

Policy Workshop Brussels

Transformative change for a just and sustainable world

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14 April 2025

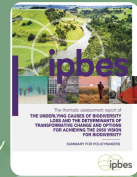
Transformative
Pathways



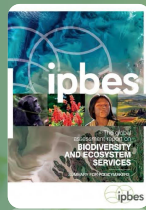
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2024

IPBES Transformative Change Assessment *Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services*

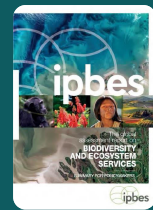


2019 First Global IPBES Assessment



First Global IPBES Assessment 2019

- ❖ Nature's dangerous decline 'unprecedented'
- ❖ Species extinction rates 'accelerating'
- ❖ Current global response **insufficient**
- ❖ 'Transformative changes' needed to restore and protect nature
- ❖ Opposition from vested interests can be overcome for **public good**

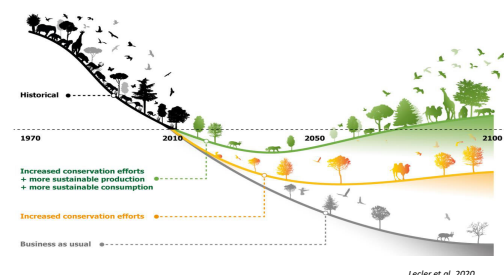


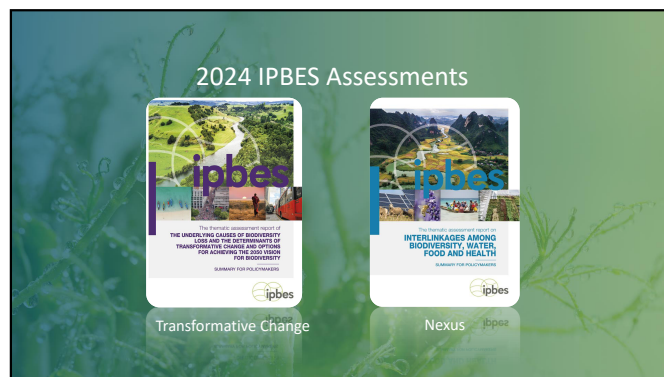
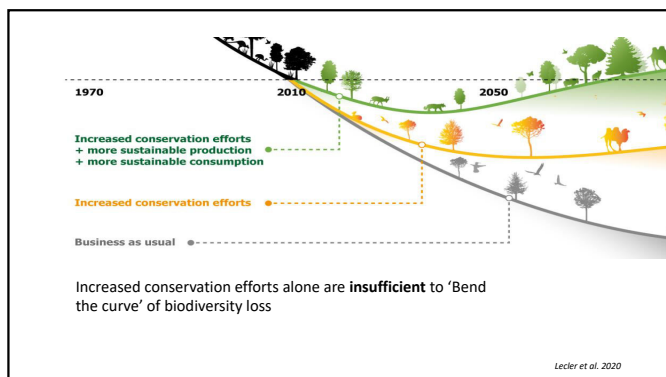
2019
First Global IPBES Assessment

2020 IPCC-like ensemble models Need 'transformative changes'



2020 IPCC-like ensemble models Need 'transformative changes'





Purpose of today

What does the IPBES Transformative Change Assessment (TCA) mean for the EU in achieving its biodiversity goals?

...particularly from the perspective of TRANSPATH

TRANSPATH

Transformative pathways for synergising just biodiversity and climate actions

- ...identifying leverage points and interventions
- ...at level of consumers, producers and organisations
- ...to accelerate diverse transformative pathways
- ...with sensitivity to social-cultural contexts and rights

5 TRANSPATH authors on IPBES assessments

- Inherently shaped each other
- IPBES and TRANSPATH conceptualisations similar
- TRANSPATH emphasizes pathways

integrated sets of actions and strategies, purposefully and reflexively designed to evolve over time, to respect human rights and ethics, and work towards achieving rapid biodiversity recovery and carbon neutrality

- Transformative navigation toolkit: Continuous, evolving process of transformative change

