

Nature-based Solutions & Biodiversity

Spotlight Brief



CBSR



What is a CBSR Spotlight Brief?

- The CBSR Spotlight Brief is a pre-read for member roundtables, and a long-term resource.
- It is packed full of research and analysis relevant to a particular subject, providing the insights and thought leadership you need to make meaningful change at your organization.
- With the support of subject matter experts, Spotlight Briefs have been thoughtfully reviewed to ensure the most up-to-date and accurate information.
- For questions, please contact info@cbsr.ca

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	Read the Nature-Positive Ecosystem Guide

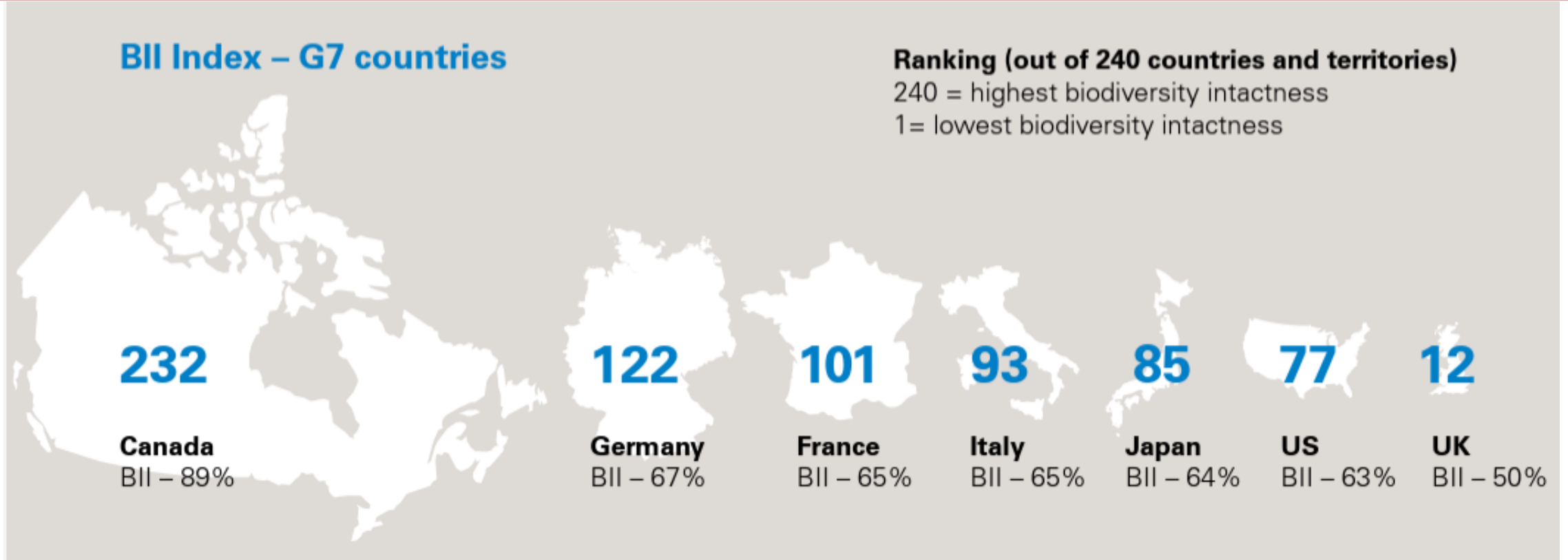
Definitions: Biodiversity

Biodiversity is all the different kinds of life you'll find in one area—the variety of animals, plants, fungi, and even microorganisms like bacteria that make up our natural world.

Each of these species and organisms work together in ecosystems, like an intricate web, to maintain balance and support life. Biodiversity supports everything in nature that we need to survive: food, clean water, medicine, and shelter.



Definitions: Biodiversity



Biodiversity Intactness Index (BII): an international index which provides a comparable value on the maintenance of biodiversity health in the face of human-driven land use change.

The methodology for this index has been accepted and used by the UN Convention of Biological Diversity (CBD), the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) and in the Dasgupta review.

Definitions: Biodiversity

Canada is home to:

- 24% of the world's boreal forests
- 25% of the world's temperate forests
- 25% of the world's wetlands
- 2 million lakes
- The world's longest coastline, and,
- The 3rd largest area of glaciers in the world.

Canada's BII from 2019 was optimistic, but that does not mean that we are exempt from biodiversity protection. More than 300 species are found exclusively in Canada, and a number of those have already gone extinct or are nearing extinction.



Passenger pigeon
EXTINCT (1985)



Blanding's turtle,
Great Lakes population
ENDANGERED (2016)



Atlantic salmon,
Lake Ontario population
EXTINCT (2010)



Atlantic cod,
Newfoundland and Labrador
population
ENDANGERED (2003)

Definitions: Nature-based Solution

The International Union for Conservation of Nature defines nature-based solution (NbS) as **solutions that leverage nature and the power of healthy ecosystems to protect people, optimize infrastructure and safeguard a stable and biodiverse future.**



Examples of Nature-based Solutions include:

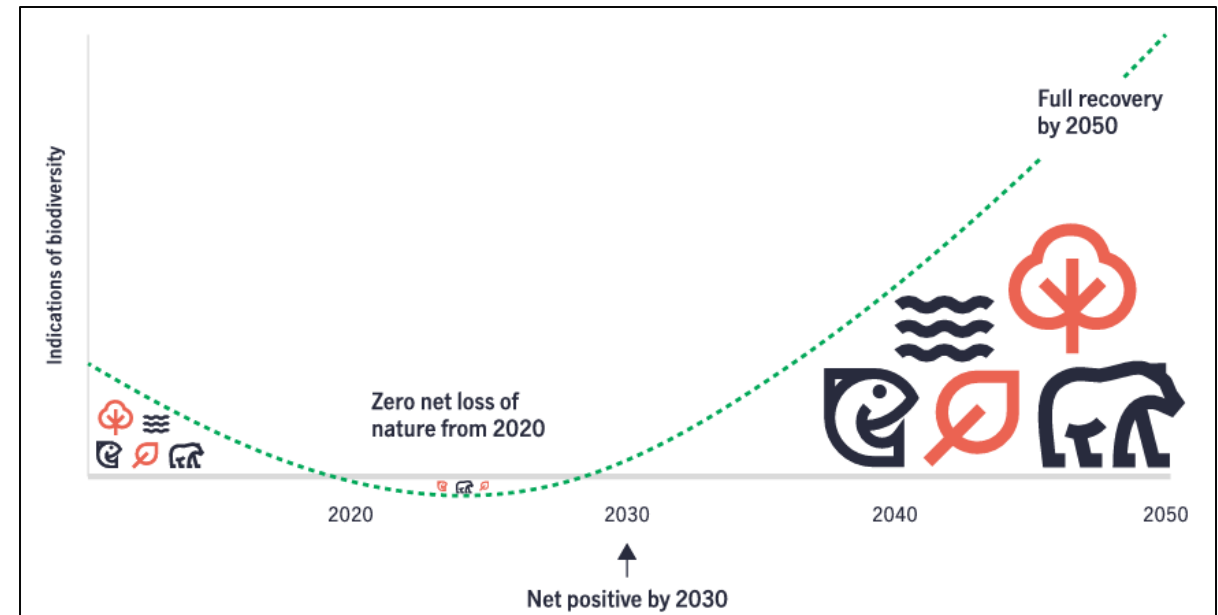
- Restoring & protecting forests and wetland catchments
- Bringing nature into cities
- Coastal habitat restoration

Definitions: Nature Positive

Nature Positive is defined as: **Enhancing the resilience of our planet to halt and reverse nature loss.**

The concept encourages that we go beyond damage litigation to optimize the ecosystems we utilize. In exchange for enhancing our ecosystems, businesses receive benefits in return:

- Enriched biodiversity
- Stored carbon
- Increased supply chain security
- Reduced pandemic risk
- Purified water
- Over \$10 trillion in business opportunities



The global goal for nature is to be nature positive by 2030.

Canadian & Global Context: Human Dependency on Nature

The European Environment Agency examined the correlation between ecological footprints and human development.

