recognising knowledge gaps and addressing trade-offs. Challenges may relate to conflicting objectives, mandates, and working practices, as well as lack of resources, capacity, and information / knowledge.

BOX 6

EFFECTIVE AND RESPONSIVE GOVERNANCE

Effective governance aims to achieve optimal ecological outcomes while minimising trade-offs. Closely linked to institutional efficiency, it implies that processes and institutions produce results that meet the needs of society at large while making the best use of resources at their disposal (Bennett & Satterfield, 2018). The field is largely shaped by the seminal work of Elinor Ostrom, who sought to develop a theory of institutional arrangements related to the effective governance and management of common-pool resources on the basis of a series of empirical studies of groundwater basins (Ostrom, 1990).

Responsiveness ensures that environmental governance is adaptable both to changing environmental and social conditions and to diverse contexts through mechanisms that ensure anticipation, adaptability, and flexibility. These attributes can be developed through mechanisms to ensure continuous monitoring, evaluation and updating of policies, sharing of lessons learnt, and adjustment to diverse local realities (Bennett & Satterfield, 2018). This is particularly important in view of the complexity, non-linearity, and uncertainty of scenarios for both biodiversity and climate, with the IPBES–IPCC workshop report highlighting the idea of "flexible, collaborative decision-making" (p. 163).

Mechanisms to establish and enable inter-institutional complementarity and coordination may include the formation of working groups, inter-ministerial committees, or inter-sectoral advisory bodies. Such advisory bodies may not only facilitate inter-institutional coordination when mandates related to biodiversity and climate are shared among different ministries or departments, they may also constitute a permanent avenue for stakeholder participation in decision-making when non-state actors and representatives of indigenous peoples and local communities are included in their membership (Tsioumani & Morgera, 2010). On the other hand, fragmentation of policy-making (and thus of expertise) and "coordination fatigue" are often mentioned among the challenges in promoting inter-institutional coordination.

Institutional arrangements that support responsiveness may include built-in monitoring regimes, post-intervention evaluation of policy outcomes and impacts, and building of learning environments to allow for testing, monitoring, and re-evaluation of actions to enhance adaptive responses that acknowledge uncertainties. Collaboration between rights holders and stakeholders is a necessary prerequisite for the success of adaptive management initiatives (Amend, 2019).

BOX 7

MULTI-LEVEL AND MULTI-ACTOR GOVERNANCE FOR ECOSYSTEM-BASED ADAPTATION IN SOUTH AFRICA

In South Africa, ecosystem-based adaptation falls under the mandate of several ministries. These include the Departments of Environmental Affairs; Water and Sanitation; Agriculture, Forestry, and Fisheries; Rural Development and Land Reform; Mineral Resources; as well as, in certain cases, the Department of Science and Technology. At the same time, the South African National Biodiversity Institute, the Expanded Public Works Programme, provincial departments, municipalities, and the LandCare programme may be tasked with the implementation of specific ecosystem-based adaptation-related projects and actions. Multi-level governance with effective coordination both horizontally between departments and programmes, and vertically from the national to the provincial and the local level, is crucial to ensuring robust and efficient policy development and implementation. Coordination mechanisms include representatives from national and provincial departments and partner organisations.

Source: Amend, 2019

Accountability can be understood as the requirement to accept responsibility and answer for actions (Amend, 2019). It can help ensure that mandated decisions are followed, leading to a more effective and efficient governance system. It is enabled by **transparency** in decision-making, as well as citizen action through **procedural environmental rights** (access to information, participation in decision-making, and access to justice).

Calls for ensuring accountability with respect to the implementation of biodiversity and climate change commitments are attracting **increased attention under international negotiations** in the respective forums. Linked to concerns about shortcomings in implementation, such calls aim to place individual and collective responsibility on state parties and other actors involved in implementation, both to deliver on their commitments and to report on progress in a transparent manner (Guarás et al., 2021).

Accountability at the domestic level can be guided by international developments. Under the climate process, establishment of the Enhanced Transparency Framework under the Paris Agreement provides opportunities for parties to address transparency- and accountability-related issues. In the CBD GBF negotiations, possible mechanisms to enhance accountability and transparency are being discussed in relation to national reporting and options for monitoring and review, but the outcome is far from certain. Achieving accountability for implementation at the domestic level requires addressing scale-related challenges, including regulatory overlaps and lack of coordination among authorities operating at different levels and ministries.

Domestic litigation has recently provided a noteworthy avenue for citizens to hold national governments accountable in relation to climate commitments. As the amount of climate change litigation is increasing, climate cases can contribute in meaningful ways to compelling governments and corporate actors to pursue more ambitious climate change mitigation and adaptation goals (United Nations Environment Programme [UNEP], 2020).

