

Strategic Plan for the Biodiversity Credit Alliance

2024-2025

August 2024

A new market in nature credits needs the best possible start

The Biodiversity Credit Alliance (BCA) exists to provide guidance for the formulation of a credible and scalable biodiversity credit market that stands up to the scrutiny of multiple market participants. Key among them are Indigenous Peoples and 'local communities' who live at the frontline of the nature crisis, and are represented on BCA's Communities Advisory Panel (CAP). Together we are working to ensure strong foundations and principles exist and can be applied by all entrants to the market.

How this Strategic Plan was produced

The BCA Strategic Plan v.1.0 is a result of extensive consultations with the BCA Task Force, the BCA Communities Advisory Panel, and other partner organizations working in the biodiversity credits and nature markets space. The Biodiversity Credit Alliance considers this a living document that will be updated and revised as necessary.



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Acronyms

BCA	Biodiversity Credit Alliance
CAP	Communities Advisory Panel
CBD	Convention on Biological Diversity
COP	Conference of the Parties (of the CBD)
GBF	Global Biodiversity Framework
IAPB	International Advisory Panel on Biodiversity Credits
MRV	Monitoring, Reporting, and Verification
TNFD	Taskforce on Nature-related Financial Disclosures
SBTN	Science Based Targets for Nature
SIDA	Swedish International Development Cooperation Agency
UNDP	United Nations Development Programme
UNPFII	United Nations Permanent Forum on Indigenous Issues
UNEP FI	United Nations Environment Programme Finance Initiative
WEF	World Economic Forum

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Mission

BCA is a voluntary international alliance that brings together diverse stakeholders to support the realization of the Kunming–Montreal Global Biodiversity Framework, in particular Targets 19(c) and (d), which “encourage the private sector to invest in biodiversity” utilizing, amongst others “biodiversity credits ... with social safeguards.”

Our mission is twofold:



Help steer the development of a voluntary biodiversity credit market by building a framework of high-level, science-based principles.



Provide guidance and encourage best practice for market participants on the application of these principles, empowering them to achieve and maintain equitable, high-quality transactions that meet strict integrity criteria.

