



# BUILDING INTEGRATED POLICIES FOR THE PLANET: HOW GOVERNMENTS CAN DRIVE BUSINESS ACTION ON NATURE AND CLIMATE

## INTRODUCTION

This publication presents a set of integrated policy recommendations to address the twin crises of climate change and nature loss. Tackling these issues together is becoming increasingly urgent if we are to achieve the goals set out in the Paris Agreement, adopt and implement a transformative Post-2020 Global Biodiversity Framework and achieve the Sustainable Development Goals (SDGs). *'Building Integrated Policies for the Planet'* seeks to simplify the landscape for policymakers and businesses ahead of key international negotiations.

**Addressing nature and climate together is an imperative to build an equitable, nature-positive and net-zero future.** Science tells us that [we cannot contain global warming to 1.5°C without addressing nature loss](#), and we cannot reverse the loss of nature without a stable climate. A [recent report](#) from 50 of the world's leading scientists recognized this interconnection and identified actions to simultaneously fight the climate and nature crises. Businesses are starting to take a more integrated approach, but to accelerate action, coherence and aligned policies on nature and climate are needed.



## THE NATURE AND CLIMATE CRISES ARE A RISK TO LIVELIHOODS AND ECONOMIES.

### Nature and climate are at a tipping point.

Global temperatures are expected to rise between 2.6°C and 3.9°C, natural disasters caused by human ecosystem disruption and climate change already cost more than \$300 billion per year, and 75% of the world's land and 66% of the marine environment is significantly altered by humans.

Our prosperity and livelihoods rely on a thriving natural world and stable climate. Today, nature provides services worth at least \$125 trillion per year globally. The agricultural sector employs 65% of the world's working poor and, in the Global South, over 1.6 billion people depend on forests for their livelihoods. As the UK Treasury-commissioned [Dasgupta Review](#) of the Economics of Biodiversity puts it, our economies "are embedded within Nature ... not external to it."

Biodiversity loss, ecosystem collapse, and failure to act on climate change, are now ranked as three of the top five threats in terms of impact and likelihood humanity will face in the next 10 years. More than half of the world's GDP – an estimated [US\\$44 trillion of economic](#)

[value generation](#) – is moderately or highly at risk due to nature loss.

But while the risks to our global economy are daunting, **addressing nature and climate together is an imperative and urgent action yields massive opportunity.** In [The Future of Nature and Business](#), the World Economic Forum identified 15 systemic transitions with annual business opportunities worth over \$10 trillion that could create 395 million jobs by 2030, that together can pave the way towards an economy that's more resilient to future shocks.

*"Mitigating against the worst effects of climate change will have significant benefits for biodiversity, and avoiding biodiversity loss will have a positive effect on climate change. As the climate changes, people will need to adapt to new conditions, and employ strategies that deliver for humanity, biodiversity, and the climate simultaneously."*

The Dasgupta Review, 2021



## BUSINESSES ARE STARTING TO TAKE AN INTEGRATED APPROACH.

Businesses have a critical role to play. Taking urgent and holistic action now to address negative impacts on nature and climate will make a significant contribution towards achieving the SDGs.

Momentum is building for companies to mitigate their climate and nature impacts, work to restore what's been lost, and invest in nature-based solutions which serve nature, climate and societal goals. Leading companies are beginning to recognize this opportunity, and are making ambitious commitments and taking decisive action. For example:

- Unilever has announced a EUR 1 billion climate and nature fund that will be used over the next ten years to take action on landscape restoration, reforestation, carbon sequestration, wildlife protection and water preservation. Pharmaceutical giant GSK has announced two new environmental goals across both climate and nature – aiming to have a net-zero impact on climate and a net-positive impact on nature by 2030.
- In addition to carbon neutrality and land stewardship goals, retail giant Walmart has created Project Gigaton, which aims to avoid one billion metric tons of greenhouse gases from global value chains by 2030, through projects related to energy, agriculture, waste, packaging, forests, and product use.
- Nine companies, including BCG and AirBnB, have launched the LEAF Coalition to mobilize more than \$1 billion to end tropical deforestation. This effort addresses the source of more than 10% of global greenhouse gas emissions while protecting ecosystems that are home to half of the world's terrestrial biodiversity.
- Over 1000 businesses are already committed to set science-based targets for climate, and hundreds have signed up to develop and implement science-based targets for nature.
- Thousands are taking action such as switching to renewable energy, investing in natural infrastructure like Anglian Water, Nestlé and Suez, enhancing climate, water and natural capital reporting and disclosure and eliminating deforestation from supply chains.

