



How ambitious are nature assessment tools for the private sector?

A preliminary review for business, investors and tool developers

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Cover photo: A sapling planted as part of efforts by Regreening Africa to reverse land degradation and to support agroforestry in Ghana. Credit: Kelvin Trautman, CIFOR-ICRAF, via Flickr, CC BY-NC-ND 2.0

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It is widely accepted that nature and biodiversity are key to economic prosperity and human wellbeing and that current rates of degradation and loss must be reversed. Businesses and investors are becoming aware that nature is critical to a functioning society and financial system. Simultaneously the valuable role of Indigenous Peoples and local communities as stewards of nature is often overlooked. This paper reviews some of the existing tools that can help businesses and investors meet their commitments to reduce harmful practices and enhance nature. It provides recommendations for how these tools can be improved and better address Indigenous Peoples' and local communities' concerns and rights.

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Abbreviations

CDP	Carbon Disclosure Project
CDSB	Climate Disclosure Standards Board
CEV	Corporate Ecosystem Valuation
FPIC	Free, prior and informed consent
GBF	Global Biodiversity Framework
GRI	Global Reporting Initiative
IFRS	International Financial Reporting Standards Boards
ISSB	International Sustainability Standards Board
SBTs	Science Based Targets for Nature
SBTi	Science Based Targets initiative
SBTN	Science Based Targets Network
SDGs	Sustainable Development Goals
SICS	Sustainable Industry Classification System
TCFD	Task Force on Climate-related Financial Disclosures
TNFD	Taskforce on Nature-related Financial Disclosures
UNDRIP	UN Declaration on the Rights of Indigenous Peoples
WBA	World Benchmarking Alliance

Summary

The world is facing an escalating nature crisis, characterised by rapid ecosystem degradation and catastrophic biodiversity loss. This crisis has widespread implications for the environment, economies, societies and cultures. Recognising the crucial role that biodiversity plays in sustaining economic and social systems, businesses and investors are beginning to develop targets and strategies to address their nature-related risks and impacts.¹ A plethora of principles, standards, guidelines and reporting frameworks tools have been developed to support this. These ‘tools’ have often been developed in response to agreements such as the 2022 Kunming-Montreal Global Biodiversity Framework (GBF), the UN Sustainable Development Goals (SDGs) and the Paris Agreement. However, little work has yet been done to compare these tools to help businesses and investors understand which will best meet their needs or if, and how, Indigenous Peoples’ and local communities’ concerns and rights are mentioned in the tools, let alone upheld in practice. In addition, new terminology is appearing, such as ‘nature positive’, which is not yet clearly defined.

The paper examines nine of these tools, which are designed to help businesses and investors understand their impacts on nature and prompt action to mitigate negative impacts and increase positive impacts.

The analysis is not exhaustive but looks at some of the most widely known tools to provide insights into the field. It is beyond the scope of the project to assess the effectiveness of the tools in practice, although we do suggest how this could be approached.

The following tools were reviewed:

1. Sector Actions Towards a Nature-Positive Future:

These provide sector-specific guidance for industries, such as agriculture and energy, to adopt practices that support biodiversity. It is globally adaptable and designed to be used across various ecosystems.

2. Carbon Disclosure Project (CDP) Disclosure System:

The CDP system evaluates and scores companies and cities based on their environmental disclosures, particularly related to climate, water, forests and plastics. It promotes continuous improvement and leadership in environmental stewardship.

3. Equator Principles: These principles serve as a risk management framework for financial institutions, helping them assess and manage environmental and social risks in large infrastructure projects. The principles emphasise the importance of engaging with affected communities, including Indigenous Peoples and local communities.

4. Global Reporting Initiative (GRI) Standards:

The GRI provides a comprehensive reporting framework that enables organisations to disclose their economic, environmental and social impacts. It includes specific standards for reporting on the rights and impacts related to Indigenous Peoples.

5. International Sustainability Standards Board (ISSB):

The ISSB was established to develop global standards for sustainability disclosures, focusing on sustainability-related risks and opportunities that are critical for investors.

6. Natural Capital Protocol: This protocol helps businesses incorporate natural capital considerations into their decision-making processes by providing a standardised approach to measuring and valuing impacts on nature.

7. Nature Benchmark: This tracks and measures how companies are reducing their negative impacts on nature and contributing to ecosystem restoration. It includes specific indicators that account for the rights and involvement of Indigenous Peoples and local communities.

8. Science Based Targets for Nature (SBTs):

The SBTs offer measurable and actionable targets for companies and cities to address their environmental impacts, particularly concerning biodiversity, land, freshwater and oceans.

9. Taskforce on Nature-related Financial

Disclosures (TNFD): The TNFD provides a framework for organisations to disclose nature-related risks and opportunities, with the aim of shifting financial resources from nature-negative to nature-positive outcomes.

Recommendations

Based on the review and analysis we make a series of recommendations for the developers of nature assessment tools and businesses using them, suggesting further work needed in this space:

Increase transparency and accessibility of information. To promote uptake of the tools and to inform policymakers, the information they generate should be made more accessible and understandable to a broader audience. This includes ensuring that reports and disclosures are available in multiple languages and are presented in a way that can be easily interpreted by non-experts. This would help consumers, investors and other stakeholders make decisions that take account of the importance of nature.

Include the perspectives and priorities of Indigenous Peoples and local communities.

This means companies can address their biodiversity impacts in ways that respect human rights and recognise Indigenous Peoples and local communities' knowledge. Taking a rights based approach also requires seeing Indigenous people and local communities as equal partners to business, and not only as "value chain beneficiaries".

Improve synergies between climate and nature assessment tools.

Given the interconnections between climate change and biodiversity loss, tools for climate and nature need to be more compatible and comparable. This would also make it easier for businesses to address climate and nature-related risks simultaneously. For example, strengthening linkages between the Task Force on Climate-related Financial Disclosures (TCFD) and the TNFD would be useful in itself and provide a strong foundation for other tools to do the same.

Tools should move beyond 'do no harm' to actively help businesses and investors identify how their actions can have positive effects on nature and people. This can be supported by ensuring the metrics and measurements used to determine nature impacts are informed by stakeholder consultation, with clear agency given to Indigenous Peoples and local communities.

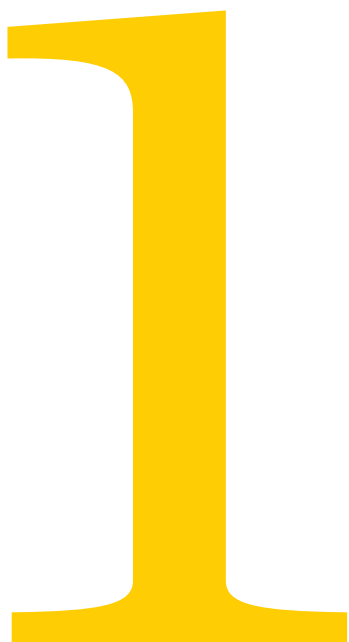
Develop a practical and comparable approach to applying the concept of nature positive, while prioritising purely positive contributions to nature and biodiversity. When doing so, it is key to actively seek input and guidance from Indigenous Peoples and local communities on how positive impacts on nature can be achieved, from the project to the policy level.

Initiate further research, including case studies, on the scope and effectiveness of the tools.

It was beyond the scope of this paper to undertake research on the effectiveness of the tools, and, while some tools have existed since the early 2000s, many have only been in existence for a few years. Therefore, we recommend further research be undertaken to understand if the tools are functional and adequate. We encourage this research to include the perspectives and experiences of Indigenous Peoples and local communities. Lastly, the research could also explore practical ways in which the findings can feed back into the further development and implementation of existing and emerging tools.