BOX 8

CLIMATE CHANGE LITIGATION

"Climate change litigation" refers to judicial cases that relate to climate change mitigation, adaptation, or the science of climate change, brought before various administrative, judicial, and other adjudicatory bodies. In accordance with a UNEP categorisation, climate cases usually relate to: "(1) climate rights; (2) domestic enforcement; (3) keeping fossil fuels in the ground; (4) corporate liability and responsibility; (5) failure to adapt and the impacts of adaptation; and / or (6) climate disclosures and greenwashing" (UNEP, 2020, p. 7).

Some illustrations: In November 2017, the **Inter-American Court of Human Rights** issued Advisory Opinion OC-23/17, in response to a request from Colombia. In the opinion, the Court concludes that the right to a healthy environment is a human right under the American Convention on Human Rights. It acknowledges that climate change interferes with the enjoyment of human rights, and links environmental damage with a violation of the right to life and personal integrity. It specifically states that "[t]o respect and to ensure the rights to life and to personal integrity of the persons subject to their jurisdiction, States have the obligation to prevent significant environmental damage within or outside their territory and, to this end, must regulate, supervise and monitor activities within their jurisdiction that could produce significant environmental damage" (Inter-American Court of Human Rights, 2017, p. 93).

In Urgenda, the **Supreme Court of the Netherlands** concluded that the Dutch government has obligations to reduce carbon emissions in line with its human rights obligations. The Court noted that Articles 2 and 8 of the European Convention on Human Rights on the right to life and the right to private and family life, respectively, as integrated into domestic Dutch law, impose enforceable obligations on the state to take more ambitious climate action. It argued that insufficient action to address climate change poses a "serious risk that the current generation of citizens will be confronted with loss of life and / or a disruption of family life ... that the State has a duty to protect against" (UN High Commissioner for Human Rights, 2019; for further information on the case, see Urgenda).

Source: UNEP, 2020.

Addressing Challenges Related to the Economic System: Toward mainstreaming biodiversity and climate considerations into finance, production, and trade

Financing questions remain central in international negotiations and a necessary prerequisite for domestic implementation efforts to address climate change and biodiversity loss (for further information, see Thematic Paper 6: Delivering Financing for Joint Biodiversity and Climate Solutions). Related challenges have become even more urgent in the context of the post-COVID-19 recovery. Despite much discussion on the need for stimulus packages to deliver a green restarting of the economy, including to address the economic drivers of climate change and biodiversity loss, calculations by the Organisation for Economic Co-operation and Development show that spending on environmentally positive measures still represents only 21 % of total COVID-19 recovery spending. In addition, biodiversity and climate adaptation remain largely neglected areas, with attention focusing on climate change mitigation and air pollution (Organisation for Economic Co-operation and Development, 2021). On top of structural considerations regarding the mandates and operation of financing for development at both the international and the domestic level, a **potentially radical redesign of the financial system** to address biodiversity and climate concerns would further need to face power asymmetries and vested interests, including problems of corruption, influence-peddling, greenwashing, and lobbying (Pörtner et al., 2021, p. 162).

One of the most explicit interconnections between climate and biodiversity, the REDD+ mechanism aims to incentivise developing countries to keep their forests standing by offering results-based payments. The REDD+ mechanism is an illustration not only of the interlinkages between the climate and biodiversity challenges, but also of a host of governance challenges, regarding in particular indigenous peoples' rights and land tenure (Davis, 2010). In fact, many indigenous peoples have voiced their opposition to REDD+ design and implementation, both in international and domestic processes, pointing to governance failures due to insufficient alignment of interests among its many stakeholders. Highlighting the need for a rights-based approach to REDD+ governance, their arguments are centred on the need for giving their free, prior, and informed consent for any REDD+ project in their territories and for recognising their forest-related traditional knowledge in REDD methodologies (Thompson et al., 2011).

To address governance-related challenges, UNFCCC Parties agreed in 2010 on seven broad safeguard principles for the implementation of REDD+ (Cancun Safeguards). A year later, an agreement was reached in Durban that REDD+ countries should provide a summary of information on how these safeguards are being addressed and respected. The CBD has also addressed the application of the Cancun Safeguards, drawing attention to the need for benefits for biodiversity and indigenous peoples and to relevant CBD decisions (CBD, 2010). In addition, jurisdictions seeking REDD+ and forest carbon financing also need to consider the variety of safeguard standards established by each institution or agreement providing the finance, such as the UN-REDD guidance, REDD+ Social and Environmental Standards, and the Forest Carbon Partnership Facility safeguard standards. REDD+ countries are thus called to develop national safeguard measures that fulfil multiple requirements. This is no easy task, particularly because of the disparity between substantive and procedural elements of different safeguard standards. It also requires time, money, and—often—international consultants. Their harmonisation, together with agreed reporting formats, would facilitate this work, reduce costs, and increase transparency and compliance (Roe et al., 2013).