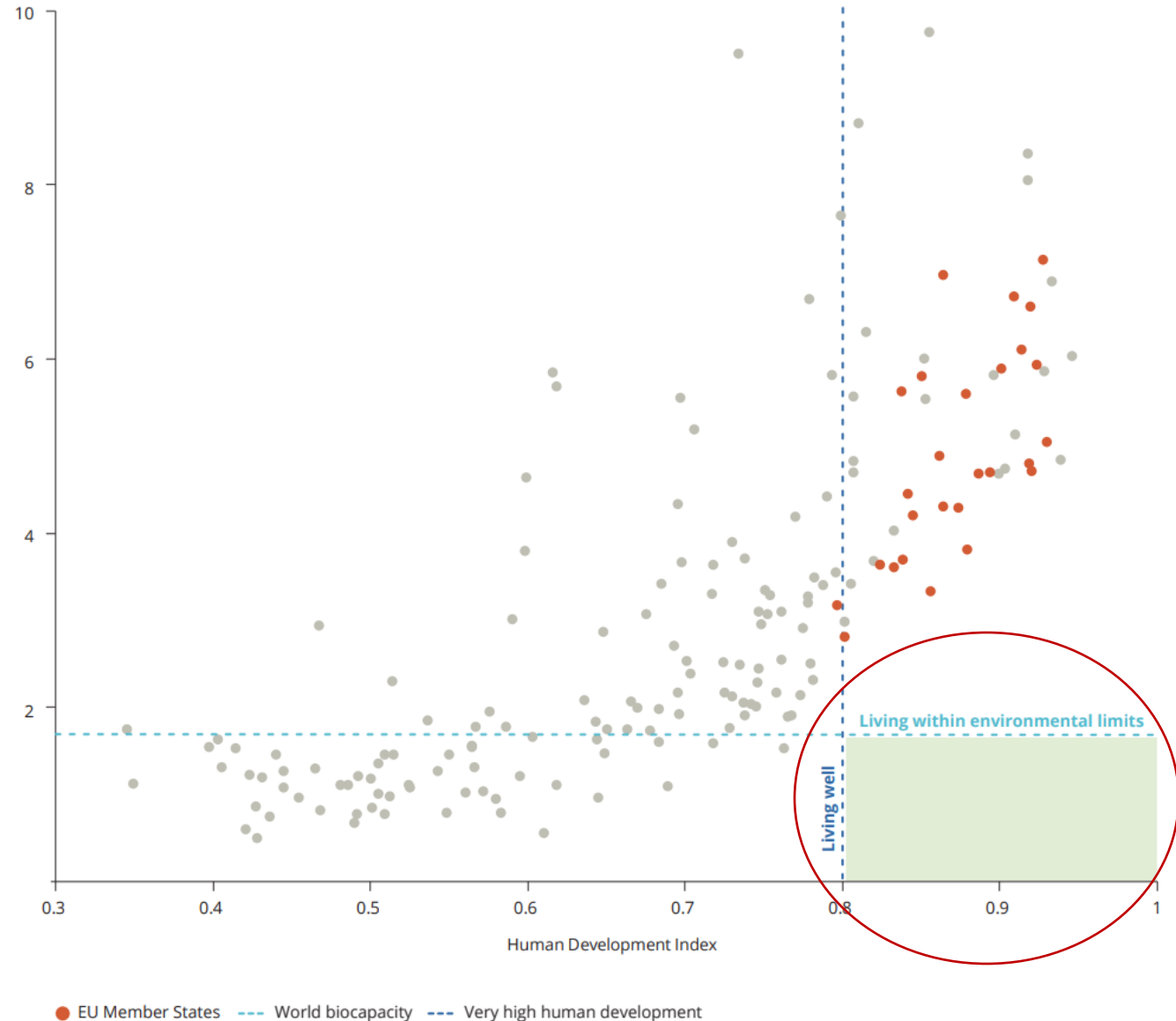
Economic development and human well-being are intrinsically linked to a resilient and healthy natural environment.

Of the recorded companies in the European Environment Agency report, none of them were found to be within the environmental limit's threshold.

All EU Member States were found to be living well, but with the continued degradation of the environment that well-being will not be sustained long term.

FIGURE 1.8 Correlation between ecological footprint and human development index

Ecological footprint (hectares per person per year)

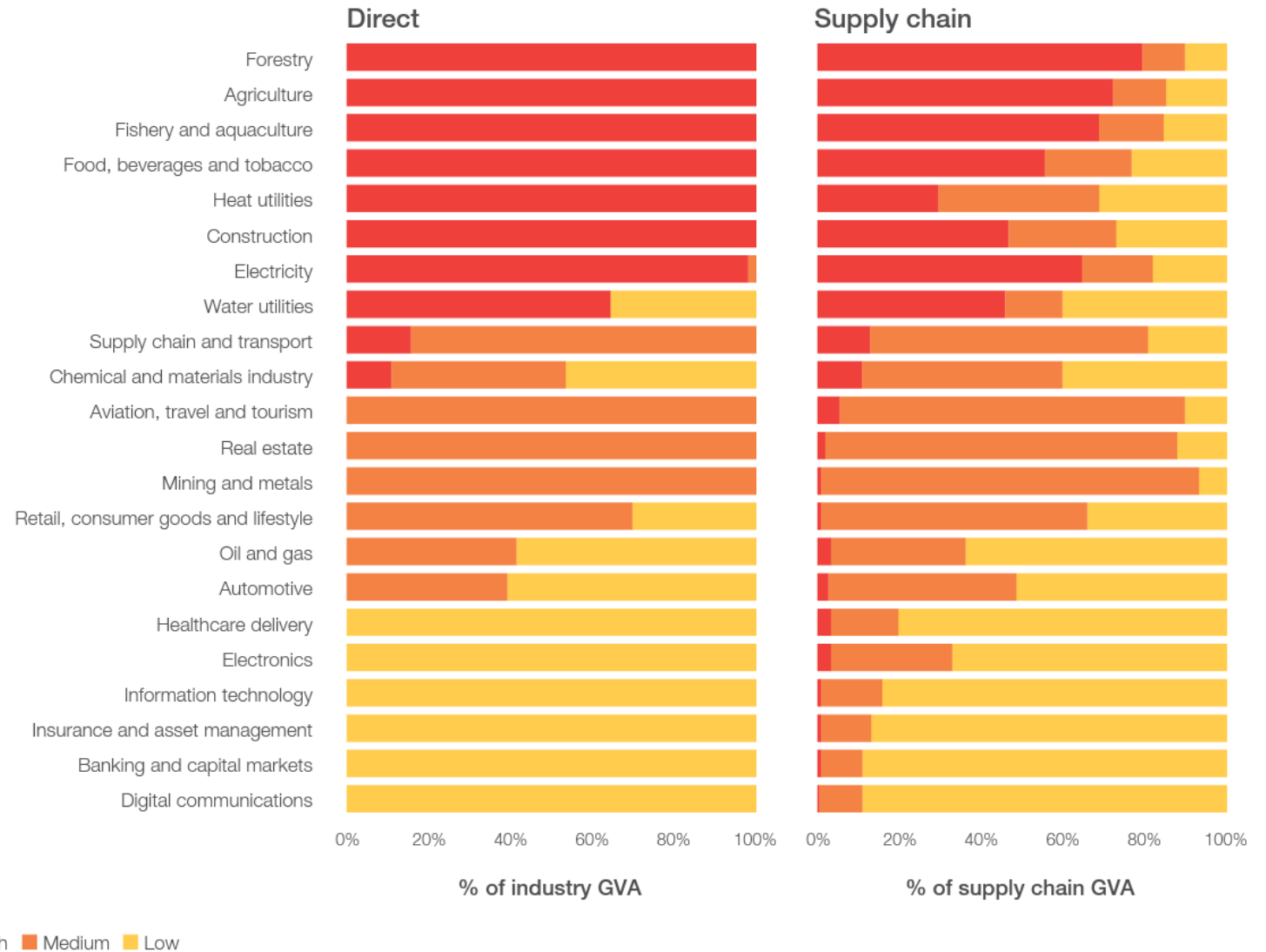


Canadian & Global Context: Why does it matter?

A 2020 report from the World Economic Forum found that 52% of global industries are either highly or moderately dependent on nature.

The economy's dependency on nature has made nature & biodiversity an important topic in global policies and conferences, like COP15.

Percentage of direct and supply chain GVA with high, medium and low nature dependency, by industry



Source: PwC

*Gross Value Added (GVA)