Context

The escalating climate and biodiversity crises demand that businesses and investors have access to a robust set of tools to assess their impacts on nature. This is reflected in global agreements, such as the GBF, which commit businesses and investors to reduce harmful practices and adopt nature-positive approaches. Since Indigenous Peoples and local communities already play an important role in conserving and restoring nature, aligning efforts and interests of the finance community with those of Indigenous People and local communities is an opportunity to holistically address the biodiversity crisis.



The interlinking challenge of the biodiversity, climate and inclusion crises

Nature is degrading at alarming rates. The most recent Living Planet Report highlights stark figures; an average 69% decline of abundance of monitored wildlife populations globally, with higher rates in certain regions such as Latin America (94%).² Land-use change is the biggest cause of biodiversity loss, by destroying and/or fragmenting the habitats in which plant and animal species live.¹ Because the nature and climate crises are inherently interlinked, if we are unable to reduce global warming to within 1.5°C, it is likely that climate change will become the dominant cause of biodiversity loss in coming decades.¹

Indigenous Peoples and local communities are key to developing effective approaches to nature assessment, action and accountability

The nature crisis is not only an environmental issue, but also an economic, social, security and moral issue,¹ and solutions need to be interlinked.³ The impacts of nature loss affect us all, but the highest burden is placed on the poorest and most marginalised people, including Indigenous Peoples and local communities.¹ Despite having minimal access to public and private finance, Indigenous Peoples and local communities are crucial environmental stewards who play a significant role in maintaining biodiversity.⁴ For example, communities have been found to manage biodiversity on par or more effectively than government-led protected areas, even in cases where conservation is not the primary purpose.⁵

The GBF reiterates what Indigenous Peoples and local communities have been advocating; that with their deep knowledge and connection to land, waters and seas, they are vital to transforming society's relationship with nature. It is now widely accepted that attaining the GBF goals — and indeed a sustainable future — will not be possible without the inclusion of Indigenous Peoples and local communities. However, despite a strong business and moral case to work with environmental stewards, currently just a fraction of investment in nature reaches these groups.

Nature-related risks: financial and non-financial

Nature-related financial risks can negatively affect economies. Financial systems can degrade nature by incentivising activities that are misaligned or contradict actions aimed at protecting, restoring and/or reducing negative impacts on nature.⁶ Importantly, the biodiversity crisis presents more than financial-related risks; nature loss also increases vulnerability to climate change, decreases food security, exacerbates inequality and leads to the loss of biocultural heritage, among other, compounding risks. The risks of nature loss are both economic and non-economic but cannot always be quantified.

In addition, financing the reduction of harmful practices, restoration and protection can go beyond mitigating risks.⁷ The World Economic Forum estimates that protecting and restoring nature could result in \$US10.1 trillion of economic activity.⁸

Global agreements and accountability

A range of global agreements now reflect the importance of sustainable management of biodiversity. These include the GBF and the SDGs. The SDGs, adopted by all United Nations member states in 2015, provide a shared roadmap for sustainable development including tackling climate change and conserving nature. They include 17 goals with underlying targets, three of which are particularly relevant for nature: SDGs 13 (Protecting the Planet), 14 (Life Below Water) and 15 (Life on Land).

The GBF is particularly important for business activity and investment as it recognises the dependencies that businesses have on biodiversity, and the lack of accounting for such dependencies. Target 15 (“Businesses assess, disclose and reduce biodiversity related risks and negative impact”) was developed to encourage businesses to assess and monitor their impacts, and better understand their relationship with biodiversity.⁹ Target 19 of the GBF (“Mobilize \$200 billion per year for biodiversity from all sources”) aims to increase financial resources for nature, including by leveraging private sector investment and innovative finance (sub targets c and d).

In addition to globally negotiated agreements on nature and biodiversity, there are a number of internationally recognised standards for nature reporting, specifically the TNFD and SBTs. These represent important accountability mechanisms for assessing action and impacts on nature by business and investors.

Review of nature assessment tools for business and investors

We review nine tools that are designed to help business and investors rigorously evaluate the measures they need to take to improve their impacts on nature. Some go further by recommending and guiding actions towards decreasing negative impacts of business activities on nature. In particular, we assess how they address the priorities and rights of Indigenous Peoples and local communities and to what extent they align with global agreements and standards.



To operationalise the commitments that business and investors are beginning to make in line with these global agreements and nature-related targets, they need clear guidance on how to consider nature in their operations. Such guidance and tools include those for identifying the practical actions required to minimise their negative impacts on nature and maximise their positive impacts, starting with reporting and disclosure of their current impacts. A growing range of nature assessment tools to support these efforts have been, and continue to be, developed.

This review looks at nine of the most widely known tools to give insights into their applicability and what they can help business and investors to do. A particular focus, given their centrality to successful nature stewardship is how the assessment tools incorporate Indigenous Peoples' priorities and rights. It is beyond the scope of the work to assess the effectiveness of these tools in supporting equitable conservation, restoration and sustainable use, but this would be an important area for further research.

The review draws on publicly available material and includes the following basic information about the tool: the aim; the institution that developed/leads it; and the target users. It then assesses the tool against the three main areas set out in section two:

- Incorporation of Indigenous Peoples' and local communities' concerns and rights
- Inclusion of nature positive and if so, how it is defined
- Alignment to other reporting standards on nature and globally agreed commitments including the SDGs, GBF, TCFD and SBTN.

We provided traffic light assessment of how the tool reflects Indigenous Peoples' and local communities' perspectives. The tool is granted **green** if the answer to any of the following questions is yes:

- Is free, prior and informed consent (FPIC) mentioned in the tool?
- Are land and water rights mentioned in the tool?
- Are there safeguards to ensure that land and water rights are continuously upheld and protected?
- Were Indigenous Peoples and local communities consulted on the design of the tool?
- If actions fail to meet the expected standard, does a grievance mechanism exist?

However, given that this research does not provide an evaluation of how the tools are implemented in reality — a green rating does not necessarily mean that the tool has done adequate work to effectively include and listen to Indigenous Peoples and local communities.

A **yellow** rating is given to a tool that has any mention of Indigenous People and local communities in their

publicly available description and documents related to the tool. Lastly, a **red** rating is given when there is no mention of Indigenous People and local communities.

Sector Actions Towards a Nature-Positive Future

Consideration of Indigenous Peoples and local communities	Yellow
Nature positive definition	"A global goal to halt and reverse nature loss by 2023 and achieve full recovery by 2050." ¹⁰
Alignment with:	
SDGs	✓
GBF	✓
TCFD	✓
SBTN	✓

Summary

Sector Actions Towards a Nature-Positive Future¹¹ are guiding principles developed by Business for Nature, the World Economic Forum, and the World Business Council for Sustainable Development in 2022, with input from academia, industry, nongovernmental organisations and government experts.