Scholars increasingly highlight that if the international community means to take the environment seriously, it should **scrutinise international trade law and investment agreements** (Franck, 2005; Mistupa, 2019). In theory, domestic policies are equally bound by international trade and investment, as well as environmental and human rights law. In practice, however, trade- and investment-oriented policies have been gaining a de facto supremacy over human rights and environmental treaties because of their enforcement potential and the underlying power of the actors and interests involved (Cotula, 2016). Lack of integration of biodiversity and climate commitments into the economic and production sectors that have the most severe impact on the environment places significant limits on efforts for integrated biodiversity and climate policy-making at the domestic level (for further information see Thematic Paper 1: Linkages and Synergies Between International Instruments on Biodiversity and Climate Change).

That said, integrated implementation of biodiversity and climate commitments at the domestic level can be achieved by:

- Mainstreaming climate-related considerations into biodiversity laws and policies (such as, for instance, recognising biodiversity's contribution to carbon stocks through conservation and restoration).

- Promoting ecosystem-based approaches and nature-based solutions for adaptation to—and mitigation of—climate change (such as through ecosystem conservation and restoration along with agroforestry approaches).

At the same time, effective implementation requires **integrating both biodiversity and climate considerations into broader national strategies** (such as on sustainable development or poverty eradication), **sectoral instruments** (such as on forestry or food and agriculture), and **planning instruments** (such as integrated land use planning and strategic environmental assessments).

Assuming there is political will, tools have been developed at the international level to assist countries integrate biodiversity and climate considerations into the development and implementation of sectoral policies and projects, as well as well-known legal tools such as impact assessments. These include the CBD voluntary guidelines for biodiversity-inclusive impact assessments (CBD Conference of the Parties, 2006) and the voluntary guidelines for the design and effective implementation of ecosystem-based approaches to climate change adaptation and disaster risk reduction (CBD Conference of the Parties, 2018). Policy effort has also been placed into mainstreaming climate considerations into development planning, including, for instance, the UNEP & UNDP guide on mainstreaming climate change adaptation into development planning (2011), while the Food and Agriculture Organization of the United Nations (2020) has produced a framework for integrated land use planning to assist with inter-sectoral planning processes and implementation for the sustainable use of land resources.

BOX 9

EUROPEAN COMMISSION GUIDANCE ON INTEGRATING CLIMATE CHANGE AND BIODIVERSITY INTO STRATEGIC ENVIRONMENTAL ASSESSMENT

The European Commission Guidance on Integrating Climate Change and Biodiversity Into Strategic Environmental Assessment (SEA) highlights a number of considerations regarding assessing the effects related to climate change and biodiversity in SEAs, including:

- **Consider climate change scenarios at the outset.** Include extreme climate situations and "big surprises" that may either adversely affect implementation or may worsen its impacts on biodiversity and other environmental factors.
- **Analyse the evolving environmental baseline trends** [and identify the most resilient alternatives].
- **Take an integrated, "ecosystems" approach to planning and examining the thresholds and limits.**
- **Look for opportunities for enhancement.** Ensure that the project under consideration is consistent with other relevant policy objectives, and priority actions for climate change and biodiversity.
- **Assess alternatives that make a difference in terms of climate change and biodiversity effects.**
- First **seek to avoid biodiversity and climate change effects** and then mitigate.
- **Assess climate change and biodiversity synergistic / cumulative effects.**
- **Monitor** the effectiveness [of] adaptive management.

Source: European Commission, 2013

Conclusion

Good governance structures are at the heart of an integrated approach to tackling biodiversity loss and climate change in line with human well-being objectives. They are critical to tackling shared drivers and achieving successful environmental and socio-economic outcomes. While governance systems often lack effective tools to enhance integration and address trade-offs, a number of both traditional and innovative legal and policy mechanisms exist that can support integration while serving good governance principles such as equity, effectiveness, and responsiveness. They include a range of rights-based approaches, inter-institutional and multistakeholder coordination mechanisms, means to enhance accountability, and tools for mainstreaming biodiversity and climate considerations into development planning and sectoral policies.

At the same time, the interplay between international negotiations and domestic implementation efforts cannot be ignored, and its analysis needs to expand beyond environmental negotiations. The CBD GBF negotiations provide an opportunity to strengthen governance-related considerations for synergistic implementation of biodiversity and climate commitments. The transformation required to address global challenges, however, depends also on a radical redesign of the financial system, on scrutinising the impact of trade and investment agreements, and on addressing vested interests, corruption, and power asymmetries. Building the necessary political will remains the single most important prerequisite for the transformative actions required to address global challenges in a synergistic way.

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