

## **Annex I to decision IPBES-9/1**

### **Scoping report for a methodological assessment of the impact and dependence of business on biodiversity and nature's contributions to people**

#### **I. Scope, rationale, timeline and geographical coverage, and methodological approach**

##### **A. Scope and rationale**

1. The methodological assessment of the impact and dependence of business on biodiversity and nature's contributions to people will strengthen the knowledge base to support efforts by business to achieve the 2050 Vision for Biodiversity and the objectives of the Convention on Biological Diversity, which are the conservation of biological diversity, the sustainable use of its components, and the fair and equitable sharing of the benefits arising out of the utilization of genetic resources. The assessment will support the 2030 Agenda for Sustainable Development and its Sustainable Development Goals, and inform other relevant multilateral environmental agreements, processes and efforts.
2. The assessment will categorize the dependencies and impacts of business and financial institutions on biodiversity and nature's contributions to people, which incorporates ecosystem services and other analogous concepts, including in relation to indigenous peoples and local communities. It will assess methods for measuring direct dependencies and impacts and, where appropriate, indirect dependencies and impacts, and will assess options for actions by businesses and by others, including Governments, the financial sector, indigenous peoples and local communities, and civil society, that interact with business.
3. Businesses depend on and benefit from biodiversity and nature's contributions to people in various ways and to varying extents and have a range of positive and negative impacts on both biodiversity and nature's contributions to people. Engaging businesses and the financial sector is essential to address conservation of biological diversity, the sustainable use of its components, and the fair and equitable sharing of the benefits arising out of the utilization of genetic resources.
4. Improved understanding and awareness of the dependencies and impacts of businesses, throughout value chains,<sup>1</sup> on biodiversity, and improved approaches for measurement, are important for businesses to understand the variety of relevant risks and opportunities, and to assess and monitor performance. Improved understanding and systematic reporting are important for promoting accountability and transparency, improving producer and consumer knowledge of impacts and dependencies, developing an enabling policy environment, informing regulatory agencies, and guiding financing decisions and investments, taking into account, where relevant, existing international obligations. Improved understanding of the role of innovation, technological development and application are important to support the conservation and sustainable use of biodiversity.
5. Initiatives have emerged to support these efforts, and this assessment can help bring clarity to potential conflicts and relevant gaps in approaches for measurement in the context of different activities and sectors.
6. Efforts to improve consistency in measures of dependencies and impacts will need to account for region-specific and sector-specific challenges, including those faced by developing countries. These efforts will also need to consider the capacity, technical and technological differences among businesses, including micro-, small and medium-sized enterprises, as well as those of indigenous peoples and local communities and marginalized populations. Standardized and business-specific approaches for measurement and reporting can be important for efficient, effective, transparent, and robust environmental governance.

##### **B. Timeline and geographical coverage**

7. The assessment will be global in scope and address issues related to all sectors and business types. Regional adaptations and applications, including past and present examples, will also be considered across terrestrial, freshwater and marine ecosystems.

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<sup>1</sup> Taking into account, where relevant, existing international obligations.

8. The assessment will be carried out following the fast-track approach for thematic and methodological assessments.

### C. Methodological approach

9. The assessment report will consist of a summary for policymakers and six chapters, each with an executive summary of the key findings most relevant to the target audience. The assessment will also identify key gaps in knowledge, data, methodologies, and reporting standards.

10. The assessment will draw on scientific literature, indigenous and local knowledge, and grey literature, in line with the procedures for the preparation of deliverables of the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES),<sup>2</sup> including on IPBES assessments, and on relevant reports or other materials prepared by existing reporting initiatives and by public and private entities. The assessment will present relevant case studies at various scales, as appropriate.

11. The assessment will be consistent with the IPBES conceptual framework.<sup>3</sup>

12. The work will be carried out by a balanced, highly interdisciplinary team of experts, including practitioners, with expertise in dependencies and impacts on biodiversity and nature's contributions to people from all relevant business sectors. The expert team will draw from a diverse range of backgrounds (e.g., academia, business and industry, government, civil society), and a diverse range of disciplines (e.g., accounting, climatology, ecology, economics, finance, gender studies, hydrology, law, management science, material design and engineering, public health, risk assessment, trade). The interdisciplinary team will draw from a diverse range of knowledge sources (e.g., business and finance knowledge, governmental policy and regulatory knowledge, indigenous and local knowledge, natural and social science knowledge and expertise).

