BIOFIN-EU KNOWLEDGE ACCELERATORS

Tutorial: Using the BIOFIN-EU quiz to introduce biodiversity and Nature-based Solutions in your teaching

Introduction

The BIOFIN-EU quiz is a short, accessible activity of 13 multiple-choice questions on biodiversity, Nature-based Solutions and biodiversity finance. Its purpose is to introduce key concepts, bring out existing assumptions, and give educators and students a starting point for discussion. Each question comes with feedback and sources that you can use to unpack the topic in the classroom. The quiz is one of several Knowledge Accelerators, alongside the interactive glossary, case studies and curated learning resources, and can be used as a stand-alone activity or in combination with the other resources.

Audience	Educators in business, finance, accounting, economics and related fields, including those who are not biodiversity specialists. It can also be used by trainers and facilitators working with professionals.
Time needed	About 20 minutes to read and prepare. A quiz session takes 10–15 minutes, plus 15–30 minutes if you add a discussion.
Prior knowledge	None.
Resources	A device with internet access. A Sulitest account is optional (see Option A in Step 2).

Facilitating a Quiz session

1. Choose how to deliver it

Option	Best for	How
A. Sulitest (interactive)	Live classes, online interactive sessions	Students answer the questions and get instant feedback. See the guide "Connecting to the Sulitest platform" [add link] for account set-up, access codes and joining a session.
B. Your own learning platform	Courses that already use Moodle, Canvas, Blackboard or similar tools.	Copy the questions, answer options, feedback and sources from the question bank below into your platform's quiz tool.
C. Live in-class activity	Classrooms without reliable devices, or short icebreakers.	Present the questions on slides and collect answers by show of hands, polling cards or a free polling tool. Read out the feedback after each question.

2. Prepare

Review the questions showcased in the following Section to familiarise yourself with the Quiz. You may also review the BIOFIN-EU Interactive Glossary for further support.

3. Run the Quiz

To run the Quiz, a 30-minute time window is recommended (although it can be shortened or extended as needed). It can be organised as follows:

Time	Activity
5 min	Introduce biodiversity finance and why it is relevant for your discipline. You can opt to show this video (in full, or up to 1:15), which briefly describes BIOFIN-EU. Then, introduce the quiz as a conversation starter and guide students to connect to the platform of choice.
15-20 min	Facilitate the Quiz and review the feedback after each question.
5 min	Wrap up. Summarise two or three key messages. Segway to a deeper discussion connecting it to your teaching (see Step 4).

4. Use the feedback to start a discussion

As the Quiz is designed to spark conversation, each question is accompanied by a feedback statement. To keep the activity dynamic, facilitators are encouraged to briefly read the feedback after each question, then lead a broader debrief at the end of the Quiz. This debrief is an opportunity to explore selected topics in greater depth and discuss how they connect to your discipline.

To help you get started, here are sample debrief prompts by theme. Edit them to suit your discipline.

- **Biodiversity basics and trends (Q1–4):** Which of these facts surprised you most? Why might the importance of biodiversity be underestimated in everyday decisions?
- **Economic dependence and investment (Q5–7):** What does it mean for a part of the economy to depend on nature? Who pays for the gap between what nature restoration needs and what is spent?
- **Nature-related risk (Q8–9):** Think of a company you know. What does it depend on, and how does it impact nature?
- **Regulation and financial markets (Q10–12):** How might regulation change the way advisers and investors treat nature? Where could it fall short?
- **Global policy (Q13):** What would make a global agreement effective in practice?

5. Adapt the Quiz to your context

The full question bank is available on the Sulitest platform, ready to use as is. However, the Quiz is modular, so you can adapt it to suit your teaching objectives and audience.

- **Adjust the length:** Select a subset of questions to fit the time available and your learning objectives.
- **Make it discipline-specific:** Add your own questions to connect biodiversity more directly to your discipline.
- **Adapt the introduction:** Questions 1–6 introduce the case for biodiversity finance. You can skip these if your audience is already familiar with the rationale for sustainable finance, or if you plan to introduce the topic using other materials.

6. Explore the Knowledge Accelerators

The Quiz is a great starting point for introducing biodiversity and Nature-based Solutions in your teaching. To build on the discussion, we encourage you to explore the other **BIOFIN-EU Knowledge Accelerators**, particularly the **case studies** designed to help educators integrate biodiversity into disciplinary teaching and decision-making. You can also explore the **project's objectives** and **NbS Dashboard**, to bring additional perspectives and examples into your teaching.

7. Share your feedback

Please share how you used the Quiz in your teaching and any suggestions you have for improving it, by contacting Estela Castelli Florino Pilz at estela@sulitest.org.

