



Natural Climate Solutions Alliance

Building the demand for high quality natural climate solutions
Giulia Carbone, Director, NCS Alliance



NbS, NCS, climate finance and the NCSA

Nature-based Solutions are actions to protect, sustainably manage and restore natural and modified ecosystems in ways that address **societal challenges** effectively and adaptively, to provide both human well-being and biodiversity benefits (IUCN, 2016)



**Focus on mitigation:
Natural Climate Solutions**

In value chain interventions
("insetting")

Beyond value chain – Carbon Credits



Quality matters !

The Carbon Credits Ecosystem

LEGEND

 : capital flow



The Natural Climate Solutions Alliance

Enabling scalable and cost-effective natural climate solutions for mitigating climate change

Convened by the World Economic Forum (WEF) and the World Business Council for Sustainable Development (WBCSD).

Public and private stakeholders identifying opportunities and barriers to investing in NCS at scale.

www.naturalclimatesolutionsalliance.org

**WE MEAN
BUSINESS
COALITION**



NCS Alliance Members

For the definition of the members categories, see page 3 of the NCSA Governance system

Business (23)

- Bank of America (tbc)
- BCG
- Bayer Ag
- Bp
- DBS
- ENI
- ERM
- Leaseplan
- Lenzing
- McKinsey & Co.
- Mitsubishi Corp.
- Nestlé
- Nutrien
- Olam
- Rabobank
- Shell
- Unilever
- IETA/ICROA
- OGCI
- PwC (tbc)
- Rio Tinto
- REDD+ Business Initiative
- IBCSD

NGOs (10)

- Arbor Day
- BirdLife International
- CERES
- EDF
- Fauna & Flora International
- Conservation International
- The Nature Conservancy
- Mandai Nature
- Wildlife Conservation Society
- World Resources Institute

Solution Providers (19)

- Agrosmart
- Climate Action Reserve
- Climate Impact X
- EcoTree
- Ecosphere
- Emergent
- Gold Standard Foundation
- Indigo Ag
- New Forests
- Permian Global
- PT Rimba
- Respira International
- South Pole
- The Biodiversity Consultancy
- Viresco Solutions
- Verra
- Weyerhaeuser
- Wildlife Works
- Winrock



High ambition pathway

Go beyond near-term science-based targets and invest in beyond value chain mitigation using NCS credits, thus contributing to the decarbonisation efforts at global level.

Go beyond net zero to climate negativity by purchasing and retiring high quality voluntary NCS carbon removal credits to address historical emissions.