13. The task force on knowledge and data will support experts in their work on data and information and in their identification of knowledge gaps and, following the approval of the assessment, promote knowledge generation to address the gaps identified.<sup>4</sup>

14. Addressing and working with indigenous and local knowledge in the assessment will be in line with the approach to recognizing and working with indigenous and local knowledge in IPBES<sup>5</sup> and relevant guidance regarding its implementation provided by the task force on indigenous and local knowledge.<sup>6</sup>

15. The task force on capacity-building will support the development and uptake of the assessment in accordance with objective 2 on building capacity of the IPBES work programme up to 2030 and the IPBES capacity-building rolling plan.<sup>7, 8</sup>

16. The task force on policy tools and methodologies will assist in identifying and assessing relevant policy tools and frameworks and perform work to increase the policy and business relevance of the assessment and its use in decision-making, once approved.<sup>9</sup>

17. The task force on scenarios and models will support the use of models and scenarios in assessing impacts of business on biodiversity, and of transformative pathways in improving biodiversity and business outcomes.

18. Coordination and facilitation between this assessment and the nexus assessment and the transformative change assessment will be ensured to enable synergies and complementarity and to avoid duplication of scope and work. To achieve this, the Multidisciplinary Expert Panel and the Bureau will facilitate discussions among the co-chairs of the on-going assessments and their technical support units.

<sup>2</sup> See annex I to decision IPBES-3/3.

<sup>3</sup> See annex to decision IPBES-2/4 and decision IPBES-5/1, section III, para. 9.

<sup>4</sup> The mandate of the task force may be subject to change at the tenth session of the Plenary.

<sup>5</sup> Set out in decision IPBES-5/1, annex II.

<sup>6</sup> The mandate of the task force may be subject to change at the tenth session of the Plenary.

<sup>7</sup> The mandate of the task force may be subject to change at the tenth session of the Plenary.

<sup>8</sup> The capacity-building rolling plan is available at [www.ipbes.net/sites/default/files/ipbes\\_capacity-building\\_rolling\\_plan\\_and\\_executive\\_summary\\_0.pdf](http://www.ipbes.net/sites/default/files/ipbes_capacity-building_rolling_plan_and_executive_summary_0.pdf).

<sup>9</sup> The mandate of the task force may be subject to change at the tenth session of the Plenary.

19. The summary for policymakers will be available in all official languages of the United Nations and will be printed on demand, resources permitting.
20. The length of the summary for policymakers should remain within a limit<sup>10</sup> of approximately 8,500 words. Indicative word limits are also provided in the chapter outline below.
21. Communication and outreach will be undertaken from the outset and during the development of the assessment in order to build engagement with the wider knowledge community and the end users of the assessment, in particular businesses.
22. Technical support will be provided by a technical support unit, which will work in close collaboration with the groups of experts producing other IPBES assessments and with the IPBES task forces, and their respective technical support units.

## II. Chapter outline

23. **Chapter 1. Setting the scene** (*indicative length ~10,200 words*). Chapter 1 will describe the purpose of the assessment and the intended audiences. It will introduce the issues to be assessed in the subsequent chapters and discuss the links between the assessment and other relevant IPBES assessments, and how the assessment links to the IPBES conceptual framework, the 2050 Vision for Biodiversity and the 2030 Agenda for Sustainable Development and its Sustainable Development Goals.
24. Chapter 1 will present a definition of business and a typology of the different business sectors, including both formal and informal economic sectors, for use throughout the assessment, referencing existing typologies. The typology will clarify that some financial institutions are also businesses and will be included in the assessment within both the business and financial sectors. It will frame the relationship of dependencies and impacts of businesses of different types and sizes on biodiversity and nature's contributions to people but will leave it to later chapters to develop typologies of dependencies (chapter 2) and impacts (chapter 3). It will highlight key issues and provide definitions, within the context of their use in the assessment, of important terms.
25. **Chapter 2. How does business depend on biodiversity?** (*indicative length ~12,750 words*). Chapter 2 will describe various existing methods and approaches that can be or have been used to identify the dependencies and interdependencies of business on biodiversity and nature's contribution to people. It will identify common features of these approaches, important differences in framing and definitions, data requirements and common datasets, their uptake to date, and implications for decision-making by businesses, financial institutions, consumers, Governments, and civil society.
26. Chapter 2 will provide a typology of the dependencies of businesses of different types and sizes on biodiversity and nature's contributions to people. Chapter 2 will describe the various ways in which businesses depend on biodiversity and nature's contributions to people, while also noting potential synergies and trade-offs with other societal goals. Chapter 2 will provide concrete examples of dependencies in both qualitative and quantitative terms. Chapter 2 will describe issues that arise when characterizing dependencies and related risks.
27. **Chapter 3. How does business impact biodiversity?** (*indicative length ~12,750 words*). Chapter 3 will describe various existing methods and approaches that can be or have been used to identify positive and negative business impacts on biodiversity and nature's contribution to people. It will identify common features of these approaches, important differences in framing and definitions, data requirements and common datasets, their uptake to date, and implications for decision-making by businesses, financial institutions, consumers, Governments, and civil society.
28. Chapter 3 will provide a typology of the impacts of businesses of different types and sizes on biodiversity and nature's contributions to people. Chapter 3 will describe the various ways in which businesses impact biodiversity and nature's contributions to people, while also noting potential synergies and trade-offs with other societal goals. It will describe how impacts link to dependence, risk and opportunity and intersect with indigenous peoples and local communities. Chapter 3 will describe pathways to impacts and provide best estimates for the impact of individual sectors of business on