Speakers

Francisco Alpizar
Environmental & Natural Resource Economics, WUR

Sylvia Karlsson-Vinkhuyzen
Public Administration & Policy, WUR

Paul Dingkuhn
Environmental & Natural Resource Economics, WUR

Zuzana Harmáčková
Department of social-ecological analysis, CzechGlobe

Facilitator

Axel Paulsch
Institute for Biodiversity Network

Agenda

- Opening speech: IPBES Transformative Change Assessment
- Round of introductions
- Transformative economic systems
- Transformative governance systems
- Discussion round 1
- Shifting societal views and values
- Discussion round 2
- Closing remarks

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Transformative change: a quick primer

Prof. Francisco Alpizar
PI-EU-Transpath
Lead author IPBES Transformative change report



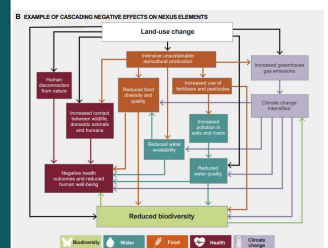
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Let me start with the need for
Transformative Change...

From IPBES Nexus Report:

- The biodiversity, climate, water, food and health crisis interact, cascade and compound each other.
- A BAU policy scenario cannot fix these problems



What is the current BAU policy scenario?

Fragmented policies,

That fail to target the underlying causes of nature's decline,

With work targeting biodiversity, climate, water, food or health being done in isolation, resulting in:

- Conflicting objectives
- Duplication
- Inefficiencies and failed win-win situations
- Unintended consequences across targets (e.g. CC policy on biodiversity)

As a result, tackling the multiple global challenges is perceived as...



- **Costly**, in a context of increasing budgetary pressures (in firms and governments)
- Politically **toxic**, with many key policies being withdrawn or at the brink of failure
- **Elitist**, in a moment of increasing societal polarization

Against that background, and partly as a way out of it, there is a call for
Transformative change

Defined as:

IPBES (2025): Transformative change is defined as fundamental, system-wide shifts in **views, structures** and **practices**....

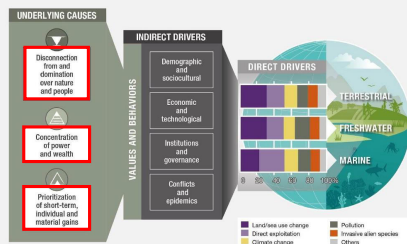


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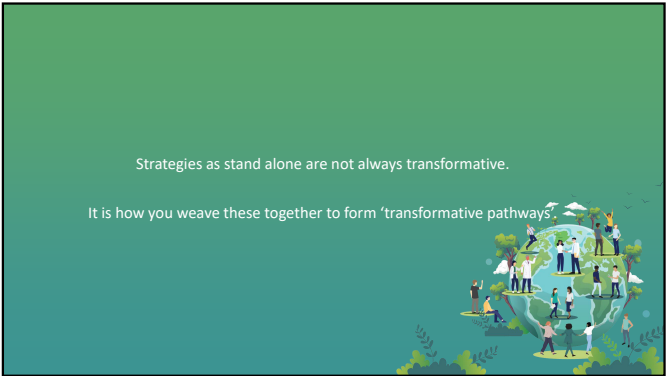
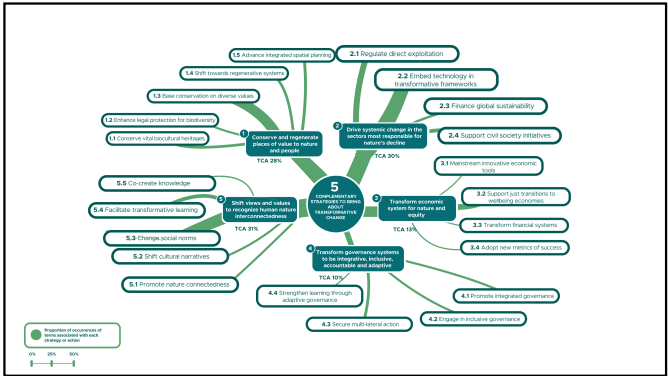
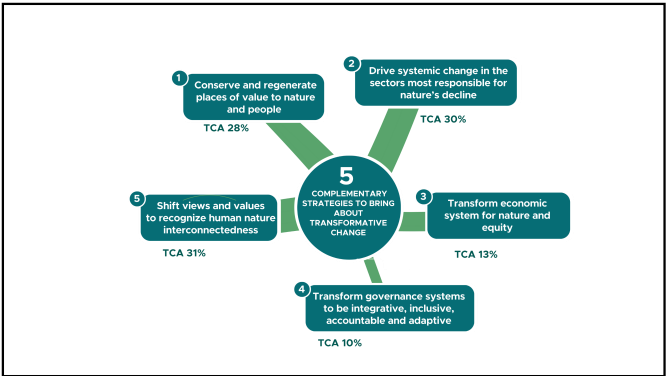
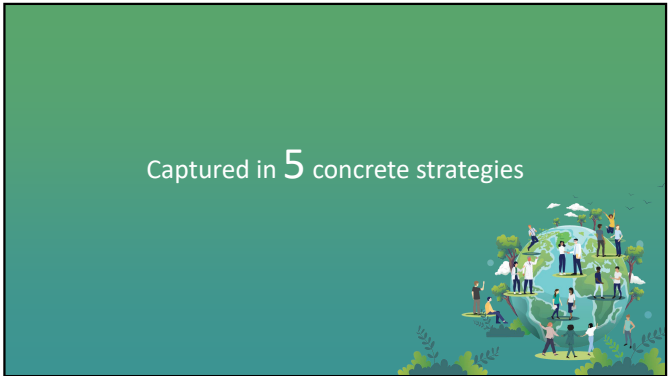
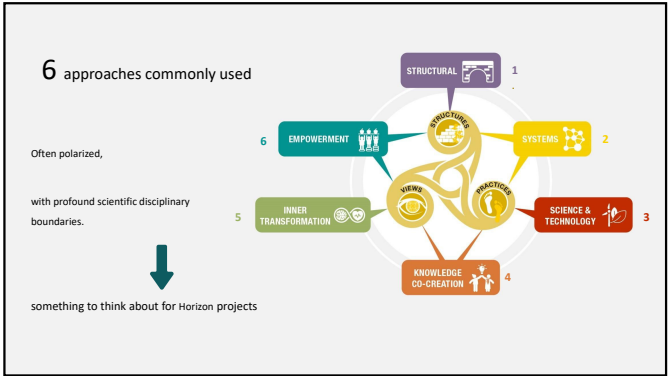
IPBES (2025): Transformative change is defined as fundamental, system-wide shifts in **views, structures** and **practices**....
....in ways that address the **underlying causes** of biodiversity loss and nature's decline.



