

# PROBLUE and Biodiversity



## Overview

The World Bank Group (WBG) vision to better integrate nature, climate and development is in full support of ambitions outlined in the **Global Biodiversity Framework (GBF)**. COP-15 of the Convention on Biological Diversity took place at a time when the world faces the triple environmental crises of i) nature loss, ii) climate change, and iii) pollution, as well as economic effects of conflict, which threaten hard-won development gains. Investing in nature, and including in marine resources, offers solutions to reducing poverty and inequality and protecting the climate system and critical ecosystems that support livelihoods, food and nutrition security, all of which are inherently linked.

The WBG has invested in natural capital for decades. The World Bank supports conservation and mainstreaming of nature into economic policy, development programs, and strategic sectoral investments; IFC and MIGA bring in the private-sector lens. Together, the WBG develops innovative, integrated financing solutions. Since 2018, with support of PROBLUE, the WBG has put a stronger focus on marine natural capital and has helped strengthen the protection and restoration of marine ecosystems by supporting policy, development programs, and strategic investments to best support the implementation of the GBF across WBG investments.

The WBG is a leading multilateral financier of nature, with a broad cross-sectoral portfolio that integrates action on nature loss and climate change. In FY22, the WBG delivered a record USD 31.7 billion in climate financing. The nature portfolio is growing too, reaching a record USD 2.8 billion in direct investments in biodiversity in FY22.

The WBG, often by deploying PROBLUE as the engine of innovation and intellectual leadership, is raising the agenda of biodiversity, pollution, and climate change to support the implementation of the GBF, in addition to the (WTO agreement on fisheries subsidies), and the Intergovernmental Negotiating Committee (INC) negotiations on ending plastic pollution. These commitments, along with a growing understanding of nature-related economic risks, have increased demand for operations supporting nature and climate action, and pollution prevention. These not only contribute to the global public goods agenda in the WBG's Evolution Roadmap, but also help mitigate the tangible environmental risks that businesses and communities face.

## How can the WBG through PROBLUE further support the Global Biodiversity Framework?

The PROBLUE program is stepping up its financial, technical and knowledge support to countries as they seek to implement the GBF. PROBLUE grant financing plays a catalytic role to accelerate the adoption of ecosystem-based approaches in ocean-related sectors. PROBLUE's overall portfolio of technical activities currently amounts to **USD 134m in support of 187 activities in 81 economies**. PROBLUE has been instrumental in supporting the expansion of the WBG's blue portfolio which exceeds USD 7 bn through core IBRD and IDA financing. Looking at biodiversity alone, the WBG is the **leading multilateral financier of biodiversity and ecosystem services, reaching an active portfolio of USD 2.8bn in FY22**. The WBG adopts a holistic, WHOLE-OF-ECONOMY approach (beyond a 30x30 lens) by financing strategic investments and informing policy reform in countries through investment operations, decision-support tools, and technical assistance. While **PROBLUE already contributes to three of the four goals and many GBF targets, it can further support transformative actions to halt and reverse biodiversity loss for the benefit of nature and people** (see below).

## Specific actions to accelerate the implementation of the GBF through the blue economy



### Raising the blue biodiversity profile

The WBG is raising the profile of blue biodiversity and ecosystem services through policy dialogue and reforms, and biodiversity-positive investments. This will be done through the uptake and implementation of strategic tools such as marine spatial planning, nature-based solutions, the Fisheries Sector Assessment Toolkit, Plastics Policy Simulator, and similar. As a result, the blue economy business line, much of which has been informed and unlocked by the PROBLUE programme or with the help of PROBLUE support, will accelerate investments for biodiversity enhancement and ecosystem restoration as one of the key priority areas for the coming years.



### Whole-of-economy approach

For the WBG, nature is a development issue. Putting economies on more sustainable development paths requires a systemic shift to nature-smart planning and policy, to address the drivers of ecosystem loss taking a land-to-sea approach and promote more sustainable practices and nature-positive business models across the economic sectors. In addition to supporting the 30x30 target and scaling up conservation efforts, the WBG will ensure that its investment operations, analytics on the economics of marine natural capital and policy dialogue also support GBF targets pertaining to the repurposing of harmful fisheries subsidies, reducing marine pollution, and integrating nature-based solutions across sectors, to cover 100% of the seascape in the WBG's portfolio.



