



**Biodiversity
Council**

What does Nature Positive mean for business and governments

Biodiversity Council

October 2024

Image: Jordan Fernandes

Acknowledgement

The Biodiversity Council acknowledges the First Peoples of the lands and waters of Australia, and pays respect to their Elders, past, present and future and expresses gratitude for long and ongoing custodianship of Country.

Further information

For more information

Contact: enquiries@biodiversitycouncil.org.au

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Authors:

Lead author: Lis Ashby¹, James Trezise¹

Contributing authors: Martine Maron², Brendan Wintle³, Hugh Possingham², Jack Pascoe^{3,4}, Sarah Bekessy⁵.

¹Biodiversity Council, ²The University of Queensland, ³The University of Melbourne, ⁴Yuin man, ⁵RMIT University.

Graphic design: Jaana Dielenberg¹



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Above: Darling River, NSW during drought.
Image: Jaana Dielenberg

In brief

Ecosystems and biodiversity are in rapid decline as drivers of change have accelerated over the last 50 years. More than 2,200 Australian species and ecological communities are known to be threatened and at risk of extinction and 19 ecosystems are already showing signs of collapse.

Biodiversity loss and ecosystem collapse ranked as the third highest threat humanity will face in the next 10 years. Demand for goods and services is exceeding the ability of the biosphere to sustainably provide them. This poses a significant risk to nature itself but also companies, the broader economy and humanity.

What is Nature Positive?

Nature Positive is a global societal goal to halt and reverse nature loss by 2030 against a 2020 baseline, and achieve full recovery by 2050.

To achieve Nature Positive requires ambitious and targeted effort from government, business and the broader community.

Role of State and Federal governments

It is essential that the Australian Government and State and Territory governments commit to Nature Positive and take a leadership role in guiding action.

The Australian Government must adopt and implement the four outcome goals and 23 action-oriented targets of the Kunming-Montreal Global Biodiversity Framework, in full. An intergovernmental agreement should be developed that outlines the responsibilities of the Australian Government and State and Territory Governments for achieving all targets in the Framework.

Governments must commit to a sustained, material uplift in funding commensurate with halting and reversing nature loss in Australia. The Australian Government should take a leadership role and commit 1% of the Federal budget (\$7 billion per annum ongoing) to significantly improve the outlook for biodiversity in Australia.

Transforming how we protect nature and biodiversity will mean renewing a commitment to genuine, deep participatory processes as part of decision-making at all levels. State and Federal government should empower First Nations to care for Country and increase participatory decision-making.

All sectors of the economy have an impact, either directly or indirectly, on biodiversity. State and Federal governments must reform policies, subsidies and taxes that are direct and indirect drivers of ongoing biodiversity loss and support transitions for biodiversity harmful industries. The Australian Government should introduce mandatory disclosures for all large businesses and financial institutions to assess and disclose their impacts and dependencies on nature by 2030.

Role of local government

Local governments should adopt nature positive as a Council-wide objective. They should develop objectives and science-based targets to contribute to Nature Positive and report on progress.

Local governments should review and reform local policies and programs to improve outcomes for biodiversity. This includes land-use planning, public land management, road development, waste management, urban greening policies, and bylaws relating to trees, lawns and gardens.

Local governments should support communities to reduce their biodiversity impacts and take action to restore nature.

Local governments should assess where they are having direct negative impacts on biodiversity through their operations, built assets and procurement and act to reduce these impacts.

Role of business

Biodiversity loss and ecosystem changes can have significant impacts on business. Businesses must factor nature into decision-making and contribute to Nature Positive.

A business should commit to Nature Positive at a board level and develop a roadmap which includes targets, time-frames and responsibilities.

A business should assess and disclose impacts and dependencies on nature across the business, including value chains and financial portfolios.

The mitigation hierarchy should be applied to individual projects and value chains. This means avoiding and minimizing impacts on biodiversity, restoring biodiversity impacted, and offsetting residual impacts as a last resort and never for irreplaceable biodiversity.

To drive the systemic changes required to achieve nature positive, businesses must work across their entire sphere of influence, including advocating for nature to other businesses and government at all levels.

Role for science

It is essential that claims to nature positive status by businesses and levels of government be backed by rigorous evidence, including but not limited to nature data.

There is a critical role for science to help understand and describe business and government impacts and dependence on nature throughout value chains, identify appropriate forms of action to mitigate and avoid impacts, and support measurement, monitoring and reporting of outcomes for nature.

At present, there exists a lack of coordination and standardisation of scientific advice for business and governments attempting to become nature positive.

Scientists and researchers can support support business and government transitions with practical and implementable advice, assessment and measurement systems.

Businesses and governments can support this by to properly resourcing the science, data collection, and coordination needed to bring the best possible evidence to nature positive transitions

*A healthy natural environment is important to Australia's lucrative international tourism sector.
Image: Jaana Dielenberg*



Introduction

In 2019, the Intergovernmental Platform on Biodiversity and Ecosystem Services reported that ecosystems and biodiversity are in rapid decline as drivers of change have accelerated over the last 50 years. For instance, approximately 75% of the Earth's land surface is significantly altered and approximately 25% of species are threatened, and many may become extinct within decades.

