Biodiversity Credits

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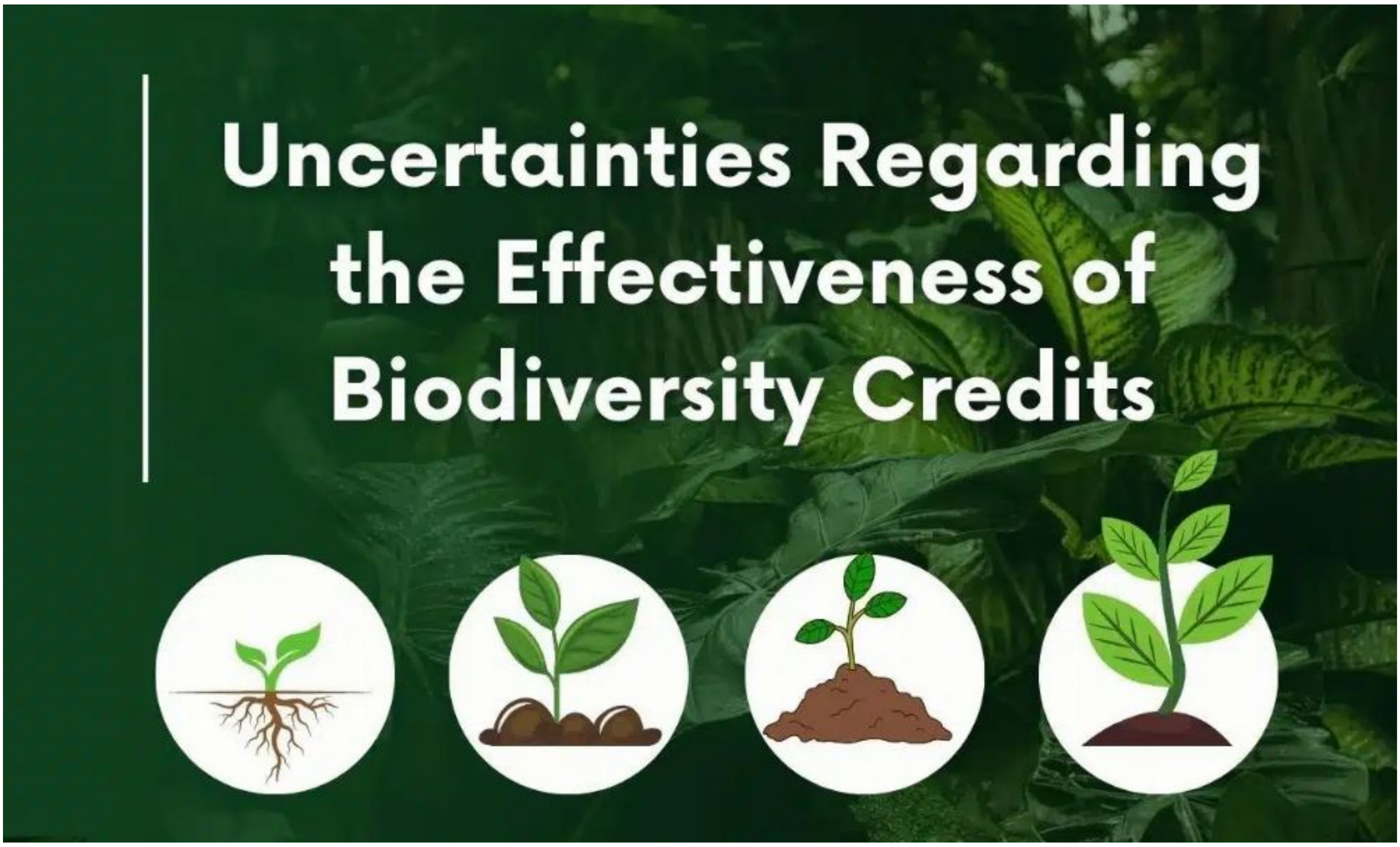

What are Biodiversity Credits?

- **Definition:** A **biodiversity credit** is a **verifiable, quantifiable, and tradeable financial certificate** rewarding **positive biodiversity outcomes**, such as the conservation or restoration of **species, ecosystems, and natural habitats**.
- **Biodiversity Credits (Biocredits)** are gaining attention as a mechanism to finance biodiversity conservation and achieve the targets under the **Kunming-Montreal Global Biodiversity Framework (KMGBF)**.
- The KMGBF, established during the **15th Conference of Parties (CoP15)** of the **Convention on Biological Diversity (CBD)**, aims to promote **biodiversity conservation, sustainable use of natural resources**, and **equitable benefit-sharing**.
- **Key features:** It represents a **specific amount of land** or marine habitat conserved or restored over a fixed period.
    - Credits are **generated by non-profits, governments, landowners, or companies** and sold to **private entities** to fulfill biodiversity commitments.

- **Examples of Biodiversity Credit Schemes:Terrasos**, **GreenCollar**, **ValueNature**, **CreditNature**, **Wilderlands**.
- **Market Overview:**
    - **Current Market Value:** Estimated at **$8 million** (World Economic Forum).
    - **Future Projections:** Expected to grow to **$2 billion by 2030** and **$69 billion by 2050**.

Biodiversity Credit Alliance (BCA)

- **Purpose:** A voluntary international alliance supporting the implementation of the **Kunming-Montreal Global Biodiversity Framework**.
    - Focuses on **Targets 19(c) and 19(d)** of the frameworks.
- **Targets under KMGBF:**
    - **Target 19(c):** Businesses must monitor, assess, and disclose their **biodiversity risks, dependencies, and impacts**.
    - **Target 19(d):** Businesses must provide consumers with information to encourage **sustainable consumption patterns**.
- **Mission:** Develop a **biodiversity credit market** with **science-based principles** to guide conservation efforts.
- **Governance:**
    - **Secretariat:** Facilitated by **UNDP** and **UNEP Finance Initiative (UNEP FI)**.
    - **BCA Task Force:** Decision-making body comprising **methodology developers, standard setters, academic institutions**, and representatives from **Indigenous Peoples and Local Communities** (via the Communities Advisory Panel).

Q1: What is the Green Credit Programme (GCP)?

The Green Credit Programme (GCP) is an initiative promoting environmental sustainability by incentivizing eco-friendly actions through tradable credits, encouraging industries, organizations, and individuals to adopt practices that support conservation, restoration, and sustainable resource management.

Source: DTE
