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WWF-Australia Submission to the Australian Government's New International Development Policy

Thank you for the opportunity to make a submission to the New International Development Policy to set the long-term direction for Australia's international development engagement.

WWF-Australia is part of the WWF International Network, the world's largest independent conservation organisation. WWF's global mission is to 'stop the degradation of the planet's natural environment and to build a future in which humans live in harmony with nature'. WWF-Australia is also a member of the Australian Council for International Development (ACFID) and is accredited under DFAT's Australian NGO Cooperation Program (ANCP).

The twin ecological crises of climate change and biodiversity loss provide almost daily reminders at home and abroad of the increasing urgency to work *with* nature to support social, economic and ecological resilience across the Pacific and Asia. By mainstreaming biodiversity in the international development program, Australia can support partner countries to achieve their development objectives while protecting and restoring ecosystems that support food security, livelihoods, and climate resilience.

Recommendations

WWF-Australia recommends that the new policy should build the strategic foundation for a **nature-positive International Development Program** by:

1. Introducing a strategic target that at least 80% of aid investments, regardless of their objectives or sectoral focus, effectively address environmental issues and protect nature in their design and implementation;
2. Investing at least \$100 million annually in initiatives that have the primary objective of achieving development outcomes in the Pacific and Asia through the protection and restoration of nature and climate-critical ecosystems.

WWF-Australia also supports ACFID's recommendation that the new policy set a 10-year horizon for Australia's International Development Program, the primary purpose of which should be "to support partners to work towards a cooperative, prosperous and peaceful world in which all people have: Their rights respected and upheld, opportunities to thrive, and to share in prosperity and wellbeing."¹

¹ ACFID, 2022, *Submission on the New International Development Policy 2022*

Introduction

WWF-Australia welcomes the Federal Government's initiative to develop a new International Development Policy to set the long-term direction for Australia's international development program.

Specifically, we welcome the recognition of extreme weather, climate change, biodiversity loss and the escalating pressures placed on finite resources as top threats to the livelihoods, security, and wellbeing of our closest neighbours in the Indo-Pacific in the Terms of Reference.

Addressing poverty and inequality cannot be effective or sustainable without addressing the twin global crises of climate change and biodiversity loss. All lives depend on a healthy, stable, and functioning planet, however the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) recently warned that the world's safety net has stretched almost to breaking point.²

This disproportionately affects the world's poorest people, the majority of whom depend on natural resources for all or part of their livelihoods.³ The IPBES warns that current negative trends in biodiversity and ecosystems will undermine progress towards 80% of the assessed targets of the Sustainable Development Goals, related to poverty, hunger, health, water, cities, climate, oceans, and land.⁴ Climate change compounds the global biodiversity crisis already affecting the health and integrity of ecosystems. The Intergovernmental Panel on Climate Change identified that the most vulnerable people and systems across the globe are disproportionately affected by climate change.⁵ Sudden-onset climate change and weather-related disasters have killed more than 410,000 people from 2010 to 2019⁶ and displaced 30 million people in 2020 alone.⁷

Recognising these interdependencies, WWF-Australia has long advocated for Australia to build a nature-positive aid program and supports more integrated solutions that improve people's lives and enhance the natural environment. We commend the Government for the investments already made in supporting community-based natural resource management and, more recently, nature-based solutions to climate change in the Pacific and Southeast Asia. However, the scale of the investment so far is dwarfed by the significance of the need.

Australia's new International Development Policy presents a unique opportunity to align Australia's development program with national policies and global agreements on climate change and nature loss. Significant progress is being made in Australia towards delivering a nature positive future. This includes a zero species extinction target aimed at halting species decline, a commitment to protect 30% of

² Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services, 2019, *Nature's Dangerous Decline 'Unprecedented'; Species Extinction Rates 'Accelerating'*. Available at: <https://ipbes.net/global-assessment>

³ Kempf, I, 2018, *Poverty and the environment/climate change*, available at <https://www.un.org/development/desa/dspd/wp-content/uploads/sites/22/2018/05/9.pdf>

⁴ Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services, 2019

⁵ IPCC, 2022, *IPCC Sixth Assessment Report; Impacts, Adaptation and Vulnerability*. Available at: <https://www.ipcc.ch/report/sixth-assessment-report-working-group-ii/>

⁶ IFRC, 2021, *World Disasters Report 2020: Come Heat or High Water*. Available at: <https://reliefweb.int/report/world/world-disasters-report-2020-come-heat-or-high-water-tackling-humanitarian-impacts>

