



Webinar series on ‘Science-based targets for biodiversity’

Webinar 1: ‘State of play and finance & business perspectives’

24 March 3.00-4.30pm CET

Summary

Context

At the 15th meeting of the Conference of the Parties to the Convention on Biological Diversity (CBD-COP15) in October 2020, a global post-2020 agenda for biodiversity will be agreed by 193 states. Defining global goals on biodiversity is expected to be a key outcome of this COP15. This will have consequences for all societal actors, not least the business and finance community. Finance and business are therefore increasingly interested in setting science-based targets (SBTs) that contribute to the emerging post-2020 Global Biodiversity Framework.

Objectives and scope of the webinar

This webinar, taking place on 24 March 2020, was the first of a [three-part series of webinar on ‘Science-based targets for biodiversity’](#). The objectives of this first webinar were to:

- Take stock of the state of play and explore best practices from leading businesses and financial institutions on establishing SBT for biodiversity.
- Take stock of SBT initiatives and targets underway with scientific experts

Highlights

Speakers	Key points
Julien Foll, AXA Investment Management	<p>Finance need for science-based targets</p> <ul style="list-style-type: none"> ■ Biodiversity loss affects businesses and represents a risk to investment returns. Companies impacting biodiversity create risks on their investors. ■ Biodiversity loss is a key research and engagement area for AXA IM who wants to lead the way in addressing the issue. ■ AXA IM’s publication on the role of investors in resolving the biodiversity crisis, the AXA/WWF report and the AXA Research Fund guide “Biodiversity at risk – preserving the natural world for our future”, published last year, all presented the need for more biodiversity-related data available for investors. ■ There is currently a lack of available tools and metrics to integrate biodiversity in capital allocation and risk strategies. ■ Companies need to collect data on biodiversity impact before strategies can be developed. ■ AXA IM encourages companies to assess and monitor their biodiversity impacts and dependencies, to work together and partner to establish agreed impact metrics, and to better disclose relevant biodiversity performance indicators. ■ Financial institutions need companies to provide biodiversity-related data, need agreed methodologies and need SBT, in order to assess and mitigate their portfolio risks and allocate capital to create positive impact.
Greet Vanderheyden, Alpro	<p>Business experience with defining boundaries and operating space</p> <ul style="list-style-type: none"> ■ Alpro conducted a pilot study in 2018 taking their sustainability thinking to the next level, working towards the adoption of a “one planet product” approach.

	<ul style="list-style-type: none"> ■ There is no one-size-fits-all approach. Alpro used the GLOBIO Framework to measure impacts and set SBTs linked to planetary boundaries. ■ Methodological challenges were faced due to sector-specific characteristics, suitability of methods to assess impacts across critical areas, and the complexity of planetary boundaries which cannot be seen in isolation (e.g. biodiversity overlaps with land-use). ■ One of the key impacts of the study was the shift it induced in Alpro's strategic sustainability thinking. Farm-level interventions were derived from the local context, but interpreted within the ecological landscape and the land-use global boundary. ■ Biodiversity strategies and SBTs also respond to consumer expectations.
Katie Leach, UNEP-WCMC	<p><i>Setting science-based targets for biodiversity based on planetary science and global goals</i></p> <ul style="list-style-type: none"> ■ Planetary boundaries have long been exceeded. Biodiversity loss and ecosystem degradation have severe social and economic impacts. ■ The five key drivers for biodiversity loss have been identified in the IPBES Global Assessment report published in 2019. ■ To address the global biodiversity crisis, the Aichi Targets were developed in 2011 as part of the CBD (2010). These targets failed to curb the global biodiversity crisis due, among others, to failing to engage with non-state actors. ■ A post-2020 Global Biodiversity Framework is being developed which will be adopted at CBD COP15 this year. ■ The Framework draws on lessons learned from the Strategic Plan and Aichi Targets. It includes a long-term (2050) vision, with five overarching goals, and mid-term (2030) indicators and SBTs to halt biodiversity loss and achieve net improvements.
Christopher Weber, Science-Based Targets Network	<p><i>Science-Based Targets for Biodiversity</i></p> <ul style="list-style-type: none"> ■ SBTN has broadened the scope of science-based targets from focusing on climate change and companies to driving companies and cities to develop SBTs going beyond climate and developing methodologies seeking to assess impacts on all of Earth's natural systems. ■ Developing targets connecting nature proved to be challenging compared to setting climate targets due to the five interlocking drivers of terrestrial and marine biodiversity loss. ■ Targets need to be set to address the drivers separately but also the interaction between these drivers in order to achieve no net loss of nature by 2030. ■ The SBTN is part of the Global Commons Alliance, which also includes the Earth Commission. In 2-3 years, the Earth Commission will provide necessary planetary scientific input (system science) in order for the SBTN to develop methodologies (translational science) and reporting mechanisms (reporting infrastructure). ■ Companies already need to complete the preparatory work, which includes mapping its entire value chain and conducting a materiality assessment, for example. ■ Financial institutions can play an active role in achieving the post-2020 Agenda for Biodiversity through engaging with the companies they invest in (this contrasts with the divestment approach).

