



Tools & solutions for implementing and mainstreaming – private sector perspectives

Frameworks & Financing – Targets 15 & 19

AC IUCN WORKSHOP
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COMMERCIAL IN CONFIDENCE



GLOBAL BIODIVERSITY FRAMEWORK - TARGETS 15 & 19

TARGET 15

Encourage and enable businesses to monitor, assess & disclose their biodiversity risks

- Linked to the work of the Taskforce on Nature-related Financial Disclosures (TNFD)
- Will likely, following Taskforce on Climate-related Disclosures (TCFD), lead to mandated disclosures.

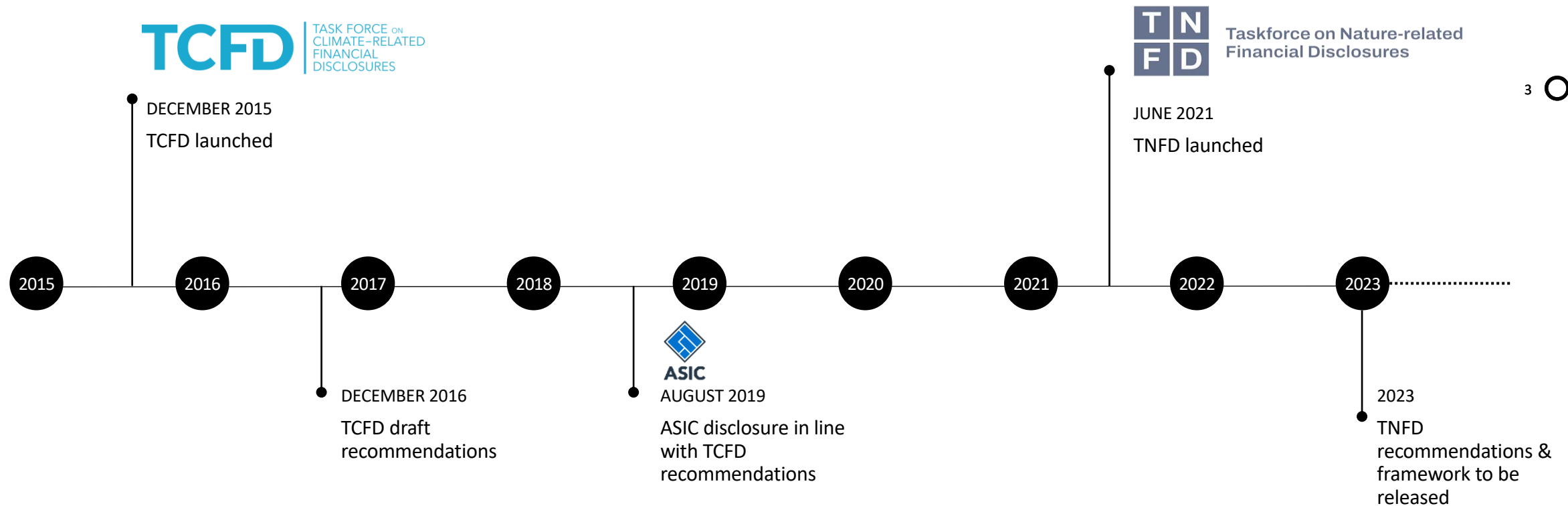
TARGET 19

Mobilise US\$200bn per year by 2030, including by leveraging private finance (e.g., biodiversity offsets and credits)

- Contemplates a range of public / private sector levers
- Corporates / Financial Institutions mainly engaged in discussion around biodiversity offsets and credits
- Target GBF makes a distinction between “offsets” and “credits”
- Counting the private sector contribution towards national \$\$ targets

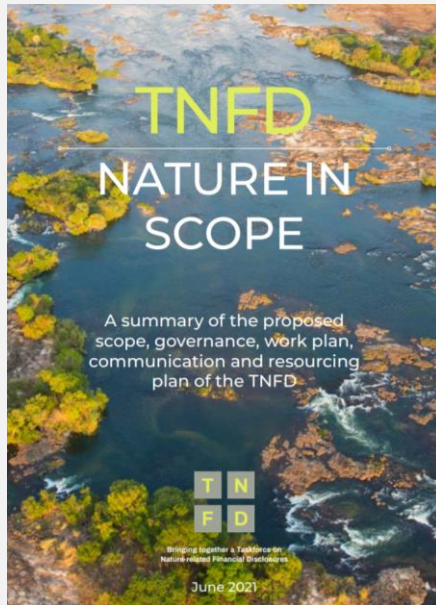
The TNFD recommendations are coming

Goal = guide corporates and financial institutions to **shift global financial flows** away from nature-negative outcomes and **toward nature-positive outcomes**.