⁷ IDMC, 2021, *GRID 2021: Internal displacement in a changing climate*. Available at: https://www.internal-displacement.org/sites/default/files/publications/documents/grid2021_idmc.pdf

Australia's land and ocean by 2030, and a commitment to reverse biodiversity loss by 2030 as part of the global Leaders Pledge for Nature endorsed by more than 90 countries. This pledge recognises that "nature fundamentally underpins human health, wellbeing and prosperity" and includes a commitment to "putting biodiversity, climate and the environment as a whole at the heart both of our COVID-19 recovery strategies and investments and of our pursuit of national and international development and cooperation."⁸ In a video message announcing Australia's endorsement of the Leaders Pledge for Nature at the United Nations General Assembly in September this year, the Prime Minister marked it as a sign of Australia's reinvigorated approach to protecting the environment and taking climate leadership.⁹

However, Australia's responsibility does not end at home. We need to act globally to support people and economies to thrive while enhancing and protecting the natural environment upon which we all depend. Australia's bid to host COP31 with the Pacific demonstrates Australia's willingness to be a world leader in climate change and environmental protection, but this must be accompanied by policies that support these endeavors. Australia's new International Development Policy can strengthen its reputation and influence and signal to the world that Australia is committed to investing in a climate resilient and nature-positive future.

Drawing on effective domestic programs, and nascent but impactful nature-based solution projects in the Pacific and Southeast Asia, Australia is well placed to build a nature-positive aid program. WWF-Australia welcomes the opportunity to continue working with the Federal Government on maximising Australia's investments in the Indo-Pacific region to deliver impactful and lasting change for both people and nature.

Nature-based solutions; an important climate and development solution

Most of the developing world depend on natural resources for all or part of their livelihoods. As many as 90% of the world's poorest people depend on biological resources for food, fuel, medicine, shelter, and transportation.¹⁰ In the Pacific, for example, coastal fisheries - which depend on careful, ecosystem-based management – provide 50-90% of animal protein in rural areas and 40-80% in urban areas. Fishing serves as the primary or secondary source of income for nearly half of all households in 17 Pacific Island Countries and Territories (PICTs).¹¹

Communities that are particularly dependent on nature for their livelihoods are the most directly affected by nature loss and climate change and these issues have the potential to undo decades of development progress. The 2018 Boe Declaration on Regional Security categorically stated that climate change is "the single greatest threat to the livelihoods, security and well-being of Pacific people"¹² while the Secretariat of the Pacific Community warns that 75% of PICTs' coastal fisheries will be unable to

⁸ Leaders Pledge 4 Nature, 2022, *Leaders Pledge for Nature: United to Reverse Biodiversity Loss by 2030 for Sustainable Development*. Available at: <https://www.leaderspledgefornature.org/>

⁹ Prime Minister of Australia, 2022, Speech: Australia to join Leaders Pledge for Nature. Available at: <https://www.pm.gov.au/media/australia-join-leaders-pledge-nature>

¹⁰ Convention on Biological Diversity, 2010, *Biodiversity, development and Poverty Alleviation, Recognizing the Role of Biodiversity for Human Well-being*. Available at: <https://www.cbd.int/doc/bioday/2010/idb-2010-booklet-en.pdf>

¹¹ Secretariat of the Pacific Community, 2016, *Fish and Food Security* and Secretariat of the Pacific Regional Environment Program, 2017, *Pacific Fisheries: General Overview*

¹² Pacific Island Forum, 2018, *Boe Declaration on Regional Security*. Available at: <https://www.forumsec.org/2018/09/05/boe-declaration-on-regional-security/>

meet their food security needs by 2030.¹³ Climate change, the loss of habitats, species, fish stocks and access to water sources represent both ecological and humanitarian issues that undermine efforts to achieve sustainable development.

Acknowledging the links between the global biodiversity and climate crises, national governments are increasingly recognising the critical role that nature plays in both adaptation and mitigation. Nature-based Solutions (NbS) provide a widely accepted framework for harnessing nature to address climate change. Nature-based solutions support the sustainable management and restoration of both natural and modified ecosystems, benefiting biodiversity and human well-being. Carefully managed or restored mangroves, for example, mitigate climate change through carbon sequestration while also reducing the severity of storms and tidal surges for coastal communities and infrastructure. Healthy mangroves also provide spawning grounds for fish and crustaceans that are the foundation for food security and economic activity for many communities across the region.

