

Natural Climate Solutions Alliance

IN PROGRESS

WØRLD ECONOMIC FORUM



9th May 2023

What are Natural Climate Solutions?

Natural Climate Solutions (NCS) are Nature-based Solutions addressing climate change.

Nature-based Solutions are defined as actions to protect, conserve, restore, sustainably use and manage natural or modified terrestrial, freshwater, coastal and marine ecosystems, which address social, economic and environmental challenges effectively and adaptively, while simultaneously providing human well-being, ecosystem services and resilience and biodiversity benefits (UN 2022).



What role can Natural Climate Solutions play?

Natural climate solutions, such as maintaining and restoring healthy forests, agricultural land and coastal ecosystems, can provide around 30% of the emissions reductions needed to reach Paris Agreement temperature goals.

In addition, they provide many **socioeconomic & environmental benefits**, such as the preservation and restoration of biodiversity, provision of ecosystem services and support sustainable livelihoods.

But despite their vast potential, NCS attract very little public and private investment.

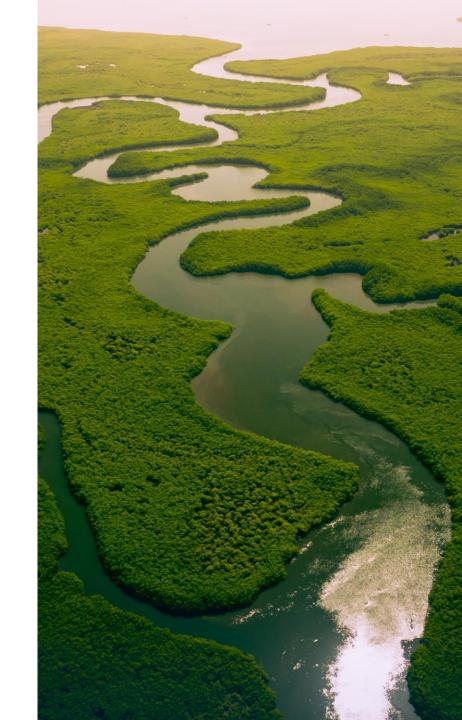


Natural Climate Solutions help mitigate climate change through actions that protect against nature loss, improve nature management and restore degraded native cover. This infographic is adapted from We need both natural and energy solutions to stabilize our climate: https://onlinelibrary.wiley.com/doi/full/10.1111/acb.14612

The Role of Business

Businesses **can finance natural climate solutions through the voluntary carbon market** by purchasing high-quality NCS voluntary carbon credits to counterbalance their annual unabated emissions.

Businesses must **demonstrate leadership** by pursuing ambitious decarbonization targets and compensating year-on-year unabated emissions through high-quality NCS voluntary carbon credits.



The Natural Climate Solutions Alliance



Our vision

Natural Climate Solutions contribute their full potential towards the Paris climate goals as well as help solve some of the world's most pressing and intractable environmental and social challenges, including biodiversity and forest loss, land degradation, sustainable water management and sustainable community livelihoods, starting today.

Our goal

Build an effective and scalable carbon market that enables natural carbon sinks while safeguarding nature.



The Natural Climate Solutions Alliance

- Hosted by WBCSD
- Supported by the World Economic Forum
- Funded by the We Mean Business Coalition (Jan 2021 - March 2023)



