



COP16

Key policy developments

COP16

Key policy developments

COP16, the 16th meeting of the Conference of the Parties to the United Nations Convention on Biological Diversity, was held in Cali Colombia from 21 October to 1 November 2024. COP16 secured a **major agreement on genetic data, with companies, particularly in pharmaceuticals, expected to contribute 0.1% of revenue or 1% of profits to a new biodiversity fund**. Other technical agreements remained **unresolved, including a new funding mechanism to support developing countries** to reach their biodiversity targets and **how to monitor and assess countries' biodiversity targets**. Progress was made on several market-led initiatives, including **addressing nature-related data issues, designing nature transition plans**, and constructing a **robust biodiversity credit market**.

Overview of outcomes

Regulatory developments

Mixed progress on financing and implementing global biodiversity goals

- There was a landmark agreement on a new genetic data fund, encouraging certain companies to pay to access genetic data.
- Countries agreed to establish a body dedicated to supporting indigenous peoples' rights and interests to contribute to global goals and policy.
- While progress was made on national biodiversity plans, 152 (out of 196) countries did not update their strategies. No agreement was made on how plans will be assessed and monitored going forward.
- Although broader agreements on funding remained unresolved, the development of a biodiversity credit market gained traction.

Nature-related reporting

Advancing nature-related reporting and transition planning

- New data published by the Taskforce on Nature-related Financial Disclosures (TNFD) and CDP revealed that corporate reporting on nature-related issues is gaining momentum, but challenges remain in quantifying financial impacts and driving concrete action.
- Glasgow Financial Alliance for Net Zero (GFANZ) and TNFD published complementary draft guidance to support companies to integrate nature into transition planning.

Data and tools

Driving action on nature data and financing nature-positive solutions

- The TNFD announced a roadmap to address data gaps and a partnership with the World Wide Fund for Nature (WWF) for "geospatial ESG" integration.
- The European Investment Bank (EIB) and WWF are collaborating to accelerate investment in nature-based solutions for climate adaptation.

What do the outcomes of COP16 mean for companies?

Expressed as a simple scale and based on expert judgement, where "high" indicates a significant, direct effect on a company's operations, strategy, and finances. A "medium" impact suggests noticeable effects on specific areas of the company, while "low" implies minimal, direct impact requiring only minor adjustments.

LOW

Cumulative effect on regulatory requirements:

The lack of concrete agreements on key issues means direct implications for many companies are limited for now. The impact will depend on the speed in which these discussions are finalised and then translated into national regulations. However, companies operating in countries which submitted updated biodiversity plans should anticipate incoming regulatory changes and monitor accordingly.

HIGH

Refinements to existing nature strategies and implementation:

A focus on supporting corporates to understand and act on their nature-related issues has led to a greater number of resources and tools. Companies should leverage these resources and extra detail to refine and improve their wider sustainability strategies.

MEDIUM

Implication for effort and resources dedicated to nature-related issues:

Although COP16 did not deliver immediate game-changing outcomes for companies, the direction of travel remains clear. Increased awareness and progress on voluntary initiatives signal that biodiversity should become a higher priority for companies.

Further information

If you have any further questions, please contact our sustainability regulatory strategy team. Details are at the end of this pack.

Regulatory developments

Mixed progress on financing and implementing global biodiversity goals

Key takeaways

- COP16 saw a landmark agreement reached to create the "Cali Fund," encouraging voluntary contributions from companies benefiting from the use of genetic data. Attention was also given to the development of a biodiversity credit market.
- Countries failed to reach comprehensive agreements on a new biodiversity fund and financial mechanism and how to monitor and assess countries' biodiversity pledges. 44 out of 196 countries published updated National Biodiversity Strategies and Action Plans (NBSAPs), while 119 countries submitted updated national biodiversity targets. Countries have been urged to published new NBSAPs "as soon as possible".

Other publications of interest

- [Biodiversity Finance Factbook Biodiversity COP16 Edition](#), 22.10.2024
- [Network for Greening the Financial System \(NGFS\) Cali-Baku Pledge to Enable Action](#), 25.10.2024
- [Speech - Frank Elderson, European Central Bank \(ECB\), on Finance Day at COP16](#), 28.10.2024
- [Closing the loop for textiles](#), 17.10.2024

Int.

Agreement on "Cali Fund" for companies to voluntarily contribute to use of genetic data

Countries agreed to establish the first global fund for sharing benefits from the use of genetic data. Under the agreement, **pharmaceutical, cosmetics, agribusiness, nutraceutical and technology conglomerates that benefit from genetic data "should" contribute 1% of their profits, or 0.1% of their revenue, to the Cali Fund.** The agreed text enables companies to decide whether to contribute to the fund. The agreement, however, does not supersede national legislation.