Question bank

Question 1	**What is biodiversity?**
Correct answer	The variety of life on Earth, including diversity within species, between species, and of ecosystems.
Distractor 1	The number of non-endangered species living within Earth ecosystems.
Distractor 2	The amount of total biomass thriving in Earth's terrestrial ecosystems, including flora and fauna.
Distractor 3	The diversity of bio-genetic materials dispersed across Earth ecosystems and habitats.
Feedback	
Biodiversity includes all species and all genetic differences within species. It encompasses the variety of ecosystems: forests, drylands, wetlands, mountains, lakes, rivers, agricultural lands and islands where living creatures, including humans, animals, insects and plants, form a community, interacting with one another and with the air, water and soil around them. It is the combination of life forms and their interactions with each other and with the rest of the environment that has made Earth a uniquely habitable place for humans. As such, biodiversity provides a large number of goods and services that sustain our lives.	
Reference	
Convention on Biological Diversity. https://www.cbd.int/youth/biodiversity	

Question 2	**Which statement about biodiversity best describes its importance for people and societies?**
Correct answer	It provides essential benefits such as food, clean water, climate regulation, pollination, and resilience to environmental change.
Distractor 1	It constitutes the main source of financial support for tourism, outdoor sports, and recreational activities.
Distractor 2	It preserves rare and endangered species and natural habitats valuable to people and society.
Distractor 3	It provides people and societies with natural resources such as timber, fisheries, and medicinal plants.

Feedback

Biodiversity is fundamental to human well-being because it supports the functioning of ecosystem services.

These include:

- material benefits such as food, fresh water, timber, and medicines;
- regulating benefits such as pollination, climate regulation, water purification, and flood protection;
- and non-material benefits including recreation, cultural identity, and spiritual values.

As biodiversity declines, these essential contributions become increasingly at risk, affecting livelihoods, economies, and human well-being.

Reference

IPBES (2019): Global assessment report on biodiversity and ecosystem services of the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services. E. S. Brondizio, J. Settele, S. Díaz, and H. T. Ngo (editors). IPBES secretariat, Bonn, Germany. 1148 pages. https://doi.org/10.5281/zenodo.3831673

Question 3	**Which statement best describes the relationship between climate change and biodiversity?**
Correct answer	Healthy ecosystems help regulate climate by storing carbon, while climate change damages ecosystems and biodiversity.
Distractor 1	Climate change sustains biodiversity by eliminating invasive species, while biodiversity and healthy ecosystems help regulate climate.
Distractor 2	Climate change alters the distribution of biodiversity locally, while preserving its aggregate integrity globally.
Distractor 3	Biodiversity evolves naturally when climate change is incremental, but is accelerating with the current pace of climate change.
Feedback	
Just as climate change creates physical and transition risks for businesses, biodiversity loss threatens the natural systems that economies depend on. Declining biodiversity can disrupt supply chains, reduce agricultural productivity, increase water scarcity, damage infrastructure through ecosystem degradation, and create regulatory and reputational risks. As a result, biodiversity is increasingly recognized by investors, regulators, and central banks as a material financial risk alongside climate change.	
Reference	
Guglielmo Alessandro Visentin, Financial risks of biodiversity loss: A review, International Review of Economics & Finance, Volume 106, 2026, 104894, ISSN 1059-0560, https://doi.org/10.1016/j.iref.2026.104894. (https://www.sciencedirect.com/science/article/pii/S1059056026000079)	

Question 4	Which statement best describes the current global trend in biodiversity?
Correct answer	Biodiversity is declining rapidly due to human activity.
Distractor 1	Biodiversity has remained largely stable over the past century.
Distractor 2	Biodiversity is declining mainly in tropical forests while generally improving elsewhere.
Distractor 3	Biodiversity loss globally has slowed since the 2015 Paris Agreement.
Feedback	
Biodiversity is declining faster than at any time in human history. One million species are threatened with extinction, primarily due to habitat loss, over-exploitation, pollution, invasive alien species, and climate change. Current extinction rates are estimated to be tens to hundreds of times higher than natural background rates, with scientists calling it the sixth mass extinction—the first driven primarily by human activities.	
Reference	
https://www.ipbes.net/how-did-ipbes-estimate-1-million-species-risk-extinction-globalassessment-report IPBES (2019), Global assessment report of the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services, Brondízio, E. S., Settele, J., Díaz, S., Ngo, H. T. (eds). IPBES secretariat, Bonn, Germany, ISBN: 978-3-947851-20-1	

Question 5	While controversial, what is the official approximation of the amount of global GDP dependent on nature and its services?
Correct answer	More than 50%
Distractor 1	About 10%
Distractor 2	About 25%
Distractor 3	Nearly 100%

Feedback

Over 50% of the world's GDP is directly dependent on nature.
The global economic impact of biodiversity loss amounts to US$ 10 trillion annually. Economic stability is closely tied to ecosystem health. The 50% figure is controversial because it can be cogently argued that, in the end and over time, 100% of the economy depends on a viable biosphere to sustain it.

