

# A Nature-First Approach to Net-Zero

Scientists agree that the climate and nature crises can only be solved together. There can be no net zero without nature positive, and no nature positive without net zero. And while climate has long been high on the corporate agenda, the need to address the global nature crisis is increasingly a priority for companies.



**Inger Andersen,**  
Executive Director of the United Nations Environment Programme

*“Conserving nature and adapting to climate change are two sides of the same coin. Ecosystem-based adaptation is a powerful strategy that recognises the interconnectedness of the nature and climate agendas.”*

**13%**  
of Fortune 500 companies  
set forest-related targets  
in 2023, compared to 9%  
in 2022  
(Mckinsey, 2023)

## TROPICAL FORESTS ARE THE KEY BATTLEGROUND

Tropical forests are one of the most important carbon sinks globally which provide a range of essential ecosystem services such as regulating rainfall both regionally and globally. They are also the richest source of biodiversity on the planet. Despite covering less than one-fifth of the earth’s land mass, tropical forests are home to between half and two-thirds of living species, including over 62% of vertebrates.[1] Two-thirds of all flowering plants can be found in rainforests and a single hectare may contain 42,000 different species of insects, over tree species and 1,500 types of higher plants.[2]

Despite their vital role in protecting climate and nature, misaligned economic incentives mean that tropical forests are currently worth more dead than alive. Nearly 4 million hectares of primary tropical forest were lost in 2023, cleared for uses like logging, agriculture and mining. That’s the equivalent of 11 soccer pitches every single minute and a 10% increase from 2021. Preserving our remaining tropical forests is one of our most important and cost-effective tools available to address the nature and climate crises. And given the urgency of both, action is required now.



[1] <https://esajournals.onlinelibrary.wiley.com/doi/full/10.1002/fee.2420#support-information-section>

[2] <https://www.nps.gov/teachers/classrooms/wildlife-of-the-tropical-rainforests.htm>

**JURISDICTIONAL REDD+ : AN OPPORTUNITY TO TAKE ACTION ON NATURE AT SCALE**

Jurisdictional REDD+ (JREDD) forest protection programs are a way to support nature and climate at scale, now. JREDD programs are large-scale, government-led initiatives to reduce deforestation, restore degraded forests, and support sustainable livelihoods. Unlike smaller scale projects, JREDD has the potential to deliver at the scale required, and address issues - that only governments can - with policy, enforcement and tangible economic incentives. JREDD+ also manages a range of risks associated with smaller scale projects, such as leakage, non-additionality, and non-permanence.



**WHY TAKE ACTION NOW**

A wide range of influential voices, including SBTi, the World Resources Institute, Environmental Defense Fund and the World Economic Forum, recommend JREDD programs as a critical tool to protect climate and nature.

We need to halt and reverse tropical forest loss by 2030 to limit the global warming increase to 1.5 degrees and prevent the impacts of catastrophic nature loss and climate change.

Investments in JREDD+ programs through ready-to-use platforms like the LEAF Coalition provide companies with a ‘no regrets’ option to support climate, nature, and people outcomes at scale today, through a sustained, holistic, and inclusive market-based approach. Companies can address their impacts and dependencies on nature through support to the systematic transformation of tropical forest country economies under the ACT-D framework deployed by TNFD, SBTN, CDP and others. This is particularly important in jurisdictions where global commodities and wider extractive industries are the primary drivers of deforestation and nature loss.

Many forest country governments are progressing jurisdictional REDD+ in support of their countries’ NDCs and seeking synergies with the new 30x30 biodiversity goals. Jurisdictions such as Ghana, Costa Rica, and Brazilian States are seeking private sector finance via the LEAF Coalition to sustain and scale their efforts.

**DELIVERING ON ACT-D**

The ACT-D high level business actions on nature (Assess, Commit, Transform and Disclose) were developed by organizations including the Capitals Coalition, Business for Nature, WBCSD, TNFD, Science Based Targets Network, WEF and WWF.



ACT-D is designed to guide business in setting nature strategies, defining targets and disclosure of nature related impacts and dependencies. The Transform stage encourages business to focus on ‘systems transformation by avoiding and reducing negative impacts and restoring and regenerating.. JREDD+ is designed to drive systemic change, through leveraging governments to do what only governments can do and ensuring active participation and benefits sharing with local communities and Indigenous Peoples. It is a powerful example of how companies can take action to support nature at pace and scale.

## THE LEAF COALITION – A PLATFORM TO MEET NATURE GOALS



The LEAF Coalition brings together forest governments (national and subnational), corporations, donor governments, civil society organizations, and Indigenous peoples and local communities with one shared aim: to raise and deploy the finance needed to accelerate efforts to halt tropical deforestation.

LEAF has raised over 1 billion USD in commitments from the public and private sectors. This includes companies looking to LEAF to support both nature and climate goals. Several LEAF companies rank as top 10 companies in the 2022 and 2023 Nature Benchmark according to the World Benchmarking Alliance. Many LEAF companies are also SBTN Corporate Engagement Members.

In 2023, Emergent, the coordinator of the LEAF Coalition, signed landmark agreements with Ghana and Costa Rica for up to \$60M in forest finance. In 2024, the LEAF Coalition is focused on scaling up this impact, first in the Amazon, the world's largest tropical forest and carbon sink, and then in Africa and Asia, with countries linked to many corporate value chains.

Our vision is that by the time of the next biodiversity COP in Colombia in November this year, we will have signed new LEAF Coalition agreements with governments in South America and beyond, providing millions of dollars to protect tropical forests and delivering real action on nature and climate.

### A HIGH INTEGRITY STANDARD FOR LARGE SCALE PROGRAMS

The Architecture for REDD+ Transactions (ART) is a global initiative that seeks to incentivize governments to reduce emissions from deforestation and forest degradation (REDD), as well as restore forests and protect intact forests (+).

The REDD+ Environmental Excellence Standard (TREES) is ART's standard for the quantification, monitoring, reporting and verification of Greenhouse Gas (GHG) emission reductions and removals from REDD+ activities at a jurisdictional and national scale. TREES is designed to ensure the highest levels of environmental integrity and social safeguards.



**ART**  
Architecture for  
REDD+ Transactions

### NEW BEYOND CARBON BENEFITS

ART is currently developing a co-benefits certification program with three additional modules -- biodiversity, socio-cultural and non-CO2 forest benefits -- to further assure companies of the non-carbon outcomes of JREDD+ policies and programs. Impact across the three areas will be independently verified, providing corporate buyers with added confidence in the results.

### NEXT STEPS

To find out more about how the LEAF Coalition can support your corporate nature goals, please contact:



#### **Edwina McKechnie**

Executive Vice President, Corporate Engagement  
edwina@emergentclimate.com  
Tel: +12402341364