

## **A Shared Vision for the Biodiversity Credit Market: Integrity, Quality, and Equity**

*The Biodiversity Credit Alliance (BCA) and International Advisory Panel on Biodiversity Credits (IAPB) collaborate closely to help establish a high-integrity biodiversity credit market that mobilizes finance for nature and people, at scale.*

On this **International Day for Biological Diversity**, the urgency of addressing the global biodiversity crisis is clearer than ever. Nature loss continues at an unprecedented rate, with profound implications for ecosystems, economies, and human well-being. Yet the biodiversity finance gap—estimated at hundreds of billions of dollars annually—remains a defining challenge.

Closing this gap requires mobilizing finance at scale, from both public and private sources. As per Target 19 of the Global Biodiversity Framework (GBF), biodiversity credits (or nature credits) offer a possible solution: a results-based mechanism designed to channel finance toward measurable, verifiable outcomes for nature and people. A recent market landscape study by IAPB shows that approximately 20 countries worldwide operate regulated biodiversity credit schemes, with a total market size of approximately \$8 billion annually ([\*Learnings from Government-Led Approaches to Nature Credit Markets – IAPB\*](#)). Today, these are largely oriented toward impact compensation, but other use cases for biodiversity credits are emerging, such as investment in productive landscapes and protected areas. These are gaining momentum as corporates, financial institutions and policymakers recognize nature-related risks and opportunities and their economic and financial implications.

As with any nascent market, in the absence of coherent rules, shared standards, and credible oversight, fragmentation, weak integrity and unclear demand signals could undermine confidence before the market matures. The question is not whether biodiversity credits can help address the biodiversity finance gap—but whether the market will be built on foundations strong enough to deliver on its promise.

### **A shared effort to build that foundation**

The Biodiversity Credit Alliance (BCA) and the International Advisory Panel on Biodiversity Credits (IAPB) are working closely in collaboration with partners to align efforts and provide coherent guidance for the biodiversity credit market to develop at scale, while abiding by robust, credible principles and safeguards.

Central to this collaboration, the **High-Level Principles to Guide the Biodiversity Credit Market** provide a shared framework for high-integrity biodiversity credit markets. BCA, IAPB and WEF, along with many other partners, collaborated on an extensive consultation process in 2024-2025 to develop these principles, which were released at COP16 of the Convention on

Biological Diversity (CBD) and updated to their current version on International Day for Biological Diversity, 2025. These principles reflect a broad, multi-stakeholder process and are grounded in three core pillars:

- **Verified positive outcomes for nature**
- **Equity and fairness for people**
- **Good governance for high-integrity markets**

Together, they establish a common understanding of what “high integrity” means in practice—providing a critical foundation for market development. But principles alone are not enough.

### **Supporting application of the principles: building a governance framework**

To translate ambition into action, a broader biodiversity credit market governance framework is now taking shape. At its core, the vision for a market governance framework includes several interconnected elements:

- **A clear definition of a biodiversity credit**, establishing what is being measured and transacted (previously published by BCA).
- The **High-Level Principles (HLPs)** co-developed by BCA, IAPB and WEF, to provide normative guardrails.
- An **assessment framework** to operationalize these principles into measurable criteria, recently developed by BCA in collaboration with Accounting for Nature, and with support from CAF, the Development Bank of Latin America and the Caribbean.
- **HLP-aligned global implementation-ready standards** and guidance to support policymakers and market actors on key dimensions of nature credit market design for integrity and scalability. The first standards development cycle led by IAPB is focusing on developing standards on:
  - ecological and financial additionality
  - social inclusion and equity
  - the lifecycle of biodiversity credits as a nature finance instrument
- **Collaborative development and testing processes on the supply and demand sides of the market** through IAPB’s network of knowledge partners, IAPB’s Policy Forum and Community of Practice, and through processes involving BCA’s Forum and Task Force, including Indigenous Peoples, local communities, and Afro-Descendant Peoples through partners such as International Environmental Guardianship (IEG).
- **Support for national and international market governance**, with resulting standards that may be incorporated into the Assessment Framework currently under development, alongside future standards priorities to be announced at COP17.
- **Claims guidance**, currently under development by BCA, and the development of credible use cases for biodiversity credits, to ensure that the way credits are used and communicated is credible.
- **Coordination by BCA and IAPB with emerging nature finance frameworks and guidance**, including the Taskforce on Nature-related Financial Disclosures (TNFD) transition planning guidance, and forthcoming guidance from the Nature Positive Initiative on nature positive claims, in support of broader nature strategies.