Combined lead to...



How is that supposed to happen?

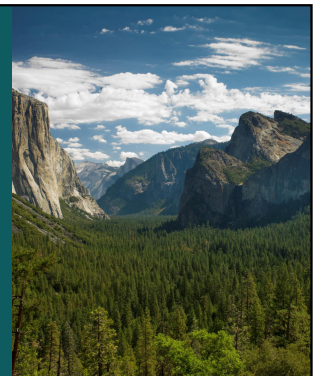


Strategy 1

Conserving and regenerating places of value to nature and people

Strategy 1

Conservation contributes to TC when it is inclusive, well-resourced, focused on **places of high value to nature and people** and when the rights of Indigenous Peoples are recognized.

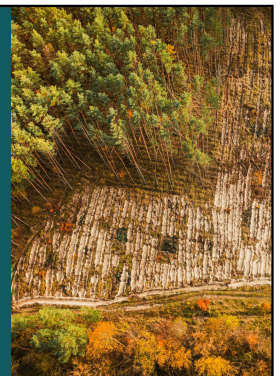


Strategy 2

Driving systemic change in the sectors most responsible for biodiversity loss and nature's decline

Strategy 2

Sectors that heavily contribute to biodiversity loss, include agriculture and livestock, fisheries, forestry, infrastructure, mining and fossil fuel sectors.



Strategy 3

Transforming economic systems for nature and equity

Strategy 3

Transforming dominant economic and financial paradigms so that they prioritize nature and social equity over private interests.



Paul Dingkuhn, on transforming the financial sector.



Global GDP 100.8 trillion USD
Global GDP generated by sectors responsible to rights dependent on nature 2.3 trillion USD
Estimates of sectors most responsible for nature decline 4.4 - 2.3 trillion USD
Global direct subsidies to sectors most responsible for nature decline 100-150 billion USD (currently, under 20%)
Global biodiversity funding gap 130-150 billion USD



Strategy 4

Transforming governance systems to be integrated, inclusive, accountable and adaptive



Strategy 4

Governance systems play a pivotal role in driving transformative change by involving diverse stakeholders in decision-making and jointly addressing challenges.