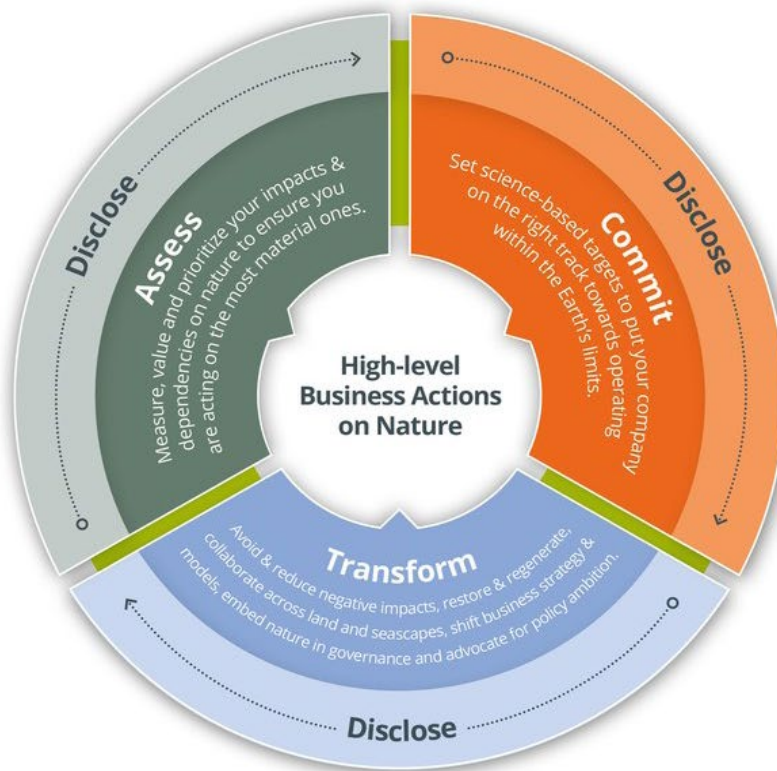
The guiding principles work across 12 sectors — agrifood, built environment, chemicals, cement and concrete, energy, fashion and apparel, financial services, forest products, household and personal care products, travel and tourism, waste management and water utilities and services. The sector-level principles do not take a geographical or ecosystem-based approach and can therefore be used globally.

The actions build on the High-level Business Actions on Nature,¹² which provide businesses with key actions they can take to reverse biodiversity loss and contribute to an equitable, nature-positive world.¹² The High-level Business Actions on Nature consist of four iterative steps: assess, commit, transform, disclose (see Figure 1).

Consideration of Indigenous Peoples and local communities

The Sector Actions Towards a Nature-Positive Future address Indigenous Peoples and local communities primarily in the travel and tourism sector. They suggest that Indigenous voices should be considered in conservation efforts, and sustainable livelihoods should be co-developed with these communities. The initiative also emphasises capacity building and investment to protect nature and support economic stability. However,

Figure 1. The four steps of the High-level Business Actions on Nature



Source: Business for Nature, High-level Business Actions on Nature. www.businessfornature.org/high-level-business-actions-on-nature

outside travel and tourism, the tool only briefly mentions people, suggesting limited integration of Indigenous Peoples and local community considerations across the approach.

How does the initiative define and use 'nature positive'?

Business for Nature builds on the Nature Positive Initiative's definition¹³ of nature positive to define it as "a global goal to halt and reverse nature loss by 2023 and achieve full recovery by 2050."¹⁰ Business for Nature calls on all businesses and other actors to take action to reduce pressure on nature, including pollution, ecosystem conversion and resource exploitation.¹⁰ Additionally, Business for Nature defines a "nature positive world" as one where nature conservation, restoration and recovery are continuous and accelerating.¹⁰

Alignment to other tools and global frameworks

The Sector Actions Towards a Nature-Positive Future¹¹ aim to complement the guidance developed by the SBTN and the TNFD. Additionally, the creators of the guiding principles have mapped the sector actions against the Sustainability Accounting Standards Board's Sustainable Industry Classification System (SICS) sector classification, showing where the sector actions interact with the SICS.¹¹

Lastly, the Sector Actions Towards a Nature-Positive Future have been linked to the GBF and SDGs, showing how specific sectors' actions contribute to GBF targets and SDGs.¹¹ The mapping focuses on the priority actions in the guidance pertaining to the "transform" step of the High-level Business Actions on Nature and aims to help businesses understand how the actions they are taking through the guidance are contributing to the GBF and SDGs.

CDP Disclosure System

Consideration of Indigenous Peoples and local communities	Red
Nature positive definition	“Behaviour and actions which overall increase biodiversity and the number of species in nature, as opposed to causing decline.”
Alignment with:	
SDGs	x
GBF	x
TCFD	✓
SBTN	✓

Summary

The CDP Disclosure System¹⁴ is an independent assessment mechanism, set up in 2000, that scores companies based on their “journey through disclosure and towards environmental leadership”.¹⁵

Companies and cities are assessed and scored across four levels from disclosure to awareness, management and leadership. These indicate progress the assessed body has made in the journey to environmental stewardship.¹⁶ CDP’s scoring methodology assesses the comprehensiveness in a company’s or city’s response, their awareness of environmental issues, management methods and progress towards environmental stewardship. Accredited scoring partners are trained by CDP to conduct the scoring, then a CDP scoring team collates the scores, and runs quality checks to ensure the scores are consistent and accurate. Importantly, the requirements for what qualifies as “leadership” are continually developing. This means there is no guarantee that a company will remain on the “A” list if they do not also improve their actions and disclosure methods in a way that is responsive to the needs of the market and the environment. CDP disclosure has four areas of focus: climate, water security, forests and plastics.

In addition to business, CDP also scores cities, to help them improve climate planning, adopt best practices and track their performance. Companies and cities that make the “A list” are made public and featured on the annual Companies A List¹⁷ and Cities A List.¹⁸

At the time of this paper, over 23,000 companies globally have reported through CDP on climate, forests and water security. Additionally, over 700 capital market signatories, representing US\$142 trillion in assets requested companies to disclose through CDP.¹² Lastly, 340+ major buyers with a combined purchasing power

of US\$6.4 trillion requested their suppliers report and disclose through CDP.¹²

Consideration of Indigenous Peoples and local communities

With a strong focus on the materiality of the effects to business and investor, CDP does not have a focus on Indigenous Peoples and local communities in their independent assessment process.

How does the initiative define and use ‘nature positive’?

CDP defines nature positive as “behaviour and actions which overall increase biodiversity and the number of species in nature, as opposed to causing decline.”

Alignment to other tools and global frameworks

The CDP assessment is linked to other tools including through its criteria on scoring. For example, to earn an A (Leadership), the highest score, the company must demonstrate best practice in strategy and action in line with the TCFD, as well as other frameworks.¹³

Equator Principles

Consideration of Indigenous Peoples and local communities	Yellow	Green
Nature positive definition	Not mentioned	
Alignment with:		
SDGs		✓
GBF		x
TCFD		✓
SBTN		✓

Summary

The Equator Principles, established in 2003, are a set of 10 guiding principles that serve as a common baseline and risk management framework for financial institutions to identify, assess and manage both environmental and social risks when financing large infrastructure and industrial projects. They were developed by the International Finance Corporation. The goal of the Equator Principles is to assist financial institutions to provide an independent assessment of their projects that can be applied across any sector.

The 10 Equator Principles are:

- Review and categorisation
- Environmental and social assessment

- Applicable environmental and social standards
- Environmental and social management system
- Stakeholder engagement
- Grievance mechanisms
- Independent review
- Covenants
- Independent monitoring and reporting
- Reporting and transparency

The Equator Principles are designed to be applied to five financial products:¹⁹

1. Project finance is a method of finance in which the lender looks primarily to the revenues generated by a project, as the source of repayment and as security for the exposure.

2. Project finance advisory services is the provision of advice on the potential financing of a development where one of the options may be project finance.

3. Project-related corporate loans are loans made to business entities (private, public or state owned or controlled) related to a project either in a new development or expansion.