### Increase support for equitable and inclusive interventions

The GBF calls for broad-based action to achieve its targets, recognizing the roles and needs of women and men, youth, and indigenous peoples. PROBLUE will help ensure that WBG investments and policies that work for nature/biodiversity also work for the Indigenous Peoples and local communities who depend on marine biodiversity and are its stewards and include targeted measures that benefit the most vulnerable that depend on healthy marine and coastal ecosystems.



### Mobilize blue finance

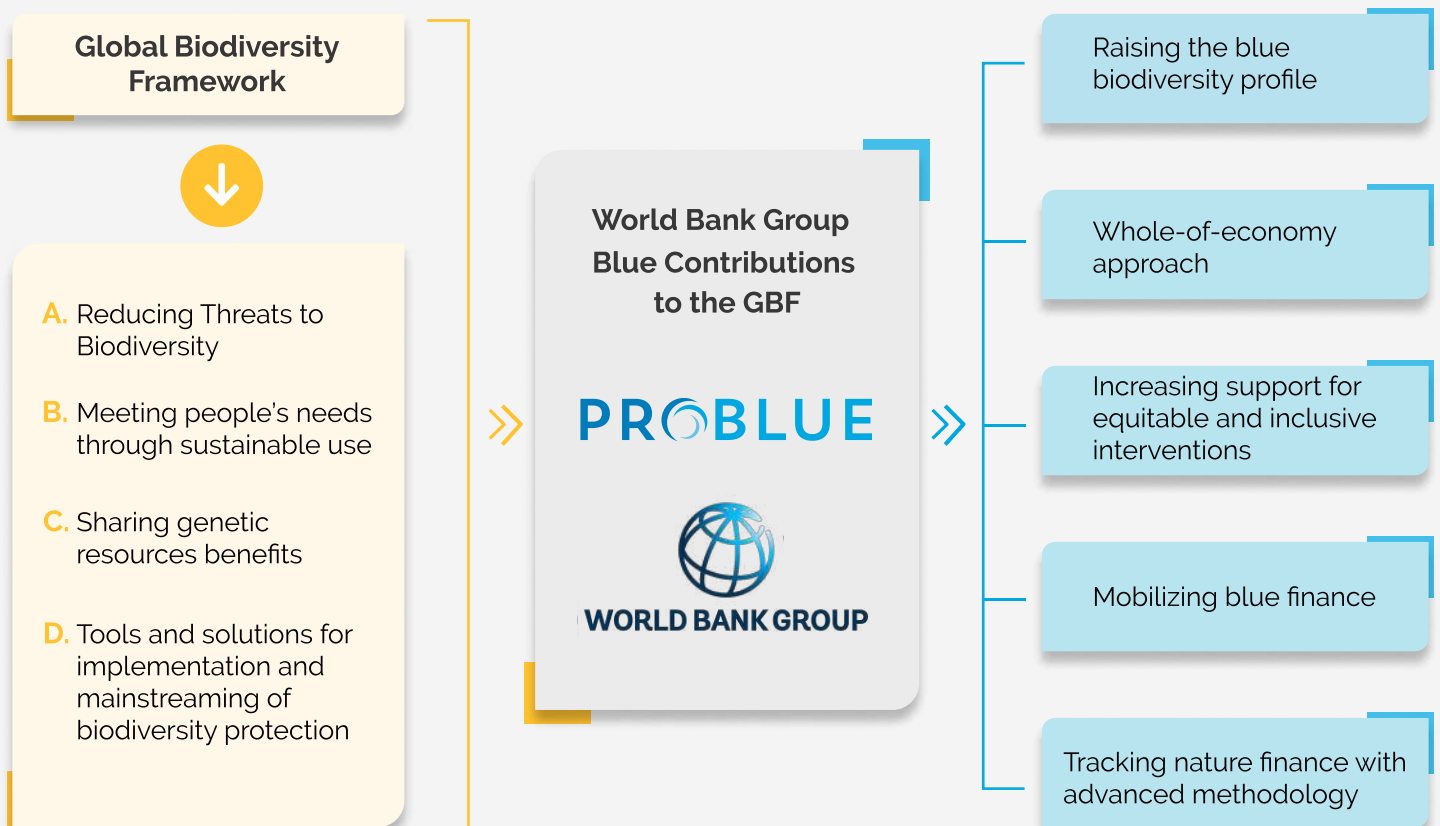
For oceanic sectors to be sustainable, ocean finance needs to integrate biodiversity considerations into financial decisions and business strategies. There are two complementary approaches that the WBG is undertaking to mobilize private finance for biodiversity: blueing finance and financing blue<sup>1</sup> Considering the 30 X 30 target alone, it is estimated that to get to the 10% target of Highly or Fully Protected areas it would require at least USD 7.7bn globally. PROBLUE activities have been catalyzing additional investments. Already, 21 closed PROBLUE activities informed USD 1.25bn of WBG investments. Looking ahead, PROBLUE will expand its support for enhancing the enabling environment for biodiversity investments through policies and regulations and incubate a pipeline of bankable projects. Financial innovation will be sought - including blended mechanisms of concessional and commercial finance.