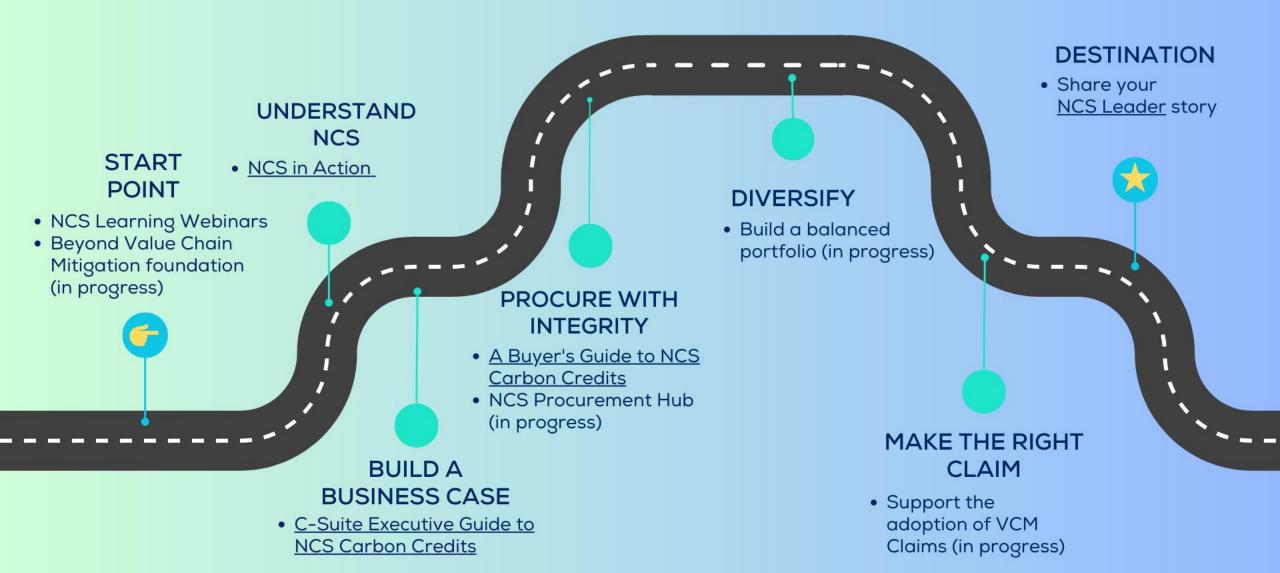


WORLD ECONOMIC FORUM





The Journey to High-quality NCS Credits



What we have achieved so far



Workstream	Purpose
NCS for Corporates	Provides a high-level guide to the credible use of NCS credits by corporates. Guiding businesses on demand-side eligibility, NCS supply, markets & policy and claims. <u>Natural Climate Solutions for Corporates</u>
NCS in Action	Demonstrating what high-quality supply of NCS looks like. Championing the co-benefits of credible NCS and verified impact being achieved. Demonstrating how best-practice can be scaled or overcome implementation challenges. <u>Natural Climate Solutions in Action</u>
C-suite Executive Guide	Building company management level buy-in to usage of NCS in credible carbon strategies. <u>A Guide for C-suite Executives</u>
NCS Investment Accelerator	Demonstrating private sector leadership in investing in NCS. Rewarding and recognizing companies for applying best-practices. Building awareness and educating businesses on the use of NCS. <u>The NCS Investment Accelerator</u> and <u>NCS Leaders videos</u>
Buyer's Guide to NCS Carbon Credits	Supporting businesses in navigating the procurement process for high quality NCS. <u>A Buyer's Guide to Natural Climate Solutions Carbon Credits</u>
NCS Learning Webinars	Providing education on NCS as a credible climate mitigation/adaptation solution for national business and industry associations. Promoting high quality supply and demand guidance and amplifying core benefits of NCS.
Alignment with other initiatives	Providing clear and consistent messaging to business and civil society on strategic communications content.

Natural Climate Solutions for Corporates

High-level guidance for corporates on the credible use of NCS credits.

The guidance offers corporates credible advice on the use of NCS carbon credits as part of a robust climate strategy to help meet their corporate climate commitments and steer a pathway towards net zero whilst also channeling much needed investment into nature.

It includes guidance on topics such as demand-side eligibility, NCS supply, markets and policy, and communicating climate strategies that include NCS.

Natural Climate Solutions for Corporates



Natural Climate Solutions and the Voluntary Carbon Market: A Guide for C-suite Executives

The Guide offers a comprehensive overview for decision makers of the opportunities associated with Natural Climate Solutions voluntary carbon credits.

It highlights the role that businesses play in financing NCS through the voluntary carbon market by purchasing high-quality NCS voluntary carbon credits.

The C-suite Guide urges businesses to demonstrate leadership by pursuing ambitious decarbonization targets and compensating year on year unabated emissions through high-quality NCS voluntary carbon credits.

C-suite Executive Guide



NCS Investment Accelerator

The NCS Investment Accelerator drives investment in NCS emission reductions and removals credits. The NCS Investment Accelerator galvanizes corporates to go above and beyond the internal decarbonization required to meet the Paris Agreement by investing in high-quality, high-integrity NCS credits.

The purpose is to:

- Demonstrate private sector leadership in investing in NCS
- Reward and recognize companies for applying bestpractices
- Build awareness and educate business on the use of NCS

<u>The NCS Investment Accelerator</u> and <u>NCS Leaders Videos</u>



NCS in Action

To scale up high-quality NCS, it has become mission-critical to build trust among different stakeholders. The NCS in Action testimonials highlight NCS examples that are focused not only on carbon reduction or removal, but also generate positive social and biodiversity benefits.

NCS in Action are powerful testaments to the critical importance of continued investment in natural climate solutions. Through compelling stories that link directly to biodiversity and social benefits, these testimonials show how NCS investments can make a real difference in the world.

Natural Climate Solutions in Action



A Buyer's Guide to Natural Climate Solutions Carbon Credits

This guide is intended to help businesses that have decided to include Natural Climate Solutions voluntary carbon credits in their climate strategies.

The guidance supports businesses as they navigate the procurement process for high-quality NCS carbon credits that meet the tripartite goals of climate change mitigation, biodiversity gains and benefits to people.

Specifically, readers are provided with practical information to guide them step by step through the entire purchase process for NCS carbon credits.

