# [***Investors 'will be central to avoiding biodiversity loss'***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:66CJ-3Y61-JD7R-N0M0-00000-00&context=1516831)

Professional Adviser

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**Body**

The asset manager's report looks at the impact of ***biodiversity*** ***loss*** and what types of investments could potentially encourage positive change.

Half of global GDP is highly dependent on nature, with construction, agricultures and food & beverages being the three largest sectors that are highly dependent on nature.

These sectors generate almost $8trn (£6.8trn) of gross value added, with $4trn (£3.4trn) for construction, $2.5trn (£2.1trn) for agriculture, and $1.4trn (£1.1trn) for food and beverages.

According to the report, "our planet's ***biodiversity*** - the variety of species of animals and plants - is collapsing", and it is "falling at the speed from tens to hundreds of times higher than it did, on average, over the past ten million years".

"Our flora and fauna are the engines of every ecosystem providing our civilisation with clean water, the air rich in oxygen and nutritious food. We now take from our planet 56% more than it can regenerate but a lot of these resources are wasted to overconsumption," the report added.

***Biodiversity*** ***loss*** is one of the top three risks in terms of likelihood and impact in the next ten years, according to the World Economic Forum's 2022 *Global Risks Report*.

Developing the optimal framework for embedding ***biodiversity*** considerations will be key, said Candriam, adding there is already some awareness among institutional and large long-term investors.

While some companies and investors take account of ***biodiversity*** ***loss*** risks, less than 1% of business models of the 3,500 companies representing 85% of global market capitalisation align with SDGs 14 and 15, according to the Organisation for Economic Co-operation and Development.

Candriam's report said: "To have real impact we need a focused approach, which can be used consistently across sectors and geographies, by companies and investors alike. The lack of a relevant and easily measurable metric/indicator for ***biodiversity*** (like carbon emissions for climate change) is definitely the key difficulty in accounting for ***biodiversity*** fully in business and investment decisions."

It comes as the UN's ***Biodiversity*** Conference is set to replicate the Paris Agreement on climate change for ***biodiversity***. For the first time, it will include onboarding a variety of stakeholders in the private sector and the financial industry, with the new agreement expected to define the role of financial institutions in delivering its key objective: halting and reversing ***biodiversity*** ***loss*** by 2030.

"Investors will be central to this, as human civilisation, for its own sake, returns some of what it has taken from the blue planet," said Candriam.

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