

Land Use Finance Impact Hub Press Release

UNEP launches new sustainable land use finance impact directory

6 April 2022, Geneva – Financial institutions around the world can now measure the positive impact of their investments into biodiversity conservation, adaptation, mitigation, forest protection and sustainable livelihoods with the help of a new indicator directory and resources platform, launched today.

The [Land Use Finance Impact Hub](#) and its [Positive Impact Indicators Directory](#) – launched today by UN Environment Programme (UNEP) Climate Finance Unit and the UNEP-World Conservation Monitoring Centre (UNEP-WCMC) – has been developed with and for impact funds and sustainably focused financial institutions, and aims to support the rollout of effective industry frameworks to track the environmental and social impacts of land-use investments.

To successfully tackle the triple planetary crisis of climate change, nature loss and pollution, leaders are calling for the world to become not only net-zero, but also nature positive, for the benefit of both people and planet. This represents a real paradigm shift with the economic imperative to not only minimize impact, but also restore ecosystems. Banks and investors are waking up to this urgent need, and are looking for guidance and practical solutions to help drive nature positive land-use investments. The new tool will enable implementation of the policy efforts across the finance industry and encourage capital flows into nature positive assets and activities. Strong impact-measurement frameworks are key to driving public and private investor confidence, attracting diverse sources of concessional finance and mainstreaming private capital across biodiversity conservation, climate adaptation, climate mitigation, forest protection, and sustainable livelihoods. They align with a global focus on nature-based solutions, based on the newly adopted [resolution at the 5th UN Environment Assembly](#).

“Coming hot on the heels of the Task Force on Nature-related Financial Disclosures (TNFD) beta-framework release, the new Land Use Finance Impact Hub provides an important resource for financial institutions to ensure they are properly considering their environmental and social impacts. The Positive Impact Indicators Directory is a valuable and unique starting point for institutes to track their positive impacts – and aligns with the TNFD call for greater disclosure on nature-related opportunity identification and disclosure,” said Matt Jones, Head of Nature Economy at UNEP-WCMC.

The Positive Impact Indicators Directory is a harmonized shortlist of key performance indicators, designed to encompass fundamental aspects of sustainable land use investment such as the natural habitat area that is effectively protected through time. It aims to help end-users, including impact funds, asset managers and debt managers, to identify and measure how land use investments generate positive environmental and social impacts. UN Member States who are involved in blended concessional financing will also find this useful to

ensure their impacts are properly tracked. The Directory also allows users to see how the proposed indicators link to global goals, including the [UN Sustainable Development Goals](#), [the Rio Conventions](#), and the [UN Decade on Restoration](#), enabling financial institutions to track their positive environmental and social impacts at a time of increasing pressure on the financial sector to influence the change needed to address planetary crises.

“In the early days of sustainable land use finance, there was a tendency for each fund to develop their own set of project-specific Key Performance Indicators, making it difficult to aggregate impact results at the fund level and for financiers to identify where they could best invest their capital to achieve the desired impacts,” said Ivo Mulder, Head of UNEP’s Climate Finance Unit. “The Land Use Finance Positive Impact Indicators Directory is a first step to resolving this challenge by adopting a common and standardized approach. It brings increased efficiency for capital allocation in nature-positive assets, including in the context of sustainable land-use assets.”

The Directory, while providing a unique, targeted shortlist of indicators for positive environmental and social impacts, is only a small part of the Land Use Finance Impact Hub.

The Hub will host multiple expert discussions, information briefs that educate decision-makers about various environmental and social frameworks and relevant external resources. The team is also looking to expand the Positive Impact Indicators Directory to include indicators relevant to banks, in addition to the current set developed with and for impact funds. UNEP’s Climate Finance Unit UNEP-WCMC aim to make the Impact Hub the go-to platform for guidance and tools needed by users to ensure funds are spent efficiently, potential risks are curtailed, and impacts are measured, monitored and reported against.

Notes to Editors

About UNEP Climate Finance Unit

UNEP’s Climate Finance Unit’s mission is to actively work to develop innovative solutions to shift capital towards more sustainable forest and agri-food systems. In doing so, it aims to develop into a leading hub, facilitator, and public-private platform to generate a social and economic paradigm shift towards sustainable land use. The unit actively works with member states, corporate and finance leaders to develop and support a variety of innovative businesses and finance solutions, providing expertise on environmental & social impacts, to raise the ambition level and advocate for systemic changes to make sustainable land use the ‘norm’.

About UNEP-WCMC

The UN Environment Programme World Conservation Monitoring Centre (UNEP-WCMC) is a global Centre of excellence on biodiversity, and nature’s contribution to society and the economy. We operate as a collaboration between the UN Environment Programme and the UK-registered charity WCMC. Together, we are confronting the global crisis facing nature. We do this through our unique position ensuring science, knowledge and insights shape global and national policy, and by collaborating with partners around the world to build capacity and create innovative solutions to environmental challenges. We use our position as respected custodians of powerful and trusted environmental data to create positive impacts for people and nature.

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