The IPBES findings led to a Call to Action for a clear and overarching Nature-Positive Global Goal for Nature at the 2020 United Nations (UN) General Assembly and Biodiversity Summit.¹ In the words of the UN Secretary-General, "making peace with nature is the defining task of the 21st century. It must be the top, top priority for everyone, everywhere."

In 2022, the Conference of the Parties to the Convention on Biological Diversity (COP 15) adopted the Kunming-Montréal Global Biodiversity Framework with its mission to take urgent action to halt and reverse biodiversity loss to put nature on a path to recovery for the benefit of people and [the] planet.

This isn't just an environmental issue; it is likely to have significant consequences for the economy. According to the World Economic Forum's 2024 Global Risks Report, biodiversity loss and ecosystem collapse ranked as the third highest threat humanity will face in the next 10 years. Our demand for goods and services is exceeding the ability of the biosphere to sustainably provide them.² This poses a significant risk to nature itself but also companies, the broader economy and society at large.³

The deep link between the climate and nature crises was emphasised at COP 27, UN Framework Convention on Climate Change held in 2022,⁴ and some call 'Nature Positive' the biodiversity goal equivalent to the 'Net Zero' goal for climate change.⁵ Despite their interconnectedness, climate and biodiversity are often dealt with separately.⁶ Not only may this result in missed opportunities to develop solutions that address

the climate and nature crises together,⁷ but it can lead to maladaptation where actions taken to reduce greenhouse gas emissions actively harm biodiversity.⁸ It is crucial that these crises are addressed together.⁹ This is both a global problem, and a local one.

Australian context

Australia is a mega-diverse country with many species that occur nowhere else on earth: 87% of mammals, 45% of birds, 93% of reptiles, 94% of frogs and 92% of the vascular plants are only found in Australia.¹⁰ Our extraordinary biodiversity encompasses an array of remarkable species and ecosystems that are central to our culture and identity as a nation.

Over the past two centuries, Australia has lost more mammal species than any other continent, and continues to have one of the highest rates of species decline among countries in the Organisation for Economic Co-operation and Development.¹¹ More than 2,200 Australian species and ecological communities were known to be threatened and at risk of extinction¹² and 19 ecosystems are already showing signs of collapse.¹³

Approximately half of Australia's GDP has a moderate to very high direct dependence on ecosystem services,¹⁴ but nature is undervalued in decision-making.¹⁵ Industries like agriculture, forestry, fisheries, food product manufacturing, construction and waste and water services have a very high dependence on nature and may be directly impacted. These industries generate approximately 16% of Australia's GDP (\$293.6bn per year).¹⁶ Sectors with a lower direct dependency are still at risk from nature loss through impacts on their value chains,¹⁷ loss of customers or markets, and legal action or regulatory changes.¹⁸

Biodiversity loss and ecosystem decline has significant consequences for society and the economy.



Australia is home to six of the world's seven sea turtle species and all are threatened with extinction. Image: Bethany McCarter CC BY 4.0/Wikimedia Commons.

What is Nature Positive?

The Nature Positive Initiative, a coalition of 27 of the world's largest nature conservation organisations, institutes, and business and finance organisations, have defined Nature Positive as:

A global societal goal defined as Halt and Reverse Nature Loss by 2030 against a 2020 baseline, and achieve full recovery by 2050.

*Delivering the Nature Positive goal requires **measurable** net-positive biodiversity outcomes through the improvement in the abundance, diversity, integrity and resilience of species, ecosystems and natural processes.¹⁹*