Just as diversity within a portfolio of financial assets reduces risk and uncertainty, so diversity within a portfolio of natural assets increases Nature's resilience to shocks, reducing the risks to Nature's services.

Reduce biodiversity, and Nature and humanity suffer.

Reference

EU Commission (2025) https://knowledge4policy.ec.europa.eu/biodiversity/topic/biodiversity-trade_en; https://knowledge4policy.ec.europa.eu/biodiversity/topic/biodiversity-finance_en;
WHO (2025) https://www.who.int/news-room/fact-sheets/detail/biodiversity; https://www.gov.uk/government/publications/final-report-the-economics-of-biodiversity-the-dasgupta-reviewhttps://www.gov.uk/government/publications/final-report-the-economics-of-biodiversity-the-dasgupta-reviewhttps://www.gov.uk/government/publications/final-report-the-economics-of-biodiversity-the-dasgupta-reviewhttps://www.gov.uk/government/publications/final-report-the-economics-of-biodiversity-the-dasgupta-review.

Question 6	How does global investment in nature-based solutions compare to biodiversity harmful investment?
Correct answer	1/30, or 30 times smaller
Distractor 1	1/5, or 5 times smaller
Distractor 2	1/1, they are about the same
Distractor 3	5/1, or 5 times larger
Feedback	
Climate change has become a major consideration in investment and financial decision-making, and is widely recognized as a financial risk. Biodiversity loss threatens the ecosystems that underpin economic activity and can create physical, transition, and systemic financial risks. And yet, 30 times more money flows into harmful investments, rather than those that protect and restore our ecosystems.	
Reference	
UNEP (2026). State of Finance for Nature	

Question 7	**There is a funding gap between what nature restoration needs and what is currently spent on it. "Biodiversity finance" aims to close this gap either by creating new funding, or by redirecting money already flowing elsewhere.** **Which of the following is an example of a redistribution mechanism?**
Correct answer	Reassigning of agricultural, fisheries, and fossil energy subsidies
Distractor 1	Instituting green and sustainability-linked loans for private-sector projects
Distractor 2	Increasing public spending in natural infrastructure and ecosystem services
Distractor 3	Advocating for green philanthropy targeting nature-based conservation

Feedback

Biodiversity finance is defined as the "... practice of raising and managing capital and using financial and economic mechanisms to support sustainable biodiversity management. It is about leveraging and effectively managing economic incentives, policies, and capital to achieve the long-term well-being of nature and our society." (UNDP BIOFIN, 2018).

The goal of biodiversity finance is to create economic incentives within both public and private financial sources to preserve the world's biodiversity and stock of natural capital and subsequently guarantee a sustainable flow of ecosystem services for the future. (p. 44)

A 'biodiversity finance solution' as advocated by UNDP BIOFIN is an integrated approach to improve biodiversity outcomes and reduce negative pressure on biodiversity by the use of context-specific biodiversity finance mechanisms. Each biodiversity finance solution is built on a combination of elements that may include one or more financial instruments or mechanisms, financing sources, lead agents or intermediaries, beneficiaries or principal stakeholders, and the desired financial result. (UNDP 2018, p.44)

Reference

Landscape Finance Lab (2015) The little book of investing in Biodiversity. https://landscapefinancelab.org/resources/the-little-book-of-investing-in-nature

Question 8	**Consider the following scenario:** **A government wants to pull private capital toward habitat restoration and weighs four instruments: a green bond, a sustainability-linked loan, biodiversity credits, and a debt-for-nature swap.** **Which answer correctly matches the name of each instrument to its definition?**
Correct answer	A sustainability-linked loan ties the interest rate/margin to the borrower meeting nature-related performance targets, so the cost of capital falls only if outcomes actually improve.
Distractor 1	A green bond guarantees the investor a higher return specifically because the funded projects restore nature.
Distractor 2	A biodiversity credit is a loan repaid once a species population recovers to a set threshold.
Distractor 3	A debt-for-nature swap is a per-hectare subsidy paid directly to a landowner for land left unfarmed.
Feedback	
Each instrument channels capital differently: - A green (use-of-proceeds) bond raises debt earmarked for eligible projects — the return is the ordinary coupon, not a premium for outcomes. - A sustainability-linked loan or bond leaves the use of funds open but ties the coupon or margin to measurable KPIs, so the reward is contingent on performance. - A biodiversity credit is a tradable unit representing a measured, additional gain in nature. - A debt-for-nature swap restructures or forgives sovereign debt in return for conservation commitments. The conventional test for these markets is efficiency: in an informationally efficient market, prices reflect all available information, so capital flows to its most productive use. Nature, though, has long been an unpriced input, so prices carried no signal about ecological performance and capital was allocated blind to it. These instruments try to create that missing price signal — but a price only guides capital efficiently if what it encodes is real. That depends on credible, comparable, verified metrics (and genuine additionality); where those are weak, the price reflects noise or optimism rather than ecological outcomes, and the market misallocates just as before. Hence the standards — ICMA principles, the EU Green Bond Standard, emerging biodiversity-credit integrity frameworks — which exist to make the information behind the price reliable enough for prices to do their allocative job.	
Reference	
ICMA (2021), Green Bond Principles and Sustainability-Linked Bond Principles; Regulation (EU) 2023/2631 (European Green Bond Standard); International Advisory Panel on Biodiversity Credits (2024); UNDP BIOFIN and World Bank materials on debt-for-nature swaps.	

