

UNEP Planetary Funds

Biennial Report 2023–2024

Message from the Executive Director

The UNEP Planetary Funds have quickly proven their potential. I look forward to seeing them grow and drive the innovative environmental strategies we need to secure a peaceful, prosperous and equitable future for humanity.



Inger Andersen

Under-Secretary-General of the United Nations
and Executive Director of the United Nations
Environment Programme

The triple planetary crisis of climate change; nature, land and biodiversity loss; and pollution and waste has never been more intense or interwoven. Time is running out to meet a raft of international goals by 2030. Sustainable development is facing a clear and present threat.

The good news is that commitments and action are increasing in every country and sector. At the United Nations Environment Programme (UNEP), we have seen a significant rise in demand for our work that reflects this global momentum. This is a clear signal that the world understands our unique ability to tackle the drivers of the triple planetary crisis and the urgent need to do so.

But UNEP can only deliver more if it has sufficient, stable and flexible funding that allows us to be agile in addressing emerging issues and deliver long-term impact. This is why, on UNEP's 50th anniversary in 2022, we launched three thematic funds, or what we now call the UNEP Planetary Funds. There is a fund each for climate, nature and pollution, but allocations go toward efforts that deliver progress across the full triple crisis.

With over US\$30 million committed in less than three years, the UNEP Planetary Funds have quickly proven their potential. They have backed the negotiations on an instrument to end plastic pollution, helped countries quantify their food waste and loss for targeted interventions, supported African entrepreneurs to deliver nature-based solutions, produced forward-looking science and solutions, and more.

The world is coming together to tackle the environmental crises we are facing, with UNEP and its Planetary Funds at the heart of action. I am proud of our success so far. I thank the countries that have committed funds already and call on other Member States to consider the Planetary Funds as key channels for funding and action.

As the funds are designed to tap further into the public, philanthropic and private sectors, I look forward to seeing them grow and drive the innovative environmental strategies we need to secure a peaceful, prosperous and equitable future for humanity.

UNEP Planetary Funds

The three UNEP Planetary Funds – the UNEP Climate Fund, UNEP Nature Fund and UNEP Pollution Fund – were launched in 2022 at UNEP's 50th anniversary. They have since raised over US\$30 million.

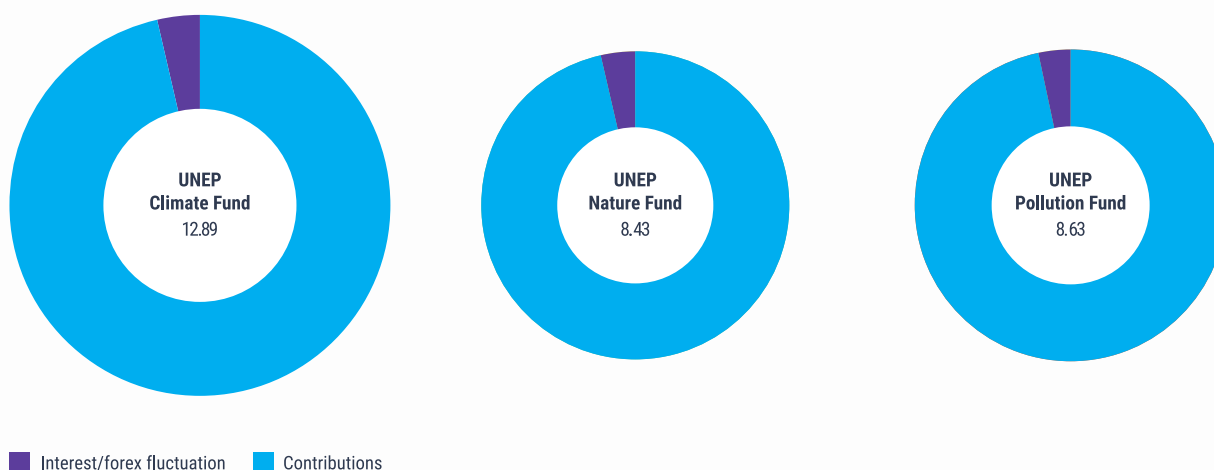
As a flexible alternative to earmarked funds, these funds allow UNEP to overcome time-bound restrictions and innovate with tomorrow fully in mind. Renamed in 2024 to reflect their focus on the triple planetary crisis, they are designed to help UNEP's experts break outside the traditional project model and develop longer-term strategies to address the crises' root causes while proactively addressing new risks as they arise.

The Planetary Funds supplement UNEP's core Environment Fund and widen the organization's partner base. They are open to all levels of government, multilateral development banks, national and regional organizations, international financial institutions, philanthropies, foundations and individuals that share UNEP's mission.

Contributions are allocated by UNEP's Budget Steering Committee in accordance with a framework that ensures delivery, accountability and innovation. Funding goes toward initiatives that include generating new science, providing policy guidance, supporting sound environmental leadership, scaling up adoption of new technologies, spurring the circular economy, and bringing countries and sectors together to address shared challenges. Each effort is focused on one of the three planetary crises but assures cross-cutting benefits for all.