<u>A Buyer's Guide to Natural Climate Solutions Carbon</u> <u>Credits</u>



NCS Learning Webinars

The NCS Alliance offers a program for learning about NCS with the aim for businesses to be able to incorporate investing into nature into their net zero ambitions. The NCS Learning Webinars seek to provide climate ambitious businesses with information on why and when to use NCS credits, what high-integrity high-quality NCS look like and finally how to procure and account for them.

The aim is to:

- Promote high quality supply and demand guidance
- Amplify lighthouse projects and co-benefits of NCS
- Regain the positive narrative on NCS
- Raise the profile of NCS as a credible climate mitigation/adaptation solution





NCS ALLIANCE PERFORMANCE

FROM 01.01.21 - 31.03.23

ONLINE EVENTS



23 events organized online

SOCIAL MEDIA

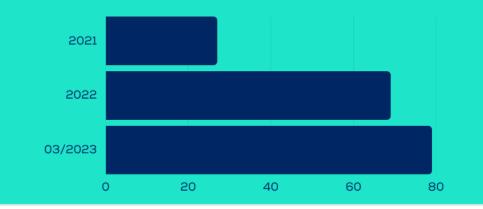
4,700

Number of LinkedIn followers

COMPANIES **2,600**

Number reached in the past 2 years

NCSA MEMBERSHIP





NCS ALLIANCE PERFORMANCE

FROM 01.01.21 - 31.03.23



Stakeholder Quotes



"The NCSA has played a critical role in bringing together stakeholders from diverse backgrounds but with a shared mission to drive investments into nature-based climate solutions. They have brought light into complex discussions that we all need to understand more deeply to come to a shared industry voice, in order that we can rapidly scale collaboration and action on the highest integrity solutions." Anna Lehmann, Global Climate Policy Director, Wildlife Works Carbon

"During a period of rapid acceleration and intense scruting in the voluntary carbon market, the NCSA has achieved something that I consider to be unique – it has convened a cross-sectoral community that is far greater than the sum of its parts, and leveraged this expertise and diversity of thought to bring a voice of clarity and credibility to the sector. It is providing a trusted community of support for those who are committed to protecting and restoring nature and to supporting Indigenous People and Local Communities, whilst accelerating the pathway to net zero. It has an increasingly important role to play in scaling-up high integrity NCS, and it is one that we continue to be glad to support." Zoe Quiroz Cullen, Director of Climate & Nature Linkages, Fauna & Flora

What we have learned so far



- Nature is "not a nice to have" but a must have if we want to stay within the 1.5 C degrees limit
- The Beyond Value Chain Mitigation space must be recognized as a legitimate way to contribute to global Net Zero
- Supply-side standards and methodologies must be complemented by demand-side tools to enable buyers and investors identify high-integrity, highquality voluntary carbon credits and, in particular, NCS types
- Demand-side standards for the use of voluntary carbon credits such as SBTi's BVCM Guidance and the VCMI's Claim Code of Practice – will likely trigger a wider use/purchase of voluntary carbon credits
- Continuous education is essential given the fast moving and multiple processes influencing the supply and demand for voluntary carbon credits



Go Faster and Bigger

Speed-up businesses' journey towards the procurement of high-quality NCS credits

Cast our net wider to include also investors

Everything, Everywhere, All at once

- Promote the use of a diversified, long-term portfolio of voluntary carbon credits
- Collaborate with other key actors in the voluntary carbon market
- Amplify the collective voice of NCSA members, business buyers, NGOs and solution providers

2023-2024 priorities



Workstream	Purpose
NCS Procurement Hub	The Hub will help companies navigate the NCS carbon credit procurement process. It will offer a one-stop-shop to tools and information associated with the procurement of NCS carbon credits.
NCS Investors	Developing principles and guidance for institutional and corporate investors on what is best practice for project development.
NCS Project Developers	Explaining to corporate buyers and investors how a project developer operates, what are the steps and stages in a well-designed NCS project, who are the key actors and what are the enabling factors for success.
Communication and Engagement	Supporting the promotion and amplification of NCSA and partner activities, including engagement with other stakeholders (with a particular focus on IPLC). Provide support with reactive and pro-active messaging.
NCS Awareness	Delivering introductory webinars to national and sector industry associations on the NCS & the voluntary carbon market to educate and build capacity.
Nature Positive Events	Co-hosting a programme dedicated to nature and climate at New York Climate Action Week, regional climate weeks and other related events.
Design a balanced portfolio	Providing a practical tool with step-by-step instruction to build a carbon credit portfolio that supports corporate's net zero strategy.



Contacts

Giulia Carbone Director NCS Alliance carbone@wbcsd.org Jennicca Gordon Associate NCS Alliance

gordon@wbcsd.org

The NCS Alliance is supported by funding from the We Mean Business Coalition.



LinkedIn: <u>linkedin.com/company/ncsalliance/</u> Website: <u>naturalclimatesolutionsalliance.org</u> Email: <u>ncsalliance@wbcsd.org</u>