Countries also agreed to create a new body focused on the rights and interests of indigenous peoples, as well as a new work programme on Article 8j [of the UN Convention on Biological Diversity] up to 2030 to "respect, preserve and maintain" indigenous knowledge.

EU

EU presents exploratory work on biodiversity credits to promote positive nature action

The European Commission presented its exploratory work on biodiversity certification and nature credits as innovative financial tools to support biodiversity. Pilot projects focusing on wetlands, forests, and the Amazon are already underway, aiming to reward those who actively protect and restore nature. The EU emphasised that these **initiatives are designed to promote positive action for nature**, not to offset environmental damage.

The Commission **plans to explore the rollout of nature certificates and credits to incentivise companies** to invest in biodiversity, in addition to public funding. The new Environment Commission has stated that the schemes would adhere to "stringent quality criteria."

Int.

Working version of High-Level Principles to Guide Biodiversity Credit Market

The World Economic Forum, Biodiversity Credit Alliance and the International Advisory Panel on Biodiversity Credits **published draft guidelines for the voluntary biodiversity credit market**, supported by France and the UK. The guidelines aim to help biodiversity credit schemes set high integrity standards, to guide project developers to generate high-quality biodiversity credits, and to enable buyers of credits to make informed choices. The guidelines recommend that **biodiversity projects deliver verified positive outcomes for nature while upholding equity and fairness.** Transparency and accountability are also recognised to be crucial, with clear information provided on project governance and implementation.

Nature-related reporting

Advancing nature-related reporting and transition planning

Key takeaways

- Announcements coinciding with COP16 revealed there is growing momentum in corporate reporting on nature-related issues, with a significant increase in companies committing to voluntary disclosures aligned with TNFD recommendations. However, challenges remain in quantifying financial impacts and translating awareness into concrete action.
- The TNFD and GFANZ released complementary draft guidance to support organisations in developing integrated nature-climate transition plans. Final guidance will be published next year after potential market testing.

Other publications of interest

- [Nature Action 100 reveals results of its first benchmark assessments of corporate action on nature](#), 28.10.2024
- [What Are Nature Strategies and Nature Transition Plans?](#) 28.10.2024
- [The Global Accounting Alliance's Progress and Pathway to 2030](#), 08.10.2024

Int.

New data shows the market is engaging in nature reporting, but issues remain

502 companies and financial institutions have now [committed](#) to voluntary reporting on nature-related issues in line with the TNFD recommendations. This is a 57% increase since January 2024. Financial institutions represent a significant portion of new adopters, now totalling 129 institutions with USD 17.7 trillion in assets under management.

Despite the market showing signs that it is embracing better nature-related risk management, data from [CDP reveals](#) a **lag in quantifying financial impacts and taking action**. Few companies disclosing to CDP have quantified financial figures to water and forest risks, and a minority of financial institutions are actively engaging with clients on nature or invest in nature-based solutions.

Int.

New FABRIC Initiative Targets Textile Industry's Impact on Nature

The Finance for Biodiversity Foundation [launched](#) FABRIC (Fostering Action for Biodiversity through Responsible Investment in Clothing), an investor-led initiative to address the environmental impact of the apparel industry. Supported by 16 investors with €5.85 trillion in assets, it will **engage with apparel retailers starting in early 2025 to promote responsible practices**, including by encouraging them to assess their nature-related issues using the TNFD LEAP process.

Int.

TNFD and GFANZ publish complementary draft guidance on incorporating nature into transition planning

The Glasgow Financial Alliance for Net Zero (GFANZ) and the TNFD **published two draft guidance documents on nature in transition planning**. The GFANZ [draft guidance](#) supplements the existing GFANZ Net-Zero Transition Plan Framework and aims to help financial institutions incorporate nature-related considerations into their net zero transition plans. The TNFD [discussion paper](#) provides guidance on how corporations and financial institutions can develop and disclose nature-related transition plans.

Across the two documents, **the interconnected nature of climate change and biodiversity loss is considered, analysing both the synergies and potential trade-offs** in addressing these global challenges. Together, the guidance documents aim to help organisations develop integrated nature-climate transition plans.

The documents are now subject to consultation, with **final versions expected to be published in Q1 2025**.