This first biennial report includes a sampling of a few of the efforts each UNEP Planetary Fund has supported so far. The results demonstrate the Funds' ability to turn a collection of investments into a comprehensive approach to addressing the world's most pressing environmental challenges.

Figure: Funds received to date (in US\$ million)



Contributions	UNEP Climate Fund	UNEP Nature Fund	UNEP Pollution Fund	Total
 Belgium	9,663,049			9,663,049
 Finland		3,271,538		3,271,538
 Norway	2,784,739	4,872,256	8,354,219	16,011,214
 Philippines			10,000	10,000
Interest/forex fluctuation	451,366	289,385	275,128	1,015,879
Total received	12,899,154	8,433,178	8,639,347	29,971,679

UNEP Climate Fund

Current pledges under the Paris Agreement put the world on track for up to 2.9°C of temperature rise above pre-industrial levels this century, but with proper action, this trend can be reversed. The UNEP Climate Fund invests in a future in which every sector is on track to lower its emissions, finance systems are redesigned to support adaptation and decarbonization, and countries have the tools they need to respond to climate change.

Objectives

- Increase climate science and transparency in support of the Paris Agreement
- Enable decision makers at all levels to improve decarbonization and build stability and resilience
- Shift the finance sector and consumer behaviour to align with climate goals

Impact

Preventing food waste

Food loss and waste generates up to 10 per cent of global greenhouse gas emissions. To help countries halve this by 2030, UNEP's second Food Waste Index broadened and updated the knowledge base on this global challenge. Funding helped generate new data on household food waste, aiming to inform public and private sector efforts to reduce unsustainable food habits.

Developing African entrepreneurship

Nature-based solutions could provide more than one-third of the mitigation needed to keep climate change in check by 2030 – and, as proven by UNEP's Restoration Factory, support socioeconomic goals. This hybrid incubator programme provides small enterprises focused on sustainability with business development guidance and mentors. Supported through funding, 47 entrepreneurs in Kenya graduated from the pilot programme – a success that enabled the incubator to be replicated and scaled in the Democratic Republic of Congo, Rwanda and Tanzania. It is expected that 150 African entrepreneurs focused on agriculture, pollination, increasing tree cover, water management and more will graduate from the programme by the end of 2025.

Reducing emissions from mobility

The UNEP-led Pan-African Action Plan for Active Mobility (PAAPAM) was developed in consultation with more than 1,000 stakeholders from African governments, UN agencies and others to increase prioritisation of and investment in safe and accessible low- and no-emissions mobility. Funding will support the development of regional commitments, country policies and implementation plans across the continent, including for more cyclist- and pedestrian-friendly infrastructure and enhanced transport systems, particularly for the poorest and most vulnerable.

UNEP Nature Fund

Around one million species face extinction unless all of society works to reduce the drivers of biodiversity loss. The UNEP Nature Fund invests in a future in which biodiversity is valued, conserved, restored and used wisely through more sustainable and equitable economic models.

Objectives:

- Halt and reverse biodiversity loss through socially and economically sustainable pathways
- Support the widespread adoption and implementation of the sustainable management of nature in development frameworks
- Enhance nature conservation and restoration

Impact

Conserving peatlands

Peatlands store the world's largest terrestrial carbon stock, support endangered biodiversity, sustain crucial water sources and provide other essential ecosystem services – and so are vital to protect. The Global Peatlands Initiative (GPI), a UNEP-led multilateral partnership, advances peatland conservation and restoration through coordinated research, policy and action. As a key product of GPI, the *Global Peatlands Assessment* turns scientific knowledge into actionable insights for policymakers. Funding ensures these findings are globally shared and embraced by decision makers in priority countries.

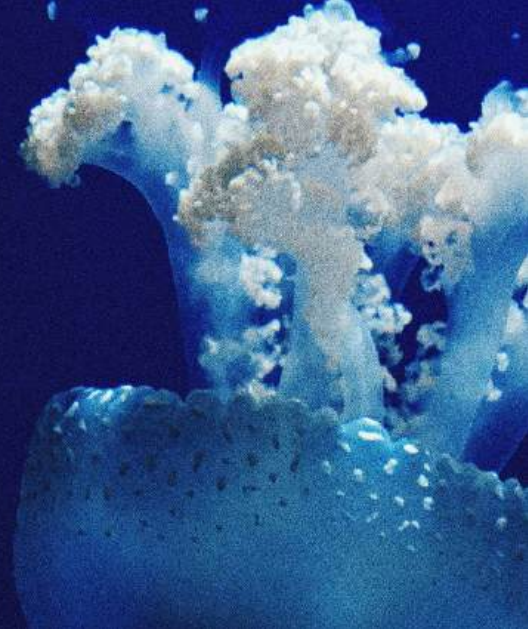
Building a sustainable blue economy

Oceans and marine and coastal ecosystems are demanding more attention in biodiversity and climate dialogues. With funding, UNEP produced “Enabling a Sustainable Blue Economy Transition”, a novel rapid readiness assessment approach and practical guide on integrated, ecosystem-based marine and coastal management for sustainable development. Funding also facilitated UNEP’s provision of technical guidance on ocean-based climate solutions to the G20 and supported the creation of the “Antigua and Barbuda Agenda for Small Island Developing States: A Renewed Declaration for Resilient Prosperity”.