### Tracking nature finance with a dedicated methodology

In line with an IDA20 commitment, the WBG is developing a methodology to better track investments supporting nature. The new methodology seeks to capture those of the WBG's actions that reduce loss of and restore nature in marine and terrestrial ecosystems, supporting implementation of the GBF and contributing to green, resilient and inclusive development. Such investments are helping reduce the drivers of nature loss across economic sectors, scaling up nature-based solutions, conserving and restoring critical ecosystems, and creating enabling conditions for sustainable management of natural resources. The methodology will allow for better accounting of WBG support to marine biodiversity.

## How can the WBG through PROBLUE further support the Global Biodiversity Framework?



1. World Bank. 2021. Unlocking Nature-smart Development- an Approach Paper on Biodiversity and Ecosystem Services



# Reducing threats to biodiversity

## 1 All areas under participatory integrated biodiversity including spatial planning by 2030

PROBLUE will continue to support Marine Spatial Planning (MSP) as a means to reduce impacts of coastal and marine use on biodiversity, including through the PROBLUE-financed [MSP Toolkit](#) and the Environmental and Social Framework for Offshore Wind Spatial Planning (ES-FOWSP). PROBLUE currently supports MSP in 3 regions (Eastern Caribbean, Gulf of Fonseca, and West Africa), and 18 countries<sup>1</sup> as well as Offshore Wind Spatial Planning in 3 countries<sup>2</sup>

## 2 Restore 30% of degraded nature by 2030

PROBLUE will strengthen its support to marine and coastal ecosystem restoration by mapping ecosystem services, including their co-benefits, to increase support for this goal among decision makers, identifying threats to their health, connectivity with other ecosystems, and human-ecosystem interactions. Among many projects, recent examples include the USD419m project in [Indonesia for a large-scale mangrove restoration investment](#), and USD246m WACA Resilience Project 2 with co-financing from PROBLUE to support mangrove restoration and further blue carbon market development.

## 3 Conserve 30% of nature by 2030

The WBG, including through PROBLUE, will expand its support to the 30x30 goal in the ocean by helping countries establish new MPAs and improving management and performance of existing ones. In recent years, the WBG supported the creation and consolidation of over 10m hectares of marine and coastal protected areas and 6m hectares of terrestrial protected areas, and brought 72m hectares under enhanced biodiversity conservation (Approach Paper<sup>3</sup>). More recently, in FY22, the WB has supported the creation of 40 marine protected areas. MPA efforts are supported, for example, in Ecuador, Grenada, Madagascar, Timore Leste and the Pacific Islands, among others

## 4 Halt species extinction and preserve genetic diversity

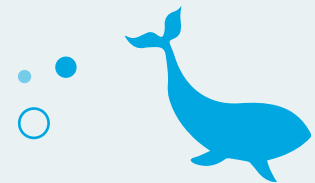
Through an ecosystem approach, PROBLUE supports stopping species extinction through coastal-marine ecosystem enhancement via NBS, restoration, and MPAs. At the heart of PROBLUE's fisheries work is tackling the underlying causes of overfishing – which includes supporting an Ecosystem Approach to Fisheries, thus recognizing more explicitly the interdependence between human well-being and ecosystem health and the need to maintain ecosystems' productivity – including by conserving critical habitats and reducing pollution and degradation.

