

05-12-2022

Second edition of the State of Finance for Nature report

Why in Newspapers?

The **Economic of Land Degradation Initiative** by the **United Nations Environment Program (UNEP)**, jointly issued by the Federal Ministry for Economic Cooperation and Development (BMZ) of Germany, the United Nations Convention to Combat Desertification (UNCCD) and the European Commission.

Quick Issue?

- Recently the **second edition of the State of Finance for Nature report** was released.
- Current public and private financial flows to the NBS are estimated at US\$154 billion per annum. The public sector accounts for 83% and the private sector accounts for 17%.

Historical Background?

- Total finance flows to the NBS have increased from US\$150 billion to US\$154 billion annually. This represents a year-on-year increase in investment of 2.6% in real terms in the sum of public and private financial flows.
- SFN 2022 broadened the scope by including a detailed assessment of marine nature-based solutions and protected area finance.
- Finance flows to maritime NBS mainly account for US\$ 14 billion, which is 9% of total (terrestrial and maritime) finance flows.
- Annual domestic government expenditure in marine NBS exceeds US\$10 billion per year, which includes spending on marine protected areas, sustainable management of fisheries, and research and development of fisheries.
- Public financing of nature-negative activities currently ranges from US\$500 to 1,100 billion per year, which is three to seven times the current investment in NBS.
- Without an increase in investment of US\$384 billion/year in nature-based solutions by 2025, climate change, biodiversity and land
- There is a need to double the funding for NBS and reduce it for activities that increase Greenhouse Gas Emissions (GHG).

Other Key Facts?

United Nations Environment Programme

- The United Nations Environment Program (UNEP) established on **June 05, 1972** is a major global environmental authority.
- **Functions:** Its primary functions are to set the global environmental agenda, promote sustainable development within the **United Nations system**, and act as an **authoritative advocate for global environmental protection**.
- **Key Reports:** Emissions Gap Report, Global Environment Outlook, Frontiers, Invest in a Healthy Planet Report.
- **Major Campaigns:** 'Beat Pollution', 'UN75', World Environment Day, Wild for Life.
- **Headquarters:** Nairobi (Kenya).



- Private sector actors need to combine '**Net Zero**' with '**Nature Positive**'. For this, private companies should create a **sustainable supply chain, reduce activities that have a negative impact on climate and biodiversity**, promote holistic nature markets. by eliminating any unavoidable activities, paying for ecosystem services, and investing in nature-positive activities.
- To increase NBS investment, the public and private sectors must incorporate transition principles that protect human rights.
- An equitable transition involves **maximizing social and economic opportunities for climate action**, while minimizing and carefully managing any challenges – including effective social dialogue between all affected groups and respect for fundamental labour principles and rights.
- **Nutrient Based Subsidy (NBS) scheme** refers to the sustainable management and use of nature to address socio-environmental challenges, ranging from disaster risk reduction, climate change and biodiversity loss to food and water security, along with- With limited to human health.
- NBS creates harmony between people and nature, enables ecological development and represents a holistic, people-centred response to climate change.
- The NBS thus underpin the **Sustainable Development Goals**, as they support vital ecosystem services, biodiversity and access to fresh water, improved livelihoods, healthier diets and food security (organic agriculture) through sustainable food systems.
- NBS is an essential component of the **overall global efforts to achieve the goals of the Paris Agreement on Climate Change**.

Expected Questions for Preliminary Exam

Que. With reference to the report titled 'State of Finance for Nature', consider the following statements-

1. This report has been released by 'World Bank' in collaboration with 'UNCTAD'.
2. The flow of global investment in nature-based solutions has been analysed through this report.
3. Currently about US\$133 billion/year is invested in nature-based solutions.
4. China and India rank at the top in terms of investment in nature-based solutions.

Considering the above given statements, choose the true statement-

- | | |
|-------------|-------------|
| (a) 1 and 2 | (b) 2 and 3 |
| (c) 3 and 4 | (d) 2 and 4 |

Answer-(b)

India took over the presidency of the United Nations Security Council (UNSC) for the second time

Why in Newspapers?