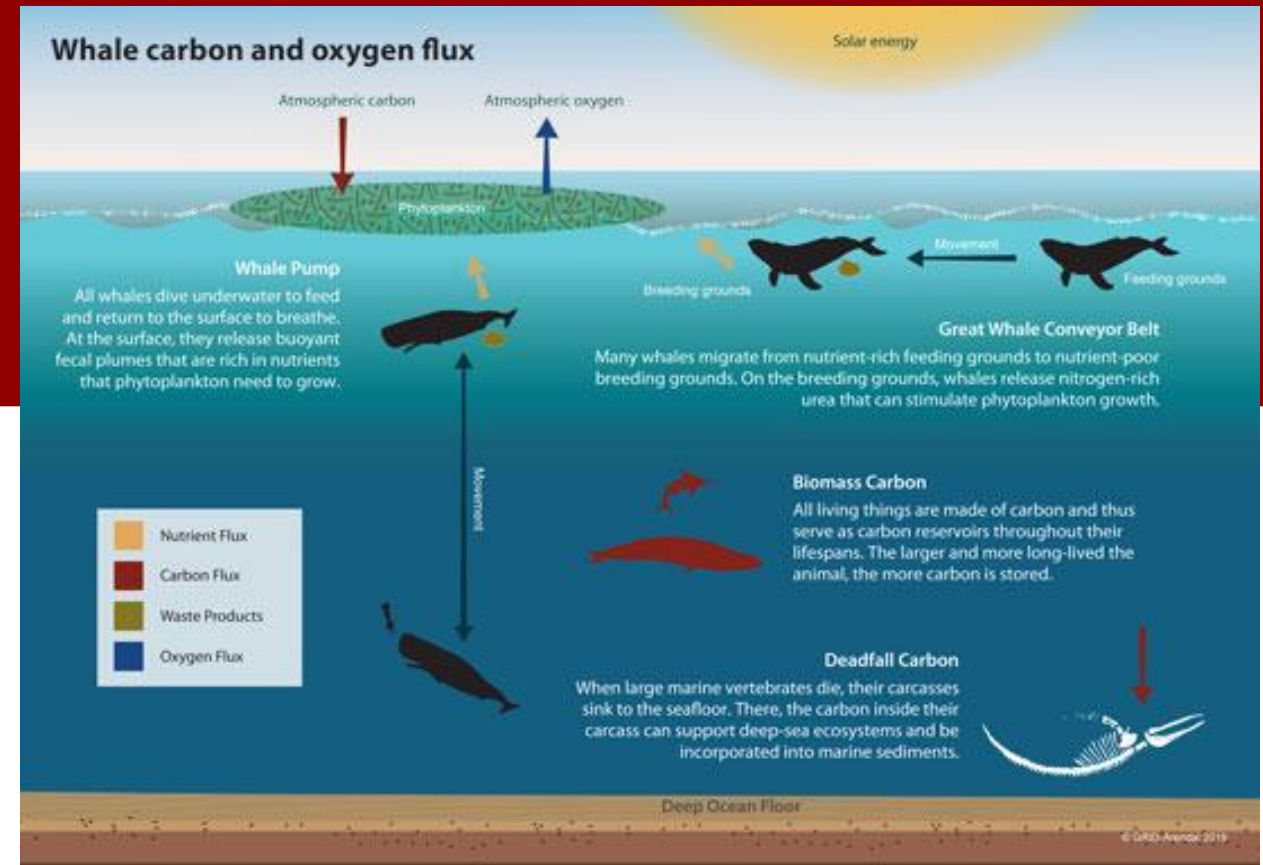
Canadian & Global Context: Why does it matter?

The UN Environment Programme | Finance Initiative, reported that

"while many organizations and businesses are focusing on reducing emissions across transport, energy, infrastructure, real estate and other sectors, **overlooking nature may ultimately undermine all other efforts.**"

Consider the impact of whale populations as an example:

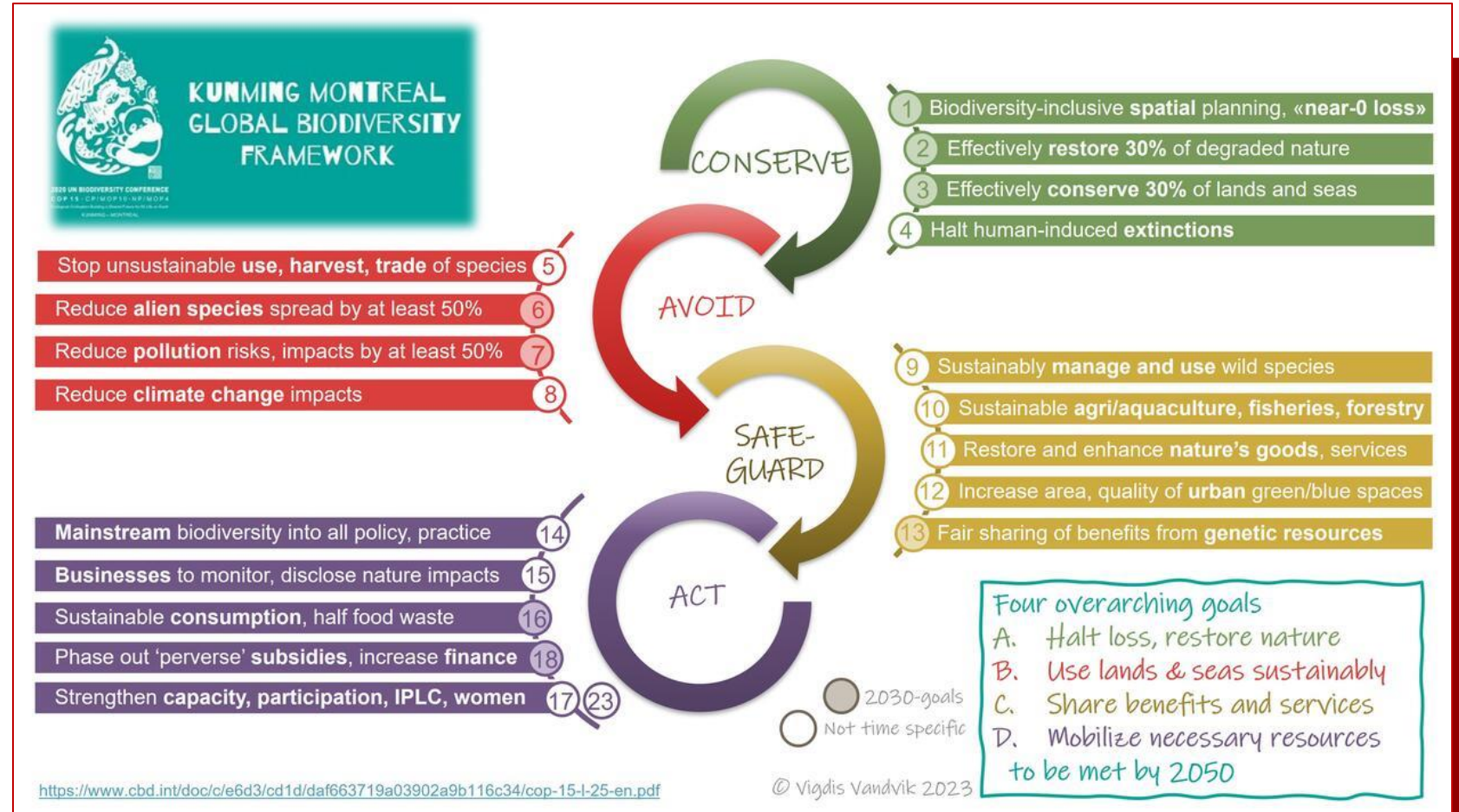
- A whale sequesters an average of 33 tons of CO₂ in their lifespan
- Whales support phytoplankton populations, which capture 37 billion tons of CO₂ (40% of all CO₂ produced) and produce 50% of all oxygen in our atmosphere



Canadian & Global Context: Outcomes from COP15

The most notable outcome of the Conference of the Parties to the United Nations Convention on Biological Diversity (COP15) was the adoption of the **Kunming-Montreal Global Biodiversity Framework** (GBF) to guide global action on nature through to 2030.

Critics of the GBF highlight the lack of specificity in the framework and the weakness of the goals (such as reaching 30% protection between land and sea combined).



Sources:

<https://www.unep.org/news-and-stories/story/cop15-ends-landmark-biodiversity-agreement#:~:text=Representatives%20from%20188%20governments%20have,the%20last%20day%20of%20negotiations>
<https://www.uib.no/en/cesam/159846/cheat-sheet-kunming-montreal%3A%20global-biodiversity-framework>
<https://www.cbd.int/article/cop15-final-text-kunming-montreal-gbf-221222>
<https://www.carbonbrief.org/cop15-key-outcomes-agreed-at-the-un-biodiversity-conference-in-montreal/>

Canadian & Global Context: Outcomes from COP15

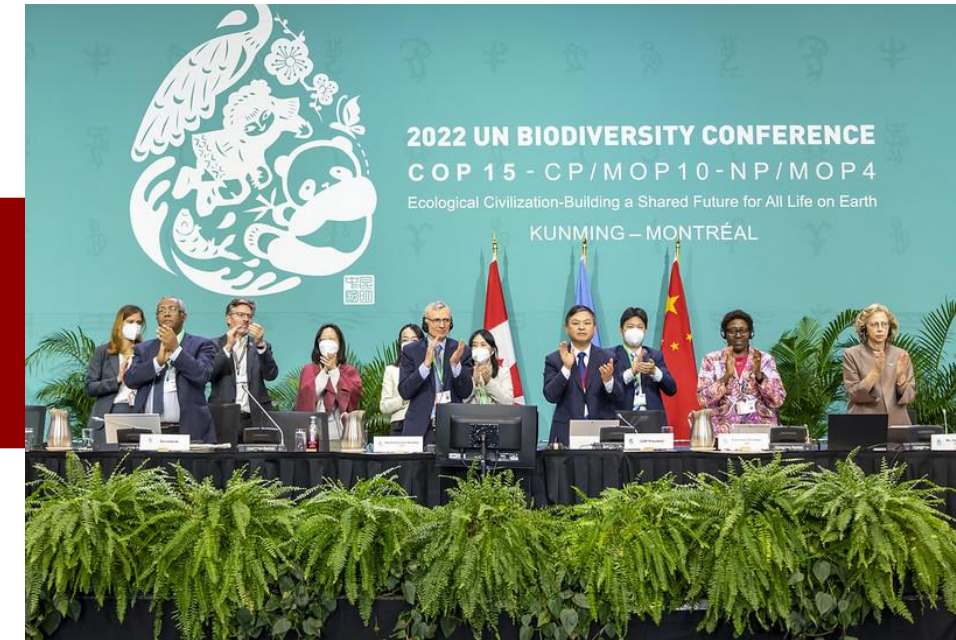
The Global Biodiversity Framework (GBF) may be directed toward national governments, but the recommendations were built to **directly impact the private sector** & directly relies on the private sector to achieve the 4 goals and 23 targets. In particular, the following targets are notable to companies:

Target 7: Reduce pollution

Target 15: Sustainable business, production and supply chains

This target encourages governments to support business & financial institutions in regularly monitoring, assessing, and transparently disclosing their impacts on biodiversity.