## 5 Sustainably manage and use wild species

PROBLUE's support for sustainable use of fisheries resources focuses on strengthening governance systems for enhanced and effective fisheries-management that contributes to reducing overexploitation. Across the WBG, 28 fisheries management plans have been implemented, improved and/or introduced between 2017-22. Management plans include measures such as reducing the impact of gear on ecosystems and their biodiversity, and the catch of non-target species.

## 6 Halve invasive species introduction by 2030

PROBLUE additional support to blue ports and shipping will further help countries to manage their ships ballast waters to help prevent the spread of invasive species as well as potentially harmful pathogens. PROBLUE supports Blue Ports efforts in West Africa, the Pacific Islands, the Caribbean, and Turkey.



## 7 Halve excess nutrients and chemicals pollution

PROBLUE supports efforts to combat marine plastics pollution across all regions through a comprehensive set of solutions, at every stage of the plastic lifecycle. This includes filling knowledge gaps through analytics at the global, regional, and country levels, contributing to regional and national action plans, and informing policy development with innovative models such as the Plastics

Policy Simulator and the Plastic Substitution Tradeoff Estimator. PROBLUE is supporting the application of these models in a growing number of countries.

In addition, through the study "Curbing the Flow", PROBLUE will help develop solutions to plastics pollution through informing the INC process on relevant topics and enhance knowledge and capacity on plastics pollution and circular-economy issues. This will include amplifying the long-term sustainability of the Pathways out of Plastic Pollution analytic and other existing toolkits.

1. List of Countries: Indonesia, Mozambique, Vietnam, Madagascar and Comoros, Morocco, Maldives, Mexico, Tanzania, Grenada. In FY23: Sao Tome e Principe, Ghana, Senegal, Kenya, Egypt, Bangladesh, Philippines, Jamaica, Argentina, Ecuador, and Palau

2. Colombia, Azerbaijan and the Philippines

3. World Bank Group. 2021. Unlocking Nature-Smart Development: An Approach Paper on Biodiversity and Ecosystem Services.

## 8 Mitigate and adapt to climate change with Nature-based solutions (NBS)

PROBLUE has a robust NBS portfolio, which focuses on coastal ecosystems like coral reefs, mangroves, salt marshes and seagrass beds, etc, and will continue to scale up this work. PROBLUE supports NBS work at the global, regional (Caribbean, Pacific Islands), and country levels (Ghana, Senegal, the Gambia, Pakistan, Morocco, Ecuador), through the development of guidelines and planning tools for NBS integration in different sectors (disaster risk management, ports, tourism), and the development of nature-positive markets including insurance products, and blue carbon. In addition, based on a WB collaborative effort to [assess climate impacts on fisheries](#) in Africa, PROBLUE is co-funding the roll-out of this piece of work at the national and sub-national level, analyzing the impact of climate change on specific stocks and, in turn, the impact of these changes – not least stocks' poleward movements – on fisheries communities, and on the basis of which a range of adaptation measures are formulated – including specific fisheries-management measures. This work was first piloted in Indonesia and is being taken up in a number of additional countries.

## Meeting people's needs through sustainable use and benefit-sharing



## 9 Ensure sustainable use of wild species for the vulnerable

The WBG with support from PROBLUE are identifying and assessing the role of and need for social-protection and labor-market measures for fishers, fish workers and their communities to mitigate potential short- to medium-term negative impacts of fisheries-management measures, and to help a transition out of the sector as appropriate; case studies are currently underway in the Solomon Islands, Vietnam, Sri Lanka, Kenya and Costa Rica.