Data and tools

Driving action on nature data and financing nature-positive solutions

Key takeaways

- Recognising the critical need for high-quality nature-related data, initiatives were announced at COP16 to support businesses and financial institutions in assessing and managing their nature-related impacts.
- The TNFD is focusing its efforts to address nature-data gaps, outlined through a new roadmap for action. It also announced a partnership with WWF to integrate "geospatial ESG" data into its work. Meanwhile, the World Business Council for Sustainable Development is progressing its Nature Metrics Portal, with a plan to launch in November 2025.
- Additionally, the EIB and WWF have joined forces to accelerate investment in nature-based solutions for climate adaptation, highlighting the emphasis on financing nature-positive projects.

Other publications of interest

- [Nature-related Risk: Handbook for Financial Institutions](#), 10.10.2024
- [Nature in the Boardroom](#), 21.10.2024
- [New Sector Action Guidance for Nature: Getting Started in the Agricultural, Forestry and Mining Sectors](#), 21.10.2024
- [Fourth Update of the "Guide on Biodiversity Measurement Approaches"](#), 26.10.2024

Int.

TNFD sets out plans to improve market access to high quality nature-related data

To meet the increasing demand for high-quality nature data from businesses and financial institutions, the TNFD has released a [roadmap outlining its medium- to long-term priorities to address data issues](#) throughout the value chain. Over the next six to 12 months, the TNFD will focus on the following three areas: **developing standardised data principles** (including corporate assurance data standards); **identifying data quality and quantity gaps** through testing; and **piloting a beta version of the Nature Data Public Facility (NDPF)** to refine market needs and potential governance models. The roadmap is open for consultation until 17 January 2025 and a **final set of priorities will be published in late 2025**.

Int.

WWF and TNFD collaborate on enhancing nature-related data in the value chain

WWF announced it is collaborating with the TNFD to integrate its "[Geospatial ESG](#)" application into the TNFD's NDPF and programme of work to facilitate nature-related data for markets. The collaboration aims to **leverage geospatial data to enhance the NDPF's ability to provide companies and financial institutions** with the necessary tools to assess, manage, and disclose their nature-related risks and impacts effectively.

EU

EIB and WWF partner to mobilise early-stage funding for nature-based solutions for climate adaptation

The European Investment Bank (EIB) and WWF have partnered to accelerate climate adaptation in Europe using Nature-based Solutions (NbS). This four-year partnership will **develop and finance ecosystem restoration projects that boost climate resilience and address biodiversity loss**. WWF will create an "Incubation facility" to develop a pipeline of investable NbS projects, while the EIB will guide the mobilisation of public and private funding. The **goal is to overcome investment barriers and scale up NbS** to protect communities and economies from climate change.

Int.

WBCSD reveals strategic outline of Nature Metrics Portal

The World Business Council for Sustainable Development (WBCSD) is leading an [initiative](#) to **streamline the measurement and reporting of corporate impact on nature**. This initiative will culminate in the launch of a **user-friendly Nature Metrics Portal at COP30 in November 2025**. This portal will provide access to a curated set of metrics, aligned with major regulatory frameworks, to help sustainability professionals assess and disclose their environmental impact.

Contact us

EMEA Sustainability Regulation Hub

The EMEA Sustainability Hub is a source of critical regulatory strategy insight and advice, designed to help business leaders understand and assess how sustainability regulation will drive the evolution of business strategies and operating models. As sustainability regulatory requirements and standards expand, it is essential to adopt a strategic approach to navigate the complexity, and to engage with regulators proactively. We develop early insights across industries on emerging EU sustainability regulations, policies, industry standards and codes of conduct to help you assess how best to transform strategies and operating models.

[EMEA Sustainability Regulation Hub \(deloitte.com\)](https://deloitte.com)

EMEA Sustainability Regulation Hub



Simon Brennan
Head
*EMEA Sustainability
Regulation Hub*



Ramon Bravo Gonzalez
Senior Manager
*Decarbonisation and
nature*



Ruth Kilsby
Senior Consultant
*Decarbonisation and
nature*



Giorgio Consoli
Analyst
*Decarbonisation and
nature*



This publication has been written in general terms and we recommend that you obtain professional advice before acting or refraining from action on any of the contents of this publication. Deloitte LLP accepts no liability for any loss occasioned to any person acting or refraining from action as a result of any material in this publication.

Deloitte LLP is a limited liability partnership registered in England and Wales with registered number OC303675 and its registered office at 1 New Street Square, London, EC4A 3HQ, United Kingdom.

Deloitte LLP is the United Kingdom affiliate of Deloitte NSE LLP, a member firm of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"). DTTL and each of its member firms are legally separate and independent entities. DTTL and Deloitte NSE LLP do not provide services to clients. Please see www.deloitte.com/about to learn more about our global network of member firms.