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Global Biodiversity Reports

Market Dynamics: The Push & Pull of Supply & Demand

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The Time Is Now

We live in extraordinary times facing existential choices. And none is more pressing than our ‘development paradox’, where the current nature-negative socio-economic model has been destroying its very foundation: nature.

As dangerous climate and ecological tipping points are getting ever closer, we are entering times of consequences. But we are also the most environmentally knowledgeable and aware generation of all time, and the first generation to truly experience and acknowledge the ‘great threat’ of the climate and nature crises.

But transitions are filled with uncertainties and need a clear destination, one that motivates and envisions a brighter future. The world has set the destination by agreeing on the two mutually supportive global decarbonisation and nature positive goals. Nature Positive is not a slogan but a measurable goal codified in the mission of the UN Kunming-Montreal Global Biodiversity Framework adopted in 2022 by almost 200 countries: to “halt and reverse biodiversity loss by 2030” on a 2020 baseline and continue the recovery thereafter. To get there, governments, companies and financial institutions must develop clear and ambitious nature-positive plans. For this we need standardised guidance on disclosure, setting targets and measuring outcomes. But today, a company that wishes to begin its nature-positive journey is facing a highly fragmented landscape with numerous frameworks and standards, hundreds of indicators, metrics and indexes to choose from. We have never been able to better measure so many elements of nature, but this complexity generates confusion and affects the confidence of many actors – particularly the private sector, for whom biodiversity is a relatively new subject.

At a time when biodiversity has never been higher in political, societal and corporate agendas, it is the responsibility of the nature community to provide aligned guidance on how to assess impacts, develop responses and measure changes in the state of nature in order to drive action and track progress towards our collective nature positive goal. This needs to happen by developing standardised methods and guidance that strike a balance between science-based rigour and practical use, while ensuring adherence to high-integrity principles whether in measuring impacts and outcomes or developing market-based mechanisms. This is key for companies to effectively address their negative impacts on nature, track their progress in contributing to nature’s recovery, and in turn increase their resilience.

Nature is continuing to decline, in turn exacerbating climate change and affecting water, and food security, poverty and forced migration. Speed and scale will define a successful transition to a nature, climate and people positive future. The only possible future.

Marco Lambertini

Convener, Nature Positive Initiative



Executive Summary

Nature and biodiversity have become central to global discussions, as the rapid loss of biodiversity threatens ecosystems, economies, and communities. Despite widespread recognition of this crisis, meaningful action remains slow.

This Biodiversity Report explores a critical barrier slowing progress in addressing the global biodiversity crisis: a fundamental divide in the biodiversity market between the Supply Side and the Demand Side. These Two Worlds operate in isolation, perceiving biodiversity investments through completely different lenses.

The Supply Side—comprising project developers, technology experts, industry professionals, and researchers—has solutions ready to deploy. However, their messaging is often (too) technical, urging companies to “invest in nature” without fully addressing business-specific concerns.

Meanwhile, the Demand Side—companies and investors—recognises the importance of biodiversity but ultimately operates within a business framework, where every investment decision must align with financial and strategic objectives.

This report is structured to bridge that gap, providing direct answers to Demand-Side concerns with insights from the Supply Side.



Bridging Two Worlds

This report explores the dynamics of these two worlds—how they operate, why they remain disconnected, and where alignment is possible. Our approach was straightforward: we conducted interviews, surveys, and discussions with stakeholders from both sides. We identified recurring themes and a clear disconnect—while the Demand Side asks very specific, business-driven questions, the Supply Side has solutions but does not communicate them in business-friendly terms. The majority of the report is thus structured in a Q&A format, identifying the most common questions from the Demand Side and sourcing responses from Supply-Side experts. The key focus areas include:

Demand-Side

What businesses and investors need to feel confident in biodiversity markets and their most pressing questions.

Supply-Side

How the Supply Side perceives the biodiversity space and their responses to burning Demand-Side questions.

Biodiversity credits

Definitions and perspective from the Demand-Side on how they can fit into their sustainability strategies.

Carbon and biodiversity markets

How both Supply and Demand Sides perceive these two markets and their desired trajectories.

Technology in biodiversity

Innovations that enhance monitoring, verification, and market transparency.

Case studies

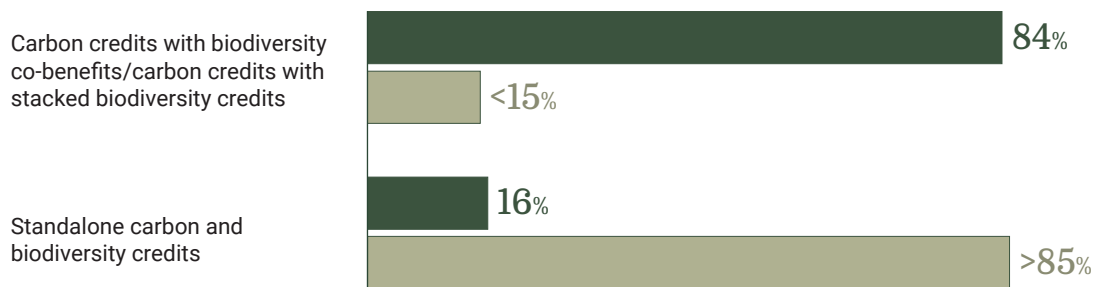
We spotlight two biodiversity projects that businesses can explore, providing practical entry points for companies looking to engage in biodiversity markets: Ekos SDU and Terrasos.

Supply & Demand: Can They Align?

Through our engagements, a set of recurring questions and statements emerged, revealing a fundamental difference in how the two sides perceive and approach biodiversity investments. Our survey results reflect this divide: 84% of Demand-Side stakeholders prefer carbon credits with biodiversity co-benefits or through stacked models, whereas less than 15% of supply-side respondents support this approach. Majority of supply-side actors advocate for standalone biodiversity and carbon credits.

Which of the following is most appealing?

● Demand Side
● Supply Side



Despite their differences, both Supply and Demand Side share one common goal—protecting nature. However, their approaches diverge significantly:

On the Supply Side, there is strong enthusiasm about a wide range of investment opportunities in the biodiversity market—but they’re waiting for the Demand Side to take concrete action.

Meanwhile, the Demand Side is grappling with the confusion surrounding varying definitions of “Net Zero” and “Nature Positive” and is in search of a clear, actionable commercial roadmap. Which approach will prevail? Time will tell, but this divergence highlights a crucial challenge in shaping the biodiversity market.

At its core, this report is more than just an analysis—it is an invitation to dialogue. By initiating this conversation and sharing real-world perspectives from both sides, we hope to reduce uncertainty, increase engagement, and drive meaningful action in biodiversity conservation.

This is just the beginning. We aim to continue these discussions through future reports in our series of Global Biodiversity Reports, fostering collaboration and shaping a more cohesive and action-oriented biodiversity market.