4. Bridge loans defined as interim loans that are given to businesses until longer stage financing can be obtained.

5. Project-related refinance is the process of replacing an existing loan with a new loan, in which the new loan is used to pay out the existing loan, and **Acquisition finance** is provisional financing for the acquisition of a project, or the acquisition of a company that exclusively owns, or is a majority shareholder of a project, and over which a client has Effective Operational Control.ⁱ

The Equator Principles may also be used for additional financial products, at the discretion of the financial institution which is using them.

Consideration of Indigenous Peoples and local communities

The Equator Principles are both social and environmental and because of this there is specific attention paid to affected communities (defined here as local communities within the project's area of influence, directly affected by the project).¹⁴

Principle 2 (Environmental and Social Assessment) requires the client to assess environmental and social risk, including assessing measures to minimise, mitigate

and, where impacts remain, compensate/offset/remedy for risk and impacts to affected communities.

Assessment will include an Environmental and Social Impact Assessment that will include Human Rights Impacts, referring to UN Guiding Principles.

Principle 5 (Stakeholder Engagement) will require the client to demonstrate effective stakeholder engagement as ongoing, and in a structured and culturally appropriate manner. Projects with adverse effects on affected communities will require an informed consultation and participation process, tailored to the risks and impacts, phase of the project, language of stakeholders, decision-making process of affected communities, and the needs and disadvantages of relevant groups. Actions agreed will be documented. Recognising Indigenous peoples may represent a vulnerable segment of affected communities, all projects affecting Indigenous peoples will have a process of informed consultation and participation and need to comply with Indigenous rights in relevant national law. There are specific circumstances where FPIC will be required including projects with impacts on lands and natural resources under traditional ownership or under the customary use of Indigenous Peoples, projects requiring relocation of Indigenous Peoples, projects with impact on cultural heritage essential to Indigenous identity, and projects using cultural heritage for commercial purposes. An independent consultant will evaluate the consultation with Indigenous Peoples and the outcomes.

Principle 6 (Grievance mechanism) will require clients to establish an effective grievance mechanism designed for the use of affected communities and workers, to receive and facilitate resolution of concerns and grievances about the project's performance. The grievance mechanisms will be shared during the stakeholder engagement process.

How does the initiative define and use 'nature positive'?

The principles predate the emergence of the concept of nature positive and it is not mentioned.

Alignment to other tools and global frameworks

The Equator Principles are positioned as a tool through which the SDGs can be achieved, by contributing to delivering the objectives and the outcomes of the SDGs.²³ Additionally, the Equator Principles strive to play a role in improving the availability of environmental information, such as through the TCFD.²³

ⁱ Effective Operational Control includes both direct control (as operator or major shareholder) of the project by the client and indirect control (eg where a subsidiary of the client operates the project).

GRI Standards

Consideration of Indigenous Peoples and local communities	Green
Nature positive definition	Not mentioned
Alignment with:	
SDGs	✓
GBF	✗
TCFD	✗
SBTN	✗

Summary

The Global Reporting Initiative (GRI) Standards, established in 1997, are a reporting framework that enables organisations to understand and report their impacts on the economy, environment and people. There are three series of GRI standards: GRI Topic Standards, which are dedicated to a specific topic and relevant listing disclosures; GRI Sector Standards, applicable to specific sectors; and GRI Universal Standards that apply to all organisations.²⁰ Each series includes a disclosure framework that creates a structured way for organisations to report information about itself and its impacts.²¹ Disclosures can have requirements, meaning that information must be reported on and reporting must follow the instructions provided by GRI, or, they can have recommendations, meaning that the information or instructions are encouraged but not compulsory.¹⁶

Consideration of Indigenous Peoples and local communities

Within the Topic Standards, there is a specific standard to guide organisations to disclose information about their impacts related to the rights of Indigenous Peoplesⁱⁱ, and information on how to manage these impacts (GR411).²² Within GR411 there is a topic management disclosure and a topic disclosure requirement, as well as additional guidance to support the requirement.

The guidance acknowledges the United Nations Declaration of Rights of Indigenous Peoples (UNDRIP), which recognises that Indigenous Peoples have both individual and collective rights. This includes but is not limited to the right to self-determination, the right to

occupy and use their lands and territories and the right to redress in case their lands and resources have been occupied or damaged without FPIC.¹⁷ GR411 on the Rights of Indigenous Peoples also requires disclosure of incidents of violations involving the rights of Indigenous Peoples. This requires that the reporting organisation report the total number of identified incidents of violations of rights (during the reporting period) and the status of the incidents, designing and evaluating a remediation plan.¹⁷

There is an additional topic standard pertaining to local communitiesⁱⁱⁱ, within the GRI Topic Standards portfolio. As with GR411 on Indigenous Peoples, GR413 is meant to complement the reporting on material topics. GR411 states that it is a requirement for the reporting organisation to “report how it manages local communities” using disclosure on material topics. This includes the means by which stakeholders are identified and engaged with, reporting on identified vulnerable groups, any collective or individual rights that have been identified as a concern by the community, and how the organisation will engage with stakeholder groups (eg minority groups, youth, Indigenous background, etc).²³ The second requirement within GR413 is that organisations report on the percentage of operations that have implemented local community engagement, impact assessments and/or development programmes, including the use of social and environmental impact assessments, local community development programmes (based on community needs), and formal local community grievance processes, for example.⁸

How does the initiative define and use ‘nature positive’?

Nature positive is not mentioned in the GRI Standards.

Alignment to other tools and global frameworks

The GRI Standards have actively integrated with the SDGs, specifically Target 12,⁶ which encourages companies to adopt sustainability practices and integrate sustainability information into their reporting. GRI provides resources specifically to the SDGs, such as an analysis of the goals and targets, a practical guide on integrating SDGs into corporate reporting and a linkage document that shows disclosures within the GRI Standards that can be used to report on specific targets.

ii GRI defines Indigenous Peoples as “tribal peoples in independent countries whose social, cultural and economic conditions distinguish them from other sections of the national community, and whose status is regulated wholly or partially by their own customs or traditions or by special laws or regulations; and peoples in independent countries who are regarded as indigenous on account of their descent from the populations which inhabited the country, or a geographical region to which the country belongs, at the time of conquest or colonization or the establishment of present state boundaries and who, irrespective of their legal status, retain some or all of their own social, economic, cultural and political institutions.” Source: International Labour Organization (ILO), Indigenous and Tribal Peoples Convention, 1989 (No. 169)

iii GRI defines local communities as “individuals or groups of individuals living or working in areas that are affected or that could be affected by the organization’s activities”. Note: The local community can range from those living adjacent to the organization’s operations to those living at a distance.”

International Sustainability Standards Board

Consideration of Indigenous Peoples and local communities	Red
Nature positive definition	Not mentioned
Alignment with:	
SDGs	✗
GBF	✗
TCFD	✓
SBTN	✗

Summary

The International Sustainability Standards Board (ISSB) is a reporting standard that was established at COP26 in Glasgow by the International Financial Reporting Standards Boards (IFRS). Though the focus is on climate, it was included in this paper due to its integration with the nature reporting landscape (see Figure 2). There are currently two standards for climate:

IFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information in which the objective is to require an entity to disclose information in regard to its sustainability-related risks and opportunities to make decisions relating to providing resources to that entity.

IFRS S2 – Climate-related Disclosures in which the objective is to require an entity to disclose information in regard to its climate-related risks and opportunities to make decisions relating to providing resources to that entity.