Question 9	**A company's relationship with nature is analysed in two directions: its dependencies on nature and its impacts on nature.** **Consider the following scenario:** **A dairy firm relies on fresh water and pollination to produce, while its effluent degrades a nearby river.** **Which statement maps this correctly to financial analysis?**
Correct answer	The fresh water and pollination it relies on are dependencies (a source of risk to the firm), while the river degradation is an impact (a cost the firm imposes on others, usually unpriced).
Distractor 1	Both the freshwater reliance and the river degradation are impacts, since both involve the firm using, depleting, and degrading the environment.
Distractor 2	The fresh water and pollination are environmental impacts on nature, while the river degradation is a dependency the firm relies upon.
Distractor 3	Dependencies and impacts are the same thing under different accounting standards, so the distinction does not affect risk analysis.
Feedback	
Dependencies run from Nature to the firm — e.g., reliance on ecosystem services (water, pollination, stable soils), whose decline is a source of financial risk. Impacts run from the firm to Nature — e.g., degradation the firm causes, typically as an unpriced externality borne by third parties. In efficient-market terms, when impacts are not priced, prices do not reflect the true social cost of production and capital is misallocated toward nature-negative activity. The two directions line up with double materiality: dependencies ≈ financial materiality (outside-in); impacts ≈ impact materiality (inside-out). A firm usually has both, which is why they are assessed separately, not netted off. Frameworks such as TNFD and tools such as ENCORE are built on exactly this split.	
Reference	
TNFD (2023), Recommendations of the Taskforce on Nature-related Financial Disclosures; Dasgupta, P. (2021), The Economics of Biodiversity: The Dasgupta Review, HM Treasury; UNEP-WCMC, ENCORE.	

Question 10	**Nature-related financial risk is analyzed using categories adapted from climate risk.** **Consider the following scenario:** **A new regulation bans a fishing method, stranding the assets of firms that used it.** **Which category of risk best illustrates this?**
Correct answer	Transition risk — i.e., losses from the adjustment toward a nature-positive economy (e.g., policy, legal, technology and market shifts)
Distractor 1	Physical risk — i.e., losses from the degradation or loss of ecosystems and the services they provide (e.g., water, air, and soil pollution)
Distractor 2	Systemic risk — i.e., the risk that one institution's failure cascades through the wider financial system (e.g., small bank defaults affect securities in large banks)
Distractor 3	Liability risk — i.e., the risk of being sued and fined for having caused environmental harm (e.g., delays and costs associated with litigation)
Feedback	
Nature-related risks are usually grouped as: - physical (i.e., ecosystem degradation reduces the services firms depend on — e.g., collapsing fish stocks, lost pollination) - transition (i.e., policy, legal, technology and markets shift as economies move to be nature-positive — e.g., bans, taxes, changing demand) - systemic (i.e., correlated nature shocks propagate through the financial system and threaten stability). Liability is sometimes treated as a fourth category or folded into the transition category. A regulatory ban that strands assets is a textbook transition event.	
Source	
NGFS (2023), Recommendations toward the development of scenarios for assessing nature-related economic and financial risks; NGFS-INSPIRE (2022), Central banking and supervision in the biosphere; TNFD (2023).	