Sylvia Karlsson-Vinkhuyzen on imagination, promises and humility



Strategy 5

Shifting dominant societal views and values to recognize and prioritize human-nature interconnectedness

Strategy 5

Social norms and **cultural narratives** are powerful tools for behavioural change.



Zuzana Harmáčková, on the link between norms, narratives and broader system dynamics



In this workshop, please think about....

How can we make this blueprint for TC truly operational?

- E.g. development of monitoring tools and indicators that are suitable for TC (i.e. forward looking)

Transpath is about pathways. What characteristics should these pathways have?

- Layering?
- No dead end or lock ins

Are we sure we are not building pathways that are perceived as...

- Costly
- Politically toxic
- Elitist

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Building pathways to transformative change....

Thank you!



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Transformative
Pathways



Questions

Transforming economic systems for nature and equity

Case study: The EU financial sector

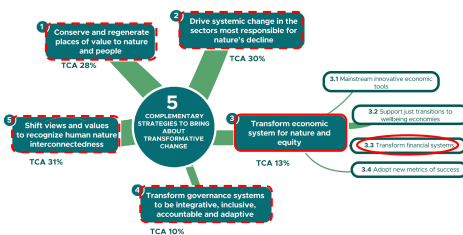
Why targeting finance?

The financial sector is not a neutral component of the economy:

- Allocates capital
- Manages/assesses risk
- Channels influence

→ The financial sector plays an active role in shaping the economy...

...and thereby the interactions between activities and Nature



Sustainability in EU financial sector is gaining ground

3 indicators of the growing interest

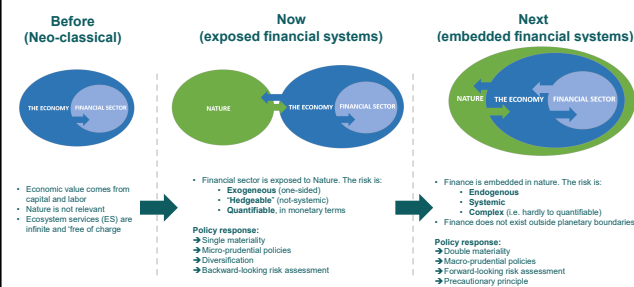
- **Voluntary initiatives**
 - NGFS
 - TNFD
 - ISSB
- **Green Finance Products**
 - Nature Markets
 - Green Bonds
 - ESG rating
- **EU Policies**
 - Green Taxonomy
 - CSRD
 - SFDR
 - EU Green Bond Regulation

3 observations of current situation

- **Emphasis on information**
 - Disclosure
 - Risk assessment
- **Focusing on rewarding good practices**
 - (Voluntary) standards
 - **Green** taxonomy
- **Framed as a technical problem**
 - Technical responses
 - Long term vision?

→ **Transformative change?**
"[...] fundamental, system-wide shifts in views, structures and practices." (IPBES, 2024)

Paradigm shift 1: From external to Nature-embedded financial systems



Paradigm shift 2: From fixing market to shaping them

Fix the market and follow

Efficient Market Hypothesis: Rational investors make optimal decisions using complete market information.

- Role of the state:**
- market referee
 - corrector of market failures

- Policy interventions:**
- Promoting (fair) competition
 - Enforcing property rights
 - Increase informational flows

Strategy: Fix markets if needed and let them do their magic.

Shape the market and lead

Adaptive Market Hypothesis: Markets change, learn and evolve based on changing environment.

- Role of the state:**
- Change rules to 'level the playing field'
 - Steer the economy toward ESG goals
 - Drive innovation and resilience

- Policy interventions:**
- Public investment, de-risking
 - Strong regulatory framework
 - Create accountability

Strategy: Society sets the direction and finance delivers the change

Paradigm shift 3: From shareholder primacy to stakeholder value

Shareholder primacy

- Firm's status: property of its shareholders
- Firms "raison d'être" = Maximize profit
- Fiduciary duty: pursuit of financial interest of shareholders

Policy interventions:

- Rely on shareholders' altruism (*Shareholder Welfare Model*)
- Create a business case for nature (*Enlightened Shareholder Model*)

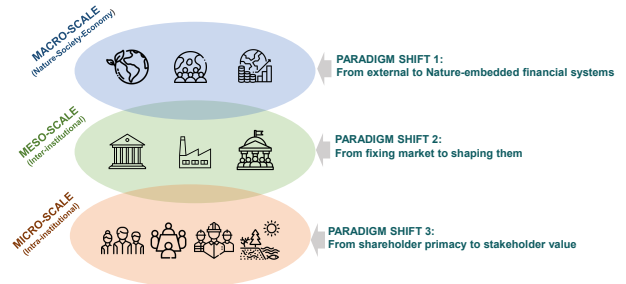
Stakeholder value

- Firm's status: own legal person + common with multiple overlapping claims
- Firms "raison d'être" : Increase welfare of community of stakeholders
- Fiduciary duty: purpose-driven, balance community interests.