Because of the nature of the objectives of the ISSB disclosure framework, the target users are businesses and investors that are interested in embedding sustainability linked risks into their investment decisions.

The ISSB standards have an overarching goal to:

1. Develop standards for a global baseline of sustainability disclosures
2. Meet the information needs of investors
3. Enable companies to provide comprehensive sustainability information to global capital markets
4. Facilitate interoperability with disclosures that are jurisdiction-specific and/or aimed at broader stakeholder groups.

Given that IFRS S1 is more focused on the natural environment, the following analysis will focus on IFRS S1. However, because climate and nature risks are intrinsically linked, IFRS S2 may also be useful for users looking to increase their awareness of nature-related risks.

Consideration of Indigenous Peoples and local communities

IFRS S1 does not mention Indigenous Peoples and there is only a brief mention of local communities, in an example of what is considered “connected information”.

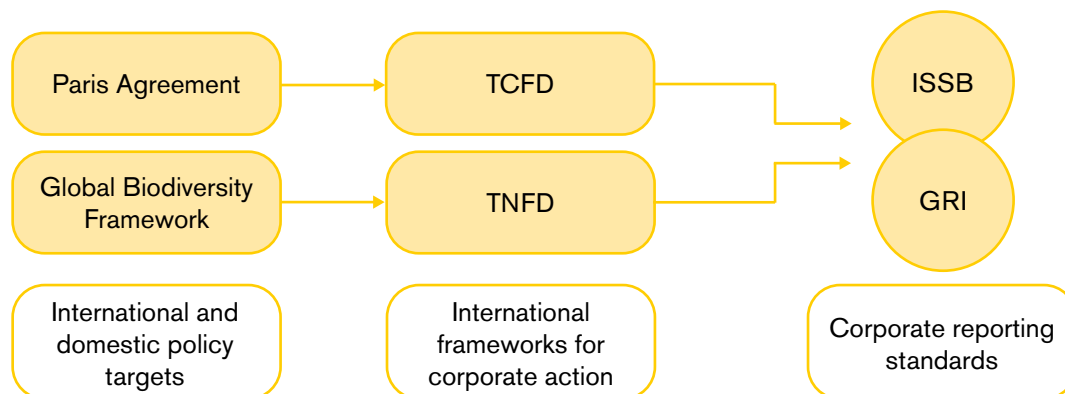
How does the initiative define and use ‘nature positive’?

Nature positive is not mentioned in the ISSB.

Alignment to other tools and global frameworks

The ISSB are linked to numerous climate-related standards such as the TCFD and TNFD, the Climate Disclosure Standards Board (CDSB), the SASB Standards and the World Economic Forum’s Stakeholder Capitalism Metrics. The ISSB along with the GRI, is a key corporate reporting standard employed to leverage the TNFD and the TCFD. Furthermore, the ISSB is a consolidation of the CDSB and the Value Reporting Foundation’s (not featured in this paper) efforts to drive reporting among businesses, which is shown in Figure 2.

Figure 2. The ISSB connection to existing tools and frameworks



Source: Adapted from TNFD (2023) The TNFD Nature-related Risk and Opportunity Management and Disclosure Framework: Beta v0.4 - Summary.

Natural Capital Protocol

Consideration of Indigenous Peoples and local communities	Red
Nature positive definition	Not mentioned
Alignment with:	
SDGs	x
GBF	x
TCFD	x
SBTN	x

Summary

The Natural Capital Protocol²⁴ framework developed by the Capitals Coalition in 2016 aims to generate trusted, credible and actionable information on natural capital that business managers can then use to inform decision making. The protocol acknowledges that natural capital has, for the most part, been seen as an externality and offers a standardised approach to identify, measure and value the impacts and dependencies that a company has on nature. The protocol is meant to be used globally and is suitable for all sectors, though it provides specific supplementary information for finance, apparel and the food and beverage sectors.

The protocol's aim is to help companies be aware of their dependencies on nature and in turn be able to manage the risks.²⁵ There are four stages (see Figure 3):

Stage 1: Frame (why?) — helps the user understand why they should undertake natural capital assessment.

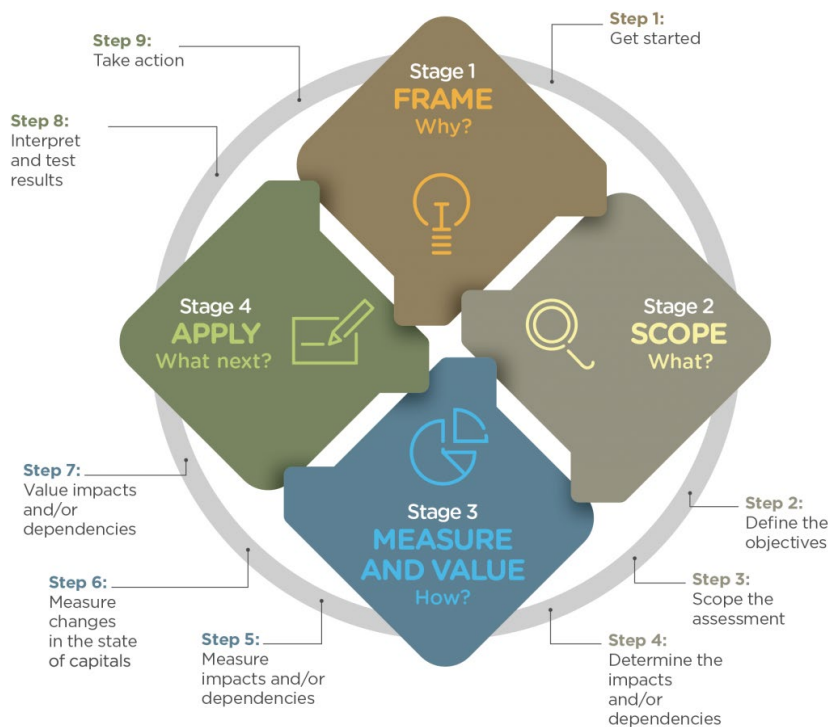
Stage 2: Scope (what?) — works to define the objective and scope of the assessment, including through determining the impacts and/or dependencies of the user.

Stage 3: Measure and value (how?) — this stage is the measurement of the impact drivers and dependencies, including measuring changes in the state of natural capital. It also works to value the impacts and dependencies in a qualitative and quantitative sense.

Stage 4: Apply (what next?) — the final stage is forward looking and works to understand how a business can interpret and test the results, and take appropriate action.

The protocol is aimed at businesses, particularly managers from sustainability, environment, health and safety, and operations departments to assist them in generating natural capital information that can be embedded into existing risk assessments, procurements and financial planning, among other strategic decision making and planning. Not only does the protocol present a way to internalise natural capital considerations, but it also allows businesses to do so in a way that is consistent and objective, allowing for comparison between businesses that have adopted the protocol.²⁴

Figure 3. The four stages of the Natural Capital Protocol



Source: Capitals Coalition, Natural Capital Protocol. www.capitalscoalition.org/capitals-approach/natural-capital-protocol

There are four underlying principles that the user should use throughout all stages of the protocol:

Relevance: “Ensure that you consider the most relevant issues throughout your natural capital assessment including the impacts and/or dependencies that are most material for the business and its stakeholders.”

Rigour: “Use technically robust (from a scientific and economic perspective) information, data, and methods that are also fit for purpose.”

Replicability: “Ensure that all assumptions, data, caveats, and methods used are transparent, traceable, fully documented, and repeatable. This allows for eventual verification or audit, as required.”

