



PHOTOGRAPH: COURTESY OF THE SECRETARIAT OF THE CONVENTION ON BIOLOGICAL DIVERSITY

ELIZABETH MARUMA MREMA WAS THE EXECUTIVE Secretary of the Convention on Biological Diversity, which organized the landmark COP15 biodiversity summit in Montreal in December. She is also Co-Chair of the Taskforce on Nature-related Financial Disclosures (TNFD), leading the development of a framework for companies and investors to report on their nature-related risks. Adopted by 196 countries, the Kunming-Montreal Global Biodiversity Framework, or GBF, has been compared to the Paris Climate Accords of 2015. That agreement shifted the global conversation on climate change, providing a clear end goal and laying out a set of expectations and reporting channels to guide governments, organizations and stakeholders on a shared pathway for climate action. Similarly, the GBF offers a clear global target and roadmap for organizations in their efforts to reverse biodiversity loss—a crisis closely intertwined with climate.

In a recent interview with the *Brunswick Social Value Review*, Mrema gave us her perspective on

ELIZABETH MARUMA MREMA,
one of the architects of the Global Biodiversity Framework, tells Brunswick we need a “whole-society approach” to reversing biodiversity loss.

COP15 and the Framework, and also the challenges ahead for business.

While she will continue in her role as Co-Chair of the TNFD, Mrema has recently been appointed Deputy Executive Director of the United Nations Environment Programme and will be leaving Montreal to assume that position in Nairobi.

“I am honored and excited to step into this new role,” she says. “Making the move back to UNEP in Nairobi is bittersweet. I have enjoyed my time with the Convention on Biological Diversity Secretariat in Montreal, and we have accomplished so much, including the GBF. There is still much work to be done. Thankfully, the CBD Secretariat has a very talented and capable team to oversee the implementation of the GBF.”

Why is the Global Biodiversity Framework so important?

Halting and reversing biodiversity loss is not just about saving a few endangered species or keeping beautiful landscapes for us to look at. Biodiversity

underpins our very existence on this planet—food, water, health, goods and services, climate regulation and more. Our time is running out. We are coming up to the threshold where we will no longer be able to undo the damage we have done and, at that point, our future will be lost.

It is estimated that humans have altered over 97% of ecosystems worldwide, to date. One million species are currently threatened with extinction. Wildlife populations have dropped a staggering 69% since 1970, according to the World Wildlife Fund. And the World Economic Forum estimates over \$44 trillion dollars of assets globally, or over half of the world's GDP, is at risk from biodiversity loss. An estimated 4 billion people rely primarily on natural medicines for their healthcare and some 70% of cancer drugs used are natural or are synthetic products inspired by nature.

What was it like brokering this kind of international agreement?

Negotiations at COP15 definitely started slow; consensus can be hard to reach. It was countless hours of negotiating and everyone ensuring their voice was heard over a grueling two weeks and as you know, the outcome was a success. Parties really stepped up, kept their eyes on the common goal and were able to produce an incredibly strong, robust and actionable GBF.

Now what's needed is swift and strong implementation in order to affect behavior change.

Business engagement at COP15 was unprecedented for a biodiversity COP, why do you think we have seen this shift in business engagement?

The Secretariat has been working tirelessly to engage with business associations, sectoral organizations and the broader business community. Since COP11 in Hyderabad, we organized the Business and Biodiversity Forum in parallel with COP formal negotiations and have seen exponential growth in business participation over the years. There is clearly a business case for halting and reversing biodiversity loss. Inevitably, many businesses, as well as financial institutions, are dependent on biodiversity for their survival.

At COP15, the Secretariat, with the support of the government of Quebec, also organized a multi-stakeholder space to highlight and strengthen the role of stakeholder groups in the successful implementation of the GBF. Business and finance sectors made the most of the opportunity, holding many interactive sessions and dialogues that were extremely timely and compelling.

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I would also highlight the work of coalitions such as Business for Nature, the Global Partnership for Business and Biodiversity and many others that have helped rally businesses and make the case for strong participation.

How significant is business engagement for tackling the nature crisis?

