

See How Policy, Frameworks & Standards Interact.

1. The GBF is a global policy framework for nature.

The world of nature policies, standards, and frameworks may seem overwhelming, but it's simpler - and more connected - than it looks.

At the top sits the Kunming-Montreal Global Biodiversity Framework (GBF). The GBF is a **global policy framework** that sets clear **policy goals** for nature: halting and reversing nature loss by 2030 (using a 2020 baseline) and achieving full recovery by 2050. Adopted by 196 countries in 2022, the GBF is often called the “Paris Agreement for Nature” as it mirrors the global climate goal of limiting warming to 1.5°C but focuses on restoring biodiversity.

The GBF defines its vision through:

- **Four long-term policy goals for 2050**, focused on ecosystem health, species recovery, genetic diversity, and equitable resource sharing.
- **23 action-oriented targets for 2030**, such as halting species extinction, reducing human impacts on ecosystems, and conserving 30% of land and water.

2. Regional strategies translate the GBF to action.

Regional strategies help translate global policy frameworks like the GBF into practical actions tailored to local contexts. The European Union leads the way by aligning its initiatives with the GBF's vision through strategies such as:

- **The EU Biodiversity Strategy for 2030**, which aligns with global goals by aiming to restore 30% of degraded ecosystems and protect 30% of land and water by 2030.
- **The EU Pollinators Initiative**, a voluntary program targeting the reversal of wild pollinator decline by 2030 through conservation, research, and public engagement.

These regional strategies ensure that global policy goals are turned into concrete, actionable steps that reflect local priorities and challenges.

3. Regional reporting regulations fit under regional strategies.

The primary way regional policies are coming to life right now is through **reporting requirements**. These regulations are designed to push companies to take nature risks seriously, integrate them into business decisions, and ultimately take action. Reporting serves as the activation point, ensuring that regional goals align with corporate behavior.

Among the key regulations, the **Corporate Sustainability Reporting Directive (CSRD)** stands out as a cornerstone of the EU Green Deal. It operationalizes the EU's sustainability ambitions, particularly around nature.

Here's why it's significant:

- **Unprecedented Scope:** The CSRD applies to around **50,000 companies globally**, far more than any previous sustainability regulation.
- **Strict Compliance Measures:** Companies failing to comply face serious consequences, such as fines of up to **€10 million** or **5% of global turnover** in countries like Germany.
- **Comprehensive ESG Focus:** Reporting includes metrics on **pollution, resource use**, and **biodiversity impacts**, among others.

The CSRD introduces detailed reporting requirements centred on the **Double Materiality Assessment (DMA)**. This requires companies to disclose two perspectives: **Impact Materiality**, which evaluates how the company's operations affect the world, and **Financial Materiality**, which examines how environmental and social factors impact the company's financial performance.

4. Voluntary reporting frameworks support global goals alongside regulation

Voluntary nature reporting frameworks and standards are designed to drive action, even in the absence of mandates.

Take the **Science Based Targets Network (SBTN)**, launched in 2019. Its mission is to help companies and cities set measurable, science-backed goals to address their environmental footprint across biodiversity, land, freshwater, oceans, and climate. Similarly, the **Taskforce on Nature-related Financial Disclosures (TNFD)** emerged in 2021, backed by the G7. Building on the success of the TCFD, the TNFD shifts the focus to managing nature-related risks and opportunities.

These voluntary frameworks operate alongside regulations, often serving as a bridge between global policy goals and actionable business strategies.

In this system, voluntary frameworks complement regulation by providing the tools and methodologies companies need to act proactively and align with global goals. They guide businesses in navigating the evolving landscape of nature policies while supporting the transition to compliance as regulation catches up.

5. Standards help to standardise implementation of regulatory and voluntary frameworks.

Standards play a critical role in ensuring regulatory and voluntary frameworks are implemented effectively, providing the consistency and structure companies need to take meaningful action. Think of them as a "wrap" of support, standardizing how businesses measure, disclose, and act on sustainability goals.

For example, companies required to comply with the **Corporate Sustainability Reporting Directive (CSRD)** must follow the **European Sustainability Reporting Standards (ESRS)**. These standards ensure disclosures are consistent, included in management reports, and digitally tagged to align with the EU taxonomy, making data accessible and comparable across businesses.

Key standards include:

- **The International Sustainability Standards Board (ISSB):** Established by the IFRS Foundation in 2021, the ISSB aims to create a global baseline for corporate sustainability disclosures, particularly for the investment community. It integrates voluntary frameworks, such as TNFD and SBTN, into a single streamlined system.
- **The Global Reporting Initiative (GRI):** GRI develops globally applicable sustainability reporting standards through a multi-stakeholder process. It focuses on broader stakeholder needs and collaborates with the ISSB to ensure alignment between investor-focused and stakeholder-focused disclosures.
- **The European Sustainability Reporting Standards (ESRS):** These standards are developed by the EU to define specific disclosure requirements under the CSRD, ensuring companies meet EU Green Deal objectives while maintaining comparability across the region.

Together, these standards create a cohesive system, helping companies implement both regulatory and voluntary frameworks effectively. By providing clear and consistent guidelines, they enable businesses to align their reporting with global goals while meeting the expectations of regulators, investors, and stakeholders.