Consistency: “Ensure the data and methods used for an assessment are compatible with each other and with the scope of analysis, which depends on the overall objective and expected application.”

Consideration of Indigenous Peoples and local communities

Although Indigenous Peoples and local communities are not mentioned in the protocol, it does recognise that natural capital is only one type of capital and that recognising social and relationship, human and intellectual capital, alongside financial and natural capital is key for a holistic approach. Additionally, the protocol takes a qualitative and quantitative approach to valuation of natural capital (meaning that valuation is more than just monetisation). The protocol distinguishes between valuation and moral judgements, which would include environmental rights or rights of species to exist, and indicates that moral judgements are outside the scope of this protocol.

Alignment to other tools and global frameworks

Though the Natural Capital Protocol does not actively align with other tools, it acknowledges that companies may be already using other tools, such as the SDGs, or Greenhouse Gas Protocol and that this will influence the scope of the users’ assessment.

BOX 1. GUIDE TO CORPORATE ECOSYSTEM VALUATION²⁶

Corporate Ecosystem Valuation (CEV) is a process that values ecosystem degradation and the benefits provided by ecosystem services, to allow businesses to make better informed decisions. are Environmental Resources Management, the International Union for Conservation of Nature, PricewaterhouseCoopers and the World Business Council for Sustainable Development, which are all members of the Advisory Panel of the Capitals Coalition, developed the Guide to Corporate Ecosystem Valuation in 2011 to clarify technical specificities of ecosystem valuation, in a way that directly caters to the needs of business.

CEV can be categorised into four main applications; (1) Calculate the change in value of ecosystem services with trade-offs between alternative scenarios and their related impacts; (2) value the total benefit of ecosystem services; (3) assess how the costs and benefits of ecosystem services are distributed across different stakeholders; and (4) determine sources of revenues and compensation packages related to the benefits and losses of ecosystem services for relevant stakeholders.

CEV aims to bring two types of benefits to a business: internal benefits that enhance business performance and the bottom line; and external benefits, that allow a business to comply with and inform external requirements, demand and actions.

The Guide to CEV is divided into two parts, the first helps businesses determine if they need to undertake CEV, and the second shows how to conduct a CEV, including a five-step process of scoping, planning, valuation, application and embedding.

Nature Benchmark

Consideration of Indigenous Peoples and local communities	Green
Nature positive definition	“A world of living in harmony with nature where by 2050, biodiversity is valued, conserved, restored and wisely used, maintaining ecosystem services, sustaining a healthy planet and delivering benefits essential for all people.” ²⁷
Alignment with:	
SDGs	✘
GBF	✓
TCFD	✘
SBTN	✘

Summary

The Nature Benchmark is a reporting standard created by the World Benchmarking Alliance (WBA) that tracks and measures how companies are reducing

their negative impacts on nature and contributing to the protection and restoration of ecosystems. The Nature Benchmark was created in 2022 in conjunction with partners such as SBTN, Global Reporting Initiative, the Worldwide Fund for Nature, the World Business Council for Sustainable Development, and the TNFD, plus consultation with 100 organisations.

There are three categories of reporting indicators — governance and strategy; ecosystem and biodiversity; and social inclusion and community impacts. The metrics are designed to incentivise companies to develop a deeper understanding of biodiversity risks and how they can act quickly to halt damages.²⁸ The indicators are developed to be used across a variety of sectors. In total, there are 25 indicators specific to the Nature Benchmark, with an additional 18 social indicators. Each indicator receives a score.²⁷

Consideration of Indigenous Peoples and local communities

The Nature Benchmark actively considers and includes Indigenous Peoples and local communities. In its scoring guidelines,²⁹ it defines these groups as the following:

Indigenous Peoples: “Given the diversity of indigenous peoples, an official definition of ‘indigenous’ has not been adopted by any UN-system body. Instead,

Figure 4. The seven systems transformations identified by the WBA



Source: World Benchmarking Alliance, Seven systems transformations. www.worldbenchmarkingalliance.org/seven-systems-transformations

the system has developed a modern understanding of this term based on a number of factors: self-identification as indigenous peoples at the individual level and accepted by the community as their member; historical continuity with pre-colonial and/or pre-settler societies; strong link to territories and surrounding natural resources; distinct social, economic or political systems; distinct language, culture and beliefs; from non-dominant groups of society; resolve to maintain and reproduce their ancestral environments and systems as distinctive peoples and communities.”

Local communities: “Individuals or groups of individuals living or working in areas that are affected or that could be affected by an organisation’s activities. The local community can range from those living adjacent to the organisation’s operations to those living at a distance and includes those that have a long association with the lands and waters that they have traditionally lived on or used. Many communities may be considered local and may also be described as traditional communities. Some local communities may include peoples of indigenous descent. They are culturally diverse and occur on all inhabited continents.”

Section C of their scoring guidelines,²⁸ on ‘Social Inclusion and Community’, focuses completely on social considerations. It is broken down into four indicators with associated rationales:

1. Right to safe, clean, healthy and sustainable environment — “The company respects the right to a safe, clean, healthy and sustainable environment.”

2. Indigenous Peoples’ rights — “The company respects indigenous peoples’ rights and obtains affected indigenous peoples’ free, prior and informed consent regarding whether and how to carry out projects.”

3. Land rights — “The company respects the rights of legitimate tenure holders when acquiring, leasing or using land, paying particular attention to vulnerable tenure rights holders.”

4. Water and sanitation — “The company respects the right to water and does not negatively affect access to safe water.”

Additionally, there are 18 core social indicators on respecting human rights, decent work and ethical conduct, drawing on the work that the WBA has done to identify seven systems transformations that are needed to put the society and economy on a more sustainable future (see Figure 4).

How does the initiative define and use ‘nature positive’?

The Nature Benchmark defines nature positive using the definition found in the GBF, which is “a world of living in harmony with nature where by 2050, biodiversity is valued, conserved, restored and wisely used, maintaining ecosystem services, sustaining a healthy planet and delivering benefits essential for all people”.³⁰

Also of relevance, the Nature Benchmark defines no net loss/net gain as a “A target for a development project in which the impacts on biodiversity caused by the project are balanced or outweighed by measures taken to avoid and minimise the project’s impacts, to undertake on-site restoration and finally to offset the residual impacts, so that no loss remains. Where the gain exceeds the loss, the term ‘net gain’ may be used instead of no net loss.” No net loss (or net gain) of biodiversity is a policy goal in several countries and is also often the goal of the emerging voluntary biodiversity offsets market, though this is under debate.³¹

Alignment to other tools and global frameworks

The Nature Benchmark refers specifically to the GBF and aims to be a tracking framework aligned with it. Additionally, the mission of the benchmark is to incentivise private sector engagement due to the “key role they play in halting and reversing biodiversity loss”.

Science Based Targets for Nature

Consideration of Indigenous Peoples and local communities	Yellow
Nature positive definition	Not mentioned
Alignment with:	
SDGs	✓
GBF	✓
TCFD	✗
SBTN	✓

Summary

The Science Based Targets for Nature³² (SBTs) are targets that are measurable, actionable and time-bound objectives. First developed in 2020, the SBTs provide technical assistance that allows companies and cities to understand what they need to assess, undertake assessment and then address their environmental impacts on biodiversity, land, freshwater and the ocean.

The aim of the targets is to give companies structure or “guardrails” to understand if they are taking actions in the right place at the right time.