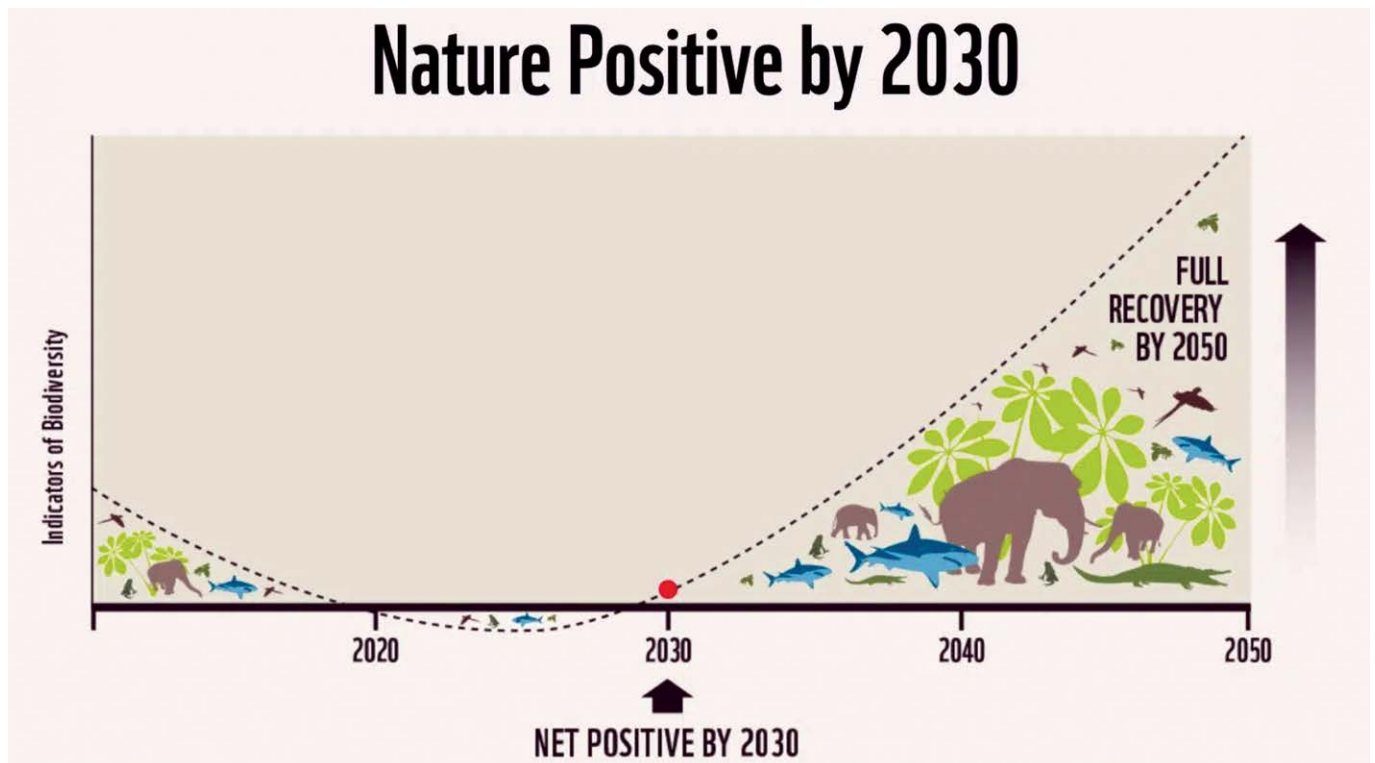


Figure 1: The trajectory of nature positive by 2030. It recognizes some ongoing loss is unavoidable given current trends and identifies the goal of a net improvement to a nature positive condition by 2030 (from a 2020 baseline) and full recovery by 2050 (Source: WWF)

What does it mean for **Federal, State and Territory governments** to ensure Nature Positive is achieved in Australia?

Key requirements:

- Adopt, implement and report on all the Kunming-Montreal Global Biodiversity Framework targets and goals
- Deliver a step change in biodiversity funding commensurate with halting and reversing nature loss in Australia
- Empower First Nations to Care for Country and increase participatory decision-making
- Reform policies, subsidies and taxes that are direct and indirect drivers of ongoing biodiversity loss and support transitions for biodiversity harmful industries
- Introduce mandatory disclosures for all large businesses and financial institutions to assess and disclose their impacts and dependencies on nature by 2030.
- Support the science and scientific coordination to develop, test and deploy practical but rigorous and high integrity assessment of organisations' nature impacts and dependencies, design of mitigation and transformation strategies, and the measurement and reporting of nature outcomes.

As a party to the Convention on Biological Diversity, the Australian Government has primary responsibility for implementing the Kunming-Montreal Global Biodiversity Framework in Australia. However, the States and Territories have significant control over policies and programs that impact biodiversity.²⁰ It is essential that the Australian Government and State and Territory governments commit to Nature Positive and take a leadership role in guiding action.

Commit and Collaborate

To achieve the Nature Positive goal, the Australian Government must adopt and implement the four

outcome goals and 23 action-oriented targets of the Kunming-Montreal Global Biodiversity Framework, in full. It is vital that the **targets and goals** of the GBF be treated as an indivisible whole and implemented promptly and comprehensively.²¹ To be successful, it is essential the Australian Government work with State and Territory governments to achieve the targets and goals of the GBF. Each jurisdiction in Australia should be considering how it will measure progress against the GBF targets, including which elements of biodiversity will be measured, over what extent, by whom and with what funding. An intergovernmental agreement should be developed that outlines the responsibilities of the Australian Government and State and Territory Governments for achieving all targets in the Global Biodiversity Framework.

Governments must commit to a sustained, material uplift in **funding** consistent with Target 19 of the GBF. The Australian Government should take a leadership role and commit 1% of the Federal budget (\$7 billion per annum ongoing) to significantly improve the outlook for biodiversity in Australia. This funding could recover the majority of Australia's threatened species populations,²² meet Australia's international commitment to protecting 30% of Australia's ecosystems by 2030,²³ and restore 13 million hectares of degraded land to ensure that all of Australia's degraded terrestrial ecosystems have 30% vegetation coverage.²⁴ It could also help support First Nations people to care for Country²⁵ and management of protected land and marine areas.

Transforming how we protect nature and biodiversity will mean renewing a commitment to genuine, deep participatory processes as part of decision-making at all levels. Local communities care about, benefit from and frequently act to protect and restore nature. Traditional Custodians have deep knowledge and specific rights and responsibilities on Country. Australia has strong and successful examples of where participatory decision-making has led to beneficial outcomes. The Australian Government and State and Territory governments should apply best practice approaches to working with communities and Traditional custodians. This includes integration of participatory decision-making (as well as local

knowledge) into strategic planning, which creates buy-in, empowers local community action, activates local knowledges, and respects governance of Traditional Custodians.