The United Nations Environmental Assembly recognises the multi-dimensional benefits of NbS, defining them as *'actions to protect, conserve, restore, sustainably use and manage natural or modified terrestrial, freshwater, coastal and marine ecosystems, which address social, economic and environmental challenges effectively and adaptively, while simultaneously providing human well-being, ecosystem services and resilience and biodiversity benefits.'* High-integrity, socially-inclusive NbS programs have the potential to deliver across multiple climate, social, and environmental dimensions. They can simultaneously advance progress towards Sustainable Development Goal targets, deliver climate finance commitments in line with UNFCCC obligations, and achieve key objectives of the Convention on Biological Diversity.

Australia has a comparative advantage in delivering high-quality NbS due to its longstanding work on land-sector mitigation domestically, world-leading expertise in Indigenous land management, as well as existing programs across Asia and the Pacific that are achieving both environmental and development outcomes. Longstanding investments supporting community-based coastal fisheries management, forest carbon and regenerative agriculture projects, are helping communities to manage their resources and protect the ecosystems upon which they and their economies depend. Through a more ambitious international NbS agenda, Australia can bring those investments, and their direct benefits to people and nature, to scale.

Drawing on Australia's strengths, domestic priorities, international commitments, and the opportunity to scale up NbS investments in the Indo-Pacific region, WWF-Australia recommends the following as part of Australia's new international development program;

¹³ R. Gillett and I. Cartwright, 2010, *The future of Pacific Island fisheries*, Secretariat of the Pacific Community (SPC), Nouméa, New Caledonia and Pacific Islands Forum Fisheries Agency (FFA), Honiara, Solomon Islands, p. 46.

Recommendation 1: Introduce a strategic target that at least 80% of Australia’s international development investments, regardless of their objectives or sectoral focus, effectively address environmental issues and protect nature in their design and implementation.

Considering the broad-scale benefits of NbS and their cross-cutting nature, there is a strong need to mainstream nature-positive approaches into Australia’s new international development policy. This is reflected in a recent study of NbS in the Pacific region, commissioned by the Climate Resilient by Nature (CRxN) program, which found that ecosystem-based approaches can strengthen development and climate outcomes across all development sectors. The report concludes that NbS should not become a standalone sector but should be mainstreamed across sectors¹⁴.

The “Empowering women and girls” target was introduced in the 2014 Australian aid policy, *Making Performance Count*, and similarly emphasised the need to mainstream gender across the development program. Along with nine other strategic level performance targets, the policy requires that more than 80% of investments, regardless of their objectives, effectively address gender issues in their implementation. While there is still work to be done to advance gender equity through Australia’s international development program, analysis by the Australian Council for International Development, CARE, and the International Women’s Development Agency identified this strategic target as a “primary driver of action and accountability for gender equality in Australian aid.”¹⁵

Despite growing recognition of the interlinked climate and biodiversity crises, Australia’s development program still lacks a clear strategy or target for ecosystem protection and restoration. Reflecting on the transformative impact of the “Empowering Women and Girls” target, WWF-Australia recommends the introduction of a similar strategic target that at least 80% of international development investments, regardless of their objectives or sectoral focus, effectively address environmental issues and protect nature in their design and implementation.

This target tracks with international standards, particularly those called for in the UNEP State of Finance for Nature Report which found that by 2050, the total investment needs of nature will amount to USD 8.1 trillion, and will be over USD 536 billion annually.¹⁶

¹⁴ Youngs, K, J Johnson, and B Basel, 2022, *Review of Nature-based Solutions in the Pacific Region: Focus and Opportunities*

¹⁵ ACFID, CARE and IWDA, 2018, *Mixed Results and Skewed Priorities: gender equality, development, defence and the Australian Government Budget 2018-19*

¹⁶ UNEP, 2021, *State of Finance for Nature*. Available at: <https://www.unep.org/resources/state-finance-nature>

Case study: *Climate Resilient by Nature Australia-Pacific NbS Challenge*

Launched at COP26 in Glasgow in November 2021, *Climate Resilient by Nature* (CRxN) is a 3-year partnership between the Australian Government and WWF-Australia, advancing high-integrity, equitable nature-based solutions to climate change in Southeast Asia and the Pacific.

A central component of CRxN is the *Australia-Pacific NbS Challenge*, a competitive fund that is supporting five of Australia's leading international development NGOs and their local partners to pilot and explore opportunities to incorporate nature-positive approaches and ecological indicators, into their international development practice. *Challenge* partners are working with more than 3,000 people across five countries in the Pacific and Timor Leste to achieve development and climate action objectives through the protection and restoration of ecosystems that provide nature-based solutions.