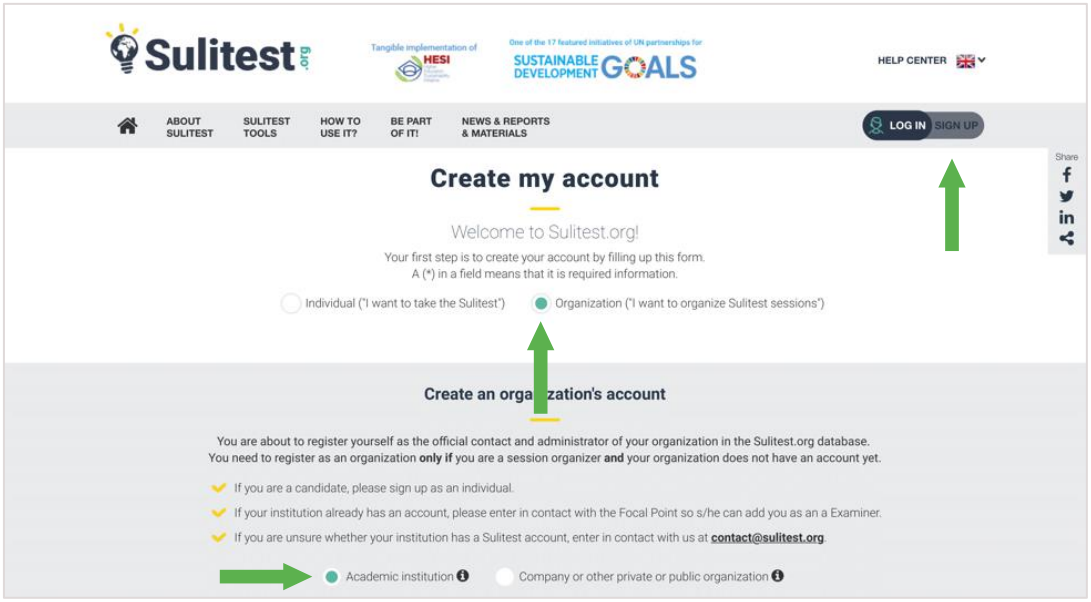
Question 11	**Since 2 August 2022, EU firms giving investment advice or managing portfolios must ask clients about their "sustainability preferences" as part of the suitability assessment (Delegated Regulation (EU) 2021/1253).** **This obligation is best understood as an extension of which conventional principle?**
Correct answer	Investor (consumer) protection — i.e., the suitability duty that a recommended product must fit the client, now widened to include their sustainability objectives
Distractor 1	Market efficiency — i.e., ensuring that all available sustainability information and projected impacts are instantly reflected in asset prices
Distractor 2	Capital adequacy — i.e., ensuring that firms hold enough capital to protect themselves effectively against sustainability-related losses
Distractor 3	Monetary policy transmission — i.e., steering adequate credit toward green sectors through appropriately targeted interest rates
Feedback	
The MiFID II suitability assessment is a core investor-protection tool: a firm must know the client (knowledge, experience, financial situation, objectives, risk tolerance) and recommend only products that fit. The 2021/1253 amendment adds the client's sustainability preferences to that test, so advisers must ask whether, and how, a client wants their money to pursue sustainability (e.g. Taxonomy-aligned investments, SFDR "sustainable investments", or consideration of principal adverse impacts) and match products accordingly. It is a conduct-of-business measure operating at the point of sale — distinct from prudential rules (capital) and market-integrity rules (efficiency, disclosure).	
Reference	
Commission Delegated Regulation (EU) 2021/1253, amending Delegated Regulation (EU) 2017/565 (applicable 2 August 2022); ESMA (2023), Guidelines on certain aspects of the MiFID II suitability requirements.	

Question 12	**Asking advisers to elicit sustainability preferences aims to protect consumers, but a classic market failure can undermine it.** **Consider a case where a client wants "nature-positive" investments but cannot verify a fund's true ecological quality, while the provider knows far more and may overstate it.** **Which type of failure is this, and what is its main risk?**
Correct answer	Asymmetric information — because clients cannot verify claims, greenwashing and mis-selling flourishes and low-quality "green" products crowd out genuine ones (i.e., adverse selection).
Distractor 1	Perfect information — the rule works effectively because disclosure regulation closes knowledge gaps between fund providers and investment-seeking clients.
Distractor 2	A negative externality — the client's choice imposes non-negligeable costs on unrelated yet clearly impacted third parties.
Distractor 3	A natural monopoly — only one provider can efficiently supply sustainable products.
Feedback	
The rule only protects investors if the underlying information is reliable, but there is a steep information asymmetry between providers and retail clients. When quality is unobservable, sellers are tempted to overstate sustainability (greenwashing), buyers discount all claims, and genuinely sustainable products go unrewarded — a lemons-style adverse-selection problem (Akerlof, 1970). Practical weaknesses compound it: preferences are complex to explain at the point of sale; data coverage and comparability are poor; and the terminology is hard for clients to understand. This is why supervisors pair the rule with anti-greenwashing work (greenwashing is defined as sustainability claims that do not fairly reflect the real underlying profile of a product or firm, misleading investors), the very asymmetry a suitability question alone cannot resolve.	
Reference	
ESMA/ESAs (2024), Final Reports on Greenwashing; Akerlof, G. (1970), "The Market for Lemons"; academic evaluations of DR (EU) 2021/1253 implementation, 2022–2023.	