1 Part 1: State of play of Science Based Targets for biodiversity.

1.1 Welcome & Opening

In his welcoming remarks, Lars Müller, EU Business@Biodiversity Policy Officer and coordinator of the EU B@B Platform, European Commission, highlighted that 2020 is marked as the “super year” for biodiversity and the private sector has been looking for ways to integrate biodiversity in their business strategies. This webinar responded to the growing interest from corporates and financial institutions in biodiversity footprints and addressed the need to link these to planetary boundaries.



1.2 Why: Practitioner perspective on need for SBT

Finance need for science-based targets: Julien Foll, Responsible Investment Analyst, AXA Investment Management

Julien Foll highlighted the need for guidance for business and financial institutions to effectively address the biodiversity crisis due to the direct and indirect risks it generates for companies and their investors. Responding to this need, the AXA Research Fund, [AXA in partnership with the WWF](#) and [AXA IM](#) published [report and a guide](#) in 2019 on the interdependency of the economy and the natural world. These reports emphasised the complex relationship between nature and business and the difficulty of measuring a company's carbon footprint addressing climate change. Businesses don't have to wait to have a clear understanding of portfolio impacts on biodiversity before taking action to incorporate biodiversity into business plans and risk assessments. AXA IM, BNPP AM, Mirova and Sycomore AM joint forces to [develop pioneering tool for measuring investment impact on biodiversity](#). Following this initiative, they proposed an Investor Statement on the PRI [platform](#) where they offer other investors the opportunity to publicly express they recognize a need to protect biodiversity, they lack of appropriate tools to measure their related impacts, and hence need biodiversity-related impact metrics. It was further highlighted that businesses need to collect data as this is a vital part of developing measures and mitigating biodiversity impacts.

Question: Are there more approaches and initiatives needed and who needs to agree on proposed methodologies?

→ While a range of tools are available, there is a lack of appropriate measurement approaches that would allow investors to measure companies' performance, exceeding the geographical and sector impact assessment.

Question: Who do you want to agree on methodologies?

→ There is a need for a harmonized approach to set STBs, which can be done if the appropriate technology is available to calculate all indicators of the STBs in a consistent manner.

Question: Could you tell us more on the investor statement you mention? Is it finalized or ongoing?

→ The investor statement has been publicly available.

1.3 What: SBT by corporates. What is in use and what is in development?

Overview of initiatives, Anne-Marie Bor, Lead Workstream Pioneers, EU Business@Biodiversity Platform

A complete background on initiatives including SBT Network, Global Biodiversity Framework, Business for Nature and Act4Nature is compiled and can be found on the [Webinar page](#).

1. Part 2 – HOW: Planetary science – objective, drivers of loss and operating space

Business experience with defining boundaries and operating space - Greet Vanderheyden, Sustainable Development Manager, Alpro

Greet Vanderheyden underlined Alpro's sustainability track record and the fact that the company had more recently been focussing on the impact of their activities on biodiversity. Alpro's "One Planet Thinking" [pilot study](#) was presented. This started 2018 in cooperation with partners including WWF NL and IUCN. The rationale for this pilot study was to extend and improve the companies' sustainability thinking from carbon targets to other impact areas related to agricultural activities. The aim was to find a way to explore planetary boundaries for agricultural impact factors and how to translate this into a methodology for companies. The obligation to operate within the limits of the planet's natural capacity was recognized. Business drivers for undertaking this study included, among others, the need to



safeguard business continuity and consumers' expectations. The study emphasised the limitations of previous sustainability approaches, which led the company to move away from a comparative approach (plant-based vs dairy), to mapping their own impacts to develop a "one planet product" in the future with no-net loss for biodiversity.

This means one high-impact way in which Alpro could benefit the environment is by introducing measures on its farms to create corridors of biodiversity to increase connectivity with surrounding natural habitats.

