



BIODIVERSITY INVESTMENT RATING AGENCY

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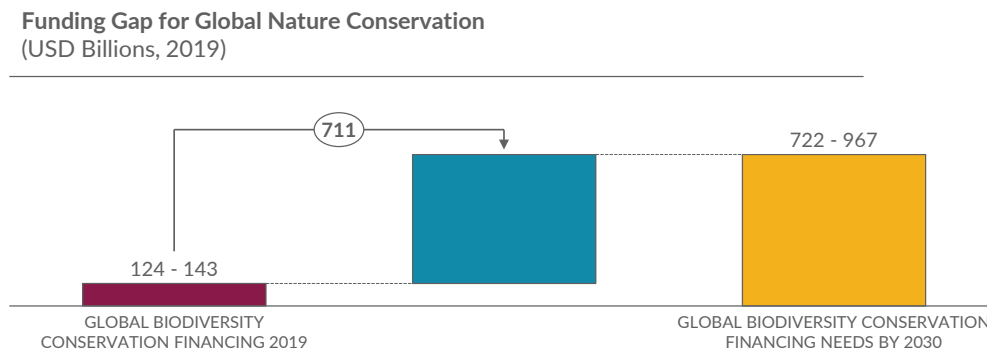
INNOVATIVE RATING AGENCY LAUNCHED TO BOOST BIODIVERSITY INVESTMENTS

African Leadership University’s School Of Wildlife Conservation (ALU’s SOWC), Dalberg, and FSD Africa Investments bring together their in-depth expertise in biodiversity conservation and restoration, finance, and impact investments to form a partnership that will help investors measure and track the impact of their biodiversity-related investments over time.

NAIROBI, KIGALI, DAR ES SALAAM – A pioneering initiative aimed to boost biodiversity investments by helping investors measure, rate, and track their impact on biodiversity conservation and restoration – the Biodiversity Investment Rating Agency (BIRA) – was launched today by the African Leadership University’s School of Wildlife Conservation, Dalberg, and FSD Africa Investments.

Biodiversity is ranked as the third most significant threat to humanity, after carbon emissions and nuclear war. Yet, [less than 16% of the required funding](#) is currently available for biodiversity, leaving a US\$ 700 billion funding gap for biodiversity conservation and restoration. Private capital can play a critical role in closing this funding gap while tapping into an attractive asset class that is poised to grow. However, investments are currently limited because there is no standard way to measure, rate, track, and communicate biodiversity impacts. Investors are looking for simple, credible tools based on biodiversity science.

Figure 1: Illustration of the biodiversity conservation funding gap



Source: The Nature Conservancy, Closing the Nature Funding Gap, 2020

To address these challenges, BIRA will advise investors on identifying the opportunities for impact investing in the biodiversity sector, spotlighting relevant frameworks to measure biodiversity investment impacts, and provide existing aligned frameworks with guidance on how to make their tools investor friendly. BIRA aspires to see measurement frameworks that can provide simple answers to investors’



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questions about the potential outcomes of biodiversity investments. BIRA will work in collaboration with existing frameworks that meet certain design criteria to develop modules that match measurement frameworks with investor needs.

FSD Africa Investments and Dalberg are excited to welcome ALU's SOWC as the science and training partner for the initiative. ALU SOWC will bring its expertise in scientific inquiry, research, and training to ensure that the modules developed are credible and usable. BIRA will also lean on SOWC's expertise to develop and launch training programs that will help bridge the existing knowledge gap in the market.

By bridging the gap between investors and the existing biodiversity measurement frameworks, BIRA will support informed decision-making by investors. Ultimately, this will increase investments in conservation and restoration, leading to positive biodiversity outcomes.

Mike Musgrave, Conservation Leadership Faculty, School of Wildlife Conservation, said: "Institutional investment in biodiversity as an asset class will be the key to unlocking the billions of private capital we need to address climate change and promote the business of conservation."

Devang Vussonji, Partner, Dalberg Advisors, said: "We have lost 68% of monitored animal populations between 1970 and 2016. We face a USD 700 billion funding gap in reversing this effect, and private capital will be essential in filling this gap. BIRA aims to attract private capital to the sector by making it easier for private investors to measure, communicate, and track biodiversity outcomes."

Anne-Marie Chidzero, CIO, FSD Africa Investments, said: "FSD Africa Investments is proud to partner with Dalberg and the African Leadership University's School of Wildlife Conservation to create the Biodiversity Investment Rating Agency. This innovative initiative to help investors measure and track the impact of their capital on biodiversity conservation and restoration will play a central role in increasing investment in the sector."

BIRA invites technical partners and investors to join the founding partners in developing the initiative. Interested parties should contact Devang Vussonji at devang.vussonji@dalberg.com.

About ALU SOWC: The School of Wildlife Conservation (SOWC) is the conservation initiative of the African Leadership Group. It was established in 2016 to promote conservation as an African growth sector by developing the next generation of entrepreneurial conservation leaders at all levels through undergraduate, middle management, and professional programs. In combining innovative research and leadership talent cultivation, SOWC encourages entrepreneurship and leadership within the wildlife economy and provides a platform for entrepreneurs and conservation professionals to incubate their innovative conservation business models. At a macro level, SOWC seeks to influence the sector's decision-makers by challenging existing business models and promoting an entrepreneurial, impact-driven, business-minded approach to African conservation. For more information, visit sowc.alueducation.com

About Dalberg: Dalberg is an impact advisory group that brings together strategy consulting, design thinking, big data analytics, and research to address complex social and environmental challenges. We



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work collaboratively with communities, institutions, governments, and corporations to develop solutions that create impact at scale. With more than 29 locations worldwide and a diverse footprint, Dalberg is driven by a mission to build a world where all people, everywhere, can reach their full potential. For more information, visit www.dalberg.com.

About FSD Africa Investments: FSD Africa Investments, the investment arm of FSD Africa, provides early-stage, risk-bearing, catalytic and patient capital to inventive commercial organisations in order to stimulate capital flows in support of green economic growth benefiting people and planet. We are a leading African impact investor aiming to help solve Africa's global development challenges by investing in initiatives that improve the availability and efficiency of funding for productive activities, basic social services, and climate change. FSDAi uses a range of investment instruments specifically designed to accommodate early-stage commercial risk, drive high market development impact and generate acceptable risk-adjusted financial returns on its investment. For more information, visit fsdafrica.org/our-work/fsdai/