Analyse and Act

All sectors of the economy have an impact, either directly or indirectly, on biodiversity. Governments should incentivise and support transitions for all industries. To prioritise efforts, the Australian Government should determine which economic sectors are having the most impact on biodiversity. The National Greenhouse Accounts have been tracking greenhouse gas emissions by sector since 1990. Governments should develop equivalent datasets for biodiversity impacts. This would align with the work on Nature-Positive Industry Sector Transitions being undertaken by the World Economic Forum, Business for Nature and the World Business Council for Sustainable Development. The Australian Government and State and Territory governments should develop policies to help priority (and other) sectors transition to become nature positive. To deliver on the Global Biodiversity Framework's conception of transformative action, the strategy will only be credible globally and nationally if it includes steps to **reform policy settings** in portfolios beyond that of the environment that are the key direct and indirect drivers of ongoing biodiversity loss. This would include land-use planning to address the significant impact of land-use change and development on biodiversity and earth systems/ecosystem services,²⁶ transport policy and planning to address the impacts of roads,²⁷ and policies related to use of natural resources such as mining and agriculture.²⁸

Consistent with GBF Target 18, Australian Government and State and Territory governments should reform subsidies and taxes to support nature and its contributions to people, removing perverse incentives and instead promoting diverse instruments such as payments linked to social and environmental metrics. The Biodiversity Council recently calculated that the total monetary value of Australia's direct and indirect subsidies in 2023–23 with a medium to high adverse impact on biodiversity was \$26.3 billion.²⁹ A double dividend could be achieved by redirecting these subsidies to Nature Positive actions, thereby delivering a double dividend.

The Australian Government should introduce **mandatory disclosures** for all large businesses and financial institutions to assess and disclose their impacts and dependencies on nature by 2030. This would require legislative amendments³⁰ and policy

As a signatory to the Kunming–Montreal Global Biodiversity Framework the Australian Government is obliged to identify, eliminate, phase out and reform subsidies for activities that are likely to harm biodiversity. This includes activities related to fossil fuel extraction and use.



frameworks modelled on the mandatory climate disclosures.³¹

The Intergovernmental Science–Policy Platform on Biodiversity and Ecosystem Services (the 'IPCC for biodiversity') suggests that all decision makers could contribute to sustainability transformations through enhanced and improved implementation and enforcement of **effective existing policy instruments and regulations**.³² This would include development of binding national environmental standards under Federal environment laws,³³ removing State-based exemptions that allow habitat to be destroyed without assessment³⁴ and addressing failures in Federal and State offset schemes.³⁵

The Australian Government and State and Territory governments should analyse the **per capita ecological footprint** and identify unsustainable consumption patterns and policy interventions to address them, consistent with GBF Target 16.

The Australian Government and State and Territory governments should assess where their departments and agencies are having direct negative impacts on biodiversity through their **operations, built assets and procurement**.

Measure and Report

The Australian Government and State and Territory governments should produce 2-yearly reports on progress against the four outcome goals and 23

action-oriented targets of the Kunming-Montreal Global Biodiversity Framework. The Federal government should use headline indicators to track national progress towards Nature Positive.

The Kunming-Montreal Global Biodiversity Framework (GBF) is accompanied by a detailed monitoring framework with indicators for tracking international progress towards outcome goals and targets. These include the IUCN Red List for Ecosystems and Red List Index (for threatened species). Due to the ways the lists are updated, these indicators tend to be slow to respond to real-world changes. They should be complemented by more timely indicators like the Threatened Species Index. The development of timely indicators for monitoring other GBF targets should be prioritised with adequate funding.

The UN System of Environmental Economic Accounting (SEEA) seeks to integrate economic, social and environmental data to enable holistic decision-making. It has been internationally recognised that there is value in integrating the UN System of **Environmental Economic Accounting** into national statistics³⁶ so that changes in natural capital can be understood alongside other important social and economic metrics. The Australian Bureau of Statistics is releasing the first experimental National Ecosystem Accounts in 2025.³⁷ It is important that this work continues to expand in scope and is regularly updated.

Businesses and local governments in particular need support and guidance to identify sensible and achievable targets that reflect a genuine commitment to becoming nature positive, cost-effective opportunities to improve business practices, and appropriate measures on which to report on progress.

What constitutes a good nature measure will vary from one business context to the next, and will depend on what commitments and targets have been set by a business. There is written guidance available for businesses to support locally relevant choices of what and how to measure nature outcomes in line with their nature positive commitments (e.g. ³⁸). Though many businesses will need expert support, as

generic guidance does not currently provide the necessary context-specificity.

There is an urgent need for Commonwealth and State governments to support coordinated scientific advice about assessing nature impacts and measuring nature outcomes. Support for businesses on nature assessment and measurement is currently fragmented and ad-hoc. Coordination and resourcing are urgently needed to provide the affordable knowledge support to businesses and local governments.

Threatened Species Index is a useful a headline indicator for Nature Positive

There is no single indicator that can measure all aspects of Nature Positive. There are some indicators already being developed that can be used to publicly report on progress.