The SBTs build on the Science Based Targets initiative³³ (SBTi) for climate, which focus on cutting greenhouse gas emissions. Like the SBTi, the SBTs can be applied globally. The SBTs are focused on freshwater, land, biodiversity and ocean, and linked to climate through the SBTi.

Consideration of Indigenous Peoples and local communities

Included in the essential resources for the target setting process, the SBTs include a stakeholder engagement guidance that has a particular focus on Indigenous Peoples and “frontline and front facing communities”.³⁴ The guidance includes information on why engagement in setting targets is important, how to identify critical stakeholders, when and how to engage stakeholders, and lastly, how to evaluate effective and just stakeholder relationships.³⁴

How does the initiative use and define ‘nature positive’?

The SBTs do not publicly provide a definition of nature positive that is used in the tool.

Alignment to other tools and global frameworks

The SBTs are aligned with goals set by the GBF, the United Nations Framework Convention on Climate Change and the SDGs. Specifically, since the establishment of the GBF, the SBTN has outlined how the targets can be used to operationalise the GBF.³⁵

Taskforce for Nature-related Financial Disclosures recommendations and additional guidance

Consideration of Indigenous Peoples and local communities	Yellow	Green
Nature positive definition	Not mentioned	
Alignment with:		
SDGs		x
GBF		✓
TCFD		✓
SBTN		x

Summary

The TNFD recommendations and additional guidance aim to help organisations report and act on nature-related issues, to ultimately shift more finance from nature negative to nature-positive outcomes.

The recommendations provide financial institutions with a risk management and disclosure framework that allows the identification, assessment, management and, where appropriate, the disclosure of nature-related issues. The recommendations are structured on four pillars: governance; strategy; risk and impact, and metrics and targets (see Figure 6).

To accompany the set of recommendations, the TNFD has also developed a series of additional guidance.

- Practical steps³⁶
- Identification and assessment of nature-related issues³⁷
- Specific sectors (eg financial institutions)³⁸ and biomes³⁹
- Scenario analysis⁴⁰ with a specific worksheet⁴¹
- Engagement of Indigenous Peoples, local communities and affected stakeholders.⁴²

The recommendations and additional guidance were created by the TNFD in 2023, which is a global market-led, science-based and government supported initiative, consisting of 40 members from around the world.⁴³

Consideration of Indigenous Peoples and local communities

Within the recommendations, the governance pillar directly advises to disclose the organisation’s “human rights policies and engagement activities, and oversight by the board and management, with respect to Indigenous Peoples, Local Communities, affected and other stakeholders, in the organisation’s assessment of, and response to, nature-related dependencies, impacts, risks and opportunities.”⁴⁴

Notably, as mentioned above, there is specific additional guidance on engaging Indigenous Peoples, local communities and affected stakeholders. The guidance covers questions such as who should be the focus of engagement, engagement in the context of due diligence standards, how to build preparedness for engagement and how to conduct engagement.⁴⁵ Acknowledging that all people are rights holders, the guidance notes that some individuals, such as Indigenous Peoples, are at higher risk of having their rights threatened or impacted, and that identifying people whose rights may be at risk due to the results of a project or associated activities — the rights holders — is crucial to reducing impact on both people and nature.⁴⁵

How does the initiative use and define ‘nature positive’?

The TNFD does not publicly provide a definition that is used for nature positive.

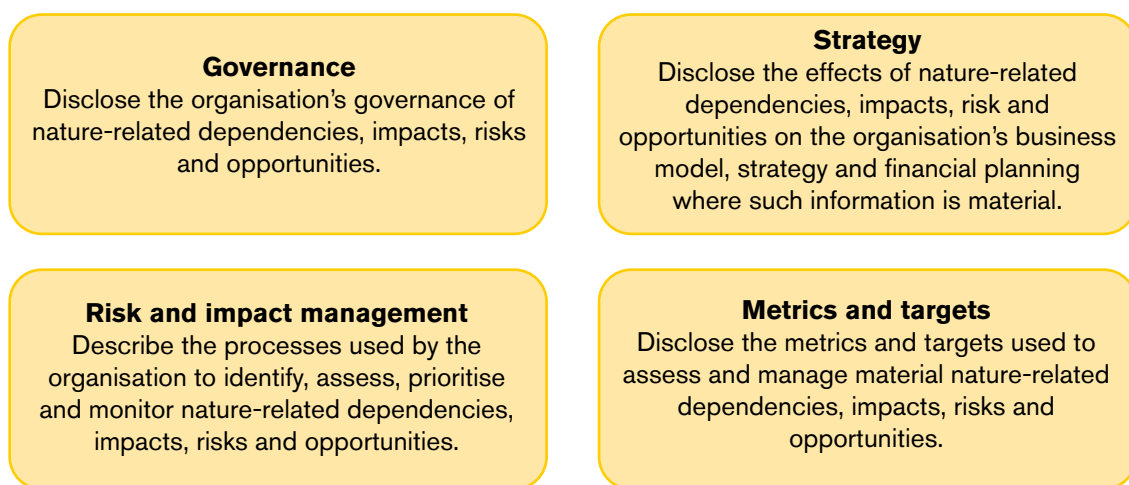
Alignment to other tools and global frameworks

Not only does the TNFD connect to global frameworks, but it is also consistent with other nature tools outlined in this paper. For example, the structure, language and

approach are consistent with the ISSB.⁴⁴ Additionally, the TNFD builds on and is compatible with the TCFD, which was released in 2023 and is now monitored by the IFRS.⁴⁶

The TNFD refers directly to Target 15 of the GBF (Businesses assess, disclose and reduce biodiversity related risks and negative impacts), which aims to take legal, administrative or policy measures to disclose their risks, dependencies and impacts on biodiversity.⁴⁷

Figure 6. The four pillars of the TNFD recommendations



Source: Adapted from Figure 1 in TNFD (2023) Recommendations of the Taskforce on Nature-related Financial Disclosures.

3. Looking forward

This final section highlights key findings of the review into existing nature assessment. To address these challenges, we put forward specific recommendations aimed at researchers, tool developers and users, and areas where further work is needed.

Although the tools reviewed above have varying purposes, such as assessment of nature impacts, principles to guide action and reporting frameworks, there are a number of common aspects. One of these is the promotion of transparency in business operations and activities. Several of the tools go beyond this to promote accountability, for example the CDP and the Nature Benchmark. Most of the tools align with global agreements including the SDGs and GBF, helping to strengthen and streamline business and investor action towards meeting these goals.

However, the review also identified gaps in existing initiatives that current tools and new ones being developed could work to address. We outline these gaps and provide recommendations for bridging them below.

1. Limited access to assessment of information and transparency

Though increasing transparency through disclosure is often a stated goal of these tools, the information or findings are often inaccessible both literally (eg unable to access unless a member of the initiative, only available in English, etc.) or technically (eg only experts can understand the information), and therefore the practicality of the tools is undermined. This can affect the uptake of the tool and the potential benefits of transparency — so that both investors and consumers can make informed decisions on the nature impacts of their choices.

Recommendation for tool developers

Openly and clearly communicate the results of assessments, disclosures and reporting to increase the knowledge that consumers and investors have when choosing which products or services to purchase. Providing information in a clear, concise and jargon-free format is an important first step, including in ways that increase business, investor and consumer understanding of the importance of nature and people in fostering a thriving economy. Not only will this increase the effectiveness of the framework, but it will also allow for external evaluation and further research as recommended below.