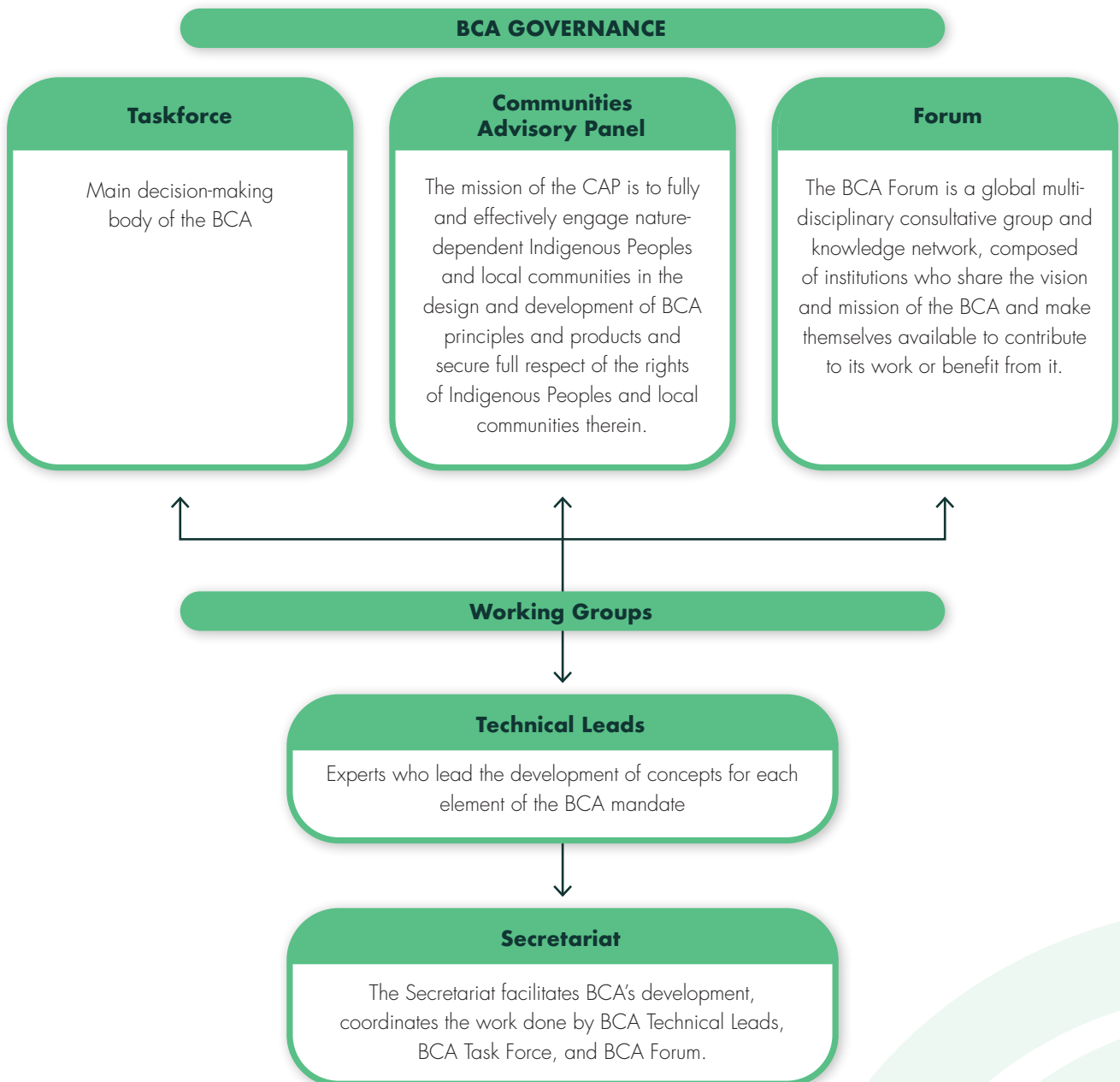


Vision

BCA's vision is a transparent, trustworthy and efficient global market in biodiversity credits founded on just and equitable principles, and underpinned by innovation.

BCA Structure

Facilitated by UNDP, UNEP FI, GIZ and SIDA, BCA was established in 2022 at CBD COP 15 in Montreal to develop global biodiversity credit principles, and install integrity guardrails critical to the building of confidence and for the establishment of a credible, equitable and scalable market that stands up to the scrutiny of multiple stakeholders. Key among them are Indigenous Peoples and local communities.



Indigenous Peoples and local communities are on the frontlines of protecting and maintaining the world's biodiversity. The BCA Communities Advisory Panel (CAP) aims to fully and effectively engage nature-stewarding Indigenous Peoples and local communities in the design and development of BCA principles and products, and secure full respect of their rights therein.

BCA Roles

Community of Practice

- Convene market participants
- Share best practices
- Help build capacity of market participants

Think Tank

- Provide thought leadership on key areas of market development
- Help clarify key issues
- Catalyze and enable innovation

Market Shaper

- Generate guidance
- Help build market infrastructure
- Amplify voices of Indigenous Peoples and local communities

Knowledge Base

- Identify and disseminate credible information, knowledge and data about biodiversity credits
- Generate knowledge products