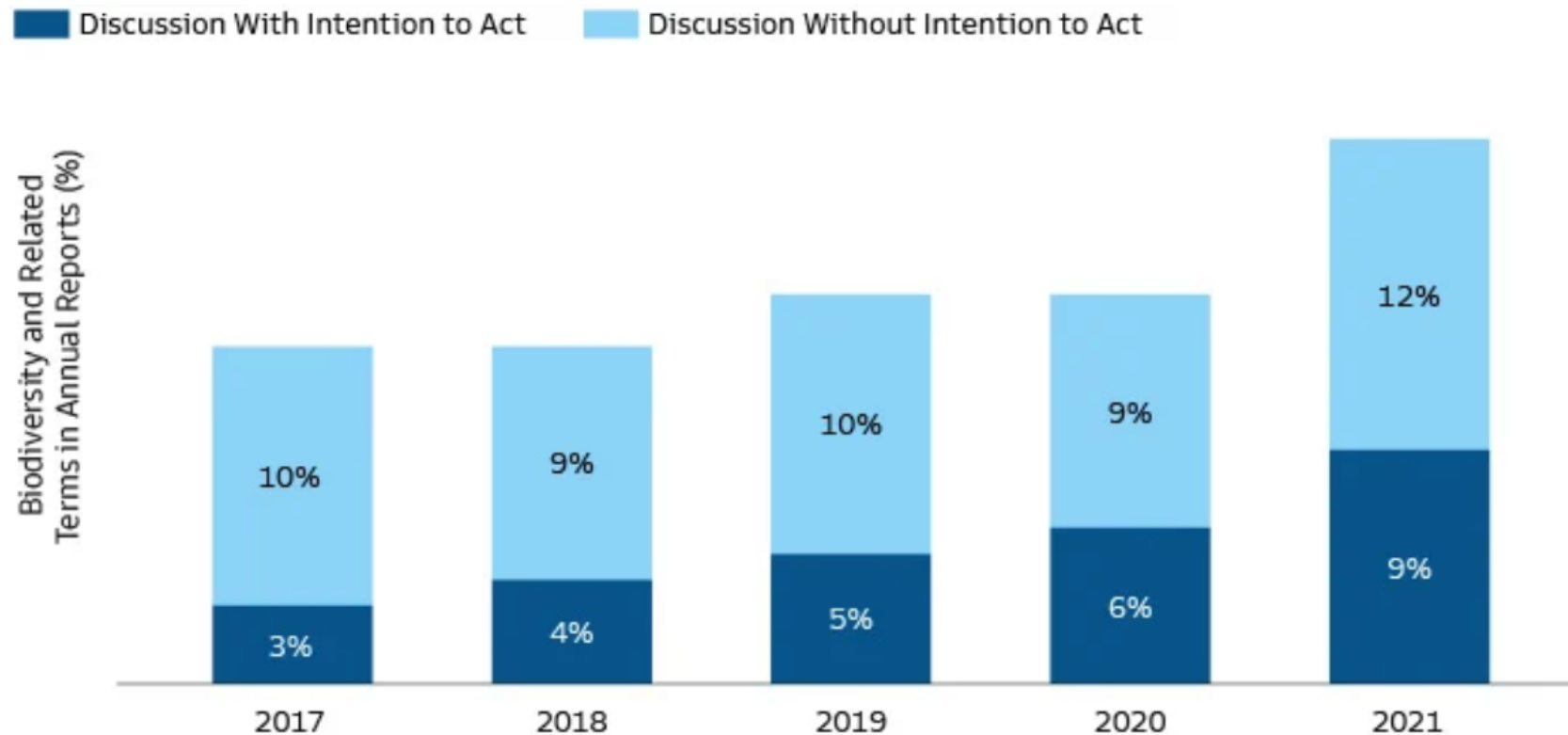
Target 16: Reduce global food waste



<https://www.cbd.int/article/cop15-final-text-kunming-montreal-gbf-221222>

Canadian & Global Context: Biodiversity in Reporting

Talking About Biodiversity and the Use of Related Terms in Annual Reports is on the Rise



A study from [Goldman Sachs](#) found that the number of annual reports that discuss biodiversity is increasing, though there is still a gap in moving towards action.

So, what can business do to take action when it comes to biodiversity?

Source: Goldman Sachs Sustainable Investment and Innovation Platform, MSCI. Based on analysis of annual reports from companies in the MSCI ACWI Index. As of December 31, 2022.

Canadian & Global Context: The Role of Business

Business has many ways it can contribute to the protection of biodiversity. This list is not exhaustive, but rather a potential starting point or brainstorm.

Investments	Strategy	Data & Tech	Collaboration
Nature-related offsets	Sustainable procurement policy	Nature-related data collection & monitoring	Canadian Business and Biodiversity Council (CBBC)
Conservation	Biodiversity policy	Nature-focused materiality assessment	Business for Nature
Nature-based solutions	Environmental assessment	Increasing reusability & recycled content	Partnerships with Indigenous Nations and communities

Sources:
<https://www.weforum.org/agenda/2023/02/5-ways-businesses-can-implement-the-new-global-biodiversity-framework/>
<https://www.businessfornature.org/>
<https://www.weforum.org/communities/champions-for-nature>
<https://www.cbd.int/business/nri/can.shtml>

Canadian & Global Context: Indigenous Partnerships

To ensure a truly Just transition, we must consider the impact of nature-based solutions, biodiversity protection and sustainability initiatives on local Indigenous communities.

Even though nature-focused initiatives have positive intentions, they have the potential to encroach on Indigenous ways of living or take away Indigenous land.

To prevent adverse impacts on communities surrounding your initiative, engage Indigenous communities from the beginning.

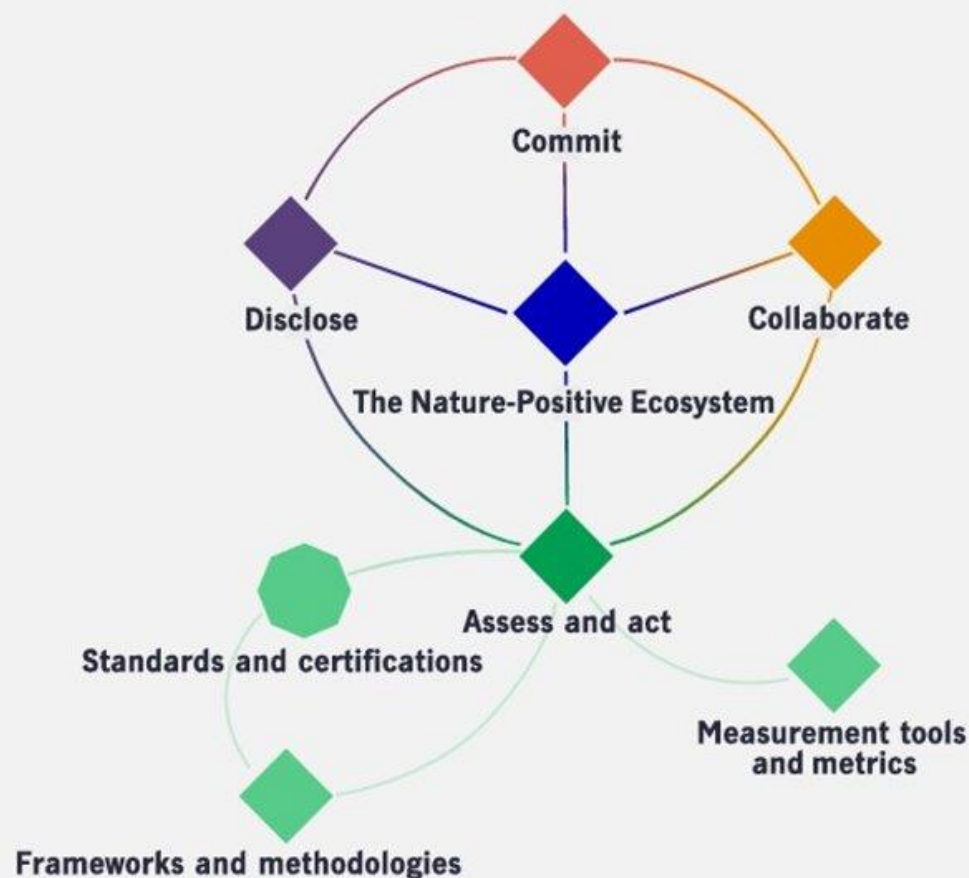
Here are ways to engage:

- [Conservation through Reconciliation Partnership](#)
- [Restore, Assert and Defend \(RAD\) Network](#)
- Through [collaboration on impact assessments](#)
- Contact local Indigenous communities near you
- Through a [shared-governance](#) model



Dasiqox Tribal Park, Tsilhqot'in territory, BC. Photographer: Jeremy Williams, River Voices Productions

Moving Towards Action: The Nature-Positive Ecosystem



Source: Manulife Investment Management and Delphi Group, 2022.