Australia is lucky in that the **Threatened Species Index (TSX)**, recently adopted by the Federal Treasurer as Australia's headline biodiversity indicator³⁹ is a useful aggregate indicator for tracking the nation's progress towards Nature Positive.⁴⁰

If we take all EPBC-listed Near-threatened or threatened species the TSX has fallen from 1.0 in the year 2000, to 0.39 in 2020 – a decline of about 4.6% per year every year (dark blue line in Figure 2). Maintaining the trajectory (no net loss) – a common goal in offsetting programs locks us into long term decline. Net gain against a counterfactual would improve us on this trajectory but not stop the decline (light blue line). An absolute improvement in trajectory at 1% a year would not get us back to 2020 levels by 2030, or baseline levels by 2050 (purple line). Only a recovery rate of well over 4% a year after 2025 is truly nature positive (green line).

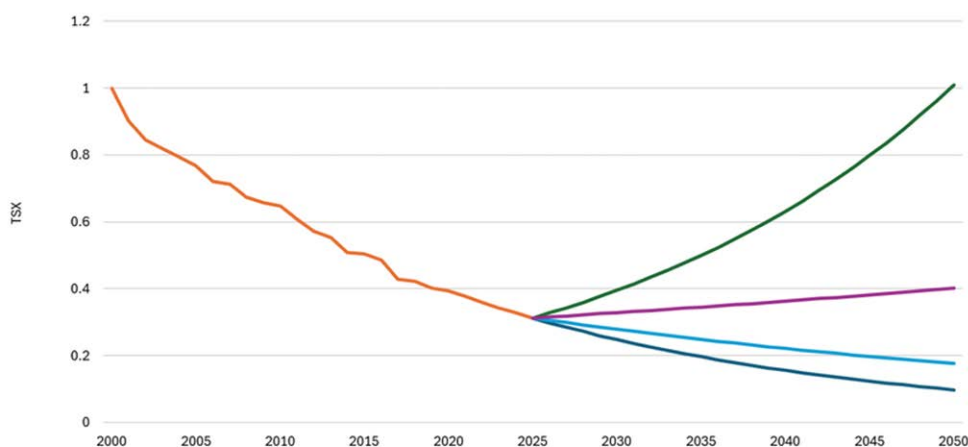


Figure 2: Alternative scenarios of threatened species population decline. Only the green trajectory would align with nature positive.

What does it mean for **local governments** to contribute to Nature Positive?

Key requirements:

- Adopt nature positive as a Council-wide objective
- Develop objectives and targets to contribute to Nature Positive and report on progress
- Review and reform local policies and programs to improve outcomes for biodiversity
- Support communities to reduce their biodiversity impacts and take action to restore nature
- Design and implement locally-relevant nature measurement in line with local commitments and targets, ideally engaging local communities in data collection.

Local government has an important role to play in achieving the Nature Positive goal. The World Economic Forum provides Nature Positive guidelines to help cities understand and manage their dependencies, risks and impacts on Nature.

Commit and Collaborate

Local governments should commit to act to the benefit of nature and leave it in a better state than it was before, both within and beyond their own boundaries.⁴¹

Local governments should adopt nature positive as a **municipality-wide objective** consistent with Target 14 of the GBF which is to integrate biodiversity in decision-making at every level. The target emphasises that action should be taken across all levels of government and across sectors. To do this work effectively, nature positive must be embraced across the organisation, not just left to environment and sustainability teams.

Local governments should develop objectives and clear science-based **SMART** (Specific, Measurable, Achievable, Relevant and Time-bound) **targets** for Nature Positive that are tailored to their context. Suggested targets include: extent of each native vegetation type, population of threatened species, area protected and managed for biodiversity, area under restoration, area subject to invasive species control, and water quality. These targets should be set

against a 2020 baseline with improvement by 2030.

Local governments often work closely with the community. There may be opportunities for local governments to improve participatory decision-making, especially related to Traditional Custodians.

Analyse and Act

Local governments should analyse the impact their **policies and programs** have on the natural environment, both positive and negative. For instance, land-use planning, public land management, road development, waste management, urban greening policies, and bylaws relating to trees, lawns and gardens. Local governments should look for opportunities to amend policies and programs to reduce impacts on the natural environment or opportunities to restore the natural environment.

Local governments should analyse the impact that their **community** is having on the natural environment, including identifying opportunities to reduce impacts and restore nature. The community should be supported to make changes through education and community action programs. Local governments should work with the community to identify and overcome barriers to make positive changes.

Local governments should assess where they are having direct negative impacts on biodiversity through their **operations, built assets and procurement**. Policies and processes should be reviewed to identify ways to reduce these impacts. For further information about built assets see: Local government | Green Building Council of Australia (gbca.org.au).⁴² For further information about procurement see: Environmental, Social, and Governance Procurement Services – Local Government Procurement (lgp.org.au)⁴³ and for an example: Sustainable procurement | Indigo Shire Council.⁴⁴

Measure and Report

Local governments should publicly report on progress against their SMART nature-related targets, including specific actions taken, barriers and enablers to change. General guidance on the choice of measures and monitoring approaches exist.⁴⁵ However, local measures will need to be tailored to local priorities and environments, usually necessitating partnership with local experts and universities.⁴⁶

What does it mean for **business** to contribute to Nature Positive?