The TNFD introduced the concept of double materiality for nature risk:

Impacts & Dependencies on nature.



CLASSES OF RISK

PHYSICAL RISKS

Arising at an operations level when nature is degraded e.g. changes in water quality or loss of pollinators.

TRANSITION RISKS

Misalignment between an organisation and the changing regulatory / political landscape e.g. restricting access to market or impacting reputation.

SYSTEMIC RISKS

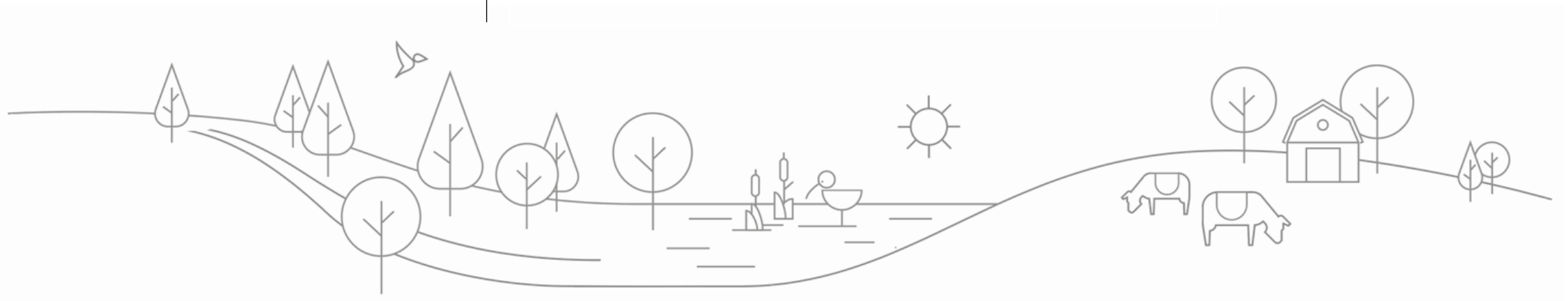
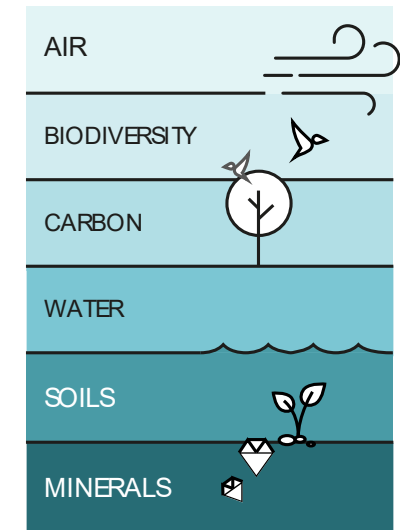
Breakdown of the entire system, rather than the failure of individual parts e.g. ecosystem collapse leading to financial system collapse.

TNFD has identified the key role for natural capital accounting to assess disclosure on nature risks & improvement

The UN System of Environmental Economic Accounts (UN SEEA) provides policy guidance for Australia's approach at a public and private level

HOW ADVANCED IS NATURAL CAPITAL ACCOUNTING?

- No universally accepted approach
- Leading private sector approach - Accounting for Nature® Framework
- There is no consensus on the relevant classes of natural capital that could be present in a landscape. The example natural capital asset class "stack" is illustrative only.





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Biodiversity credit markets are emerging as one tool to help scale voluntary private sector investment in biodiversity outcomes



The distinction between biodiversity *offsets* and biodiversity *credits* is important.

Distinguishing factors = 'use cases':

- intention of the purchaser
- claims that are made on the basis of the purchase.

Demand for biodiversity credits has not yet been established at scale and there is a lack of agreement around definition.