Areas of Strategic Engagement

Desired Outcomes		
	Short-term	Long-term
Market Governance	High-level market principles on quality and integrity guide the development and functioning of the biodiversity credit market.	All necessary market governance framework elements are in place to support the functioning of the biodiversity credit market based on quality and integrity principles.
Demand	High integrity demand for biodiversity credits continues to increase based on their representation as measured and evidence-based units of positive biodiversity outcome that are durable and additional to what would have otherwise occurred.	The level of demand for biodiversity credits is sufficient to make a meaningful additional contribution to addressing the nature finance gap and meeting GBF Targets 19(c) and (d).
Supply	Biodiversity credit generation activities are tested to ensure approaches and methodologies function in line with high-level principles, including the Recommendations of the BCA Communities Advisory Panel.	An adequate supply of high-quality biodiversity credits exists to meet demand, including directly from Indigenous Peoples and local communities, and makes a meaningful contribution to positive biodiversity outcomes that, in aggregate, are globally significant for addressing the nature crisis.
Rights, Participation and Benefits	Respect for the rights of Indigenous Peoples and 'local communities' and the need for their full and effective participation is acknowledged by all biodiversity credit market participants.	All aspects of a functioning biodiversity credit market fully acknowledge and respect the rights of Indigenous Peoples and 'local communities', and all relevant stakeholders are fully and effectively participating in a biodiversity credit market that delivers benefits for people and nature.
Measurement	The basic challenges of measuring the state of nature for the purposes of a biodiversity credit market are widely recognized and understood, and possible ways to address those challenges are identified, including the use of traditional and local knowledge, ensuring data sovereignty.	There are widely accepted and technically sound approaches to measuring the state of nature for the purposes of the biodiversity credit market, that support the delivery of positive, durable, and additional biodiversity outcomes.

Market Governance

Desired Outcomes	Short-term	High-level market principles on quality and integrity guide the development and functioning of the biodiversity credit market.		
	Long-term	All necessary market governance framework elements are in place to support the functioning of the biodiversity credit market based on quality and integrity principles.		
Goal	Outputs required for achieving desired outcomes	Strategic Approach	Timeframe	
Adoption of high-level principles by BCA and partners; market players signal their commitment to principles	High-level market principles	Convene a working group on synthesis and finalization of high-level principles	By COP 16	
Support the establishment of independent market oversight and review mechanisms	Scoping paper on independent market oversight and review mechanisms	Convene a consultative process with key partners, as proposed in Review Mechanisms Issue Paper	Initiate by end 2024; completion by end 2025	
Ensure various standards are aligned on and meet a set of minimum standards	Agreement on minimum standards among standard setters	Convene a working group of standard setters	By end of 2025	
Assessment framework for credit quality and integrity developed	Assessment framework	Convene a consultative process with key partners, as proposed in Review Mechanisms Issue Paper	End 2025	
Functioning independent market oversight and review mechanism, including standards to avoid conflicts of interest	Oversight and review mechanism established	Collaborate with partners to develop structure and identify resources for set-up of review mechanism	End 2026	
Ensure meaningful participation of Indigenous Peoples and local communities in biodiversity credit market governance	Mechanisms in place for Indigenous Peoples' and local communities' effective engagement in market governance mechanisms	Support engagement of CAP, and other Indigenous Peoples' and local communities' initiatives, in development of market mechanisms	Ongoing	

Demand

Desired Outcomes	Short-term	High integrity demand for biodiversity credits continues to increase based on their representation as measured and evidence-based units of positive biodiversity outcome that are durable and additional to what would have otherwise occurred.		
	Long-term	The level of demand for biodiversity credits is sufficient to make a meaningful additional contribution to addressing the nature finance gap, and meeting GBF Targets 19(c) and (d).		
Goal	Outputs required for achieving desired outcomes	Strategic Approach	Timeframe	
Ensure that market participants and potential market participants understand what a biodiversity credit is	Issue Paper on Definition of a Biodiversity Credit	Working group leading to published Issue Paper	Q2 2024	
Increase clarity and understanding on demand side of what constitutes an appropriate purchase of a biodiversity credit	Guidance on demand integrity for appropriate purchases	Demand Integrity Working Group established and developing guidance	End 2024	
“Claims Code of Practice” supports the high-integrity use of claims associated with biodiversity credits	“Claims Code of Practice”	Demand Integrity Working Group established and developing “Claims Code of Practice”	Q2 2025	
Market supply is aligned with demand based on a shared understanding and aligned set of claims that meet demand-side needs	Claims “catalog”	Develop and circulate a discussion document	Q2 2025	
Reduce confusion in the market around the issue of offsets	Series of knowledge events and knowledge documents clarifying offsets issue	Demand Integrity Working Group established to bring clarity to this issue, organize knowledge events, and publish a discussion paper	Q3 2025	
Identify and increase demand by publishing knowledge pieces on and raising awareness and understanding of the business case for biodiversity credits	Knowledge pieces on 1) the potential use of biodiversity credits in relation to TNFD and SBTN guidance and 2) other business cases; events to raise awareness and understanding of the business case for biodiversity credits.	Draw on the BCA network to identify relevant experiences and initiatives to publicize through knowledge pieces and case studies	During 2024 and 2025	
Support practical learning on the application of biodiversity credits through sharing case studies, and supporting a piloting and testing “sandbox”	Relationships established between demand and supply side, guidance on a “sandbox” for piloting and testing	Collaborate with partners and market participants to establish ground rules for a “sandbox” and help catalyze piloting transactions	End 2025	
Reduce various types of risk associated with the purchase of biodiversity credits	Discussion paper on insurance and liability mechanisms	Initiate an open-participation workstream with online workshop sessions, gathering input and thought leadership on risk mitigation issues and strategies	1 st half 2025	