Question 13	**In December 2022, nearly 200 countries adopted the Kunming-Montreal Global Biodiversity Framework, sometimes called "the Paris Agreement for nature."** **What is its headline "30x30" commitment?**
Correct answer	To conserve at least 30% of the world's land, inland waters, and coastal and marine areas by 2030
Distractor 1	To increase organic farming to 30% of agricultural land and production by 2030
Distractor 2	To end logging in the 30 countries most vulnerable to deforestation by 2030
Distractor 3	To reach net-zero greenhouse gas emissions in the 30 top-emitting countries by 2030
Feedback	
Target 3 of the Kunming-Montreal Global Biodiversity Framework (GBF) — known as "30x30" — commits nearly every country in the world to effectively conserve at least 30% of terrestrial, inland water, and marine areas by 2030, through well-connected, equitably governed protected areas that recognize the rights of Indigenous peoples and local communities. The gap between today's spending and what's needed is real, but so is a shared global plan — and a growing coalition of governments, regulators, and investors — working to close it.	
References	
Convention on Biological Diversity (2022), Kunming-Montreal Global Biodiversity Framework, Target 3. https://www.cbd.int/article/cop15-final-text-kunming-montreal-gbf-221222	

Creating a Sulitest account and Quiz

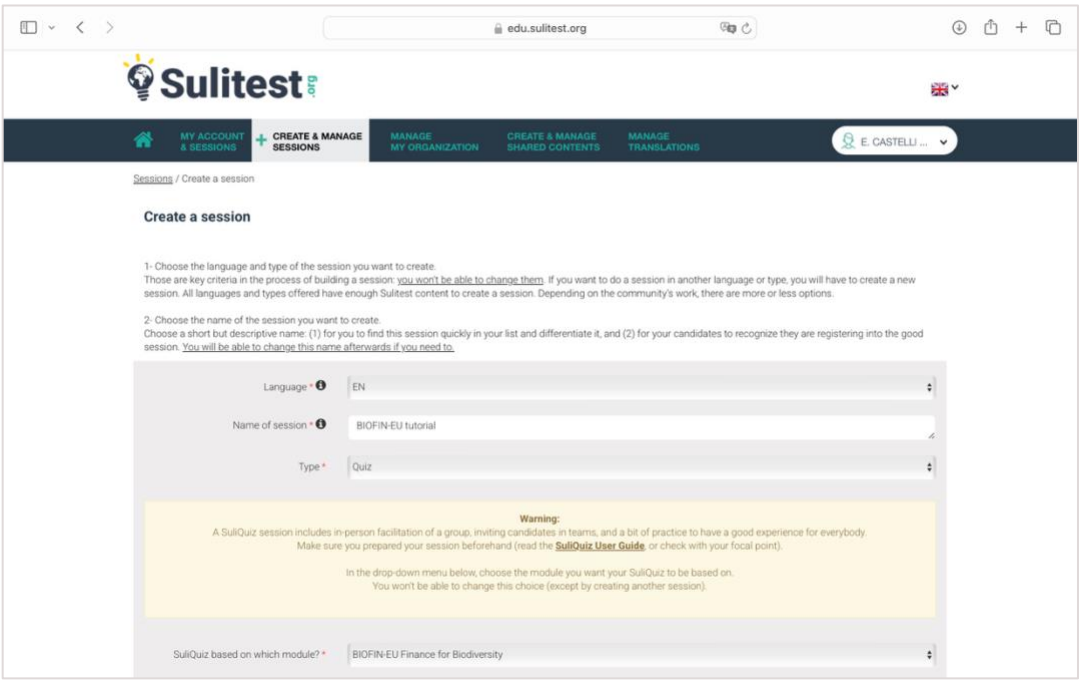
1. Sign up
    a. Visit edu.sulitest.org
    b. Click “Sign up”
    c. Select “Organization”
    d. Complete the form and confirm



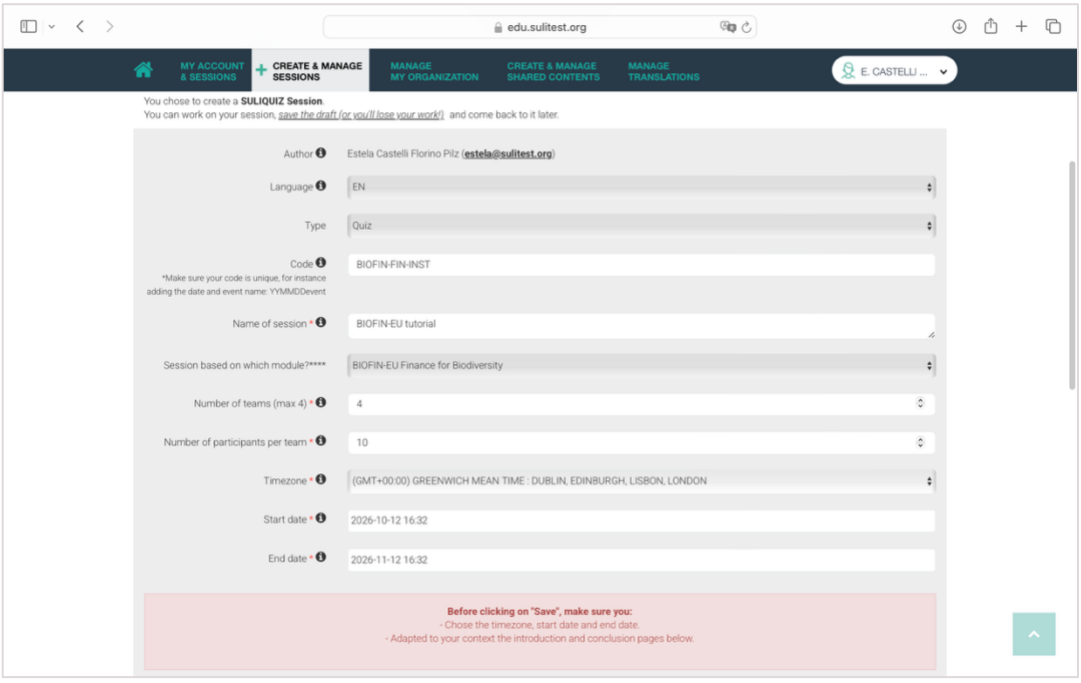
2. Login
    a. Use your email and password to log into your account.
    b. In case you need to reset your password, click on the “Forgot your password?” link

