

Summary

Biofuelwatch welcomes the Scottish National Investment Bank Bill and its primary mission to secure the transition to net zero. We encourage MSPs to support the Bill - on the condition of changes being made to ensure that the mission of responding to the climate and biodiversity emergency is enshrined in the Bank's founding legislation.

We believe the SNIB has the potential to significantly contribute to financing the Just Transition to a zero-carbon economy, while improving biodiversity and the natural environment in Scotland and in other countries. We ask that the SNIB Bill should:

- have a primary objective to finance a Just Transition to a zero-carbon economy
- be legally bound by an ethical investment policy to invest only in sustainable and renewable projects which do not harm biodiversity, and which do not violate the Universal Declaration of Human Rights.
- invest in projects which positively enhance local or regional biodiversity and ecosystems.

We therefore ask MSPs to vote for **Amendments 30, 30A and 3** to ensure that the SNIB only invests in projects which **promote environmental wellbeing and biodiversity and which facilitate the transition to a net-zero emissions economy.**

Why biodiversity matters



We welcome the Scottish Government's commitment that tackling climate change and securing the transition to net zero emissions will be a "primary mission" of the Bank's activities. However, we are concerned that the Bill does not currently refer to the protection of biodiversity.

Defined as the 'variety of life on earth in all its forms and interactions', biodiversity is described by Dr Cristiana Paşca Palmer, the Executive Secretary of the Convention on

Biological Diversity (CBD), as "the "infrastructure" that supports all life on the planet."¹

Not only do humans and all living beings depend on biodiversity for clean air, water and food, but the World Health Organisation also emphasises the crucial role played by ecosystems in supporting human health through medicine, nutrition and the control of infectious diseases.²

Moreover, protecting biodiversity can help to reduce the climate crisis through natural climate solutions such as forests, peatlands and oceans which play a vital part in absorbing greenhouse gas emissions.³ As David McDonald, Professor of Wildlife Conservation at Oxford University states: "Without biodiversity, there is no future for humanity."⁴

¹ <https://bit.ly/361EZuO> / <https://bit.ly/2Mh5xB8>

² <https://www.who.int/globalchange/ecosystems/biodiversity/en/>

³ <https://www.cbd.int/climate/intro.shtml>

⁴ <https://www.theguardian.com/news/2018/mar/12/what-is-biodiversity-and-why-does-it-matter-to-us>

The biodiversity emergency and why it needs more financing



Yet, the 2019 IPBES Global Assessment Report on Biodiversity and Ecosystem Services warns that biodiversity is in crisis with 1 million species already facing extinction as a result of human activity.⁵ Without urgent action, millions of people are at risk from the collapse of essential life-support systems for food, pollination and clean water.

Biodiversity is also facing an emergency in Scotland. The most recent State of Nature 2019 reports found that the abundance of species is falling at a faster rate in Scotland than in the rest of the UK and of the 6,413 species found in Scotland that have been assessed, 11% have been classified as threatened with extinction from Great Britain.⁶

The 2019 Trondheim Conference on Biodiversity highlighted that more transformative solutions and finance are now needed to halt global biodiversity loss, reduce global warming and achieve the sustainable development goals to which Scotland is committed.⁷

The SNIB can play a transformational role in reducing the ecological and climate crisis by investing in projects which benefit nature, people, the climate and the economy. These include restoring forests, peatlands and wetlands, introducing pollinator-friendly farming practices and creating greener urban areas. Indeed, The European Investment Bank's Investing in Nature Report also includes the protection of biodiversity as one of its criteria.⁸

Including the protection of biodiversity and ecosystems in the Bill

We believe that the protection of biodiversity needs to be included in the draft Bill as projects which are low carbon may damage ecosystems and wildlife unless safeguarding biodiversity is part of the Bank's legislation. For instance, The Green Investment Bank helped to fund Drax's power station's conversion to burn biomass because burning wood was classified as low carbon.⁹ Yet, this has resulted in the clear-felling of vast areas biodiverse wetland forests in Europe and America to burn in Drax.¹⁰

We therefore ask that MSPs vote for Amendments 30, 30A and 3 to ensure that the SNIB only lends to zero-carbon projects which **promote environmental wellbeing and biodiversity and which facilitate the transition to a net-zero emissions economy.**

For more information, please contact: biofuelwatch@gmail.com

⁵ https://www.ipbes.net/system/tdf/ipbes_7_10_add.1_en_1.pdf?file=1&type=node&id=35329

⁶ <https://nbn.org.uk/stateofnature2019/reports/>

⁷ <https://www.cbd.int/doc/reports/9th-trondheim-conference-co-chairs-report-2019-07-31-en.pdf>
<https://nationalperformance.gov.scot/sustainable-development-goals>

⁸ <https://www.eib.org/attachments/pj/ncff-invest-nature-report-en.pdf>

⁹ <https://www.biofuelwatch.org.uk/2013/the-green-investment-bank-still-banking-on-big-biomass/>

¹⁰ https://www.biofuelwatch.org.uk/wp-content/uploads/drax-info-sheet_1-compressed.pdf