Policy interventions:

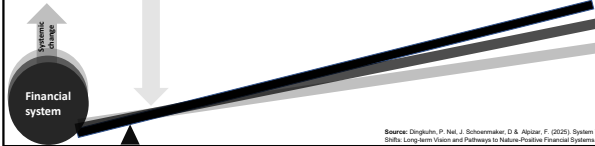
- Promote inclusive corporate governance
- Formalize extended fiduciary duty
- Establish multidimensional reporting obligations

Intervening at multiple scales



Linking shallow interventions ("low-hanging fruits")...

- Develop nature-related risk metrics
- Promote nature-based scenarios and stress-testing



Source: Dinghuis, P. Nat., J. Schoenmaker, D. & Alquist, F. (2025). System Thinking and Paradigm Shifts: Long-term Vision and Pathways to Nature-Positive Financial Systems. (Under review)

... to shifts in system's roots ("paradigms") ...

- Develop nature-related risk metrics
- Promote nature-based scenarios and stress-testing

From external to Nature-embedded finance



Source: Dinghuis, P. Nat., J. Schoenmaker, D. & Alquist, F. (2025). System Thinking and Paradigm Shifts: Long-term Vision and Pathways to Nature-Positive Financial Systems. (Under review)

... through transformative policy pathways...

- Develop nature-related risk metrics
- Promote nature-based scenarios and stress-testing

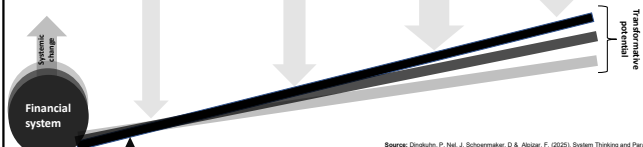
Implement green criteria in:

- Bank's capital reserve requirements
- Collateral frameworks
- Asset purchasing policies (QE)

Formalize green mandate for central banks and financial supervisors

- Adopt precautionary principle
- Adopt double materiality lens

From external to Nature-embedded finance



Source: Dinghuis, P. Nat., J. Schoenmaker, D. & Alquist, F. (2025). System Thinking and Paradigm Shifts: Long-term Vision and Pathways to Nature-Positive Financial Systems. (Under review)

... at multiple scales of the system.

- Develop nature-related risk metrics
- Promote nature-based scenarios and stress-testing

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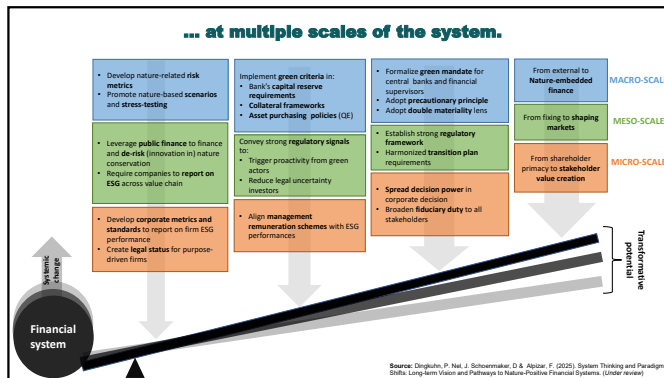
- Adopt precautionary principle
- Adopt double materiality lens

From external to Nature-embedded finance

From fixing to shaping markets



Source: Dinghuis, P. Nat., J. Schoenmaker, D. & Alquist, F. (2025). System Thinking and Paradigm Shifts: Long-term Vision and Pathways to Nature-Positive Financial Systems. (Under review)



Thank you!