Key requirements:

- Commit to Nature Positive at the board level and develop a Nature Positive roadmap which includes targets, time-frames and responsibilities
- Assess and disclose impacts and dependencies on nature across the business, including value chains and financial portfolios
- Apply the mitigation hierarchy to individual projects and value chains, but only use offsets as a last resort and never for irreplaceable biodiversity
- Advocate for nature to other businesses and government at all levels.

A recent report by the Australian Conservation Foundation (ACF) calculated that approximately half of Australia's GDP (49.3% or \$892.8bn), is moderately or highly dependent on nature and its services.⁴⁷ This is consistent with global estimates.⁴⁸

Biodiversity loss and ecosystem changes can have significant impacts on business. Industries like agriculture, forestry, fisheries, food product manufacturing, construction and waste and water services have a very high dependence on nature and may be directly impacted.⁴⁹ However, sectors with a lower direct dependency are still at risk from nature loss through impacts on their value chains,⁵⁰ loss of customers or markets, and legal action or regulatory changes.⁵¹

The International Union for Conservation and Nature (IUCN) states that:

“businesses need to understand their impacts and dependencies on nature, manage their nature-related risks and embed the value of nature into their decision making to identify and implement opportunities that contribute towards the nature positive global goal” (pp. V).

Individual projects

Where businesses are undertaking projects that have a direct impact on nature, it is critical that they apply the mitigation hierarchy. This involves: 1) avoiding potential impacts on biodiversity, for instance through choice of location or materials, 2) minimizing unavoidable impacts on biodiversity, for instance through design, 3) restoring biodiversity damaged by the project, and 4) offsetting any residual impacts.⁵² The focus must be on the biodiversity outcomes and not the amount of time or effort spent on applying the mitigation hierarchy. If a project destroys critical habitat for threatened species, or removes irreplaceable habitat features, it will not contribute to Nature Positive even if the mitigation hierarchy is applied. Actions taken to avoid or minimise impacts must be effective and directly related to the species or ecosystem being impacted and offsets must be a last resort. Offsets must directly benefit the biodiversity assets that have been impacted, this is often referred to as 'like-for-like'.⁵³ Management actions that benefit different species or ecosystems than those impacted will not compensate for the harm caused



Agriculture is heavily dependent on a healthy environment. Image: Jaana Dielenberg

