

Submission

To: Ministry for the Environment
From: Northland Regional Council
On: Exploring a biodiversity credit system: Consultation Document

1. Introduction

- 1.1 Northland Regional Council (NRC) welcomes the opportunity to present this feedback on the MfE/DOC discussion document – Exploring a biodiversity credit system (BCS) for Aotearoa New Zealand.
- 1.2 NRC’s submission is made in the interest of maintaining indigenous biological diversity and promoting the sustainable management of Northland’s natural and physical resources and the wellbeing of its people and communities.
- 1.3 The BCS introduces funding opportunities not currently available at a time when funds are needed to respond to the dual biodiversity and climate crises e.g. it could encourage more sustainable alternatives to pine carbon farming/plantations to account for additional carbon sequestration as well as nature positive outcomes.
- 1.4 We recognise that bio-credits offer huge potential to reduce the gap between currently available funds and resources needed to respond to biodiversity decline. We support a system that complements central government funding, and does not replace it.
- 1.5 Government should facilitate a system that provides nature positive outcomes with high integrity and confidence in outcomes.
- 1.6 Increasing demand from large funds particularly internationally to invest in high integrity sustainable outcomes¹ is creating a market for bio-credits with or without a government established BCS for Aotearoa New Zealand. Such funding will inevitably be assessed in the global market against global standards / international best practice that will demand high confidence in delivering outcomes that are *nature and climate positive*, improve resilience to effects of climate change, and respect the rights of indigenous peoples and local communities. We support government in provided a biodiversity credit system to deliver high integrity outcomes through improved access funds.

2. Northland as a national biodiversity hotspot

- 2.1 The Department of Conservation describes Northland is one of the three indigenous biological treasure chests of New Zealand including:

The region’s subtropical climate, strong coastal association and historic periods of isolation from the rest of New Zealand have resulted in many unique habitats, in which plants and animals that are found nowhere else in New Zealand or the world occur. Many of Northland’s most important habitats and

¹ *The Guardian*. 2023. ‘A green transition that leaves no one behind’: world leaders release open letter. 21 June. <https://www.theguardian.com/environment/2023/jun/21/a-green-transition-that-leaves-no-one-behind-world-leaders-release-open-letter>

*ecosystems occur on public conservation lands; however, very significant natural areas fall outside lands the Department administers. Threats from introduced plants and animals and human activities in particular are impacting on threatened species and on habitats that are now rare in Northland, such as wetlands, coastal habitats and ecosystems, and lowland forest.*²

- 2.2 Compared with other regions, Northland has a particularly rich diversity of fauna and flora, high endemism rates and a high number of Threatened and At risk species, often with locally restricted distributions and many found only in Northland.
- 2.3 Northland has a 3000km long and complex coastline, 16 harbours and no place that is more than 40km from the sea. Therefore, the surrounding ocean has a profound effect on climate, weather patterns, the character of the region, our people and our biodiversity. Climate change and sea level rise predictions include significant impacts on indigenous flora and fauna by:
 - changes in habitats
 - increases in populations of pests and predators
 - new pest species becoming established
 - changing rainfall patterns
 - ocean acidification
 - reduction in carbon sequestration (e.g. reduced extent of coastal habitats saltmarsh, mangrove, kelp forest ...)
 - extreme weather events
 - sea level rise.
- 2.4 Our economy is strongly influenced by primary industries, particularly forestry, agriculture and fishing and these rely on services provided by natural ecosystems.
- 2.5 We acknowledge the potential for a BCS to close the funding gap between what can be achieved for biodiversity with existing resources, and what is needed to respond to the dual biodiversity and climate crises.
- 2.6 Without additional resources and mechanisms such as a BCS, we are concerned that an undue economic burden will be placed on Northland given our region's disproportionately high biodiversity (and extent) and the lack of national mechanisms to value the services provided by natural ecosystems.
- 2.7 Incentives for protecting and managing biodiversity (including SNAs) will be crucial for implementation of the NPS-IB. For national incentives to be equitable nationally and effective at delivering national goals, they need to be proportional to the biodiversity values locally, in particular when located outside public conservation land. While central government funding has a role, we see a BCS as an important mechanism to provide ongoing financial incentives for restoration and management activities (including pest control) that recognises biodiversity values and compliments carbon sequestration covered by the Emissions Trading Scheme.

3. Emerging global standards and best practice

- 3.1 For a BCS to be successful in attracting long-term investment from international investment funds, outcomes are likely to be judged by global market standards. Such standards and best practice (eg. [Integrated Biodiversity Assessment Tool](#)) are still evolving but should be considered when designing a New Zealand system to avoid unnecessarily limiting where the

² Conservation Management Strategy Northland 2014-2024, Department of Conservation, p17

system should apply. Another example is the Global Biodiversity Standard being developed³ to establish international best practice and consistent assessment of outcomes. While this is not designed to measure bio-credits, it does highlight matters likely to be relevant:

- a) Protect existing habitats and biodiversity.
- b) Select appropriate areas and don't displace existing biodiverse habitats.
- c) Manage biodiversity in consultation and partnership with local communities and stakeholders.
- d) Aim to maximize biodiversity recovery through ecosystem restoration, including planting, natural regeneration and assisted natural regeneration.
- e) Manage and reduce invasive or potentially invasive species.
- f) As appropriate, use native species and incorporate threatened and rare species.
- g) Promote genetic diversity and resilience.
- h) Implement robust monitoring, evaluation, and adaptive management of biodiversity.