Supply

Desired Outcomes	Short-term	Biodiversity credit generation activities are tested to ensure approaches and methodologies function in line with high-level principles, including the Recommendations of the BCA Communities Advisory Panel.		
	Long-term	An adequate supply of high-quality biodiversity credits exists to meet demand, including directly from Indigenous Peoples and local communities, and makes a meaningful contribution to positive biodiversity outcomes that, in aggregate, are globally significant for addressing the nature crisis.		
Goal	Outputs required for achieving desired outcomes	Strategic Approach	Timeframe	
Ensure Indigenous Peoples and “local communities” rights are respected	Coalition of suppliers pledged to supporting CAP recommendations	Communication and coordination with credit suppliers	End 2024	
Increase piloting and testing of different supply models	Piloting and testing “sandbox” initiative	Collaborate with partners and market participants to establish ground rules for a “sandbox” and help catalyze piloting transactions	End 2025	
Increase alignment between supply and demand with a taxonomic framework for understanding biodiversity credits	Taxonomy framework	Organize a working group on taxonomy, building on the work of the Definitions Working Group, and comparability workstream	1 st half 2025	
Regulatory measures are established that help catalyze demand, and formalize guardrails at national level	Legal and regulatory mechanisms to mitigate perverse incentives	Conduct dialogues with and conduct events for government institutions, drawing on, but not limited to, network of BIOFIN countries	2025	
Support development of credit methodologies to meet principles of quality, including for unique aspects of biodiversity	Discussion paper addressing unique issues related to marine/coastal biodiversity credits	Organize a working group on marine biodiversity credits for consultation and development of an issue paper and knowledge events	End 2024	
Support market fairness and address information asymmetry through transparent digital frameworks, including ensuring support for Indigenous data sovereignty	Digital platforms for transaction recording and disclosure	Continue work of Digital Frameworks Working Group, based on Issue Paper	2025	

Rights, Participation and Benefits

Note: The summary title of this strategic area of work is only intended to be indicative, and not limiting. This strategic area of work includes rights, participation in decision-making and all aspects of market transactions, benefits, equity, justice and access to information, among any other relevant aspects of the market.