# GOVERNMENTS MUST PROVIDE A **CLEAR DIRECTION ON NATURE AND CLIMATE NOW** TO INCENTIVIZE **MORE BUSINESS ACTION FOR THE PLANET.**

Businesses cannot address the twin crises of climate change and nature loss on their own. Collaboration between business, government, and communities is vital to deliver positive outcomes for people and the planet. Governments must develop ambitious and integrated policies to transform our economic and financial systems to become equitable, nature-positive and net-zero. This would create a positive policy feedback-loop and give confidence for the private sector to innovate, invest and change their business model by creating a level playing field and stable operating environment.

*Figure 1. Creating a positive business-policy feedback loop. Adapted from ambitionloop.org.*

## CREATING A **POSITIVE FEEDBACK LOOP**



New political signals are encouraging, like the [G7 announcing](#) that “our world must not only become net-zero, but also nature-positive, for the benefit of both people and the planet” or the adoption of the [Leaders Pledge for Nature](#) by 88 Heads of State, committing to stepping up ambition levels for nature and climate and addressing environmental justice. But this political momentum must be translated into concrete and transformative policies and regulation on the ground.

Governments must use upcoming key moments to provide companies with long-term certainty that change is coming. The 15<sup>th</sup> UN Convention on Biological Diversity (CBD COP15) is the opportunity for countries to adopt a transformative global agreement for nature. Likewise, the 26th Conference of the Parties to the UN Framework Convention on Climate Change (UNFCCC COP26) represents a key opportunity to elevate ambition and investment in nature-based solutions, essential to achieving the 1.5°C goal of the Paris Agreement.

As the recent [IPBES-IPCC Co-sponsored Workshop Report on Biodiversity and Climate Change](#) found, previous policies have largely tackled biodiversity loss and climate change independently of each other, and it is clear that “ignoring the inseparable nature of climate, biodiversity, and human quality of life will result in non-optimal solutions to either crisis.”

Now is the time for business and governments to work together and seize the moment of taking an integrated approach to tackling nature loss and climate change.

*“Treating climate, biodiversity and human society as coupled systems is key to successful outcomes from policy interventions.”*

IPBES-IPCC Co-sponsored Workshop Report on Biodiversity and Climate Change, 2021



# AN INTEGRATED FRAMEWORK FOR **BUILDING POLICIES FOR THE PLANET**

Many businesses are already calling for change and demanding this transformation. Through the We Mean Business and Business for Nature coalitions and their partners, businesses are urging governments to adopt policies that transform our economic and financial systems in a way that places nature and climate at the heart of global decision-making. Since the onset of COVID-19, more than 1200 major global companies have also called on governments to invest in climate action and build back better through a series of high-profile letters and direct advocacy.

To create a positive business-policy feedback-loop, governments must adopt, implement and enforce policies beneficial for nature, people and climate to ensure a holistic approach and support accelerated business action **to achieve the SDGs by 2030**.

We Mean Business and Business for Nature call on governments to:



## **Adopt interlinked key targets for a systemic transformation to a net-zero, nature-positive and equitable economy.**

Businesses look to governments to provide the direction of travel, including through bold targets with explicit interlinkages and clear timelines to give them the clarity and confidence they need to put forward even more ambitious commitments of their own, which in turn will help governments to further strengthen and enhance integrated national nature and climate policies and plans.