- Scoping an **independent review mechanism**, to support accountability and market confidence, to be established when market scale warrants it.
- A **grievance redress mechanism**, ensuring that affected market participants have access to recourse and that safeguards are meaningful in practice.

Taken together, these elements form the building blocks of a transparent, credible, and accountable market governance architecture. Importantly, this is not designed as a single standard, but as a system capable of guiding diverse approaches while maintaining a consistent foundation of integrity.

### **Complementary roles, shared objectives**

The intended collaboration between BCA and IAPB reflects a deliberate effort to leverage the complementary strengths of a broad network of actors.

BCA, as a UN-backed, multi-stakeholder initiative established at COP 15 in 2022, is focused on building the **architecture of market integrity**—developing definitions, assessment frameworks, and guidance that can be applied across contexts. BCA functions primarily with the guidance of the BCA Task Force, an 18-member decision-making body. By convening a multidisciplinary Forum membership, BCA builds consensus across diverse perspectives. This ensures approaches are technically robust, aligned with UN values, and practical to implement within global frameworks.

IAPB, initiated by France and the United Kingdom in 2023, now operates as an independent not-for-profit organization. It focuses on **building the rigorous policy and economic case, methods and clarity needed to enable the operationalization and scaling up of the biodiversity credit market**. IAPB’s work is rooted in public-private dialogue and the treatment of key design challenges associated with different market archetypes—supporting public policy objectives, demand activation, and project integrity grounded in robust scientific and economic foundations.

Together, the efforts of BCA and IAPB are aligned, mutually reinforcing, and responsive to the needs of a rapidly evolving market. We recognize that the biodiversity credit market is most likely to emerge across multiple jurisdictions shaped by national and subnational contexts, while remaining connected through shared principles, frameworks and governance mechanisms. We are therefore collaborating at an operational level toward consistent country engagement on five continents. This collaboration is aimed at ensuring the avoidance of market fragmentation, reducing confusion, and accelerating progress toward a shared vision: a biodiversity credit market that scales with high integrity, and contributes to mobilizing new, additional and meaningful finance for nature and people.

### **Equity is a foundation of high integrity**

A defining feature of the High-Level Principles—and of the emerging governance framework—is the central role of equity.

Biodiversity credits are inherently location-based. Their success depends on the people and communities who live in, manage, and depend on these ecosystems. This includes Indigenous

Peoples, local communities, and Afro-Descendant Peoples, whose rights, knowledge systems, and leadership are central to a high-integrity biodiversity credit market.

The High-Level Principles emphasize:

- Respect for **rights, including Free, Prior and Informed Consent (FPIC)**
- **Equitable benefit-sharing**
- Meaningful participation in **project governance and decision-making**
- Access to **grievance mechanisms and safeguards**

Integrity, in this context, is not only technical, it is social, ethical, and relational. A market that fails to embed these dimensions will not only risk harm—it will fail to earn the trust required to scale. With IAPB currently working to develop a standard on equity and social inclusion, and BCA providing a platform for global outreach and participation of Indigenous Peoples’ and local community representatives, we expect to release substantial upcoming guidance for the biodiversity credit market to integrate these important considerations.

### **Looking ahead: from alignment to action**

The biodiversity credit market is still in its early stages. There is still time to shape the market deliberately—to learn from the experiences of other environmental markets, to avoid repeating past mistakes, and to build systems that are credible from the outset.

In the months ahead, BCA and IAPB will continue working together alongside partners to advance key elements of the governance framework, including assessment methodologies, globally relevant standards, and guidance on claims and use.

The next major milestone will be **CBD COP17 in Yerevan**, where the global community will come together to assess progress and chart the path forward.

### **A shared commitment**

The development of the biodiversity credit market is not an end in itself. It is a means to a larger goal: mobilizing finance that delivers real, lasting benefits for nature and people. Achieving this will require collaboration across institutions, sectors, and geographies.

It requires working hand in hand with policymakers, as well as with market actors including businesses, investors, and project developers, in support of a biodiversity credit market that is well designed to operate, scale, and make a difference for nature and people.

It will require trust, humility, transparency, and a willingness to align around shared principles. BCA and IAPB are committed to working collaboratively to support this process—helping to ensure that biodiversity credits evolve as a credible, high-integrity component of the broader nature finance landscape.

The choices made today will shape the future of this market.

Together, we are working to ensure it is one that delivers on its promise.