3. Create a Quiz session
    a. Click on “Create and manage sessions”
    b. Click on “Add session”

c. Select the language (the BIOFIN-EU module is only available in English), give your session a name, select the type “Quiz”, and finally select the BIOFIN-EU module.



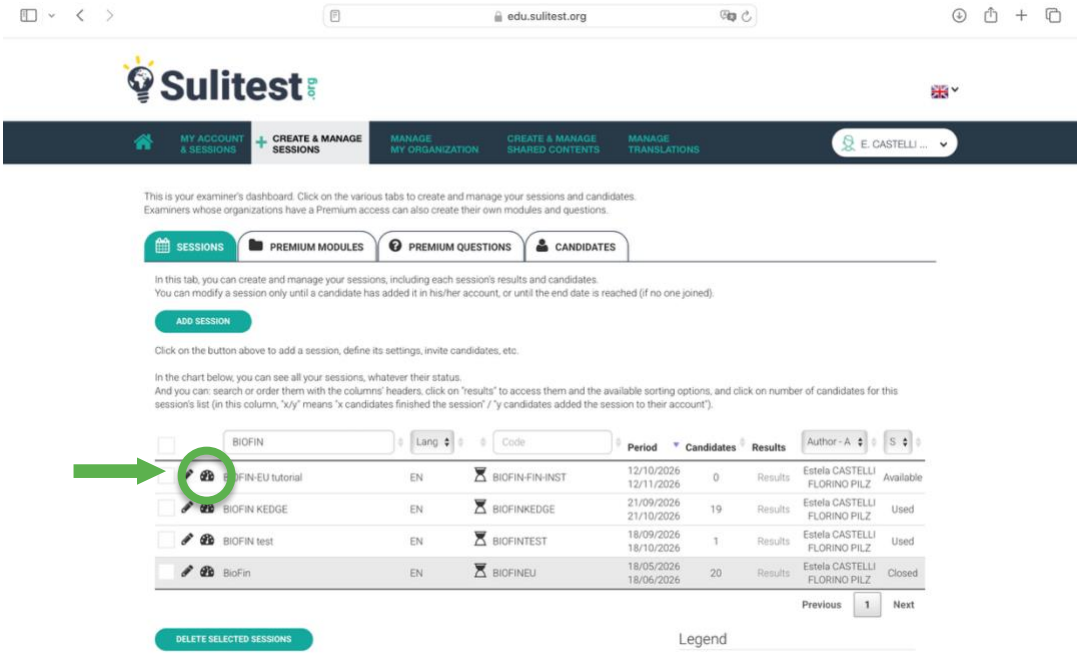
- Choose a unique code (your students will type this in as they begin the session), adjust the number of teams and participants per team, and select your date.