Economic activities are intrinsically linked to biodiversity loss. According to the IPBES (Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services) Global Assessment, change in land and sea use, pollution, overexploitation of organisms, invasive alien species and climate change are the main drivers of biodiversity loss. All of these can be linked back to economic activities and our day-to-day lifestyles.

We need businesses to re-think their relationship with the environment. Business as usual is no longer an option and production systems need to become fully sustainable. The strong presence of businesses and financial institutions, not only at the COP but throughout the negotiations, was crucial. It gave the negotiators a clear indication that businesses stand ready to support implementation of this historic global agreement.

What must happen next to ensure the promise of the agreement becomes a reality?

The Parties are now obligated to implement the GBF within their jurisdictions—including at the supra-national level, such as with the European Union, and at the country level. This means that the GBF will form the basis for policy and regulatory action within countries.

With the GBF being implemented, this should create a policy and regulatory environment that enables actions in support of nature, along the entire vision, goals and targets of the agreed text. This includes action strengthening the Framework for equitable sharing of benefits from biodiversity, with a focus on those in society that are most vulnerable to the combined effects of nature loss and climate change including local communities, indigenous people—who are custodians of many ecosystems of very high importance for conservation—girls and women, and youth. A whole-of-government and whole-of-society approach to the implementation of the GBF will be the ground rule.

Do you think companies now need to integrate nature into their net-zero strategies?

Climate change and biodiversity loss are inter-

connected; they need to be addressed together. Not doing so will hamper success for both climate change and biodiversity loss. Going further, companies must also see biodiversity loss as a serious risk to their businesses and they need to develop strategies to tackle it. Biodiversity is a complex issue and it has a geographical component that cannot be overlooked. Simply adjusting won't solve the problem. We must aim for coherent, integrated solutions and not a band-aid fix.

What will transparency on nature mean for major companies? How will this help tackle the nature crisis?

Large and transnational companies have been disclosing on their carbon footprint for years. That helped them understand their performance under Scopes 1, 2 and 3 and work toward lowering those over time. Assessing and disclosing impacts and dependencies on biodiversity will help businesses to understand their relationship with nature and biodiversity, informing decision making in the long run and helping develop strategies for the purpose.

The Taskforce on Nature-related Financial Disclosures is currently developing a risk and impact assessment and management Framework to review and disclose dependencies and opportunities, currently being pilot tested by over 150 companies. The final version of the TNFD Framework aligning with and responding to Target 15 of the GBF will be launched later this year.

The GBF also makes strong reference to value and supply chains which means that large businesses will have to better understand how their entire business model is impacting biodiversity and work with suppliers and business partners to make a real transformation.

Which sectors will be most important, and how can they do more to tackle the crisis?

We have a lot of work to do, and all economic sectors have an important role to play. Of course, businesses that are heavily dependent on biodiversity and natural resources, such as food and energy, are critical, but we need a whole-of-society approach to solve the planetary crises we are witnessing.

Other sectors, such as the financial sector, will also be instrumental in achieving the goals and targets set out in the GBF. Businesses will have to look into their operations, value chains and products and identify solutions that will help them reduce their negative impacts on biodiversity—from product development to disposal.



It sounds complex and, depending on the business model, it probably is. But if there is anything that businesses have taught us over the years, it is that they have the ability and the ingenuity to solve problems and develop solutions. We are counting on that ability to make a real change so we can reach 2030 and be proud of what we have achieved.

Are there business opportunities for companies that can provide solutions?

There are many opportunities for the economy to grow and become more resilient by protecting biodiversity.

Global sales of electric vehicles nearly doubled in 2021 in comparison with 2020. Pharmaceuticals based on materials of natural origin that are sustainably sourced are worth an estimated \$75 billion a year. The global ecotourism market size was valued at \$185.87 billion in 2021 and is expected to grow more than 15% from 2022 to 2030 generating income for millions of people around the globe.

We need to focus on the big picture. Standing forests, balanced ecosystems and a healthy ocean can generate countless economic opportunities. We need to embrace these and scale them for a true sustainable future.

MARKET USABILITY

Develop frameworks directly usable and valuable to market reporters and users, notably corporations and financial institutions, as well as policy and other actors.

SCIENCE BASED

Follow a scientifically anchored approach, incorporate well-established and emerging scientific evidence and converge toward other existing science-based initiatives.