The study aimed at setting impact reductions in line with nine planetary boundaries introduced by the Stockholm Resilience Centre in 2009. It built on methodologies and practical tools that were used to set the companies' GHG targets and sought to develop ways for measuring the company's natural footprint and environmental target setting. Specific recommendations for Alpro's circumstances were also provided. The study focused on 4 critical boundaries that are directly impacted by agricultural activities: land-use, freshwater use, nitrogen cycle disruption and biodiversity loss. Data from 12 almond farms in three different regions in Eastern Spain was analysed to determine tipping points that threaten the functioning of the earth system. A broad range of methods were used as starting methodologies to set SBTs, including the Globio Framework from PBL for biodiversity, the Nature Intact Vegetation index (NIV) for land-use and the Half Earth approach for water use. The study found that planetary boundaries cannot be addressed in isolation. It showed that performance in one area is linked to impacts on other boundaries and that trade-offs occur. For example, even though organic farms performed better than conventional ones in the area of fresh water, soil nutrient loss, and carbon emissions, less yield per hectare of land used was produced. In addition, the results also indicated land-use as a driving force behind other biodiversity and ecosystem impacts. The evaluation revealed that both land and biodiversity boundaries were likely to be severely crossed. The boundaries of land-use were evaluated at four different levels: global, regional, landscape and farm. The evaluation of indicated the need for spatial and temporal resolutions on a case-by-case basis, proposing interventions at farm level but interpreted within the bigger picture of ecological landscape and global land-use boundaries.

The study also identified methodological limitations of the GLOBIO Framework. Setting targets related to planetary boundaries could partially not be applied on almond cultivation and the baseline was not applicable on farm scale.

Based on the outcome of the pilot process, the recommendation made to mitigate the impacts based on the planetary boundaries was to implement high measures for farms located in valuable biodiversity areas, which could be compensated by more intensive farming in lower risk areas to make up for economic and financial losses.

To conclude, the next steps and main challenges were outlined. Among these, the need for an approach to evaluate trade-offs was also highlighted as a priority to come to actionable mitigation strategies for multiple boundaries simultaneously. Finally, scaling-up was put forward as major challenge due to a lack of resources. This, however, required further refinement of methods first.

Question: The carbon SBT are based on political trajectories like the 1.5°C/2°C. The CBD Zero Draft provides a target for ecosystem integrity: "No net loss by 2030 in the area and integrity of freshwater, marine and terrestrial ecosystems, and increases of at least [20%] by 2050". Have you considered aligning on such trajectories?

→ These carbon targets were part of the company's 2020 strategy, which is being revised at the moment. Alpro is looking at how to built on these methodologies and improve its sustainability strategy.

Question: In which way do you communicate about your sustainability work to consumers or others?

→ Alpro communicates about its sustainability approach through social media and directly on product packaging. A shift took place in marketing strategies in the last six years and communicating on sustainability became of increasing importance due to consumer incentives.



Question: to what extent did you need the data insights to identify farms that required interventions and to what extent did you use the data to understand which interventions could help at farm-level?

→ Farms were identified based on previous scientific results and were representative in terms indicators, including soil characteristics and water-use. In the second stage, new data sets are being collected looking at qualitative practices.

Setting science-based targets for biodiversity based on planetary science and global goals - Katie Leach, UNEP-WCMC

Global biodiversity decline can have major economic and social impacts, which reinforces the importance of setting SBTs. Global biodiversity targets have been agreed upon in 2011 by the 196 signatories of the CBD. These provide a framework for action (2011-2020) at both national and international levels with an agreed vision of “living in harmony with nature”, but failed to achieve their goal. The exclusion of non-state actors was put forward as one of the main reasons for failing to curb biodiversity loss. Nevertheless, it was underlined that these targets were widely accepted by governments and other stakeholders, recognized by other biodiversity-related conventions and at least partially embedded within the SDGs. A new post-2020 Global Biodiversity Framework should be adopted at CBD COP15 later this year replacing the current Strategic Plan. This Framework will propose:

- Long-term (2050) vision with five overarching goals. The goals have been drafted but still need to be finalized.
- Mid-term (2030) biodiversity Action Targets that are science-based, specific and measurable.
- The set of indicators, targets and goals will seek to stabilise biodiversity loss and achieve net improvements.
- All aspects of biological diversity defined by the CBD are addressed, namely diversity within and between species and diversity of ecosystems.

The new Framework finds its strength in including specific targets, aligning actions that can be taken.

Question: To what extent are (or will) the CBD targets aligned with the science of planetary boundaries?

→ The targets do not directly align with the science of planetary boundaries, but these insights have been integrated in the Strategy and provide input in developing the targets. The CBD Framework is built upon the research of planetary boundaries.

Question: Where are the corporates and financials in the CBD Framework?

→ The CBD Framework provides opportunities for the private sector to shape and contribute to the development of the Strategy, including open-ended working group meetings providing companies opportunity to comment on the new Framework and the private sector can also engage through the Informal Advisory Group on Mainstreaming of Biodiversity. Even though the CBD is working closely with businesses to increase the involvement of non-state actors, there is still room for improvement. A meeting that was initially planned in May (now rescheduled to August), will focus on the implementation of the framework and will need to secure engagement of corporates and financial institutions.