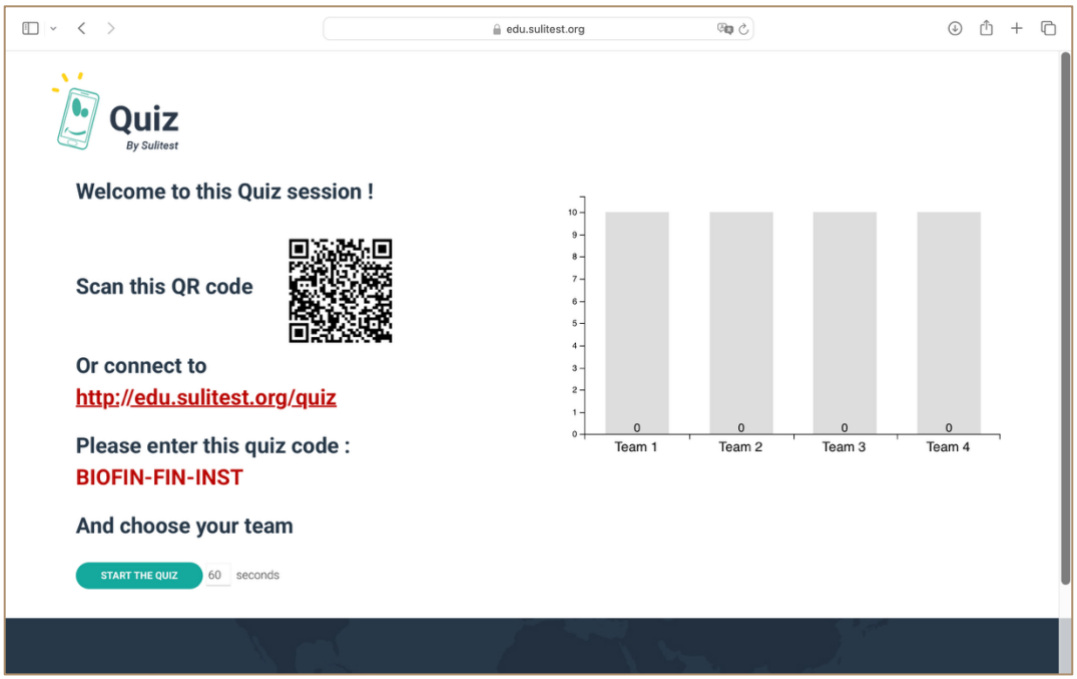
d. Save

4. Facilitate the session
   a. On the day of your Quiz session, log into your Sulitest account.

b. Under your list of sessions, find the BIOFIN-EU quiz session you created and click on the symbol highlighted below to launch it.



c. Share your screen or show in the projector the page below. Instruct students to scan the QR code or type in the URL and code. Instruct them on how to choose their team.



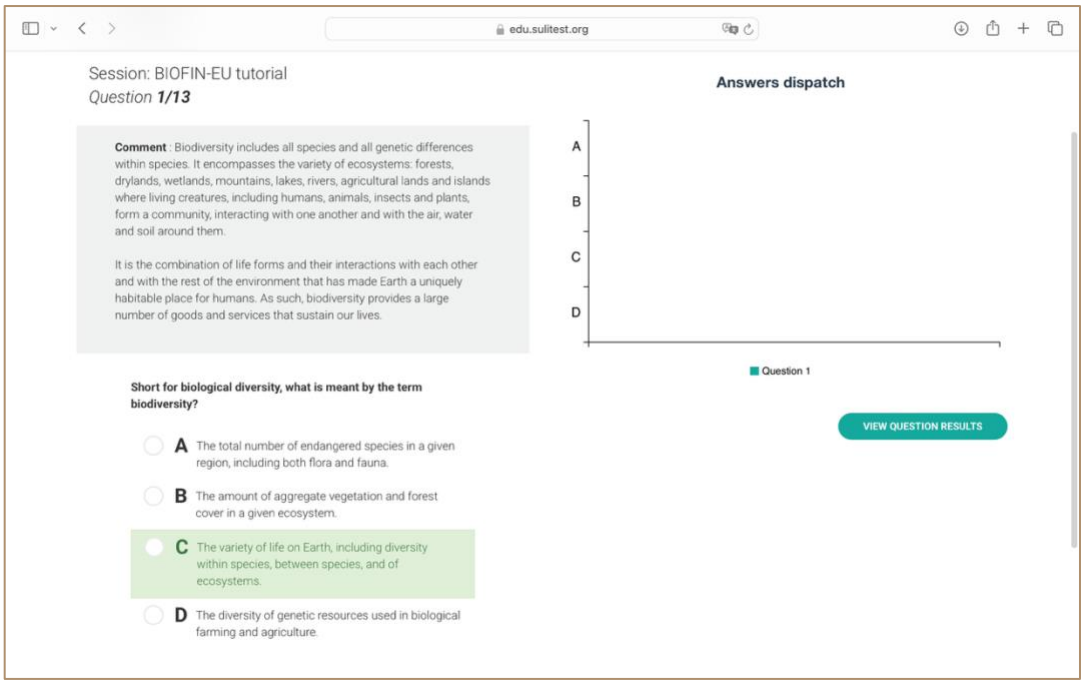
d. Once all students have joined (the bar chart on the right will update as people join each team), click “Start the Quiz”.

- Each question normally runs for 1 minute. After the time has finished, the page will not automatically change. You must click “display answers”. This enables you to control the pace

of your session.



- As you display the answer, you will see the feedback statement as well as how many people choose each alternative. This provides an opportunity to discuss each option.



- By clicking on “View questions results”, you will see the rate of correct answers per team. You can then click “Next” (and instruct candidates to click “Next” on their device) to move through the question bank.

e. At the end of the last question, the winning team is displayed.

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