ON THE TRANSITION TO NET ZERO

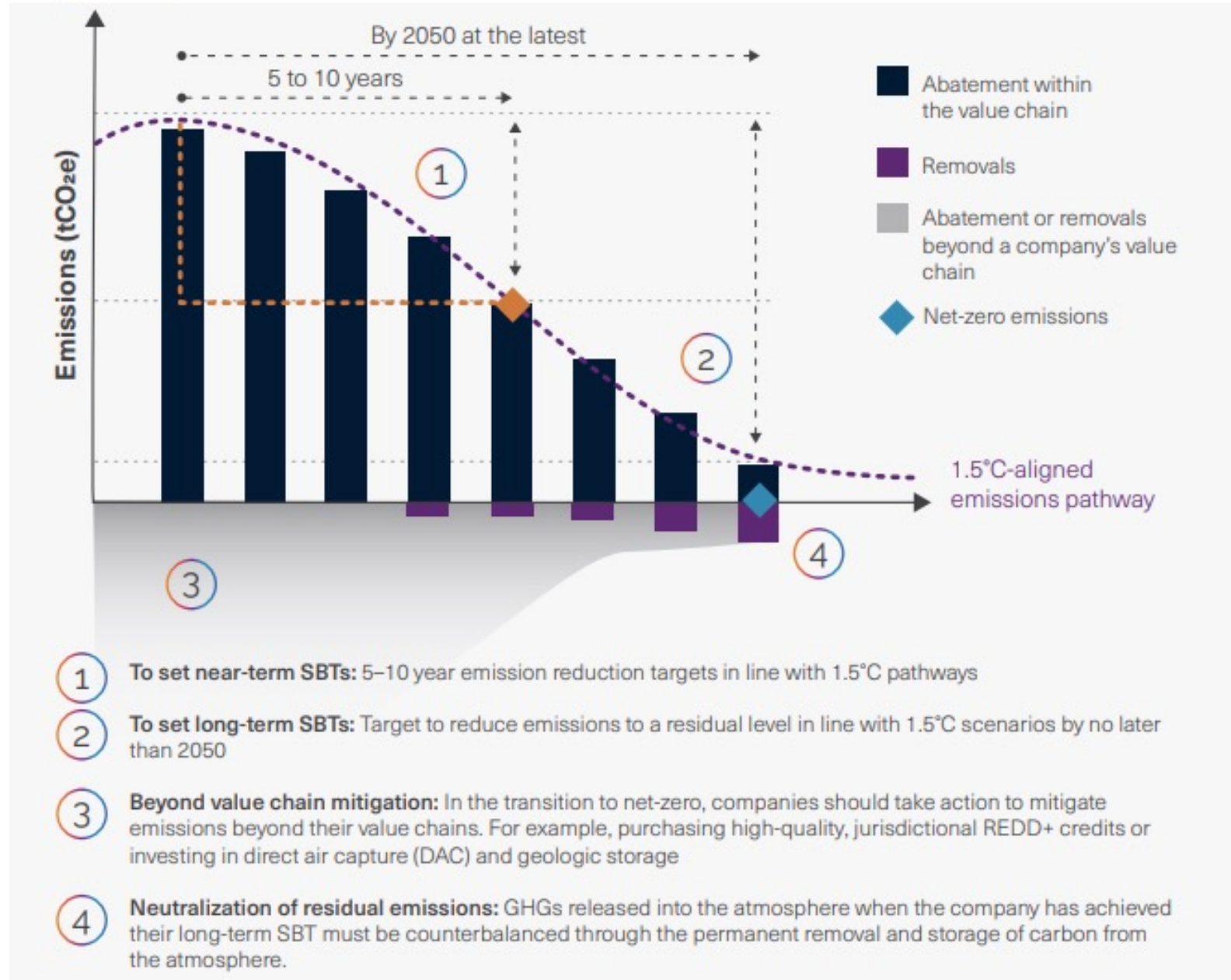
AT NET ZERO AND BEYOND

Net Zero journey

Reduce value chain emissions (Scope 1, 2, and 3), consistent with near-term science-based targets. NCS should be deployed as in value chain reduction solutions for land-based emissions.

Achieve net zero value chain emissions, consistent with a long-term science-based target. High quality NCS carbon removal credits should be used to neutralize unavoidable residual emissions that remain after fully decarbonizing Scope 1, 2 and 3 emissions.

ROLE OF BUSINESS – the climate strategy



PLANNING A CREDIBLE CLIMATE STRATEGY WITH THE HELP OF NCS



Have a strategy consistent with the Paris Agreement and prioritize mitigation of your own emissions first

Corporates should use NCS credits in the context of applying the GHG mitigation hierarchy to reduce scope 1-3 emissions in support of sector decarbonization at a rate consistent with achieving the goals of the Paris Agreement, and undertaking other actions such as low carbon policy advocacy, scaling renewables and investing in low carbon technologies.



Develop and publish a company plan to address all value chain emissions

The plan should outline specific actions and levers to address Scope 1, 2, and 3 emissions in line with the mitigation hierarchy, including an explanation of NCS use for remaining emissions.



Start with your own Supply chain first

For some companies, forests, agriculture, or land use are part of their business – in this instance NCS should be used first within the value chain to avoid and reduce emissions and improve resilience of agricultural land to global warming impacts e.g., no deforestation commitments.



Advocate for climate policy

Effective corporate strategies recognize the importance of policy advocacy, in order to drive and encourage local, national, and international policies that both support and strengthen investments in NCS among other climate mitigation solutions.

GUIDELINES FOR USING NCS CREDITS IN A CORPORATE CLIMATE STRATEGY



Utilize NCS in all stages of the net zero journey

Explore the role of NCS credits in all stages of your climate journey – before and after achieving net zero.



Commit to long term purchase agreements

Committing to future purchase secures investment and enables longer term project development on landscape level and high impact projects.



Invest in high quality NCS credits

Investments in NCS projects and programmes should secure the maximum sustainable climate benefit possible and minimize any negative social or environmental consequences.



Report transparently and secure 3rd party verification

Independent verification and reporting should be used to validate quantity and quality of gross emissions/NCS credits retired.

We support high quality demand

- What is “high quality”?
- How does this complement carbon integrity?
- What activities is the NCS Alliance supporting?

NCS Alliance 2022 workplan

Create confidence

- 1. The NCS Investment Accelerator**
- 2. Natural Climate Solutions and the Voluntary Carbon Market: A Guide for C-Suite Executives**
- 3. The NCS Co-learning series**
- 4. The NCS Lighthouses**

Build capacity

- 1. The NCS Procurement Guide**
- 2. NCS carbon credits: an investor's guide**

NCS Lighthouses



**Conservation Coast
Guatemala**



**Sumatra Merang
Peatland Project
Indonesia**



**Mai Ndombe REDD+
DRC**



**Luangwa Community
Forests Project
Zambia**



**Rimba Raya
Indonesia**



**Katingan Mentaya
Indonesia**

CALL FOR NEW NCS LIGHTHOUSES

- **OPEN!** The NCSA is delighted to open the call for application for the next round of #NCSLighthouses! Earlier this year, we launched the first Lighthouses, profiling the stories of people behind these inspiring #carbon projects & showing businesses how NCS look across the globe.
- Now in the run up to #COP27, NCS projects are again encouraged to submit their stories of people and nature, of challenges and success, in order to shine a light on how the voluntary carbon markets can play a role in the climate, biodiversity & social crises.
- Deadline is July 9!




Key learnings


- Details matter
- Relationship matter
- Policy matters
- **TIME MATTERS**


10 reasons why carbon offsets are like ice cream


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1. You only get ice cream if you eat your veggies. Similarly, you can use carbon offsets if you take action to abate emissions.
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2. Just as there are many flavors of ice cream, multiple types of offsets can coexist.
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3. Sorbet is not ice cream. Minimum offsets standards are also necessary.
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4. Just like choosing generic vs. artisan brands, need to distinguish quality of offsets to help make appropriate choices.
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5. You can pay extra for nuts, fruits, and candy, so SDG impacts should be considered to enhance quality and appeal of offsets.
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6. Good ingredients and processes make quality ice cream, and offsets need integrity in the whole value chain from creation to retirement.
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7. In both ice cream and carbon offsets, buyers make choices based on attributes and outcomes they want, and pay accordingly.
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8. Responsibility for a contaminated batch of ice cream lies with the producer, so buyers of offsets must not be responsible for the process.
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9. Just as overconsumption can lead to obesity, abatable emissions that aren't yet reduced must carry more stringent requirements for use.
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10. To make offsets as widely available as ice cream, we need a liquid market with variety, multiple purveyors, industry standards, buyer choice, and consequences for bad quality and excess use.

Source: Climate Policy Initiative



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