Understand the Nature-Positive Transition: The System Map to Make it Click.

1. The world needs to stop harming nature and then reverse the damage we've caused.

This is 'nature-positive' at its simplest: a global mission to halt and reverse nature loss.

The UN Convention on Biological Diversity (CBD) sets a clear goal: to halt and reverse nature loss by 2030, using a 2020 baseline, and achieve full recovery by 2050. This is what we mean by the nature-positive transition: the pathway to full recovery by 2050. It applies to all aspects of nature, including biodiversity, ecosystem health, and essential ecosystem services like fresh water and raw materials.

Given the heterogeneity and complexity of nature, establishing universal metrics and targets is impractical. Unlike carbon emissions, which can be measured using a standardized approach to set global reduction targets, nature's diversity requires more flexible frameworks that can account for characteristics like context-specific goals, and dynamic and non-linear ecosystem processes.

This is why we see a range of targets, such as the Global Biodiversity Framework's (GBF) "30x30" goal, which aims to protect 30% of land and waters by 2030 - a specific target within the context of global conservation strategies. And it's why we're seeing companies and financial institutions beginning to set their own tailored targets, guided by frameworks like the Taskforce on Nature-related Financial Disclosures (TNFD) and the Science Based Targets Network (SBTN).

The scale of the nature-positive transition is immense and involves such big numbers that it can feel abstract or overwhelming. We're talking about things like ending deforestation, redirecting trillions of dollars of investment from harmful activities, and restoring millions of hectares of degraded land. But it doesn't need to be. Let's break it down.

2. There are 3x system shifts required to achieve the nature-positive transition.

To make sense of the systemic challenge of stopping and reversing damage to nature, we can think about it through three critical system shifts.

A. **Transform Supply Chains.** This includes activities like -

- Transitioning to zero-deforestation supply chains for critical commodities like palm oil, soy, and beef.
- Adopting circular economy principles by designing out waste and prioritizing material reuse.

B. **Redesign Agricultural Systems.** This includes activities like -

- Shifting from industrial agriculture to regenerative practices that restore ecosystems.
- Eliminating reliance on harmful pesticides and prioritizing soil health to cut nitrogen pollution by 50%.

C. **Scale Conservation and Restoration:** This includes activities like -

- Conserving 30% of land, oceans, coastal areas, and inland waters that sustain 80% of global biodiversity by 2030.
- Restoring at least 30% of degraded land and waters by 2030.

These three shifts are deeply interconnected and must be addressed together to avoid leaving critical gaps in the overall system.

Unsurprisingly, they require significant capital investment - a collective $2.7 trillion annually - as estimated by the World Economic Forum. [1]Without this level of financial commitment, these three shifts remain out of reach.

3. The private sector is uniquely positioned to deploy the capital investment required.

The private sector is uniquely positioned to drive capital investment into these system shifts at the scale and speed required. Why? Financial power, innovation capacity, and market responsiveness.

With over $10 trillion in private markets, [2]it holds immense potential to scale investments in nature, far surpassing public and philanthropic contributions. Businesses can develop and deploy innovative technologies, create market-driven solutions to meet the growing demand for sustainable products, and mitigate nature-related risks that threaten operations and supply chains.

Private capital deployment comes in two forms: direct, and indirect.

Direct investments are often project-based and can include things like specific restoration projects in corporate supply chains, or investment in nature-positive companies by venture capital firms or private equity funds.

Indirect investments involve using financial instruments to influence broader systems and markets, such as purchasing biodiversity credits or investing in green bonds.

A useful way to think about this distinction is that direct investments are akin to **"insetting"** (direct actions within the value chain), while indirect investments resemble **"offsetting",** where investments address impacts outside a company's value chain. These are not mutually exclusive and are typically used in tandem to achieve outcomes.

4. Integrating the value of nature into decision-making is central to private sector action at scale.

At the heart of this shift lies the concept of **natural capital**—valuing nature as a core economic asset. By embedding natural capital into decision-making, businesses are incentivized to align financial goals with ecological outcomes, reducing risks and creating new opportunities.

To illustrate, consider a large food and beverage company sourcing palm oil, a leading driver of deforestation in Southeast Asia. Traditional sourcing models fail to account for the value of nature,

[1] World Economic Forum, 2024, Investing in Natural Capital: innovations Supporting Much-Needed Financing for Nature.
[2] World Economic Forum, 2024, Investing in Natural Capital: innovations Supporting Much-Needed Financing for Nature.

ignoring both the risks and opportunities it provides. By recognizing nature as an economic asset, this company can take two critical actions to shift from **nature-negative** to **nature-positive:**

- **Redirect Capital:** Commit to sourcing 100% deforestation-free palm oil by partnering with suppliers who adhere to strict **No Deforestation, No Peat, No Exploitation (NDPE) policies**. This reduces risks such as supply chain disruptions, regulatory penalties, and reputational damage while building a more resilient supply chain.
- **Inject New Capital:** Invest in **conservation and restoration projects** in palm oil-producing regions. This could include funding reforestation, creating wildlife corridors, and supporting local communities with sustainable livelihoods. Beyond reducing risk, this enhances brand value, meets growing consumer demand for ethically sourced products, and strengthens competitiveness.

However, barriers remain to fully integrating the value of nature into our economic system. For example, fragmented data limits supply chain traceability and risk management, while the lack of standardized metrics makes tracking biodiversity outcomes difficult. Additionally, demonstrating a clear business case for long-term conservation is complex, with companies facing evolving regulations, regional differences, and resource-intensive processes.

5. Nature Tech drives the nature-positive transition by providing innovative solutions.

Nature Tech drives the transition to a nature-positive economy by innovating solutions across five critical categories, coined by the Nature Tech Collective as the 5Ms[3].

These categories - Market Pressures, Measurement & Monitoring, Modeling, Material Change, and Monetization - help align economic systems with the value of nature and deliver impactful solutions like 3D printing for coral restoration, drone-seeding for reforestation, and much more.

Check out A Crash Course in Nature Tech to discover more!

[3] Nature Tech Collective, 2024, The Nature Tech Taxonomy Framework v0.6.