The Nature-Positive Ecosystem report produced a map which aims to guide businesses through the nature-positive initiative creation process with the resources & tools needed for those initiatives to be successful.

This report was created by The Delphi Group & Manulife to help businesses understand the evolving nature landscape. In this brief, we are highlighting key elements of the report.

Moving Towards Action: Commit

The Nature-Positive Report recommends that businesses begin their nature-positive initiative project with a commitment to hold them accountable for action.

The Report provides associations that either contain predefined targets or allow organizations to define targets for themselves.



These voluntary commitments include:

- [Science Based Targets for Nature](#)
- [Post 2020 Global Biodiversity Framework UNEP](#)
- [Global Goal for Nature](#)
- [Act4nature](#)
- [Finance for Biodiversity Pledge](#)
- [UN Sustainable Development Goals](#)

These resources also provide guidance on how businesses should structure their approach toward nature-positive agendas.

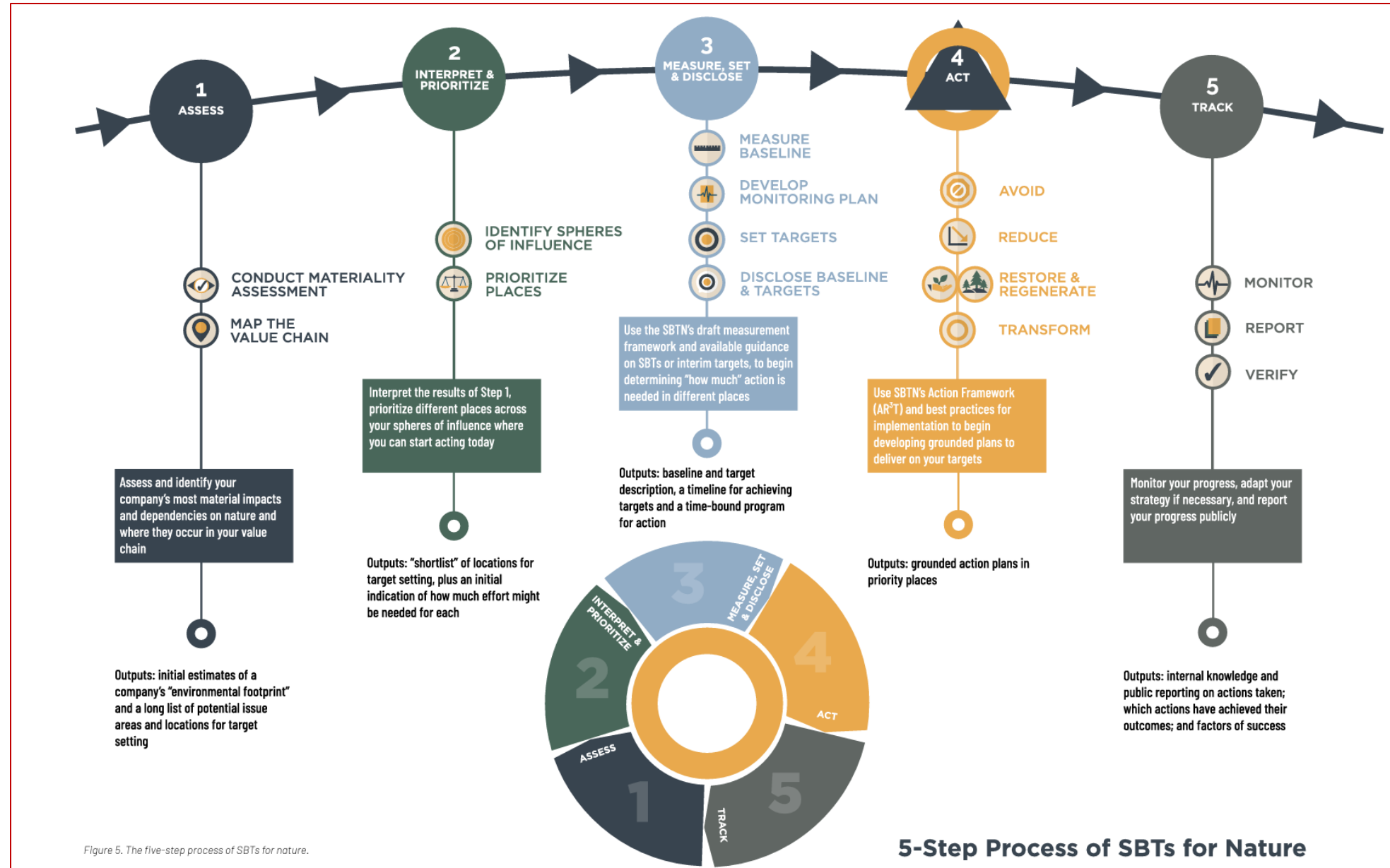
Moving Towards Action: Science-based Targets for Nature (SBTN)

SBT's for nature are aligned to the leading nature-related frameworks such as:

- UNCBD Post-2020 Global Biodiversity [Framework](#)
- UNCCD 2018-2030 [Strategic Framework](#)
- UNFCCC [Paris Agreement](#)
- 2030 [Agenda](#) for Sustainable Development
- Task Force for Nature-related Financial Disclosures (TNFD) will also be aligned to and leverage SBTN

SBTN builds off the SBTi, by extending their scope to SBTs beyond climate to emphasize nature.

Source:
<https://sciencebasedtargets.network.org/wp-content/uploads/2020/09/SBTN-initial-guidance-for-business.pdf>



Moving Towards Action: Finance for Biodiversity Pledge

The Finance for Biodiversity Pledge calls on global leaders and commits signatories to protect & restore biodiversity through their finance activities and investments. There are five recommendations for meeting this commitment:

1. Collaborating and sharing knowledge
2. Engaging with companies
3. Assessing impact
4. Setting targets
5. Reporting publicly on the above before 2025

To join the pledge, financial institutions must complete the registration form and then they will have the opportunity to attend a "signatory launching moment".



Pledge signatories are encouraged to join the Foundation, where they are provided access to working groups and a community of supporters to help them reach the commitments in the pledge.

Moving Towards Action: Collaborate

Once you have signed a commitment to support accountability, the next step is to find communities that can support your progress & that can provide guidance along the way.

The Nature-Positive report provides a fantastic list of associations and groups designed to bring organizations together that are focused on similar goals so that they may collaboratively find solutions:

- [One Planet for Business for Biodiversity](#) (OP2B)
- [Business for Nature](#)
- [WBCSD Food & Nature Program](#)
- [We Value Nature](#)
- [Finance for Biodiversity](#)
- [Le Club B4B+](#)