## 10 Implement biodiversity-friendly practices in agriculture and other production systems

Several countries have recently received support to develop sustainable aquaculture and seaweed farming including Madagascar, Morocco, Mozambique, Argentina, and Palau, among others. In addition, a global Biodiversity in Agriculture flagship study is commencing, which will explore how agriculture and food systems can be transformed to arrest the alarming rate of loss of biodiversity and ecosystem services. It will identify policies, public investments and capacity building measures needed to address the loss of nature and assist countries in meeting targets under the Global Biodiversity Framework. The study will benefit from the PROBLUE-funded activity on "Actions and Policies to Reduce Coastal Zone Agricultural Nutrient Pollution in Africa, Latin America, and South Asia", which is ongoing.

## 12 Increase biodiversity in cities with green and blue spaces

Considering the large fraction of the global population living within 100km of the coast, PROBLUE collaborates with different TFs ([GFDRR](#), [GWSP](#)) and sectors (DRM, tourism, finance) in the development of global and national tools to increase climate resilience in coastal cities, and enhance biodiversity and connectivity across urban-rural areas. Tools include the coastal NBS opportunity scan tool (NBSOS) to assess NBS based on existing typologies, include flood mapping and shoreline erosion capabilities. Coastal urban work is conducted in Haiti, Senegal, the Gambia, the Pacific Islands, and the Philippines.

## 11 Restore Nature's Contributions to People through Nature-based Solutions

A large fraction of the global population (41%) and world's megacities (60%) are located in coastal zones. Climate change and environmental degradation are compounding risks to coastal population, economic activities, infrastructure and ecosystems. Expanding NBS as part of more sustainable coastal management can help reduce risks while contributing to meet environmental goals. The WBG is working with countries to incorporate climate and nature themes into development plans. NBS are integrated into WBG operations at the community and project level, through country-level prioritization in the WBG new core diagnostic, Country Climate and Development Reports ([CCDRs](#)), and Country Partnership Frameworks, and at the global level in the World Bank's Climate Change Action Plan. PROBLUE has supported the blue NBS integration in several CCDRs, and is expected to accelerate this incorporation in the ones to be prepared in the next FYs. More than 100 projects (for a total of USD5.5b) used nature-based solutions from fiscal years 2012 to 2021, and the number has increased significantly since 2018, according to the [World Bank NBS solutions portfolio](#) analysis. The environment global practice leads the NBS commitments, under which PROBLUE supports NBS efforts at the global, regional (Caribbean, Pacific Islands), and country levels (Ghana, Pakistan, Ecuador), through the development of guidelines and planning tools for NBS integration in different sectors (disaster risk management, ports, tourism, and aquaculture), and the development of nature-positive markets including insurance products, and blue carbon. Moreover, with support from the GEF, the WB will work on Least Developed Countries to accelerate investments in nature-based solutions to help address climate adaptation, and integrate biodiversity in these natural solutions.





## Tools and solutions for implementation and mainstreaming



## 14 Adopt a whole-of-government and – society approach

The WBG with support from PROBLUE emphasizes coordinated, collaborative work across institutions and sectors, including finance and economics ministries. PROBLUE is increasingly emphasizing the need for integration and coordination across sectors which is critical for these interconnected / interdependent natural systems. PROBLUE has developed integrated seascape management tools such as [Blue Public Expenditure Review](#) to assesses how public expenditures address issues related to coastal and marine resources and to guide future government allocation. PROBLUE has financed the application of Blue PER in 5 countries.

## 15 Disclose business and finance dependencies and impacts on biodiversity

The World Bank will strengthen its support to improve transparency, in particular in the fisheries sector. In particular, through readiness to implement the WTO Agreement on fisheries subsidies with regards to its transparency, as well as to countries interested in joining the Fisheries Transparency Initiative (FITI). This includes further support to 25 countries that have enhanced fisheries data management and/or disclosure, and through PROBLUE support to the FITI Secretariat as well as to Cape Verde to join the initiative.

## 16 Promote sustainable consumption

At the global level, the World Bank with support from PROBLUE has supported the development of tools for fisheries and aquaculture value-chain screening and rapid assessment, capturing all stages from input and technology to the consumer, and including performance from a food-loss perspective, part of which is food waste.