Helping countries take action on biodiversity

The Kunming-Montreal Global Biodiversity Framework is the world’s prevailing agreement to halt and reverse nature loss. To support achieving the Framework’s vision, UNEP has used funding for strategic engagement, advocacy and partnerships at country, regional and global levels. The goal is to support countries to implement a “whole of the society approach” to updating and revising the National Biodiversity Strategies and Action Plans (NBSAPs) in alignment with the Framework. In collaboration with the Food and Agriculture Organization of the UN, UNEP has also helped countries in the Asia and the Pacific region consider integrating food systems into their NBSAPs.

UNEP Pollution Fund



Pollution kills. An estimated 24 per cent of the global disease burden among human populations and 23 per cent of all deaths can be attributed to environmental factors. The UNEP Pollution Fund invests in a future in which pollution is prevented and controlled through sustainable consumption and production and sound chemicals and waste management, to vastly improve human and environmental health across the globe.

Objectives:

- Protect human and environmental health by building capacities and leadership on the sound management of chemicals and waste
- Improve waste management, including through circular processes, safe recovery of secondary raw materials, and reduction of open burning and dump sites
- Reduce the release of pollutants into the air, water, soil and oceans

Impact

Addressing the life cycle of plastics

Through the resolution 5/14 entitled “End plastic pollution: Towards an international legally binding instrument”, adopted in March 2022, the United Nations Environment Assembly (UNEA) requested to convene an Intergovernmental Negotiating Committee (INC), commencing its work during the second half of 2022, with the ambition of completing its work by the end of 2024. Funding has so far gone toward the convening of four sessions of the INC, the provision of necessary support by the Secretariat to the Committee, the facilitation of the necessary support to developing countries and countries with economies in transition to allow for their effective participation in the INC process, and the implementation of any other activity as decided by the Committee at its sessions.

Improving air quality

Air pollution is today's greatest environmental health risk. Tackling it can bring major economic, health and environmental benefits. To this end, together with partners, UNEP conducts a range of activities to improve air quality and promote clean air. At the country level, funding has been channelled to create stronger evidence for policymaking, tackle high-emitting sectors through targeted efforts and strengthen regulatory frameworks. At the regional level, funds are helping address air pollution in Asia and the Pacific, West Asia, and Latin America and the Caribbean. And on the global scale, funds are increasing UNEP's ability to mobilize the private sector, operationalize a worldwide cooperation network for knowledge sharing and solutions, and fundraise for the continuation and enhancement of air-quality action.

Science for a more resilient future

Embodying the spirit of the Planetary Funds, UNEP used funding to produce the first *Global Foresight Report*, a proactive approach to addressing current and future environmental planetary crises. Together with the International Science Council, UNEP sought input from hundreds of experts to identify the most important signals of change that could significantly affect planetary health and the environment. The report distils the findings into eight critical shifts that the world is already experiencing, positioning UNEP to better help countries and sectors take advance action.



"Norway believes the best way for UNEP to deliver on its important mandate is through long-term, flexible funding. We hope the UNEP Planetary Funds may encourage more countries to shift their support to more softly earmarked funding, enabling UNEP to deliver better results."

Marianne Johansen, Head of Section for Nature and Climate, Norwegian Agency for Development Cooperation (NORAD)



"Supporting the most vulnerable communities and countries, particularly in their climate adaptation efforts, is a key priority of Belgium. Our contributions to the UNEP Climate Fund serve this objective. The flexible financing model supports critical actions and innovations that help inform policies, bolsters access to finance and, thereby, contributes to the achievement of the SDGs."

Caroline Gennez, Minister of Development Cooperation and of Major Cities of Belgium



"Finland sees the UNEP Nature Fund as having a key role in achieving the ambitious targets of the Kunming-Montreal Global Biodiversity Framework. We hope that the UNEP Planetary Funds will attract funding also from new, non-traditional sources and allow UNEP to widen its funding base."

Anna Merrifield, Director of Unit for Climate and Environmental Diplomacy, Ministry for Foreign Affairs of Finland



"As an environmentally vulnerable developing country, the Philippines values UNEP's critical work in supporting countries to address the most pressing environmental challenges, including by promoting sound environmental management. Such work requires flexible financial support, and we encourage all those in a position to do so to contribute to the UNEP Planetary Funds."

Marie Charlotte G. Tang, Ambassador of the Philippines to Kenya and Permanent Representative to UNEP and UN-Habitat

Support UNEP.
Invest in people and planet.



Special thanks to UNEP's funding partners. For more than 50 years, UNEP has served as the leading global authority on the environment, mobilizing action through scientific evidence, raising awareness, building capacity and convening stakeholders. UNEP's core programme of work is made possible by flexible contributions from Member States and other partners to the Environment Fund and UNEP Planetary Funds. These funds enable agile, innovative solutions for climate change, nature and biodiversity loss, and pollution and waste.

Support UNEP. Invest in people and planet.
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