## **Value and embed nature and climate in decision-making and disclosure to go beyond short-term profit and GDP.**

To support a successful transformation across the whole economy to a net-zero, nature-positive and equitable economy, markets need full information on climate and nature risks and opportunities. The value of nature and climate for people and society, including the economy, needs to be visible and considered in decision-making. Governments, companies and financial organizations will take better decisions if they use information 'beyond short-term profit and GDP' that includes impacts and dependencies on nature and climate mitigation and adaptation, as well as synergies and trade-offs informed by science and planetary boundaries.

Government must work toward mandatory disclosure regimes based on robust, integrated and standardized Environmental, Social and Governance (ESG) frameworks that would strengthen transparency and accessibility of information and accelerate progress towards a shared accountability system for the global commons. This would include clear pricing signals that shift global financial flows away from polluting investments and toward net-zero and nature-positive business models.





### **Reform subsidies and incentives to reward nature-positive and net-zero actions and finance a just transformation.**

The transformative change needed to reverse nature loss, climate change and inequality cannot be achieved without proper incentives and financial mechanisms. A systemic change is required to eliminate all **environmentally harmful** subsidies and perverse incentives for fossil fuel use by 2025 **and for activities** driving nature loss and land-use and sea-use change by 2030. These incentives should instead be invested in actions which reduce emissions and restore, protect, and sustainably manage our global commons. Reforming harmful subsidies will send a signal to business that their leadership is needed to design innovative, circular and profitable business models that do no harm and deliver positive long-term outcomes on nature and climate.



### **Embed ambitious climate and nature action for a sustainable economic recovery.**

The COVID-19 pandemic has been a stark reminder of our economic system's fragility and the interrelationship between our planet, health and economy. Governments must seize the opportunity to 'build back better' by developing long-term economic recovery plans that incorporate principles of nature recovery and climate action to build stronger, more resilient economies with strong social benefits. Public finance must be aligned with sustainability priorities to avoid entrenching business-as-usual pathways. Clear government action, stimulus packages and related policies will give businesses the clarity and confidence they need, and in turn catalyze private sector investment in a nature-positive and zero-carbon recovery.



### **Align the Rio Conventions to accelerate outcomes and realize co-benefits.**

Ahead of Rio+30, the UN Framework Convention on Climate Change (UNFCCC), the Convention on Biological Diversity (CBD) and the UN Convention to Combat Desertification (UNCCD) must be brought into alignment in support of the Sustainable Development Goals (SDGs) and the 2030 Agenda for Sustainable Development. Analysis of this alignment will enable decision-makers to identify opportunities for integrated solutions, highlight potential co-benefits and avoid negative externalities which may undermine progress in other thematic areas.

Countries should integrate their approaches to implementing Nationally Determined Contributions (NDCs), National Biodiversity Strategies and Action Plans (NBSAPs) and National Action Programs (NAPs) to combat desertification in a manner that recognizes the synergies, co-benefits and trade-offs to enable a just transition. Simplifying the agenda and harmonizing policy framework and regulatory approaches will provide business with much needed certainty to facilitate and encourage private-sector action.



## ABOUT BUSINESS FOR NATURE

Business for Nature is a global coalition that brings together business and conservation organizations and forward-thinking companies. Together we **demonstrate and amplify a credible business voice on nature calling for governments to adopt policies to reverse nature loss in this decade**, and encourage companies to commit and act in an integrated way on nature, climate and inequality.

We work with more than 60 international and national partners and a diverse group of businesses from all sectors, sizes and geographies.

## ABOUT WE MEAN BUSINESS

The We Mean Business coalition is **a global nonprofit coalition working with the world's most influential businesses to take action on climate change**. Together, we catalyze business and policy action to halve global emissions by 2030 in line with a 1.5°C pathway.

We collaborate with a core group of seven business-focused climate nonprofit organizations to accelerate the transition to a just and climate resilient net-zero economy. These founding partners help to deliver key initiatives and activities that are central to the success of the overall Coalition's bold objectives. Beyond this core group, we also collaborate with a wider network of organizations that help to realize our shared vision at speed and scale.