Moving Towards Action: Assess & Act

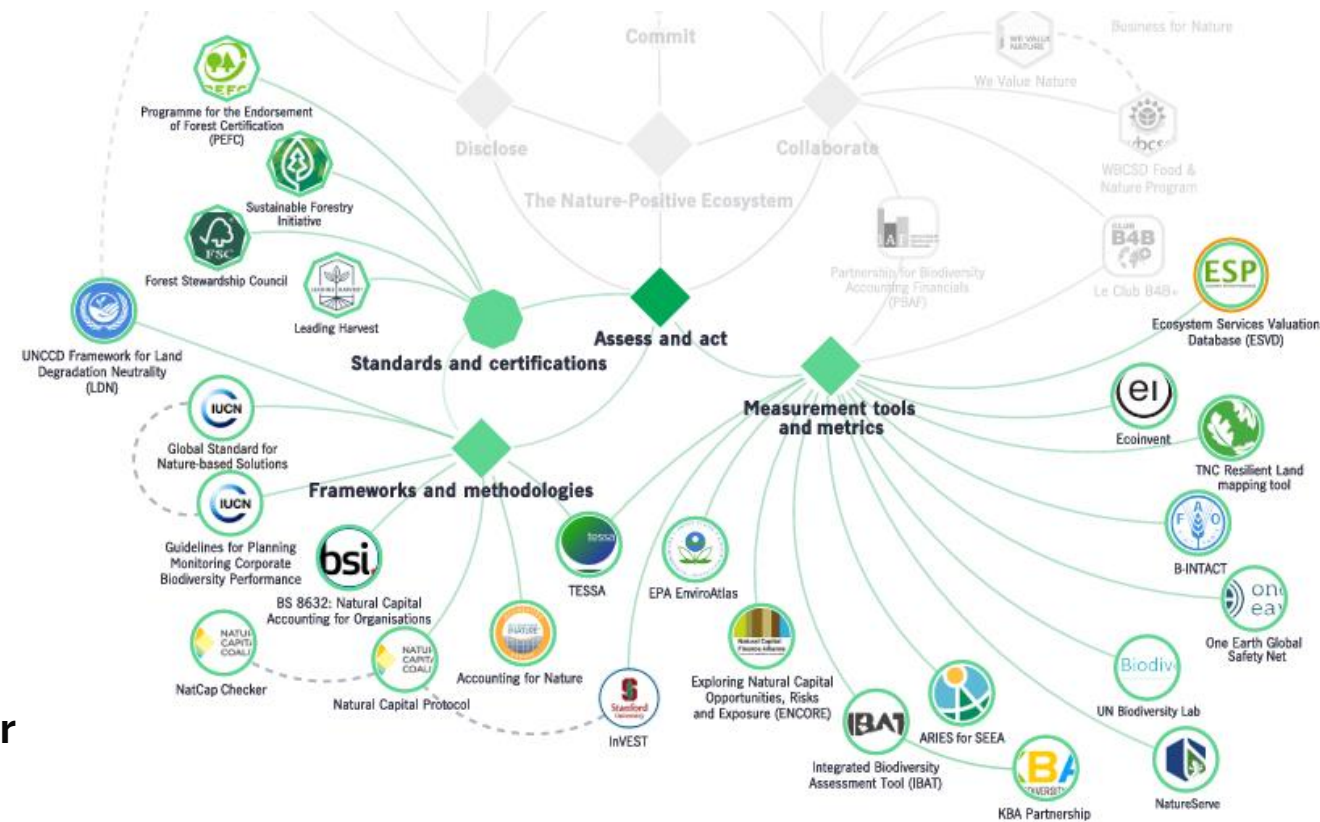
Arguably the most robust area of the Nature-Positive Ecosystem, the Assess & Act stage is where the commitments from previous stages turn into action.

This stage outlines:

- standards and certifications,
- frameworks and methodologies, and
- measurement tools and metrics,

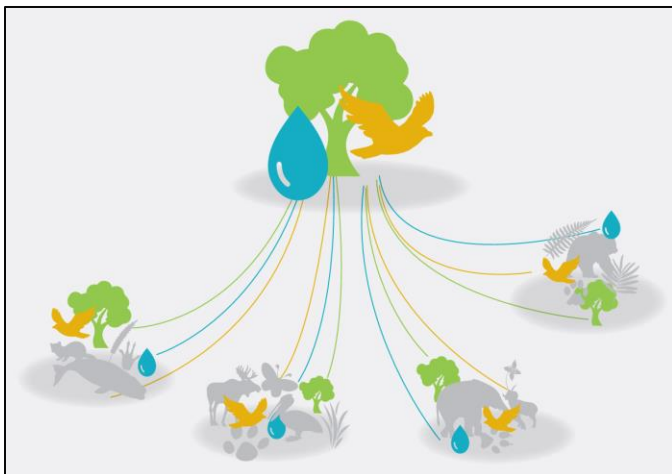
that are meant to guide the action your organization takes and ensure that implementation is credible.

Pages 24 – 26 provide links, descriptions and context for use of all the resources listed on this slide.



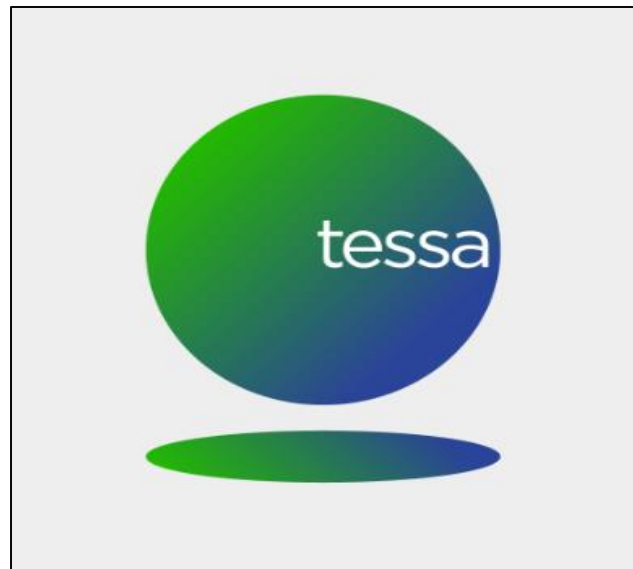
Moving Towards Action: Assess & Act

The Nature-Positive Ecosystem Guide provides many great resources for this stage. Here are three that will be a good place for business to start.



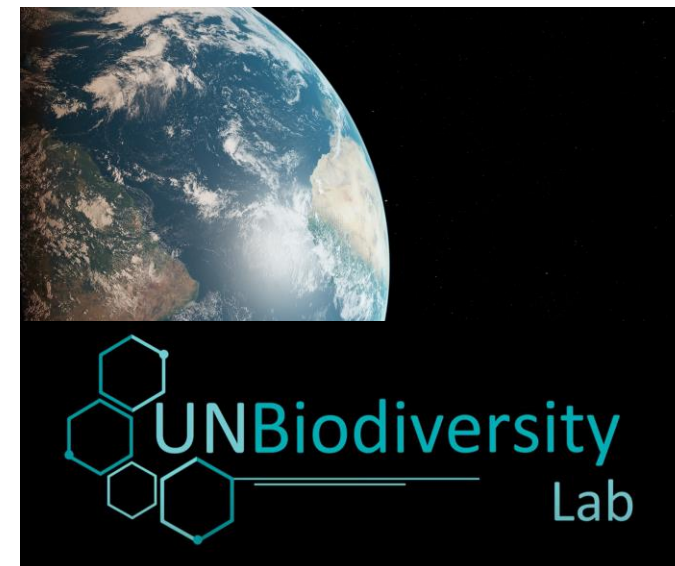
IUCN's Guidelines for planning and monitoring corporate biodiversity performance

These guidelines are a framework for developing corporate-level biodiversity strategic plans and reporting.



TESSA

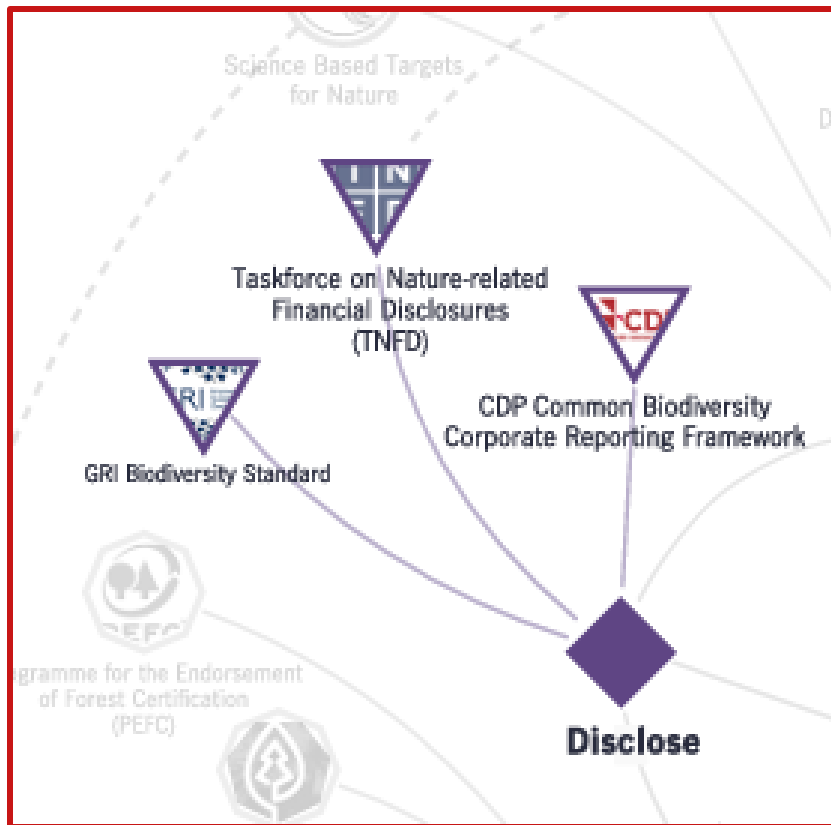
Used to complete environmental impact assessments and identify ecosystem services to support planning decisions that improve biodiversity conservation and ecosystem service delivery



UN Biodiversity Lab

Shares nature-related spatial data to inform decision-making.