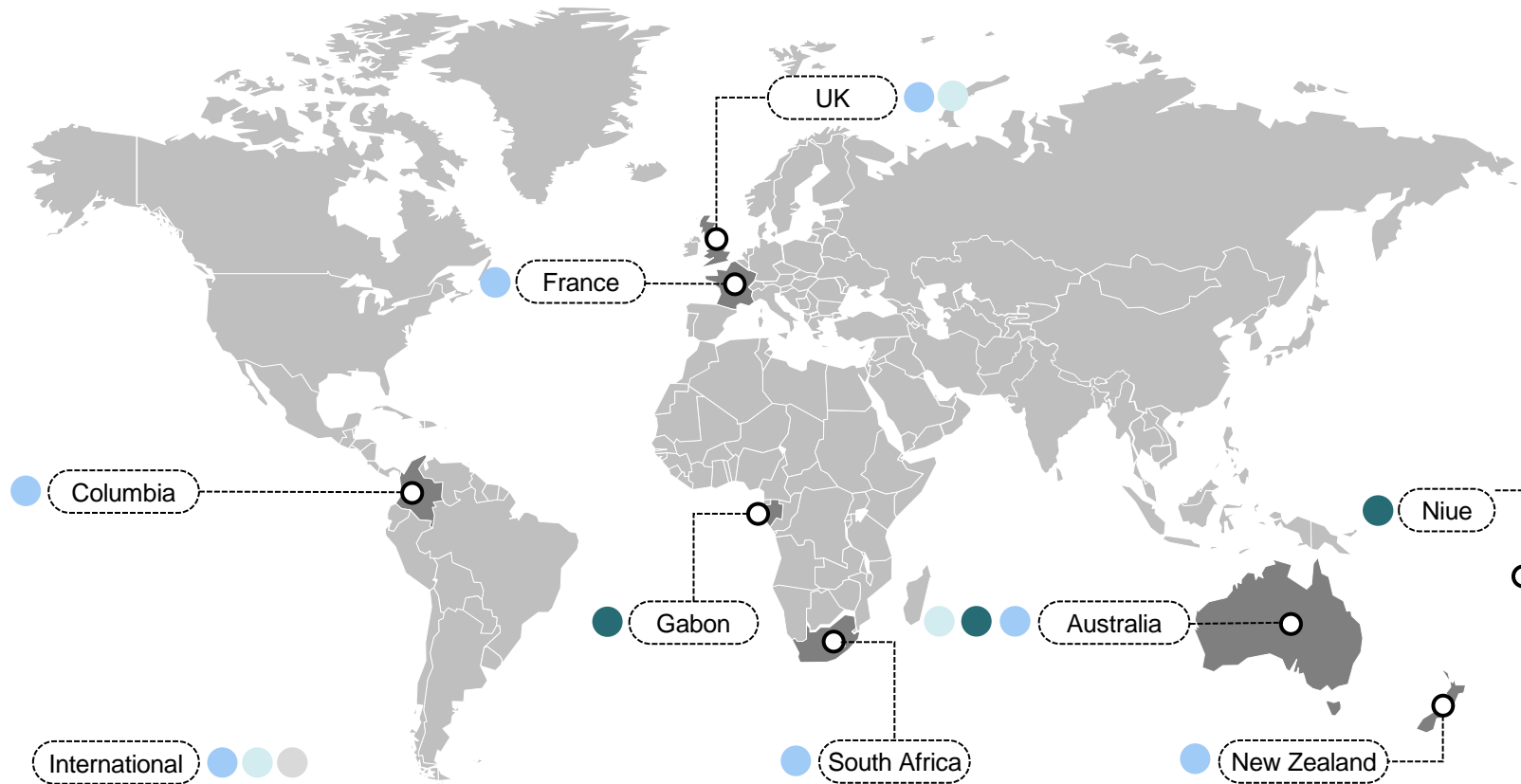
BIODIVERSITY OFFSETS

Biodiversity offsets are designed to compensate for direct biodiversity impacts arising at an *physical operations level*.

BIODIVERSITY CREDITS

Biodiversity credits are absolute contributions at a *whole of system* level - not linked to direct impact.

Globally, a significant number of biodiversity credit initiatives and schemes are emerging



- Governance / integrity initiatives**
 - Taskforce for Nature Markets (*International*)
 - World Economic Forum (*International*)
 - VERRA, White Paper (*International*)
 - IUCN Global Standard for Nature Based Solutions (*International*)
- Government-led programs**
 - Nature Repair Market scheme (*Australia*)
 - Ocean Conservation Commitments (*Niue*)
 - Carbon and Biodiversity Market (*Gabon*)
- Private sector-led programs**
 - GreenCollar, NaturePlus™ Credits (*Australia*)
 - Terrain NRM, Cassowary Credits (*Australia*)
 - South Pole, EcoAustralia™ (*Australia*)
 - Wilderlands, Biological Diversity Units (*Australia*)
 - Ekos, Sustainable Development Units (*New Zealand*)
 - Wallacea Trust, Biodiversity Credits (*International*)
 - Verified Impact Standard (SD VISTA) (*International*)
 - Climate Trade / Terrasos, Biodiversity Credits (*Colombia*)
 - Ecosulis CreditNature (*UK*)
 - ValueNature Biodiversity Credits (*South Africa*)
 - OpenEarth, Marine Ecosystem Credits (*International*)
 - Organisation for Biodiversity Certificates (*France*)
- Independent standards**
 - VERRA (*International*)
 - Gold Standard (*International*)
 - Plan Vivo Foundation (*International*)
 - Eco-Markets Australia (*Australia*)
 - Accounting for Nature (*Australia*)



Delivering *Net Zero*

