

The Role of Business in Implementing the Kunming-Montreal Global Biodiversity Framework: A Series of Recommendations for Business & Government Organizations

Executive summary

In December 2022, The UN’s Convention on Biological Diversity agreed what has become known as the Kunming-Montreal Global Biodiversity Framework (KMGBF)¹. The Framework, signed by almost 200 countries (including the UK), has 23 targets on biodiversity including ‘30x30’ – that is, ensuring that 30% of land and sea globally is effectively conserved by 2030. Other targets include reducing pollution, integrating biodiversity into policy and regulation, measurement, and disclosure for businesses (including SMEs) on biodiversity impacts, phasing out of harmful subsidies, and increasing financial resources.

The UK is one of the most nature depleted countries globally. The UK State of Nature Report² (2023) tells us that nearly one in six species are threatened with extinction and species across the UK have declined on average by 19% since 1970. Action is required by both Government and businesses to halt and reverse the decline through plans that are clear, practical, and deliverable.

From June to July 2023, IEMA (Institute of Environmental Management and Assessment) and the UKBBF (UK Business and Biodiversity Forum), with support from Defra (Department of Environment, Food and Rural Affairs) held a series of events on the KMGBF³ including three online workshops between UK Government departments and representatives of business. The aim of the workshops was to gain insights from business and Government on the implementation of the KMGBF and the challenges now and in the future.

The workshops each had a theme based on the KMGBF targets most relevant to business:

- Indicators and Metrics
- Supply Chains Including Challenges for SMEs (small to medium sized enterprises)
- Resource Mobilization and Finance.

There were over 30 attendees across business sectors including food, fashion, manufacturing, finance, beauty, and consultancy, alongside representatives of UK Government departments and public bodies including Defra, Natural England, and BEIS (now Department for Energy Security and Net Zero).

This paper considers the outcomes of the workshops and includes recommendations for future actions for Government and business. The aim of the workshops was to find ways forward and, in the future, to build on the discussions and recommendations identified.

¹ <https://www.cbd.int/gbf/>

² <https://stateofnature.org.uk/>

³ <https://www.cbd.int/gbf/>

Proposals and recommendations for Government and business

Government

Government should create an overarching strategy for businesses of all sizes to support reporting and action on biodiversity impacts, dependencies, risks and opportunities, including communications on Government targets and a timetable for roll out. Such a strategy could include:

- Identifying a 'basket' of metrics and indicators for use by businesses based on/aligned with those currently available (for example, in the UK Environmental Improvement Plan, TNFD, SBTN) that can be used for measurement, management, and verification, and create sector-specific guidance for business on metrics and indicators to enhance knowledge.
- Creating a 'lighter' framework that allows smaller organisations to set targets and report on biodiversity impacts and dependencies, including managing and measuring. This would be alongside a programme of communications to smaller businesses to provide guidance.
- Creating a structure and/or template for supply chain reporting that can be used by business and other organisations.
- Working with business to create wording and advice for contracts for suppliers in their reporting, and link this to the procurement process and weighting in tenders.
- Considering secondary legislation around what good looks like in nature markets supported by guidance and case studies including return on investment.

Business

Business are also expected to make commitments as part of halting and reversing the loss of biodiversity which could include:

- Upskilling staff and communicating targets across the business (especially for medium and large business).
- Creating a way to share data with other organisations that businesses have acquired, especially with smaller organisations.
- Working together to share data from suppliers and this work could be led through a membership body or NGO.
- Making commitments to address biodiversity impacts and understanding dependencies through existing frameworks such as TNFD or the Nature Positive Business Pledge, and support smaller businesses to do the same.
- Disclosing business impacts, dependencies, risks, and opportunities through existing frameworks, such as CSRD, TNFD, ISSB, et al.

Cross-cutting issues

Biodiversity is generally recognized as complex and for this reason the group felt that there is often a lack of capacity, expertise, and/or financial resources within business to tackle the understanding of, and actions on, biodiversity impacts and dependencies. However, there is a strong appetite within many businesses to understand impacts and dependencies, and businesses want to do the right thing and to report that they're contributing to the implementation of the KMGBF.

There was strong feedback that business requires a 'standard ways of doing things' – this could be through legislation, standards, and/or a recommended 'basket' of metrics and/or frameworks. This promotes consistency and allows comparison over time, sites, and across businesses. Business broadly stated a preference for tools and techniques already being used rather than create new methodologies.

Knowledge dissemination was felt to be key to give confidence for stakeholders to take action and to then build on that knowledge. Knowledge should be communicated through guidance, case studies, easy-to-locate online information, communication internally within business and externally to stakeholders, and there should be timely information on new policy and legislation,

Clarity and lack of uncertainty will drive motivation and investment in biodiversity and was considered highly important by business.