Recently on 1 December, India assumed the presidency of the United Nations Security Council (UNSC) for the second time in its two-year term as an elected member of the council in the year 2021-22.

Quick Issue?

- India had earlier taken over the presidency of the UNSC in August 2021.
- India will hold a "**High Level Open Discussion**" on "**New Orientation for Reformed Multilateralism (NORMS)**" in the Security Council for International Peace and Security.
- The norms envisage reforms in the current multilateral structure, with the United Nations at its centre, to make it more representative and fit for purpose.
- A high-level briefing on "**Threat to International Peace and Security due to Terrorist Acts: Global Approach to Combating Terrorism- Challenges and the Way Forward**" has been planned.
- The briefing intends to underline the need for collective and coordinated efforts to combat the menace of terrorism.

Historical Background?

- The **Security Council was established by the United Nations Charter in 1945**. It is one of the **six principal organs of the United Nations**.

Other Key Facts?

Challenges related to UNSC

- **Loss of relevance:** - The council is criticized for losing relevance and credibility.
- According to India's foreign minister, **the UNSC has narrow leadership and a new approach is needed, hence the call to press for a "refresh button"**.
- **Lack of multilateralism:-** The council's lack of multilateralism has also been criticized in the wake of the **Syrian war crisis and the Covid-19 pandemic**.
- **Lack of representation:** - Many speakers claim that the UN Security Council is less effective because of the **lack of regional representation** due to the absence of Africa – the important continent with 54 countries.
- **Misuse of veto power:** - Many experts and most states have consistently criticized the veto power, calling it a "**self-elected club of privileged people**" and undemocratic and no decision can be taken by one of the P-5 member states This council also bans important decisions if it is not in the interest of the people.
- Looking at the current global order as P5 member countries, three of these countries – USA, Russia and China are the countries which are at the centre of some global geopolitical issues like – Taiwan issue and Russia-Ukraine war issue.



- The other 5 organs of the United Nations are the General Assembly (UNGA), the Trusteeship Council, the Economic and Social Council, the International Court of Justice and the Secretariat.
- The United Nations Security Council, with a mandate to **maintain international peace and security, is the focal point of global multilateralism.**
- The Secretary-General is appointed by the **General Assembly** on the recommendation of the Security Council. The UNSC and the UNGA jointly elect the judges of the International Court of Justice.
- UNSC is constituted by **15 members (5 permanent and 10 non-permanent)**. The five permanent members of the Security Council are **US, UK, France, Russia and China.**
- Apart from these permanent member countries, **10 other countries are included in the Security Council as non-permanent members for a period of two years.**
 - Five members from Asian or African countries,
 - From two South American countries,
 - One from Eastern Europe and
 - Two Western Europe or other
- **India has served seven times as a non-permanent member of the UN Security Council** and in January 2021, India has assumed non-permanent membership of the UNSC for the eighth time. **India has been advocating for a permanent seat in the UNSC.**
- **Each member of the Security Council has one vote.** The decisions of the Security Council on all matters are taken by an affirmative vote of nine members, including the permanent members, in which the consent of the members is essential. **If even one of the five permanent members votes against the resolution, then the resolution is not passed.**
- The UNSC promotes peace by helping parties reach an agreement through mediation, appointing special envoys, **sending UN missions or requesting the UN Secretary-General to resolve disputes.**
- It can also vote to extend, modify or terminate the mandate. The Security Council oversees the work of UN peacekeeping operations through periodic reports to the Secretary-General and Council sessions. It alone can take decisions regarding these functions, which the member states are bound to implement.

Expected Questions for Preliminary Exam

Que. There are 5 permanent members in the Security Council of the UN and for how much time period the remaining 10 members are elected by the General Assembly?

- | | |
|-------------|-------------|
| (a) 1 year | (b) 2 years |
| (c) 3 years | (d) 5 years |

Answer: (b)