2. Tools lack consideration of Indigenous Peoples' and local communities' perspectives and rights

Though five of the nine tools reviewed refer to Indigenous Peoples and local communities, and people more broadly, either as benefit sharers or stakeholders, this is not sufficient given the key and effective role that they play as environmental stewards as outlined in section 1. Additionally, the general tone of inclusion is one of passive participation as beneficiaries. This is unlikely to lead to peoples' meaningful engagement in developing effective solutions. Therefore a shift to more active engagement in both implementation and development of new tools is needed.

All the tools reviewed could benefit from putting far greater emphasis on the important role that Indigenous Peoples and local communities play — and should continue to play — in conserving and restoring nature.

Recommendations for tool developers and users

Integrate the perspectives and priorities of Indigenous Peoples and local communities into the design and implementation of tools. This will encourage companies to respond to the biodiversity crisis in a way that promotes both moral justice and respect for human rights, especially Indigenous Peoples' rights. This includes recognising Indigenous Peoples and local communities as traditional knowledge holders. Not only is this the ethical and often the lawful thing to do, but learning from Indigenous Peoples will increase the effectiveness of the solutions presented.

Take a rights-based approach. To respectfully and lawfully undertake business operations in and around territorial lands, as well as engage Indigenous Peoples and local communities, it is key that a rights-based approach is taken. As with any operations, the UN Declaration on the Rights of Indigenous Peoples (UNDRIP) must be respected and upheld. Given the impacts that business and investors have on the physical environment, tools need to engage with land

tenure for terrestrial matters, and water rights for aquatic matters. UNDRIP has a series of articles that are relevant to the development and implementation of frameworks. Of particular note is the right to self-determination and the right to participate in decision making that affects Indigenous wellbeing, ways of life, and rights, while maintaining and developing their own decision-making institutions.⁴⁸ This specific right is of relevance to companies wishing to undertake consultations with Indigenous Peoples, along with the agreed upon method of FPIC.

Notably, while Indigenous Peoples have specific rights, local communities are not a legal entity and therefore do not have additional human rights that are specific to their circumstance or identity as “local”. Framework developers can look to land and water rights, human rights, rights of children, women’s rights and other intersectional legalities to develop a rights-based approach.

There are many toolkits and guides on how to empower communities to make informed decisions, such as the Biocultural Community Protocols^{49,50} and the Gender Action and Learning System.⁵¹

3. Fragmented approach between nature and climate (and development)

There remains a disconnect between assessment tools for nature and those for climate, alongside limited consideration of social impacts, leading to redundancies and gaps among the tools. Because the inequality, climate change and biodiversity crises are so deeply intertwined, the tools should consider these interconnections. This is not to say that each tool needs to address all challenges — but rather, that each at the very least should be compatible and comparable with other tools seeking to address overlapping issues.

Recommendation for tool developers

Increasing cohesion between tools will help build an ecosystem of tools that ensures nature and people are included in market considerations. It can also reduce overlaps and duplication of efforts among tools, making it less strenuous and resource intensive for businesses wishing to start disclosing or reporting on nature. This includes increasing cohesion between tools targeted at mitigating and adapting to climate change. Researchers have already begun to understand how cohesion could be approached, and it is recommended to review the literature that has outlined how nature and climate tools can be more cohesive.⁵²

4. Lack of ambition within the mitigation hierarchy^{iv}

Most of the tools reviewed take a “do no harm” approach. Some do aim to be nature positive, but the practicalities of what this means, and adequate monitoring and evaluation frameworks are lacking. For example, Indigenous Peoples and local communities are considered the focus in compensation and grievance mechanisms, which are essential, but undermine the potential of local stakeholders (see Recommendation 2). Considering the biodiversity crisis, taking a “do no harm” approach also leads to a tendency to prioritise nature that is under threat, while simultaneously, from an economic cost-benefit perspective, it is more efficient to value nature while it is intact (eg by promoting conservation and supporting sustainable use).

Recommendation for tool developers

Move beyond a “do no harm” approach to create solutions that have a positive effect on both nature and people. This will allow the shift away from business as usual to approaches that respond more adequately to the current rapid rate of ecosystem degradation and biodiversity loss that have resulted from decades of externalising nature from dominant markets.

Develop a practical and comparable approach to applying the concept of nature positive, while prioritising purely positive contributions to nature and conservation over those that do harm and then restore nature. When doing so, it is key to actively seek input and guidance from Indigenous Peoples and local communities on how nature positive can be implemented, from project to policy level.

5. Areas for further analysis

We intended this research to simply review some of the current most prominent nature assessment tools for business based on the scope of the tool, its inclusion of Indigenous Peoples’ and local communities’ concerns, and the inclusion of a definition of nature positive (to start understanding the level of ambition with respect to positive impacts on nature versus a do no harm approach). However, in carrying out the work, important gaps were identified that warrant further research — for example, deeper analysis of how the tools leverage common practices such as FPIC and more clarity on the objective of respecting of territorial rights and human rights.

Secondly, while several tools have only recently been developed, some were developed over 10 years ago.

^{iv} The mitigation hierarchy is a widely used tool that guides users towards limiting negative impacts on biodiversity. Business are encouraged to first, avoid creating negative impacts on biodiversity from the outset, then minimise, should negative impacts have been unavoidable. Next, if impacts are unavoidable and cannot be further minimised, the next step is to restore ecosystems that were exposed to impacts that could not be completely avoided or minimised. Finally, as a last option, the mitigative hierarchy mentions that offsetting can be used to compensate adverse impacts — however, the authors suggest that offsetting be avoided at all costs given that biodiversity across space and time is not substitutable.

The latter require proper evaluation of how they are influencing business and investor behaviours and to what extent they are having positive impacts for nature and communities.

Recommendations for research

Conduct deeper desk-based research on the tools to develop a clearer understanding of their inclusion of Indigenous Peoples' and local communities' concerns. Namely, is FPIC included in the tool and how is it being implemented? If yes, what has been the proof and do all stakeholders agree that it has been fully implemented in line with the guidelines?

- Are land and water rights respected? If yes, what has been the proof and do all stakeholders agree?
- What are the safeguards to ensure that land and water rights are continuously upheld?
- Were Indigenous Peoples and local communities consulted on the design of the tool?
- Who is responsible for monitoring and evaluating use of the tool, and do they have vested interests?
- When action fails to meet standards, what are the grievance mechanisms to compensate?

Conduct collaborative primary research, including working with Indigenous Peoples and local communities to evaluate if existing frameworks are: (1) achieving their objectives; (2) respecting the rights of Indigenous Peoples and local communities; (3) sufficiently ambitious?

Recommendations for tool developers

Incorporate the findings of research and engage Indigenous Peoples and local communities in the evaluation and re-evaluation of frameworks. We suggest holding specific forums — such as events, consultation processes, workshops — in which researchers and Indigenous Peoples and local communities can feedback into the evaluation and design of the frameworks, including after the frameworks have been put into practice.

Notes

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- ²⁸ World Benchmarking Alliance (2022) Nature Benchmarking Methodology.
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- ³⁰ See note 27.
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- ³³ Science Based Targets Network (n.d.) Website.
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It is widely accepted that nature and biodiversity are key to economic prosperity and human wellbeing and that current rates of degradation and loss must be reversed. Businesses and investors are becoming aware that nature is critical to a functioning society and financial system. However, the valuable role of Indigenous Peoples and local communities as stewards of nature is often overlooked. This paper reviews some of the existing tools that can help businesses and investors meet their commitments to reduce harmful practices and enhance nature. It provides recommendations for how these tools can be improved and better address Indigenous Peoples' and local communities' concerns and rights.

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