



# NATURE FRAMEWORK

## What Is the Nature Framework?

The Nature Framework is an asset methodology nested under Verra’s Sustainable Development Verified Impact Standard (SD VISta) Program that will allow projects to quantify biodiversity outcomes and generate Nature Credits.

### SD VISta Program

**Flexible standards program** for certifying projects generating verifiable sustainable development benefits

### Nature Framework

**Asset methodology** with specific requirements and quantification approaches to measure biodiversity outcomes

### Modules

**Ecosystem-specific** subset of requirements (e.g., considerations for selecting and monitoring ecosystem Condition indicators)

## The Nature Framework’s Key Design Objectives



**Create/develop a globally applicable unit representing ecosystem Condition** across geographies and realms



**Allow for comparability across projects while accounting for projects’ local context** by combining standardized and flexible requirements



**Minimize cost and technical complexity** by balancing the following:

- **Rigor** to ensure high-integrity credits
- **Accessibility** to promote broad participation, including by Indigenous Peoples and local communities



**Ensure Nature Credits represent real, measured, and evidence-based outcomes** to promote buyers’ confidence and integrity



**Prioritize conservation of ecosystems at risk of biodiversity loss** by crediting restoration and avoided loss



**Build on lessons from the voluntary carbon market** including using dynamic baselines



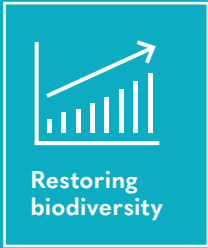
**Signal how projects contribute to global conservation priorities** via Significance attributes

## Development Process

Verra formed two complementary groups to support the Nature Framework development process:

- The **Nature Framework Development Group** whose members collaborate to develop the Nature Framework. It includes the Blue Nature Alliance (with support from McKinsey & Company), the Conservation Finance Alliance, Conservation International, the Great Barrier Reef Foundation, the International Union for Conservation of Nature (IUCN), and The Biodiversity Consultancy.
- An **Advisory Group** to provide technical input to and guide the development of the Nature Framework. It consists of 26 experts in biodiversity conservation. Members have expertise in market demand and drivers; technologies, methods, or indicators for biodiversity measurement; nature-related frameworks; financial instruments for investing in biodiversity outcomes; and biodiversity-focused project development.

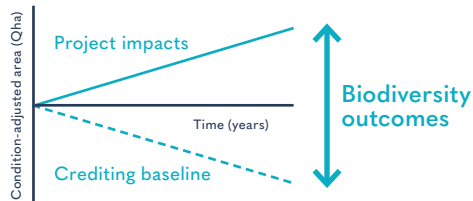
## Eligible Activity Types



### Nature Credits

#### What will be credited?

Biodiversity outcomes from avoided losses and restoration, compared to a baseline



Published in 2024

## Proposed Unit Type Under Consideration



### Nature Stewardship Certificates

#### What would be rewarded?

Successful nature conservation and management outcomes in historically well-managed areas maintaining relatively intact biodiversity



#### Development status

Under further evaluation for technical development

## Nature Credits

Nature Credits reflect three dimensions of the state of nature: extent, ecosystem condition, and biodiversity significance. Two of those are used for credit calculation, and the third, to differentiate units.



Quality hectare (Qha)  
(i.e., area-weighted Condition)

Area in ha of each ecosystem type

Quality of biodiversity present



Differentiate projects and Nature Credits based on contributions to the Global Biodiversity Framework



- Preserving ecosystems
- Restoring ecosystems
- Conserving under-represented biodiversity
- Reducing species extinctions



A Nature Credit represents 1% of net biodiversity outcomes, measured in Qha, generated during a monitoring period as a result of the project intervention

Calculated as follows:

$$\left( \begin{array}{|c|} \hline \text{Qha at} \\ \text{verification} \\ \hline \end{array} \right) - \left( \begin{array}{|c|} \hline \text{Qha at} \\ \text{project start}^1 \\ \text{(or previous} \\ \text{verification)} \\ \hline \end{array} \right) \times 100$$

1. Qha at project start are multiplied by the crediting baseline, a weighting factor based on the risk of ecosystem loss

## Nature Framework, v1.0: Summary of Key Requirements for Projects

CONCEPT	MAIN REQUIREMENTS
 <p><b>Project start date and crediting period</b></p>	<ul style="list-style-type: none"> <li>• Complete project validation within five years of the start date</li> <li>• Implement and monitor activities throughout a crediting period of 20 to 100 years (may be renewed up to four times but cannot exceed 100 years)</li> <li>• Verify biodiversity outcomes at least every five years</li> </ul>
 <p><b>Additionality</b></p>	<ul style="list-style-type: none"> <li>• Demonstrate regulatory surplus at validation</li> <li>• Demonstrate financial additionality: activities generating outcomes depend on credit finance, or face barriers to accessing other sources of finance</li> <li>• Provide evidence that biodiversity outcomes are not credited under another program</li> </ul>
 <p><b>Causal chain analysis</b></p>	<ul style="list-style-type: none"> <li>• Clearly set projects' SD objectives</li> <li>• Map project activities, outputs, outcomes, and impacts, and mitigate negative impacts to ensure net positive benefits</li> </ul>
 <p><b>Stakeholder engagement, including benefit sharing</b></p>	<ul style="list-style-type: none"> <li>• Ensure affected stakeholders, including Indigenous Peoples, are adequately identified, consulted, and participate in the project's decision-making</li> <li>• Develop a benefit-sharing mechanism appropriate to the local context, consistent with local regulation and customary rights, and with agreement on the conditions and amount, including full transparency, and public availability of outcomes</li> </ul>
 <p><b>Net positive biodiversity outcomes</b></p>	<ul style="list-style-type: none"> <li>• Maintain and monitor biodiversity outcomes and account for reversals for a minimum of 40-year project longevity for VCS projects</li> <li>• Assess drivers of biodiversity loss in the project design and implementation, and monitor them over the project's lifetime</li> <li>• Deposit 20% of the Nature Credits generated in each monitoring period into a project-specific buffer pool to account for potential reversals</li> </ul>
 <p><b>Social and environmental safeguards</b></p> <p><i>Using a risk-based approach to identify risks and design, and implement appropriate mitigation measures</i></p>	<ul style="list-style-type: none"> <li>• Uphold and respect human rights under the International Bill of Human Rights and universal instruments relating to human rights, including those of Indigenous Peoples</li> <li>• Apply the higher regulation, convention, or law (e.g., International Human Rights Conventions) to ensure a positive outcome for people and the planet</li> <li>• Do not negatively impact terrestrial, freshwater, or marine biodiversity and/or ecosystems</li> <li>• Recognize, respect, and support all stakeholders' customary and statutory rights to resources and tenure</li> <li>• Ensure the meaningful, effective, and informed participation of Indigenous Peoples in all matters at the earliest stage of project design and iteratively throughout implementation, obtaining free, prior, and informed consent (FPIC) on matters that may affect, positively or negatively, Indigenous Peoples' rights and interests, lands, territories, resources, traditional livelihoods, and/or tangible and intangible cultural heritage.</li> </ul>