Desired Outcomes	Short-term	Respect for the rights of Indigenous Peoples and 'local communities' and the need for their full and effective participation is acknowledged by all biodiversity credit market participants.		
	Long-term	All aspects of a functioning biodiversity credit market fully acknowledge and respect the rights of Indigenous Peoples and 'local communities', and all relevant stakeholders are fully and effectively participating in a biodiversity credit market that delivers benefits for people and nature.		
Goal	Outputs required for achieving desired outcomes	Strategic Approach	Timeframe	
Strategic alignment of CAP and BCA efforts with other relevant international processes (e.g., United Nations Permanent Forum on Indigenous Issues) in relation to Indigenous Peoples' and local communities' engagement in the biodiversity credit market	Alignment of CAP outputs, and other BCA outputs, with ongoing dialogues on Indigenous Peoples and local communities on biodiversity conservation issues, such as in relation to the Convention on Biological Diversity; awareness raising events for BCA community on UNPFII and other initiatives	Key ongoing partner communications and consultations	Q1 2025	
Support publication and launch of CAP Recommendations on Biodiversity Credit Market Engagement with Indigenous Peoples and local communities; assist in developing supporting tools (e.g., checklists, etc.) as relevant	Final published CAP Recommendations. Development of toolkit to facilitate and support implementation of CAP Recommendations	Coordinate and collaborate with CAP leadership to finalize and publish Recommendations Paper	By COP 16 (or when agreed by CAP)	
Contribute to increasing capacity of Indigenous Peoples and local communities to engage effectively in the biodiversity credits space	Indigenous Peoples and local communities training workshops or modules on biodiversity credit markets	Support development and implementation of Indigenous Peoples and local communities capacity development activities	2025	
Uptake of CAP Recommendations and engagement of CAP in piloting/sandbox exercise	Statements of support for/adherence to CAP Recommendations by suppliers and buyers in piloting/sandbox exercise	Communication and coordination with credit suppliers and Indigenous Peoples and local communities	2025	
Ensure Indigenous data sovereignty	High-level principles, Digital Framework, CAP Recommendations, and other key BCA outputs recognize and support the need for Indigenous data sovereignty with respect to biodiversity credits	Facilitate strategic inputs from Indigenous Peoples and local communities to key BCA working groups and processes	End 2024	
Ensure there are mechanisms and processes to address grievances	Grievance and redress mechanism and process	Build on and link with existing relevant mechanisms through development of additional guidance, recommendations and processes specific to the biodiversity credit market	End 2025	

Measurement

Desired Outcomes	Short-term	The basic challenges of measuring the state of nature for the purposes of a biodiversity credit market are widely recognized and understood, and possible ways to address those challenges are identified, including the use of traditional and local knowledge, ensuring data sovereignty.		
	Long-term	There are widely accepted and technically sound approaches to measuring the state of nature for the purposes of the biodiversity credit market, that support the delivery of positive, durable, and additional biodiversity outcomes.		
Goal	Outputs required for achieving desired outcomes	Strategic Approach	Timeframe	
Provide a framework through which different types of biodiversity credits can be compared and different potential uses understood	Comparability Framework Discussion Paper	Undertake consultative process with BCA network, building on the metrics workstream Comparability Framework Discussion Paper	End 2024	
Ensure that biodiversity credit methodologies and standards are scientifically robust, utilize market-relevant metrics, units, and data, and ensure Indigenous data sovereignty	Assessment framework	Convene a consultative process with key partners, as proposed in Review Mechanisms Issue Paper, including scientific and technical experts	End 2025	
Support effective engagement of Indigenous Peoples and local communities in aspects of biodiversity credit methodology development and MRV processes	Guidance document on utilizing Traditional Ecological Knowledge in biodiversity credit methodologies and MRV processes	Organize a Working Group on Traditional Ecological Knowledge	Q2 2025	
Link claims and measurement in robust ways that ensure integrity	Guidance and workshop on claims linked to measurement of actions vs (and or) outcome	Convene a BCA-led Working Group on Metrics and Measurement supporting the demand-side, including relating to claims and other aspects of demand integrity	End 2024	

How we work

COORDINATION

- Coordinate with key biodiversity credit market initiatives and players, especially IAPB and WEF
- Convene partners and stakeholders



- Communication strategy
- Amplify voices of Indigenous Peoples and local communities
- BCA ambassadors
- Participate in public events (e.g., COP 16)

COMMUNICATION

KNOWLEDGE GENERATION & SHARING

- Support piloting and testing
- Collect and analyze market data
- Generate knowledge products



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We invite you
to join us in
achieving these
ambitions