Moving Towards Action: Disclose



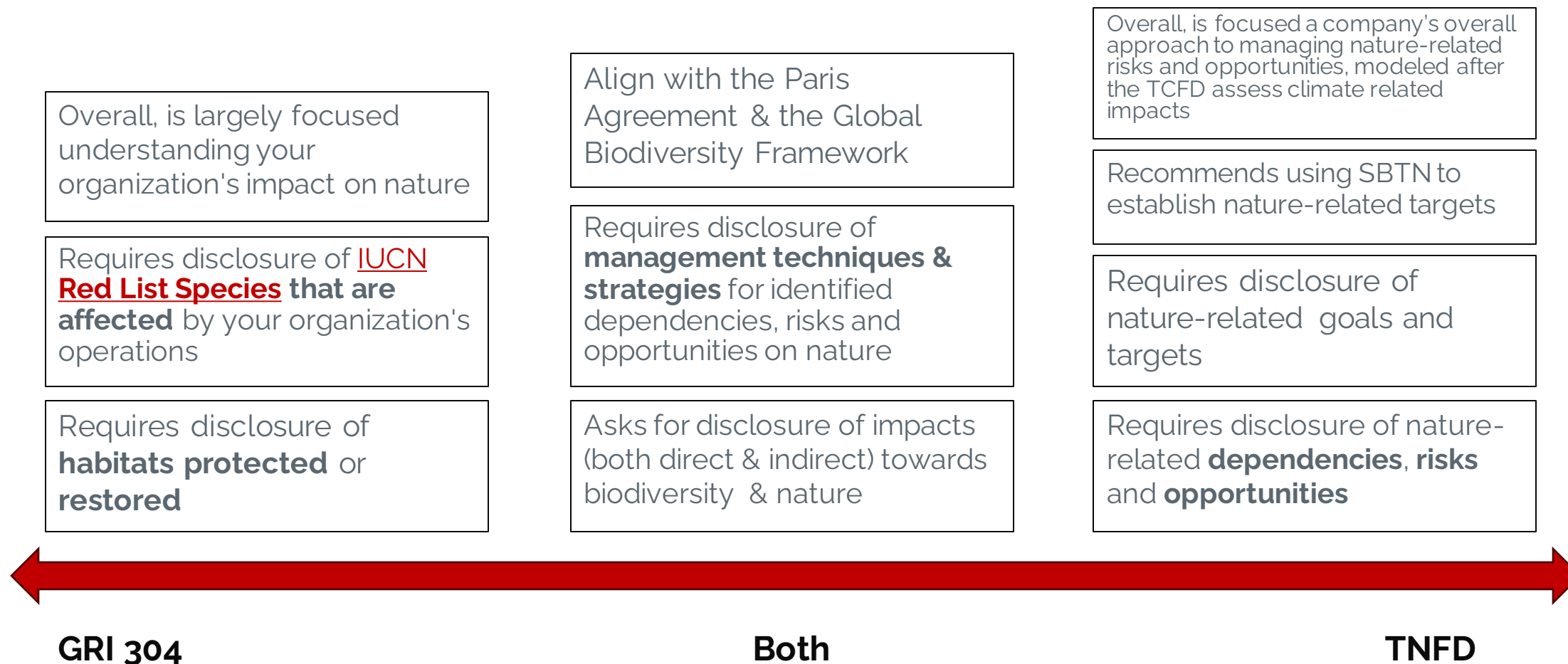
These disclosure frameworks work together to have standardized nature-related disclosures. The comparability of reports and data is a key aspect to measuring progress and holding organizations accountable

Currently, there are three recommended resources to inform nature-related disclosures:

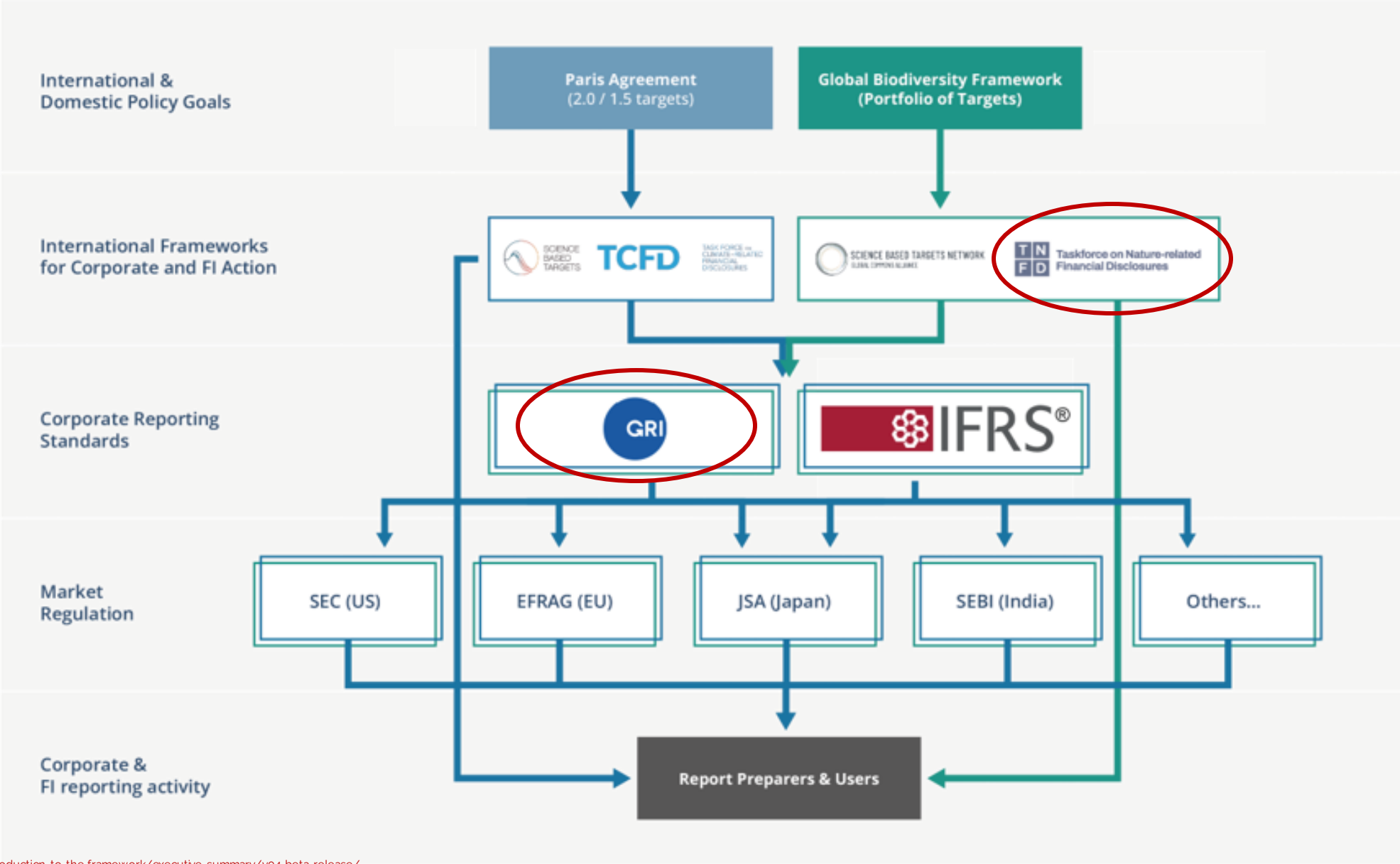
- [Taskforce on Nature-related Financial Disclosures \(TNFD\)](#)
- Global Reporting Initiative (GRI) [Biodiversity Standard](#)
- *Coming Soon:* CDP [Common Biodiversity Corporate Reporting Framework](#)