## 17 Implement biosafety protocols

Amid the COVID19, the World Bank with support from PROBLUE and the GWSP and in collaboration with the FAO developed the water, sanitation and hygiene ([WASH](#)) [interventions in fisheries and aquaculture Guidance Note](#) and [associated tools](#), to help improve the health and nutritional status of workers and communities and improve the safety of food products produced. These tools are being piloted as part of the Resilient Tourism and Blue-Economy Development in Cabo Verde Project, with the help of a PROBLUE grant.

## 18 Reduce harmful incentives by USD500bn per year by 2030

In response to the WTO agreement on fisheries subsidies (2022), the WBG with support from PROBLUE will help countries in getting ready to ratify and implement the Agreement. In particular the WBG will expand its support to the identification of harmful subsidies through Public Expenditures Reviews and will support countries in repurposing these subsidies while mitigating impacts on fishing communities who were benefiting from them. A number of PROBLUE-financed tools under FSAT will support this target. Currently PERs are being conducted or planned in Pakistan, India and Bangladesh. The Bank through PROBLUE is also collaborating and coordinating with the WTO Secretariat.

## 19 Mobilize finance of all kinds: international, domestic, private, blended, climate

The WBG will continue to unlock barriers and develop blue finance & joint WB & IFC engagements. The WBG draws on its financial instruments, convening power, and technical expertise to support its client countries as they address biodiversity loss, and ecosystem degradation. It operates through a diverse set of financing modalities, often blending resources from IDA, IBRD, and multilateral and bilateral trust funds, such as [PROBLUE](#), [PROGREEN](#), [GFDRR](#), [SCALE](#), and [GWSP](#), as well as the private sector for greatest impact (see brief [Scaling up Finance for Nature](#)). PROBLUE will continue to support innovative financing mechanisms at the country level such as the COAST fisheries insurance, social-protection schemes, Seychelles Blue Bond and others; and work collaboratively with IFC, the private arm of the WBG that has already supported blue bonds in Philippines, Thailand, South Africa, and Ecuador.

## 20 Strengthen technological, technical and scientific international cooperation

PROBLUE has been and will continue to be an active player in the international arena, supporting countries to implement high-level international commitments, and use the WBG's convening power for international cooperation. Efforts include [Global Plastic Action Partnership](#), [UN Restoration Finance Taskforce](#), [Decarbonizing the Shipping Industry](#), [Offshore Wind](#) development, [Tourism Action Coalition for a Sustainable Ocean](#), [High Level Panel for a Sustainable Ocean Economy](#), among others.



## 21 Make data, knowledge and education widely available

The World Bank's Policy on Access to Information has enabled the organization to become a global leader in transparency and has made a groundbreaking change in how the World Bank makes information available to the public. Since the beginning of the Blue Economy business line, which includes the PROBLUE MDTF, data, reports, tools, and project information have been disclosed to the public. PROBLUE-funded resources can be found [here](#). With regards to country support, PROBLUE continues to support the [Fisheries Transparency Initiative](#) – transparency being a fundamental prerequisite for sustainable fisheries. Further support will be provided for countries interested in joining the FITI as well as for countries to comply with the transparency clauses of the GBF and WTO Agreement on Fisheries Subsidies.

## 22 Guarantee representation and implication of IPLC, women, youth and the disabled

The blue economy must put people at its center, working for everyone, enabling human rights, facilitating the equitable distribution of ocean wealth and ensuring equality of opportunity for all. PROBLUE's work focuses on the links between ocean development, climate and biodiversity while considering the full inclusion of vulnerable communities, including indigenous populations, women and girls, and other marginalized groups as active drivers of the ocean economy. Practical guidelines, and analytical work are also developed by the World Bank with support from PROBLUE, including [Gender, Marginalized People, and Marine Spatial Planning](#).

## 23 Ensure gender-equal access to biodiversity

Through PROBLUE, the World Bank has produced many knowledge products on the Blue Economy and Gender, including but not limited to: [Gender Integration in the Blue Economy Portfolio: Review of Experiences and Future Opportunities](#); [PROBLUE and Gender Equality](#); and [Gender, Marginalized People and Marine Spatial Planning](#). In FY22, 92 percent of funded activities included a gender component. Gender inclusion is a priority for PROBLUE, especially in relation to equal access to biodiversity benefits.