Indicators and Metrics – considering all targets

The businesses in this workshop were generally familiar with frameworks that provide ways of measuring and reporting, for example, Science Based Targets for Nature (SBTN)⁴, Global Reporting Initiative (GRI)⁵, Biodiversity Net Gain (BNG), Taskforce for Nature-related Finance Disclosure (TNFD)⁶, etc. Although businesses were using or planning to use a diverse range of these frameworks (that is, they didn't all use the same one), they did not necessarily understand the content of each framework well. Many attendees seemed not to be engaged or have knowledge of the indicators within the EIP⁷ and the KMGBF. It was noted that the metrics behind the 25 Year Environment Plan⁸ and the SBTN and TNFD did not seem to be consistent.

That there are frameworks available for measuring and reporting biodiversity was considered a good thing, although the volume of frameworks was felt to be overwhelming and that some, for example TNFD, are complicated even for experienced professionals. (This means that there would be less chance for smaller organisations to understand these frameworks). Businesses are often not keen to invest time and resources into a single framework when

⁴ <https://sciencebasedtargetsnetwork.org/how-it-works/the-first-science-based-targets-for-nature/>

⁵ <https://www.globalreporting.org/>

⁶ <https://tnfd.global/>

⁷ <https://www.gov.uk/government/publications/environmental-improvement-plan>

⁸ <https://www.gov.uk/government/publications/25-year-environment-plan>

there is a risk that they'll be asked by Government to report using a different or new framework. It was noted that there is a need to include state of nature in metrics.

Supply Chains including challenges for SMEs – considering targets 7, 10, 14 & 15

The engagement of business in their supply chain with regard to biodiversity is limited or moderate. However, there is a desire by business to engage with their supply chains. Issues for business here include: businesses have more influence/control over some suppliers than others, they have better oversight of some suppliers than others, there can be thousands of suppliers, and suppliers have little/no understanding of biodiversity management. Related to this, it was considered that there should be a responsibility for both large and smaller businesses to support each other.

The businesses taking part in the workshop were either SMEs or working with SMEs in their supply chains. Similarly to the cross-cutting issues, the challenges for SMEs are familiar: lack of in-house knowledge and understanding, being asked to provide different but similar information in different formats across supply chains, and general lack of expertise, time, and financial resources.

Some businesses are already adding requirements into their supplier codes and contracts and it was broadly agreed that, for suppliers, this is a good approach that could include ratcheting up what's being asked for over time.

There was an impression that suppliers seemed to be unsure of what data is required and how to access it. It would be useful if all businesses, including suppliers, can identify and aggregate data and share this information so that they don't have to start from scratch with new data for each project.

It was agreed that many businesses already worked on carbon and that carbon negative and nature positive should be working side-by-side and/or be integrated, and that a systems approach should be taken.

Resource mobilization and finance – considering targets 18 & 19

Most medium to large businesses seemed to have a moderate to high understanding of the opportunities in nature markets. However, only half of attendees intended to take advantage of these opportunities (we don't know if that's now or in future.)

Businesses can see the potential for future revenue streams for nature but are not confident to invest for reasons that include: it is not clear what return on investment looks like, there is little understanding of what a credit might actually be worth, they can't see the market in practice right now including demand for credits and types, there's not enough guidance on processes and what good looks like, and uncertainty creates risk.

There was a concern that big banks might want to become involved in nature markets but currently many projects are too small. There was also a flip side to this this – how can small projects get investment from big banks.

Conclusions and next steps

Businesses are, and/or want to be, contributing towards nature positive goals, however there is a lack of expertise and standard/recognized frameworks for monitoring, measuring, and reporting. Least understood currently is what investment in nature looks like and this is creating a barrier to investment.

It was generally recognized that action needs to come from both Government and businesses to halt and reverse the decline of nature. There is a need for push and pull factors from Government, and an opportunity for Government and businesses to lead on initiatives, allowing key stakeholders to work together.

IEMA and the UKBBF look forward to hosting further Government–business events to consider, for example, green skills and identifying metrics and indicators for business.

Meanwhile, the working groups to the UN Convention on Biological Diversity continue to build on the KMGBF, adding guidance, indicators, and other aspects to support the implementation of the Framework.

Business can play a significant part in supporting Government in the implementation of the UN KMGBF to reduce biodiversity impacts and promote restoration and long-term investment. Action by all parties will be key to success.

About IEMA

IEMA are the global professional body for over 21,000 individuals and 300 organisations working, studying or interested in the environment and sustainability.

We are the professional organisation at the centre of the sustainability agenda, connecting business and individuals across industries, sectors and borders.

We also help and support public and private sector organisations, governments and regulators to do the right thing when it comes to environment and sustainability related initiatives, challenges and opportunities. We work to influence public policy on environment and sustainability matters. We do this by drawing on the insights and experience of our members to ensure that what happens in practice influences the development of government policy, legislation, regulations and standards.

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About UKBBF

The UKBBF aims to accelerate the mainstreaming of biodiversity as a key part of business operations and decision-making. This will be achieved by supporting UK businesses, governments, and other stakeholders to reverse biodiversity loss, achieve biodiversity net gain and promote the sustainable use of natural resources.

The UKBBF aims to support business in mainstreaming biodiversity, facilitate knowledge sharing across sectors and sizes of organisation, promote success stories, and act as a unifying voice for UK business on the importance of nature.

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