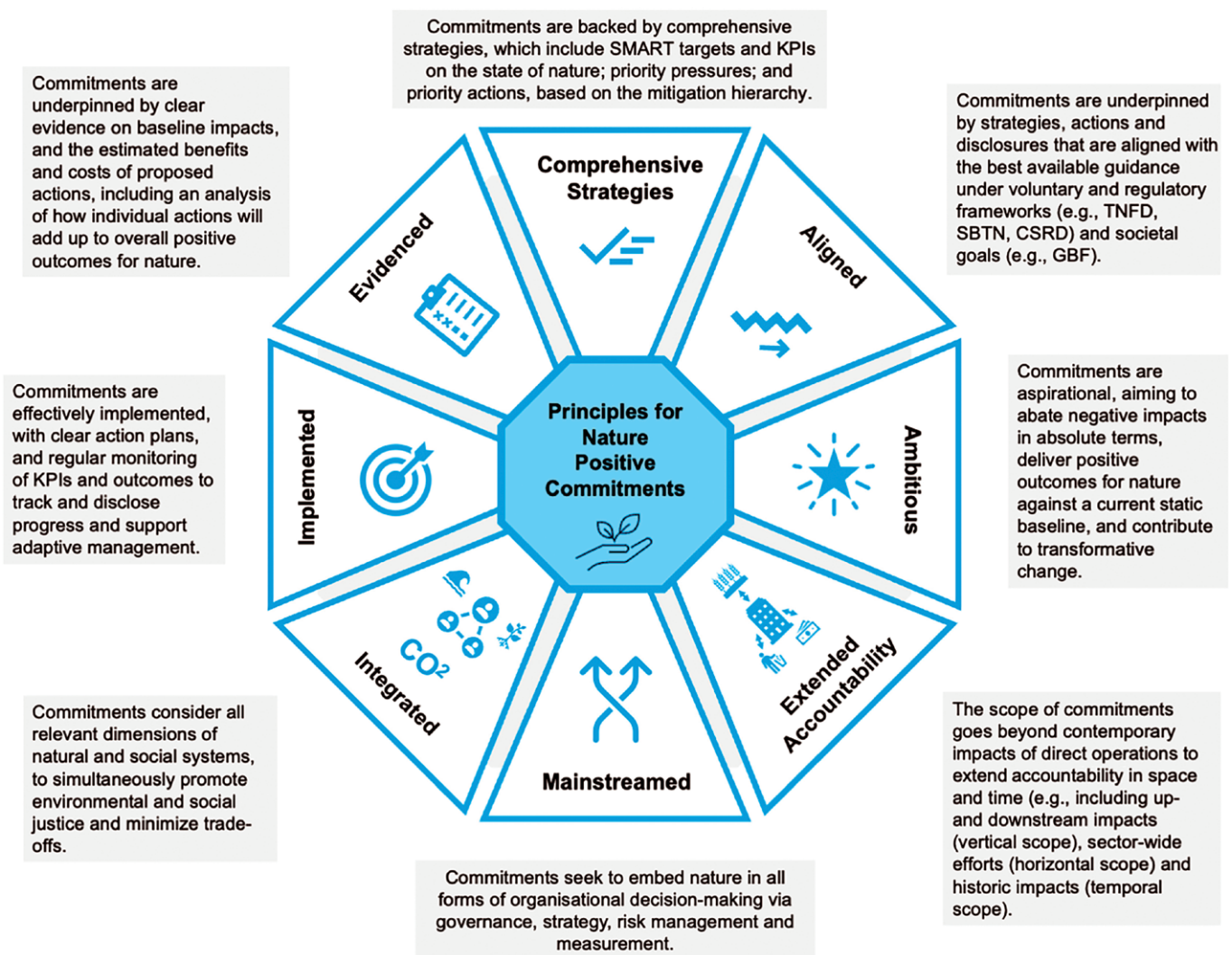


Figure 3: A summary of the core principles for Nature Positive contributions (Source: Booth, H., Milner-Gulland, E.J., McCormick, N. and Stakey, M. (2024) Operationalizing transformative change for business in the context of Nature Positive, One Earth <https://www.sciencedirect.com/science/article/pii/S2590332224002951>).

by the project.⁵⁴ Even if a project successfully mitigates its impacts, it will not lead to recovery of nature, at best the impact will be neutral. To drive full recovery, actions will also need to be taken that are beyond those taken to compensate for development impacts.

Across the business

To contribute to Nature Positive, a business should consider biodiversity impacts from entire value chains and financial portfolios, not simply individual projects.⁵⁵ To commit to Nature Positive, businesses should apply 10 core principles (Fig 3).⁵⁶

The IUCN Nature Positive for Business report provides more detail about each of the principles.

To contribute to Nature Positive, the first step a business should take is to assess its impacts and dependencies on nature. This should be taken across the business and its value chain, and include identification of opportunities for avoiding impacts and maximising potential benefits. Businesses are identifying innovative approaches that can deliver profits and reduce risks and impacts on the natural environment.⁵⁷

The Taskforce on Nature Related Financial Disclosures and the IUCN Nature Positive for Business report provide guidance on undertaking these assessments, including some sector-specific guidance. The TNFD pilots with Australian businesses and financial institutions may provide useful examples and learnings about applying TNFD.

Taskforce on Nature Related Financial Disclosures (TNFD)

The Taskforce on Nature-related Financial Disclosures (TNFD) was established in response to the growing appreciation of the need to factor nature into financial and business decisions. TNFD is a global nature-related risk management and disclosure framework.

The TNFD framework is intended to help businesses better understand how nature impacts their immediate financial performance, and the long-term financial risk that arises from how they impact nature. This is often referred to as 'double materiality' or 'inside-out/outside-in' (Fig 3).

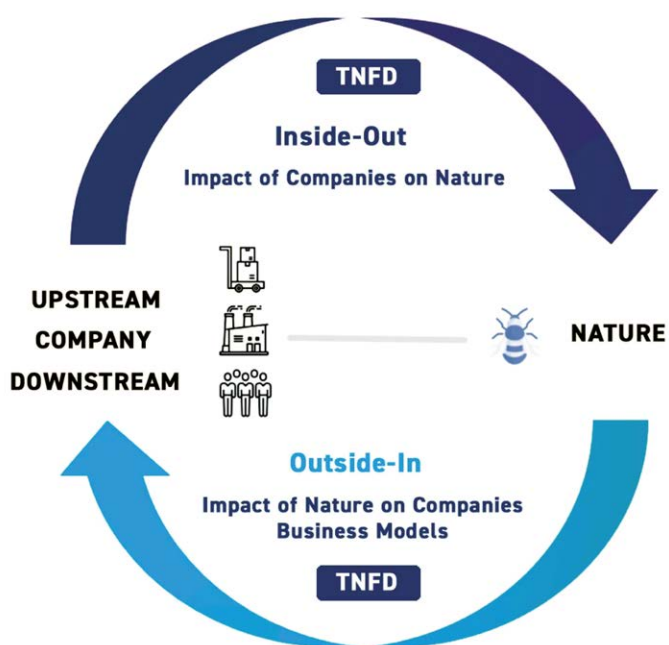


Figure 4: The impact that Nature has on a company, how it is dependent on nature (Outside-In) and the impact that a company has on Nature (Inside-Out), often referred to as 'double materiality'. (Source: KPMG via Loomis Sayles)

A better understanding of nature-related risks and impacts is expected to facilitate a shift in the mindset and behaviour of companies and financial institutions so that they incorporate nature-related risks and opportunities into their strategic planning, risk management and asset allocation decisions.

TNFD has developed the LEAP approach to guide internal assessments of nature-related risks or dependencies, and impacts. TNFD notes that LEAP is one approach that can be used to undertake assessments and is not mandatory for making disclosures recommended by TNFD.