Science-Based Targets for Biodiversity - Christopher Weber, Technical Director Science-Based Targets Network

The Science Based Targets Network (SBTN) is a joint initiative by CDP, UN Global Compact, the World Resources Institute and WWF, which initially intended to increase corporate ambition on climate action by providing companies a clearly defined pathway to reduce GHG emission through setting science-based



targets. The Network recently expanded its scope of activities by supporting companies, cities and financial institutions to operate within the environmental boundaries on a socially equitable basis.

SBTN is currently looking into developing methodologies for SBT setting across all earth systems. The need to transform natural resource exploitation alongside decarbonisation of the economy was emphasized. As part of the Global Commons Alliance, the Network aims to transform the global economic systems by encouraging companies, investors and cities to adopt SBTs. The scientific input provided by the newly formed Earth Commission will constitute the basis to develop these biodiversity targets. As they are expanding areas for action from climate to fresh water, land-use, and all other aspects of the whole Earth System, they have been encountering new challenges. Light was shed on the complexity of developing SBTs for nature and biodiversity, which compares to the relatively simple task to setting carbon targets to reduce emissions and halt climate change.

Using the high-level goals set out by the CBD as a starting point, the Network created the 12 steps of SBT development and support. These steps are divided in three overarching areas of work, that correspond to the themes of the 3 webinars:

- Planetary science, including mapping system dynamics and defining the objective (Webinar 1)
- Translational science, including determining relevant actors and developing allocation methods (Webinar 2)
- Targets infrastructure to measure actor progress (Webinar 3)

Where the Paris Agreement set a clear goal, with translational points already in place, to address climate change, the CBD left many gaps to be filled in. The challenge of translating the global biodiversity goals into specific targets was stressed a few times. The links between drivers of terrestrial and marine biodiversity loss were put forward as the main barrier to developing methodologies. In terms of target infrastructure, a standardized reporting approach needs to be set out.

Even though an integrated SBT methodology for all earth systems will only be issued in 2022, participants were encouraged to start preparatory work. Steps to be taken are outlined on the Network's website. In the meantime, the Network is developing the framework following the sequential hierarchy of avoiding, reducing, restoring and transforming, outlined by the IPBES Report.

A view on the activities timeline showed an integrated proxy guidance on SBTs for nature in the pipeline for later this year.

Question: From what I understand, the Science Based Targets initiative (SBTi) helps companies determine how much they must cut emissions to do their part to address climate change which is really good. The idea seems similar on biodiversity. I'm afraid that from an investor perspective, we should not say that a portfolio is SBT compliant only if it invests in companies which have implemented SBT targets. From my perspective, whether we talk about climate or nature, at portfolio level, there is a need for changes in sectoral allocation to be SBT compliant. For instance, decrease investment in fossil fuels and increase investment in renewables and energy efficiency. What is your view on that?

→ This is a normative question rather than a scientific one and goes to the heart of the discussion on the role of financial institutions. It raises the question of divestment versus engagement. However, global systemic transformation will be achieved and there will be shift in the global economy. It is important that financial institutions already engage with the companies in their portfolio and contribute to that shift.

Question: Do you really think we can afford just wait from couple of years until eh SBT framework is ready? What should corporates do right away now?

→ Corporates and financial institutions cannot wait for the science to be perfect. There is a need for engagement and action to be taken now to be prepared once the methodologies have been developed. Pre-steps that can be taken are listed on the SBTN website and include the mapping of the value chain



for example. Compared to GHG emissions, biodiversity impact is site specific and therefore needs to be mapped first.

2 Part 3: The way forward on biodiversity SBT & Closing remarks

Registration for Webinar 2 and 3, respectively on April 2 and 16, can be found on the following webpage:

<https://next-ma.eu/landing/eubiodiversity>

Webinar 2 will focus on “Allocation” - How to share the efforts between various actors of society to achieve global goals on biodiversity”.

This webinar will provide an overview of existing scientific methods to translate global biodiversity goals into actionable targets for countries and businesses, and associated methods to allocate contributions to each actor. Following initial presentations, the webinar will seek input from attendees on the most appropriate allocation methods from the perspectives of the private sector and financial institutions.

Webinar 3 will focus on “Compatibility with measurement approaches” i.e. how to measure progress towards biodiversity targets with corporate biodiversity measurement approaches.



Annex 1 Attendees summary:

Number of attendees:	65
Maximum number of attendees at the same time:	59
Average attendance time:	1h 35 min

Country statistics