In Timor Leste, for example, Caritas Australia and its local partners are using nature-based solutions to promote agroforestry, which will support the development aspirations of more than 500 households while also reducing deforestation. In collaboration with the Aboriginal Carbon Foundation, the project will facilitate farmer-to-farmer exchange between Timorese farmers and Indigenous Australian carbon farmers.

In Vanuatu, ActionAid and local partners are working with more than 1,000 women, including women with disabilities, to protect and restore soil biodiversity in Tanna and Erromango. Through a combination of demonstration plots, seed banks, nurseries and learning exchanges, the project will promote climate resilient livelihoods through approaches that empower women to protect the biodiversity upon which communities depend.

The *Australia-Pacific NbS Challenge* is a good example of how development actors can adapt their existing approaches and continue achieving their core objectives while also helping to protect, restore and sustainably manage critical ecosystems. Similarly, by taking a mainstreaming approach, the Australian Government can build on existing expertise, resources, and partnerships to build a nature-positive international development program.

For further information about *Climate Resilient by Nature* and the other *Challenge* projects, see www.climateresilientbynature.com.

The need to mainstream biodiversity in international development is widely recognised by other OECD donors. The UK recently committed to a nature-positive international development program, including by strengthening systems to ensure all new bilateral aid spending does no harm to nature and committing that at least £3 billion of UK climate finance over five years will be targeted towards initiatives that protect and restore biodiversity¹⁷. This followed the 2021 Dasgupta Review into the economics of biodiversity which demonstrated that sustainable economic growth and development requires a different approach, one where engagement with nature is not only sustainable, but also enhances collective wealth and well-being.¹⁸

In recognising that climate goals and biodiversity conservation are intrinsically linked, the Agence Française de Développement (AFD) mainstreamed nature into its climate finance commitments in 2021. AFD aims to reach €1 billion in funding to promote conservation and sustainable use of biodiversity by 2025. It will achieve this both by increasing targeted funding and “integrating biodiversity into all its sectoral initiatives.”¹⁹

In November 2022, US President Joe Biden announced his Government’s *Nature-Based Solutions Roadmap*, which lays out an ambitious domestic and international policy agenda for prioritising and mainstreaming nature-based solutions. The *Roadmap* calls on all US Government agencies involved in international development to “expand support for nature-based solutions in their core programs (e.g., health, agriculture, nutrition, infrastructure)” and instructs the US Treasury to “work with multilateral development banks and funds to set ambitious goals for nature-based solutions... and chart progress towards major integration of nature-based solutions into their core development and infrastructure programming.”²⁰ The *Roadmap* further recognises that USAID has made nature-based solutions one of five foundational pillars for its Climate Strategy 2022-2030.

Germany has similarly committed to putting nature at the heart of its international development program. In September 2022, German Chancellor Olaf Scholz announced that Germany will double its nature-positive development investments by allocating €1.5 billion annually for international biodiversity protection from 2025.

“Ambitious nature conservation is wise development policy. Because the ecological crisis does not only affect plants and animals, but above all us humans: forests are the basis of livelihoods for a third of humanity. Without an intact natural environment, people are defenseless to the

¹⁷ GOV.UK, 2021, *Prime Minister commits £3bn UK climate finance to supporting nature*. Available at: <https://www.gov.uk/government/news/prime-minister-commits-3bn-uk-climate-finance-to-supporting-nature#:~:text=UK%20will%20spend%20at%20least,and%20biodiversity%20over%20five%20years.&text=The%20Prime%20Minister%20Boris%20Johnson,and%20biodiversity%20over%20five%20years>

¹⁸ *The Economics of Biodiversity: The Dasgupta Review*, 2021. Available at: <https://www.gov.uk/government/publications/final-report-the-economics-of-biodiversity-the-dasgupta-review>

¹⁹ AFD, 2021, *One Planet Summit: AFD undertakes to allocate at least 30% of its climate funding to biodiversity*. Available at: <https://www.afd.fr/en/actualites/communiquede-actualites/one-planet-summit-afd-undertakes-allocate-least-30-its-climate-funding-biodiversity>

²⁰ White House Council on Environmental Quality, White House Office of Science and Technology Policy, White House Domestic Climate Policy Office, 2022, *Opportunities for Accelerating Nature-Based Solutions: A Roadmap for Climate Progress, Thriving Nature, Equity, and Prosperity*. Report to the National Climate Task Force. Washington, D.C.

forces of nature, be it heat waves, droughts or floods. The hunger crisis is also closely linked to the state of nature. If we succeed in protecting nature and restoring destroyed ecosystems, then this is also a good recipe in the fight against climate change and for greater global food security."