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<sup>10</sup> The indicative limits to the length of the summary for policymakers and the chapters of the assessment are expressed as numbers of words. They exclude literature cited, figures and tables. For reference, a laid-out A4 page with two columns of text contains about 850 words. The limits indicated for the summary for policymakers and the chapters would thus correspond to the following number of laid-out pages: summary for policymakers, 10 pages; chapter 1, 12 pages; chapter 2, 15 pages; chapter 3, 15 pages; chapter 4, 24 pages; chapter 5, 18 pages; and chapter 6, 24 pages.

biodiversity and nature's contributions to people. Chapter 3 will describe issues that arise when characterizing impacts and related risks.

29. **Chapter 4. Approaches for measurement of business dependencies and impacts on biodiversity** (*indicative length ~15,300 words*). Chapter 4 will build on chapters 2 and 3 by assessing approaches for measurement, which include frameworks, metrics, indicators, models, data, and tools, relevant to describing the impacts and dependencies of business on biodiversity and nature's contributions to people. Chapter 4 will present an inventory of approaches for measurement of biodiversity impacts and dependencies, including a description of their scientific robustness. It will also discuss important gaps in approaches for measurement (including data gaps). It will develop a typology of approaches for measurement and discuss the need for common data sets.

30. Chapter 4 will assess how various approaches for measurement and valuation characterize the issues identified in chapter 2 and chapter 3. Recognizing that measuring biodiversity and nature's contributions to people at different spatial and temporal scales is challenging, and that there is no single approach to measurement that fits all contexts, the chapter will describe fitness for purpose for various approaches for measurement in different contexts.

31. Chapter 4 will present examples of ways in which various approaches for measurement have been applied, highlighting challenges associated with their use, including costs of measurement, data accessibility and data and knowledge gaps.

32. Chapter 4 will illustrate how different approaches for measurement map against the IPBES conceptual framework. The chapter will also illustrate how different approaches for measurement are used to assess the contribution of business sectors to the 2050 Vision for Biodiversity, the Convention on Biological Diversity and the post-2020 global biodiversity framework, other biodiversity-related conventions, and, where relevant, to the 2030 Agenda for Sustainable Development and its Sustainable Development Goals.

33. **Chapter 5. Businesses as key actors of change: options for action by business** (*indicative length ~20,400 words*). Chapter 5 will address the role and responsibility of businesses in contributing to transformative change and sustainable development to achieve the 2050 Vision for Biodiversity. It will describe the motivations of and challenges and opportunities faced by businesses in different sectors, including the financial sector, when taking action. It will also describe the obstacles faced by business and how to overcome them, also considering capacity-building and technical and scientific cooperation. It will discuss the influence of approaches for measurement addressed in chapter 4 on sustainable outcomes for biodiversity and nature's contributions to people.

34. Chapter 5 will describe potential options for the ways in which businesses may use measures of dependence and impact in their operations and in strategic planning to improve their social, economic and environmental performance, including but not limited to those highlighted in approved IPBES assessments, considering the wide range of sustainable approaches and tools to enhance biodiversity and nature's contributions to people. It will also describe how the outcomes of such approaches for measurement may be used to influence social norms, consumption and production patterns, and public policy and what effect this influence, both positive and negative, could have on biodiversity and nature's contributions to people.

35. Chapter 5 will also consider synergies and trade-offs between approaches and evidence of whether holistic effects of combinations of approaches are effective in achieving transformative change. Chapter 5 will provide examples of collaboration in industry associations, with indigenous peoples and local communities, and among businesses within and across sectors that promote biodiversity and nature's contributions to people.

36. Chapter 5 will highlight key opportunities for businesses by sector to improve performance, including the role of accountability and reporting, and to contribute to international sustainable development and biodiversity commitments.