LEAP involves four phases:

1. **Locate** your interface with nature
2. **Evaluate** your dependencies and impacts on nature
3. **Assess** your nature-related risks and opportunities
4. **Prepare** to respond to, and report on, material nature-related issues, aligned with TNFD's recommended disclosures.

For further information about TNFD's LEAP approach see: [Guidance on the identification and assessment of nature related issues: The LEAP approach](#).⁵⁸

Once an assessment has been made using the LEAP approach, or other suitable methodology, businesses should be ready to prepare disclosures.

TNFD recommends that disclosures are made around four pillars:

- **Governance:** The governance processes, controls and procedures the organisation uses to monitor and manage nature-related issues
- **Strategy:** The approach the organisation uses to manage nature-related issues
- **Risk and impact management:** The processes the organisation uses to identify, assess, prioritise and monitor nature-related issues
- **Metrics and targets:** The organisation's performance in relation to nature-related issues, including progress towards any targets the organisation has set or is required to meet by law or regulation.

For further information about TNFD's recommended approach to disclosures see: [Taskforce on Nature-related Financial Disclosures \(TNFD\) Recommendations](#).⁵⁹

TNFD guidance and published examples on measurement, metrics and approaches to reporting provide a broad framing for businesses that shows at what level of detail measurement and reporting should be undertaken. However, local advice and support from local experts will inevitably be needed to allow businesses to identify appropriate measures and measurement approaches that fit their local context and support reporting on the targets they've set.⁶⁰



Urban development remains a major threat to Melbourne's Critically Endangered grasslands and the species that depend on them. Image: Jaana Dielenberg

TNFD emphasises assessment and disclosure. If a business undertakes an assessment and disclosure of its impacts and dependencies alone, it would not be contributing to Nature Positive. Action is required.

For Nature Positive to be truly integrated into a business, it must be led by the board and executive, not simply delegated to sustainability teams.⁶¹ Businesses should set a baseline and commit to ambitious, time-bound, science-informed goals and targets to both halt and reverse the loss of nature and reflect this in a Nature Positive strategy. These commitments should be embedded across a business including value chains, sites and landscapes⁶² and reflected in a road-map that includes clear time-frames and responsibilities.

A lack of comprehensive data should not be used as a justification for a lack of action to reduce impacts on nature. Threats to biodiversity are clear and there are likely to be choices that a business can immediately make to reduce impacts on biodiversity, such as sourcing products with a sustainability certification or siting projects in areas of lower biodiversity value. The IUCN states that rather than waiting for an exact solution, the nature positive community agrees that action and measurable outcomes are needed immediately, to work within the short time frame presented to halt and reverse nature loss.

This does not mean simply undertaking projects that are positive for nature without considering the business holistically. Nature positive is an overall net outcome across both positive and negative impacts. As stated by Milner-Gulland:⁶³ "Although we must welcome all actions to support nature recovery, 'better than nothing' partial compensation for our impacts is not good enough. It allows us to continue to erode biodiversity while continuing largely with business as usual". Projects focussed on nature recovery are valuable, but must be undertaken after, or alongside, actions to

avoid and compensate for the negative impacts a company is having on nature.

Beyond the business

The IUCN Nature Positive for Business report outlines types of actions (private, social signaling and system change) at different scales (company, landscape, sector and business model) that can be undertaken to drive transformative change. For example, actions at a company scale could include a commitment to no longer sourcing products linked to ecosystem from land-conversion (private action), publicly sharing and tracking progress towards the land-conversion commitment (a social signaling action), and incentivising suppliers to make their own land-conversion free commitment (a system change action).

To drive the systemic changes required to achieve nature positive, businesses must work across their entire sphere of influence.⁶⁴ This not only includes suppliers and customers along the value chain, but also competitors, investors, insurers and regulators. This is important for both Nature Positive outcomes and business profitability. For example, there is concern that companies currently committing to Zero Deforestation Targets face higher costs and may be outcompeted by other companies.⁶⁵ Sector-wide approaches, including common definitions, methodologies, implementation and compliance, help to 'level the playing field'.⁶⁶

The IUCN states that:

"Companies should also become vocal advocates for nature at senior levels, including communicating clearly on nature commitments and supporting nature positive policies at international, national and sector levels" (pp.11).

For further information see IUCN Nature Positive for Business report⁶⁷ and the Finance and Biodiversity Pledge for financial institutions.⁶⁸

Spending time in nature, like at this treasured Perth beach, is a valued part of the Australian way of life. Image: Indi Friday



Endnotes

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Biodiversity Council

The Biodiversity Council brings together leading experts including Indigenous Knowledge holders to promote evidence-based solutions to Australia's biodiversity crisis. It was founded by 11 universities: The University of Melbourne, The University of Western Australia, The Australian National University, The University of Adelaide, The University of Sydney, The University of Queensland, Deakin University, The University of Canberra, Monash University, Macquarie University, and The University of New South Wales. It is host by The University of Melbourne. It receives support from The Ian Potter Foundation, The Ross Trust, Trawalla Foundation, The Rendere Trust, Isaacson Davis Foundation, Coniston Charitable Trust and Angela Whitbread.

Image: Healthy natural environments close to cities are treasured by the community. Image: Pat Whelan