

Executive Summary

Measuring Nature-Positive - Setting and implementing verified, robust targets for species and ecosystems

Technical Source document

Consultation Draft

The purpose of IUCN's Measuring Nature-Positive approach is **to support and enable effective delivery of societal goals for species and ecosystems** to the Kunming-Montreal Global Biodiversity Framework (KMGBF) and the Sustainable Development Goals (SDGs). These contributions will be made through the collective efforts of governments, civil society and companies.

This paper is focused on a segment of the approach that will allow companies to identify, register and report on measurable, verifiable Nature-Positive outcomes, for species and ecosystems, in a practical, verifiable and consistent manner. This will **support the broader goal of Nature-Positive as stated in the Global Goal for Nature**, which covers a wide range of additional components of nature and their associated processes. It also describes how the approach is useful for government and civil society.

IUCN's **approach** focuses on two key and complementary elements of the KMGBF:

- Contributions to **stemming biodiversity loss through reducing species extinction risk**, measured using the Species Threat Abatement and Restoration (STAR) metric. STAR combines species diversity, range restriction and threat status data taken from the IUCN Red List of Threatened Species™ to highlight where the opportunities for interventions to reduce species extinction risk are greatest.
- Contributions to **biodiversity recovery through ecosystem conservation and restoration** will be measured using an ecosystem extent and condition metric.

Key elements of IUCN's Measuring Nature-Positive approach include:

- Ambition commensurate with global goals
- Metrics that allow aggregation across investment portfolios, company divisions, geographic scales, sectors, trade flows and value chains
- Scope that encompasses the whole value chain and an extended mitigation hierarchy (ensuring that business impacts are avoided, mitigated and compensated), including systemic transformation of companies' relationship to nature
- A fixed and measured baseline
- Measurable steps towards defined targets, with timeframe, and regular monitoring and verification
- Mainstreaming considerations of nature across companies' structures and processes
- Compatibility and complementarity with existing and planned corporate disclosure, reporting and compliance processes
- Integration with the broader Nature-Positive approach across the living and non-living components of nature, climate and social justice

In developing this approach, IUCN has built on **Resolutions and Recommendations** from its membership, from prior experience supporting companies to improve management of biodiversity,

and thought leadership from IUCN Commissions, academia and civil society organisations such as **Science Based Targets Network (SBTN)**, business-civil society coalitions such as the **Taskforce on Nature-related Financial Disclosures (TNFD)** and business groups such as **Business for Nature (B4N)** and the **World Business Council on Sustainable Development (WBCSD)**.

The approach seeks to embed consideration of **social equity**, and is fully aligned with key IUCN principles and resolutions relating to rights and equity, such as the **Nature-based Solutions (NbS) Standard**. The approach is also aligned with the IUCN Commission on Ecosystem Management's Impact Mitigation and Ecological Compensation Thematic Group (IMEC) Technical Paper on Nature-Positive. The approach recognises the **fundamental importance of the mitigation hierarchy, and is aligned with principles for Net Positive Impact**, where company actions go beyond delivery of the mitigation hierarchy and deliver supplementary positive impacts on biodiversity.

The definition of Nature-Positive used here is taken from the Nature Positive Initiative Partnership (NPIP) and the approach is consistent with the principles developed by NPIP.

IUCN's Measuring Nature-Positive approach is consistent with the **methods for assessment and target setting for biodiversity** currently being developed by the Science Based Targets Network, and both the species and ecosystem metrics proposed or under development described in the approach are consistent with the species extinction and ecosystem core metrics in the TNFD framework. The approach could also provide a means of measuring outcomes from innovative financial mechanisms such as **biodiversity credits, sovereign debt restructuring instruments and impact bonds**.

The approach presents a summary of actions for **three categories of company**:

- A. **Companies with opportunities to affect land-use decisions through their own management authority. For these companies, biodiversity is within their direct sphere of control.**
- B. **Companies with value chain connections to land holdings but for which the company does not have direct authority over land-use decisions.**
- C. **Finance companies with portfolios that contain combinations of Categories A and B.**

The recommended sets of actions – or 'pathways' – for delivery of Nature-Positive contributions for these categories of companies are presented in draft form in the paper. They will be further developed, through piloting collaborations, to allow companies to:

- 1) Register and publicly commit contributions to the KMGBF, and identify and 'score' where on the pathway they are;
- 2) Screen their value chains and investments, including operations, land holdings, commodity sourcing, downstream impacts and portfolios for opportunities to align better with Nature-Positive;
- 3) Estimate a biodiversity baseline, which includes both historical and ongoing impacts;
- 4) Define SMART objectives and, using the approach described here, assess performance measures or KPIs to drive actions that will improve positive and reduce negative impacts;
- 5) Decide on, design and deliver interventions (informed by data provided and building upon the activities already identified as Biodiversity Finance Eligible Activities by the International Finance Corporation);
- 6) Ensure regular monitoring, verification and disclosure of progress; and
- 7) Allow the assessment and reporting of contributions made by companies, compared to a baseline, to societal goals, disclosure frameworks and target-setting protocols, and to Nature-Positive.

Consultation and review process

The first stage of the consultation process was through a restricted circulation of the working paper (v 0.1) to partner institutions in August and September 2022 ahead of the IUCN Leaders Forum meeting in October. This resulted in over 350 separate comments including from: Convention on Biological Diversity Secretariat, IUCN Secretariat, Commission on Ecosystem Management's Impact Mitigation and Ecological Compensation (CEM IMEC) Group, SBTN, WBCSD, Business for Nature, and WWF International.

The revised version of this paper was presented at the IUCN Leaders Forum held in October 2022, Jeju, Republic of Korea (Table 3). Additional edits were made based on the comments received through the restricted circulation, and discussions held at the IUCN Leaders Forum.

Over the last six months, further commentary from IUCN Council and Commissions, and from the Nature Positive Initiative Partnership have been incorporated. The present version will be available for review by the wider IUCN membership from November 2023.