37. **Chapter 6. Creating an enabling environment for business: options for actions by Governments, the financial sector and civil society** (*indicative length ~20,400 words*). Businesses operate within larger societal and legal contexts. Recognizing there is no one size fits all approach, chapter 6 will describe potential options for the ways in which Governments, the financial sector, civil society, indigenous peoples and local communities and others may use measures of dependence and impact to promote and evaluate business actions and performance, and how the outcomes of such approaches for measurement can be integrated into other aspects of sustainability, considering the motivations described in chapter 5. Potential options will consider different socioeconomic conditions and capacity, technical, technological and financial challenges, including those faced by developing countries.

38. Chapter 6 will describe potential options for the ways in which Governments may use measures of dependence and impact. It will also describe how the outcomes of such approaches for measurement can be used in the context of policy development, infrastructure design, regulation, monitoring, and procurement, among others, to enhance biodiversity and nature's contributions to people, considering, where relevant, existing international obligations.

39. Chapter 6 will describe potential options for the ways in which the financial sector may use measures of dependence and impact to influence businesses and describe how the outcomes of such approaches for measurement can be used in activities such as environmental, social and governance scoring and criteria, the operation of capital markets, lending, investing, insurance and financial analysis.

40. Chapter 6 will describe potential options for the ways in which civil society, consumers, non-governmental organizations, international organizations, indigenous peoples and local communities may use measures of dependence and impact to inform their approach to monitoring government and corporate behaviour. It will also describe how the outcomes of such measures can be used to raise awareness of business dependencies and impacts, of risks associated with biodiversity loss, and of benefits of business action and collaboration to support biodiversity and nature's contribution to people, including in relation to indigenous peoples and local communities.

### III. Timetable

41. The following table presents the overall timeline of the assessment.

#### Overall timeline of the methodological assessment of the impact and dependence of business on biodiversity and nature's contributions to people

<i>Date</i>	<i>Actions</i>
<b>2022</b>	
Third quarter	The Plenary, at its ninth session (3–9 July 2022), is invited to approve the undertaking of the business and biodiversity assessment and to request the secretariat to establish the institutional arrangements necessary to mobilize the technical support required for the assessment.
Third quarter	The Multidisciplinary Expert Panel, through the secretariat, requests nominations by Governments and other stakeholders of experts, including practitioners from the business and finance sectors.
Third and fourth quarters	The Multidisciplinary Expert Panel selects the assessment co-chairs, coordinating lead authors, lead authors and review editors, in line with the procedures for the preparation of IPBES deliverables, including by implementing the procedure for filling gaps in expertise.
End of fourth quarter	The selection decision is communicated to nominees.
<b>2023</b>	
First quarter	Meeting of the management committee (co-chairs, members of the Bureau and Multidisciplinary Expert Panel assigned by these bodies to the assessment) to plan the first author meeting and online preparatory meetings for the expert group to prepare for the start of the assessment.
Second quarter	First author meeting with co-chairs, coordinating lead authors, lead authors, review editors and members of the Bureau and Multidisciplinary Expert Panel who are part of the management committee of the assessment.
Third quarter	Preparation of the first drafts of the chapters.
<b>2024</b>	
First and second quarters	Preparation of the first drafts of the chapters and outline of the summary for policymakers
Late first quarter	Writing workshop to advance the preparation of the summary for policymakers with co-chairs, coordinating lead authors and members of the Bureau and Multidisciplinary Expert Panel who are part of the management committee of the assessment.
Second quarter	First external review (eight weeks) – drafts of the chapters and of the summary for policymakers are made available for review by Governments and experts.
Third quarter	Second author meeting with co-chairs, coordinating lead authors, lead authors, review editors and members of the Bureau and Multidisciplinary Expert Panel who are part of the management committee of the assessment.

<i>Date</i>	<i>Actions</i>
	Back to back with the second author meeting, a meeting to advance the preparation of the summary for policymakers with co-chairs, coordinating lead authors and members of the Bureau and Multidisciplinary Expert Panel who are part of the management committee of the assessment.
<b>2025</b>	
Early first quarter	Additional review of the summary for policymakers.
Second quarter	Online writing workshop to advance the preparation of the summary for policymakers with co-chairs, coordinating lead authors and members of the Bureau and the Multidisciplinary Expert Panel who are part of the management committee of the assessment.
Second half	Authors finalize draft chapters and the draft summary for policymakers
Second half	Final review (six weeks) – final draft of the summary for policymakers made available for review by Governments.
Second half	Consideration by the Plenary, at its twelfth session, of the summary for policymakers for approval and of the chapters for acceptance.
Second half	Communication activities in relation to the assessment.