Paul Dingkuhn
For more information: paul.dingkuhn@wur.nl

To read more about it:
Dingkuhn, P., Nel, J., Schoemaker, D. & Alpczar, F. (2020). System Thinking and Paradigm Shifts: Long-term Vision and Pathways to Nature-Positive Financial Systems. (Under review)

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Transforming governance systems to be integrated, inclusive, accountable, and adaptive

Sylvia Karlsson-Vinkhuyzen, Public Administration and Policy Group, Wageningen University

Transformative Pathways

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Transformative change is defined as...

...fundamental, system-wide shifts in views, structures and practices

→

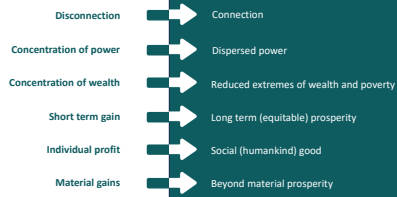
Deliberate transformative change *shifts* views, structures and practices in ways that address the underlying causes of biodiversity loss and nature's decline.

Governance for transformative change...

...is then about steering that leads to shifts in views, structures and practices in ways that address the *underlying causes* of biodiversity loss and nature's decline

...is "the sum of the many ways individuals and institutions, public and private, manage their *common affairs*" (Commission on Global Governance, 1995:2).

Governance of transformative change
should enable our societies to move from:



Inclusive governance

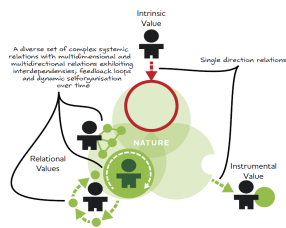


Imagine what policies and other
governance tools could look like that...

- ...help people re-connect with nature
- ...strengthen relational values towards nature
implying aspects such as sense of place &
community, care, responsibility, and stewardship



Comparison of Values



Integrative governance



Imagine what policies and other
governance tools could look like that...

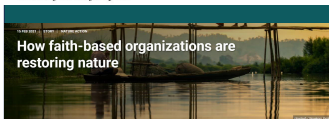
- integrate goals of decentralizing power and
dispensing wealth from the few to the many in food
and energy systems
- integrate beyond material (e.g. spiritual, sacred,
religious, transcendent) outcomes as tangible
motivation structures for nature conservation
among some/many people

Onze boerenwinkel



Dichtbij en altijd open!

How faith-based organizations are
restoring nature



Accountable governance



Imagine...

- How we can do this for those whose actions supports, ignores, resists or actively obstruct transformative change – at any level.
- How we can assign clear responsibilities for:
 - re-connecting people with nature;
 - disperse power in production and consumption systems for food and energy etc.
- How we can make evaluation of actions serve not only more trustworthy behaviour but also learning.

We need an accountability system that:

- clearly assigns responsibilities and timeframes
- provides complementary institutional mandates
- iteratively and transparently evaluates and revises policies and regulations and as well as trade agreements (TC action 4.4)

Adaptive governance



Imagine what policies and other governance tools look like that...

- ♥ support creative learning processes that reframes problems and break through path-dependency
- ♥ create iterative processes of planning, monitoring and evaluation that helps actors continually reflect on their own actions, responsibilities and underlying values



Connecting the big 4: promises of (strong) synergies



Inclusive, integrative, accountable and adaptive...

- ♥ What are the transformative capacities (e.g., the knowledge, skills, attitudes and resources) of individuals and organizations which are necessary to build the governance systems we are talking about?
- ♥ Where do we draw the boundaries for how inclusive, integrative, accountable and adaptive governance should be?



Knowledge gaps



What we do not know...

...is a lot including:

- Many of the calls for imagination raised
- Which policies and governance tools are best to start our walking (or racing) along transformative pathways...depending on the specific context in which we start.
- How to address the elephant in the room



Conclusions



Governance that really targets the underlying causes challenges our imagination but opens up new policy domains.

The synergies between the four 'qualifiers' of transformative governance are tangible and hold a lot of promise if we learn to make use of them

We have much to learn about how to govern for deep change – humility and sensitivity to contextual diversity will support our (scholars') usefulness on the transformative pathway

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Discussion

Axel Pausch
Institute for Biodiversity Network

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Shifting societal views and values to recognize and prioritize fundamental interconnections between humans and nature

Zuzana Harmáčková
Transpath WP lead
Coordinating lead author of the IPBES Nexus Assessment

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Transformative
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5.5 Co-create knowledge

5.4 Facilitate transformative learning

5.3 Change social norms

5.2 Shift cultural narratives

5.1 Promote nature connectedness

1 Conserve and regenerate places of value to nature and people
TCA 28%

2 Drive systemic change in the sectors most responsible for nature's decline
TCA 30%

3 Transform economic system for nature equity
TCA 13%

4 Transform governance systems to be integrative, inclusive, accountable and adaptive
TCA 10%

5 COMPLEMENTARY STRATEGIES TO BRING ABOUT TRANSFORMATIVE CHANGE
TCA 31%

Strategy 5

Social norms and cultural narratives are powerful tools for behavioural change.