NATURE-RELATED RISK

Embrace nature-related risks that include immediate, material financial risks as well as nature dependencies and impacts and related organizational and societal risks.

PURPOSE DRIVEN

Be purpose driven and actively target reducing risks and

increasing nature-positive action by using the minimum required level of granularity to ensure achievement of the TNFD goal.

INTEGRATED & ADAPTIVE

Build effective measurement and reporting frameworks that can be integrated into and enhance existing disclosures and other standards. Account for and be adaptive to changes in national and international policy commitments, standards and market conditions.

CLIMATE NATURE NEXUS

Employ an integrated approach to climate- and nature-related risks, scaling up finance for nature-based solutions.

GLOBALLY INCLUSIVE

Ensure the framework and approach is relevant, just, valuable, accessible and affordable worldwide, including emerging and developed markets.

Can you tell us where we are in the process, and what business should expect from TNFD in the coming months?

The TNFD is progressing fast and on schedule. As you may know already, the Taskforce is composed of 40 individual senior members from leading corporate, financial and service provider organizations, supported by a TNFD Secretariat. The TNFD is overseen by a stewardship council composed of governments, public financial organizations, multilateral agencies and civil society organizations.

The TNFD Forum has over 800 members and there are over 150 pilot studies going on to test the application of the draft Framework and guidance in various sectors and geographies, providing feedback to the TNFD Secretariat to inform future iterations of beta versions.

While the Global Biodiversity Framework does not in any way imply that the TNFD should be the unique approach for reporting on nature-related risks, dependencies and impacts, it is fair to say that the TNFD is a highly advanced and broad-ranging initiative on nature-related disclosures—not limited to a particular sector, jurisdiction or type of asset.

The TNFD also works to build consistency with other approaches and standards, such as the Science Based Targets Network (SBTN) and the International Sustainability Standards Board, which announced during COP15 that its climate-reporting guidance would integrate guidance on biodiversity drawing from the TNFD.

As the TNFD progresses toward the final beta framework in March we expect further voluntary uptake from the market. We also expect further reference to the TNFD within policy and regulatory frameworks as the GBF and Target 15 on disclosure are implemented by countries.

How will the TNFD help companies measure and disclose their impacts and dependencies on nature, and factor that into strategic decision making?

The TNFD guidance is structured along four pillars: Governance, Strategy, Risks and Impacts, Data and Metrics. These pillars apply to various levels within an organization, from board level to operations.

The intent of the TNFD is to provide a framework for reporting useful information to report preparers, decision makers, shareholders and investors, on the exposure of an organization to nature-related risks, dependencies and impacts.

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This includes information on how these impact the value and resilience of the organization in the context of the triple crises of biodiversity loss, climate change and pollution—the assessment of physical risks, such as water scarcity or reduction of natural pollination, as well as transition risks related to evolving regulatory frameworks, reputational exposure, customer expectations, and the impact of biodiversity loss on the business model.

An organization can then factor these within strategic decision making and translate that into operational management.

What advice would you give to companies that are just starting to get to grips with this issue—where should they begin?

I would suggest starting simple. Use the TNFD piloting program as an opportunity to understand and test the approach to a narrowly defined part of the organization (a specific activity, value chain, portfolio, or asset class). This is an opportunity to build awareness and capacity before more comprehensive integration.

Companies can also build upon the experience of climate-related risk assessment and disclosures. This is something in which many organizations have already invested resources, and there are many synergies between nature-related reporting and climate-related reporting.

The time to start is now; there is no reason to delay action. Nature is in crisis and this has tangible economic and operational implications. And with Target 15 of the GBF pushing toward regulatory disclosures, this will become a regulatory requirement in a progressively higher number of countries, so best be prepared, be ahead of the curve and not sit around waiting for the anticipated regulatory requirements.

Where do you see this work in five years?

The GBF has been adopted by 196 countries. The next step includes its internalization by these countries, translating the goals and targets into policies and regulations. Naturally, this will have lasting impacts on businesses all over the world.

We have seven years to deliver on those targets so expectations are understandably high, and the world will be watching and following through the GBF-established monitoring mechanism. ♦

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