- Svenja Schulze, German Minister for Economic Cooperation and Development.²¹

While the current quantum and forecast trajectory of Australia's Official Development Assistance may not be able to accommodate such ambitious commitments for targeted funding, Australia can still achieve a nature-positive international development program by mainstreaming biodiversity across other sectors.

In mainstreaming biodiversity and nature-based solutions in its international development program, the Australian Government should be mindful of the potential for claims of "greenwashing", and aware of the risk of maladaptation if NbS initiatives are not carefully designed and implemented with clear ecological and social outcomes at the centre.

However, establishing clear and transparent targets and robust mechanisms for mainstreaming NbS and nature-positive approaches across the international development program would mitigate these risks. It would also maximise aid effectiveness, enhance development outcomes, and protect the environment upon which communities and economies depend.

Recommendation 2: Invest at least \$100 million annually in initiatives in Asia Pacific that have the primary objective of achieving development outcomes through the protection and restoration of nature and climate-critical ecosystems.

The United Nations Environment Program is urging investments in nature-based solutions to triple by 2030. To meet climate change, biodiversity, and land degradation targets, the world needs to close a USD 4.1 trillion financing gap in nature by 2050.²²

WWF-Australia welcomes the Australian Government's targeted investments in nature-based solutions in the Pacific and Southeast Asia through CRxN, Kiwa and other initiatives. However, the significance and urgency for ecological protection and restoration in our region far outweighs the scale of current investment and highlights the need for further direct support into environmentally-focused programming. While a great deal can be achieved by mainstreaming biodiversity into broader development initiatives, there is still a need for specific, targeted investment in protecting, restoring and/or sustainably managing nature. On this basis, WWF-Australia recommends the direct investment of at least \$100 million annually in initiatives in Asia and the Pacific that have the primary objective of achieving development outcomes through the protection and restoration of nature and the sustainable management of critical natural resources.

²¹ BMUV, 2022, *Reliable partner for global nature conservation: Germany is increasing its international funding for biodiversity to 1.5 billion euros per year by 2025*. Available at: <https://www.bmu.de/pressemitteilung/verlaesslicher-partner-bei-weltweitem-naturschutz-deutschland-steigert-seine-internationale-finanzierung-fuer-biologische-vielfalt-bis-2025-auf-15-milliarden-euro-pro-jahr>

²² UNEP, 2021, *State of Finance for Nature*

Case study; supporting technology-enabled transparency in the Pacific's tuna supply chains to deliver economic and ecological benefits

More than 60% of the world's tuna comes from the Pacific. Tuna fisheries are estimated to be worth \$5-7 billion annually to Pacific Island economies and form part of the rich cultural fabric of many Pacific societies. Tuna are also a top predator that help to maintain a balance in the ocean. Overfishing poses serious threats as loss of predators, like tuna, allows populations of prey species to expand. This then can lead to a destabilised food web and marine environment

The success of both the tuna industry and the broader ecosystems of which they are a part is directly dependent on the sustainable management of tuna fisheries, however effective management of longline tuna fisheries across the Pacific are at risk due to poor monitoring, control, and surveillance and limited observer coverage.

In 2018, a WWF innovation project pilot tested the first ever use of blockchain to track the journey of Albacore tuna within the Fiji supply chain. This technology and process became OpenSC, a platform that has been proven and adopted at scale, having been commercially deployed in two Australian commercial fisheries and delivered on a proof-of-concept in Fiji longline Tuna fisheries.

The application of OpenSC's technology could enable the entire Fijian tuna industry to prove that its fish have been caught legally and responsibly and allow consumers to trace individual fish from bait to plate. It's an initiative that has the potential to deliver ecological and socio-economic benefits and add value to Fiji's tuna industry.

Pacific Island governments, with support from fisheries groups and aid agencies, have been working for decades to improve the sustainability of tuna fisheries and ensure they are being managed in a socially responsible way. Supporting technology-enabled transparency in the Pacific's tuna supply chains can help the industry meet consumer demands for responsible seafood products while also contributing to a sustainable local industry.

Conclusion

Together, climate change and nature loss present the greatest threat to the livelihoods, security, and wellbeing of the Indo-Pacific region. Without significant and immediate action, the decline of the natural world will continue, and it is our closest neighbours who will suffer the most. By laying the groundwork for a nature-positive development program, the new International Development Policy can help Australia's neighbours build social and ecological resilience.

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