⇒ However, changing social norms and shifting cultural narratives happens...

- ... as a part of a complex dynamics.
- ... in a specific local context.

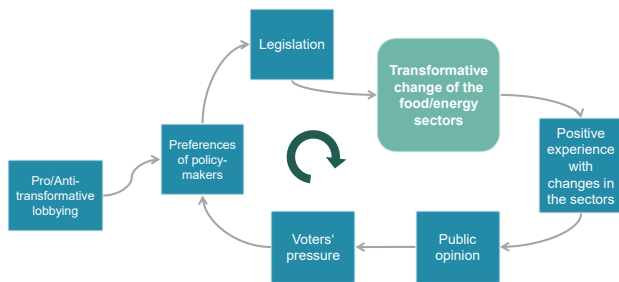


Transformative change...

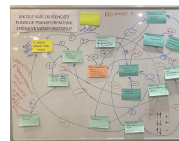
- ...at the intersection between the energy/ food/ land sectors
- ...in comparison between the Western European context (the UK) and Eastern European context (Czechia)
- How are social norms and cultural narratives embedded in transformative processes?



How to think about transformative processes?



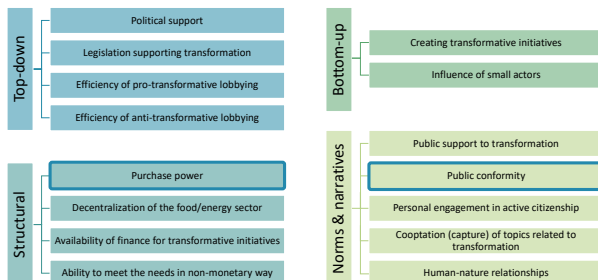
Understanding the mechanisms of transformative processes: Fuzzy Cognitive Mapping (FCM)



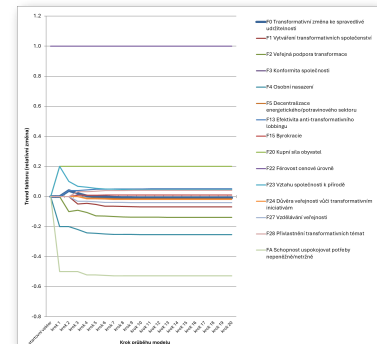
Importance of different factors?

- Centrality
- Feedback loops
- Dynamic output

Which factors play a key role?

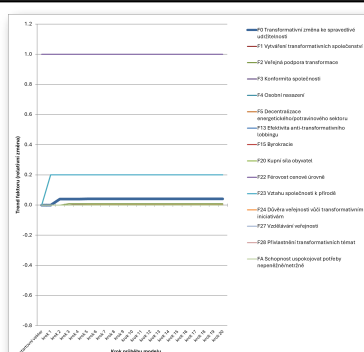


Dynamic output: „Food systems“



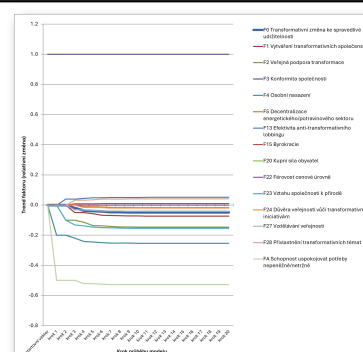
Dynamic output: „Food systems“

=> „turning-off“ factor Public conformity



Dynamic output: „Food systems“

=> „turning-off“ factor Purchase power



Take-home messages

- ❖ Social norms and cultural narratives are a **crucial deep leverage point** of transformative change
- ❖ Importantly, their shifts are connected to **broader system dynamics and structures**.
- ❖ **Mechanisms influencing norms and narratives** include:
 - ❖ Social learning and observation
 - ❖ Promoting new framings of problems
 - ❖ Disruption and crisis
 - ❖ Policy and institutional change
 - ❖ Grassroot movements

Thank you!

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