Moving Towards Action: Comparing Disclosures

- CDP to be announced



Moving Towards Action: Reporting Architecture



Moving Towards Action: Global Reporting Initiative (GRI) 304: Biodiversity

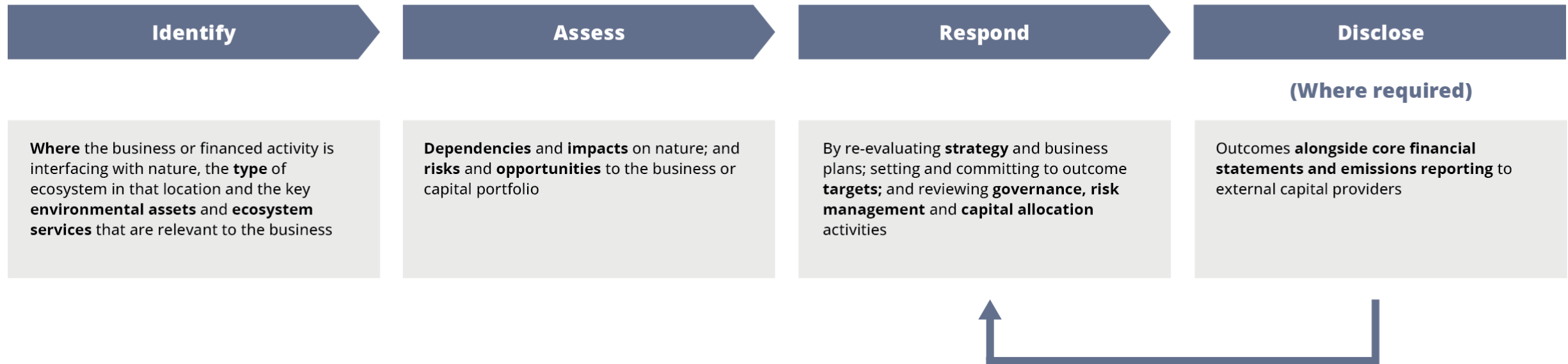
GRI 304

1. Management approach disclosures
 1. **Narrative explanation** of how an organization manages a material topic, the associated impacts and stakeholders' reasonable expectations and interests.
 1. In this section, the report will also **describe the strategy for achieving its policy on biodiversity management**, which should include: prevention, management, remediation of damage to nature habitats
2. Topic-specific disclosures
 1. Disclosure 304-1: Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.
 2. Disclosure 304-2: Significant impacts of activities, products, and services on biodiversity. **Indirect can include impacts in the supply chain.**
 3. Disclosure 304-3: Habitats protected or restored
 4. Disclosure 304-4: [IUCN Red List species](#) and national conservation list species with habitats in areas affected by operations

Moving Towards Action: Taskforce on Nature-related Disclosure (TNFD)

In September of 2023, the Task Force for Nature-related Disclosure framework will be officially ready for market adoption.

The aim of this framework is to support organizations in identifying, assessing, responding, and disclosing their nature-related impacts.



Moving Towards Action: Comparing TCFD & TNFD

Watch for significant changes here

	Governance	Strategy	Risk (& Impact) Management	Metrics & Targets
TCFD	a) Describe the board's oversight of climate-related risks and opportunities b) Describe management's role in assessing and managing climate-related risks and opportunities	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning. c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	a) Describe the organization's processes for identifying and assessing climate-related risks. b) Describe the organization's processes for managing climate-related risks. c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process. b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks. c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.
TNFD	Same as TCFD, with slightly adjusted wording: "...of nature-related dependencies, impacts, risks and opportunities." Sources: https://framework.tnfd.global/introduction-to-the-framework/executive-summary/v04-beta-release/ https://framework.tnfd.global/draft-recommended-disclosures/ https://assets.bbhub.io/company/sites/60/2021/10/FINAL-2017-TCFD-Report.pdf	Same as TCFD for a-c with adjusted wording & one additional recommendation: d) Disclose the locations where there are assets and/or activities in the organization's direct operations, and upstream and/or downstream and/or financed, where relevant, that are in: <ul style="list-style-type: none"> • High integrity ecosystems • Areas of rapid decline in ecosystem integrity • Areas of water stress • Areas where the organization is likely to have significant potential dependencies and/or impacts 	This pillar has the most adjustments: "b)" is expanded to include... "managing nature-related dependencies, impacts, risks and opportunities and actions taken in light of these processes." Describe the organization's approach to identifying nature-related dependencies, impacts, risks and opportunities in its upstream and downstream value chain(s) and financed activities and assets for assessment. Describe how affected stakeholders are engaged by the organization in its assessment of, and response to, nature-related dependencies impacts, risks and opportunities.	"a)" is the same as TCFD, the following amendments are present: b) Disclose the metrics used by the organization to assess and manage dependencies and impacts on nature. c) Describe the targets and goals used by the organization to manage nature-related dependencies , impacts, risks and opportunities and its performance against these.

Moving Towards Action: CDP Common Biodiversity Corporate Reporting Framework

- CDP has not yet released a draft of their Biodiversity Corporate Reporting Framework. While we may not know exactly what is included in that framework, we get an idea through their recent publications:
 - **Nov 2021 report** which urges for more nature-related disclosure
 - **2022 expansion of CDP climate questionnaire** which now includes questions on biodiversity
 - The questionnaire included questions like:
 - Is there board and/or executive-level responsibility for biodiversity-related matters within your organization?
 - Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?
 - Does your organization assess the impact of its value chain on biodiversity?
 - What action has your organization taken in the reporting year to progress your biodiversity-related commitments?



CDP Climate Change 2022 Questionnaire	
Version control - climate change	
CDP disclosure cycle 2022	C15 Biodiversity
About the CDP climate change questionnaire	Biodiversity
Sector intro: FS	



Key Takeaways: What's Next?

1: Build Awareness

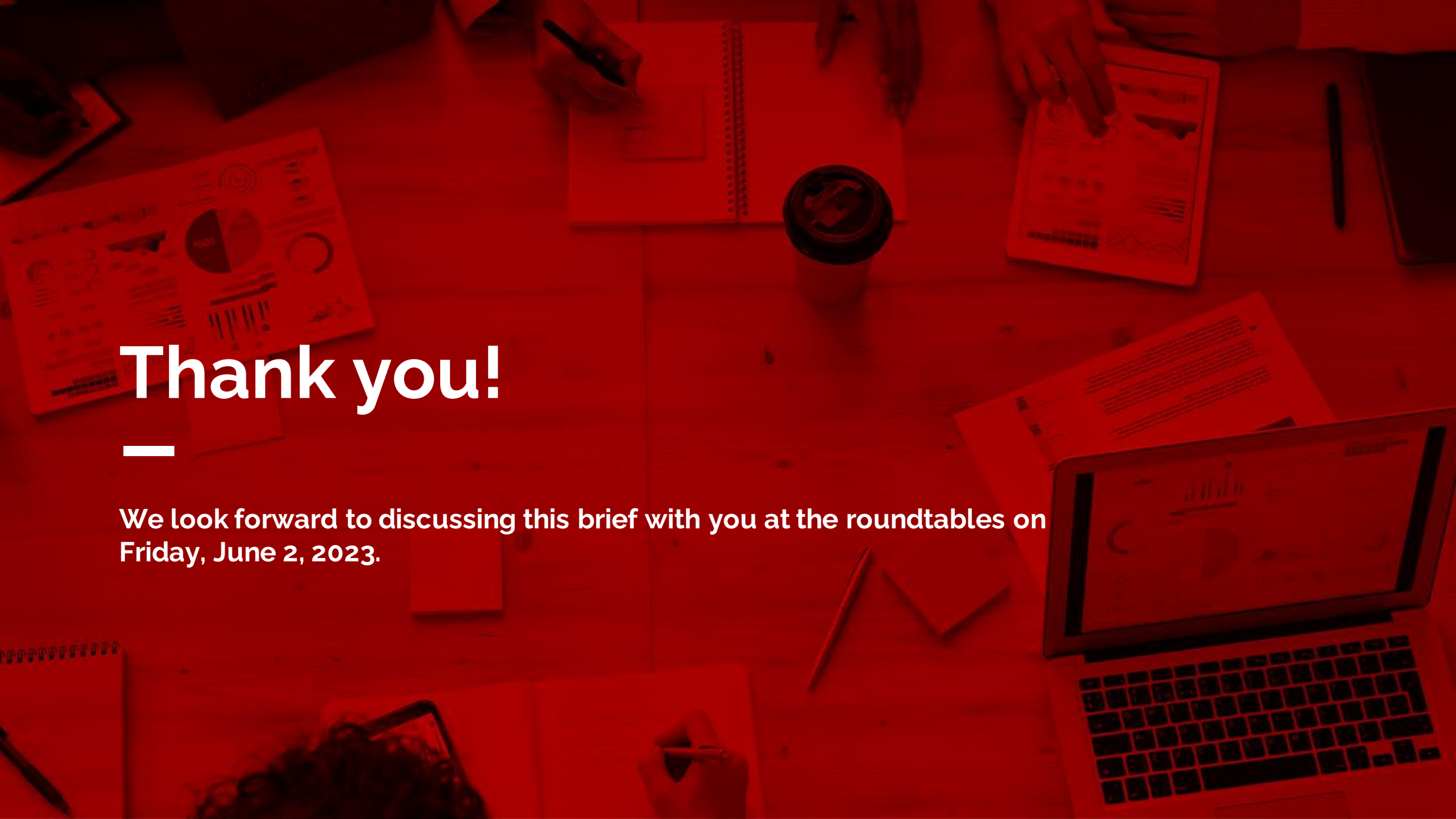
Understand the issues and growing importance on nature to learn where your company can take action.

2: Assess your Nature Impacts

Know your impact by conducting a nature-focused materiality assessment. Understand how nature is impacting your organization and how your organization is impacting nature.

3: Make a Commitment to Nature

Make an internal company commitment to develop a nature strategy. Consider joining an external pledge such as the [Finance for Biodiversity Pledge](#).



Thank you!

We look forward to discussing this brief with you at the roundtables on Friday, June 2, 2023.