4. Submission

4.1 Support for the submission from the regional sector / Te Uru Kahika

4.1.1 Te Uru Kahika (TUK), has gathered feedback from regional and unitary authorities. TUK identified strong regional sector support for a BCS and broad consensus to the questions raised by government discussion document, while also highlighting some differing views. TUK has drafted a submission detailing the regional sector consensus and explaining reasons for any difference of positions across the sector.

4.1.2 NRC supports the approach taken by TUK and we consider it helpful to describe a range of positions for consideration, particularly given BCS development in New Zealand is at a very early stage and subject to assessment by a new government. We also agree in the need for care and further engagement in BCS design to ensure it has integrity and impact, works for both central and local government, tangata whenua, landowners, and the wider community, and avoids unintended consequences and perverse outcomes.

4.2 NRC key submission points

4.2.1 In addition to the discussion document questions (Appendix 1), we would like to highlight the following key points:

4.2.1.1 New Zealand is facing ongoing indigenous biodiversity decline across all domains and traditional funding sources and incentives are insufficient.

4.2.1.2 A BCS provides an opportunity to increase funds to assist policy implementation nationally (e.g. NPS-IB, ANZBS, RM reform) and locally (Regional and District Plans and policy, action plans, Biodiversity Strategies) that respond to declining biodiversity across all domains.

4.2.1.3 We consider there are opportunities to integrate dual biodiversity and climate change outcomes. The bio-credit system should complement the ETS so that the sustainability of carbon sequestration from indigenous habitats is recognised to reflect the synergies between biodiversity and other national priorities, in particular response to climate change.

³ Botanic Gardens Conservation International, the Society for Ecological Restoration (SER), and other technical partners from CIFOR-ICRAF, Ecosia, IUCN Species Survival Commission, and more ...

- 4.2.1.4** We support a BCS that is tenure-neutral regarding land ownership and covers land, freshwater and marine indigenous biodiversity. We also seek that the credit regime not preclude smaller-scale biodiversity benefits to maximise the opportunity / accessibility but remain administratively efficient as possible to ensure uptake.
- 4.2.1.5** The new system should value nature-based solutions that address biodiversity loss, promote biodiversity gains and achieve climate resilience and meeting other objectives such as for freshwater management.
- 4.2.1.6** Government has a role in establishing fundamental principles for a New Zealand BCS, facilitating standard practice, providing guidance and improving reliability in achieving anticipated outcomes. The system will need to be transparent and provide high confidence of achieving nature positive measurable outcomes. Any activity- or project-based system will succeed or fail on what the true outcomes are long term.
- 4.2.1.7** We consider that this source of funding needs to complement, not replace, central government funding given the Government’s responsibilities and obligations to support the protection and management of indigenous biodiversity particularly on Crown lands but also more broadly.
- 4.2.1.8** Access into any BCS should ensure costs aren’t prohibitive to landowners, especially smaller land blocks.
- 4.2.1.9** Central Government should avoid using its influence and scale to dominate the developing market for biodiversity at the expense of private landholders including of whenua Māori.

4.3 Tangata whenua / Māori

- 4.3.1** There is a significant risk that some tangata whenua groups may lack the necessary capacity and resources to participate proactively and effectively in the BCS. Targeted technical and financial support from central government and local authorities, delivered in a culturally appropriate way, will be needed to remedy this.
- 4.3.2** The BCS processes will need to be tailored to not impose on Māori too many restrictions and associated transaction, compliance and opportunity costs.
- 4.3.3** Early and meaningful dialogue and partnership will need to take place to ensure that tangata whenua groups understand the BCS and its potential benefits and pitfalls. Considerable efforts and resources will have to be applied to inform tangata whenua and enhance their understanding of how they can participate in the BCS in ways that:
- safeguard their Te Tiriti o Waitangi rights including tino rangatiratanga, and uphold established treaty principles;
 - protect their kaitiakitanga, their taonga, and mātauranga Māori;
 - allow sustainable customary use of indigenous biodiversity in accordance with tikanga; and
 - enable new occupation, use and development of their land, especially whenua Māori.
- 4.3.4** Due to a long history of Māori interests not being properly provided for by central and local governments, and unintended consequences arising from legislation, regulation, policies and rules, there may be mistrust by tangata whenua in the proposed BCS. Customised local support to promote early-adopter tangata whenua “exemplar hubs” will be important to generate success stories that lead to wider uptake by other tangata whenua groups.
- 4.3.5** There will be a need to sensitise BCS investors to te ao Māori considerations and the benefits of mātauranga Māori, to ensure that BCS on Māori land are not seen as too complicated or risky.

4.3.6 Key to the implementation of the BCS among Māori will be the identification of SNAs and acknowledged taonga on Māori land, to the extent that Māori are willing for this to take place, and the management of this data in accordance with their wishes. If Māori are confident that this data will be managed properly, for their benefit, there will be a greater range of land that can be utilised under the BCS. Robust systems will need to be developed in partnership with tangata whenua to build that confidence.

4.4 Conclusion

4.4.1 We thank the Ministry for the opportunity to provide feedback on the biodiversity credit system consultation document. In conclusion:

- Aotearoa New Zealand is facing a biodiversity crisis and traditional funding sources and incentives are insufficient.
- We support the intent of increasing access to funding through recognising nature positive / biodiversity outcomes to achieve Aotearoa New Zealand global, national and local objectives, goals and targets.
- Further engagement with local government, tangata whenua, landowners, and the wider community is needed to ensure BCS design is workable and provides high integrity and confidence in outcomes.
- The system should recognise Intrinsic links between the dual climate and biodiversity crises both in terms of adverse effects and mitigation options provides huge potential for achieving co-benefits.
- The system should complement not replace central government funding.

**Signed on behalf of
Northland Regional Council**



**Geoff Crawford
Chair | Biosecurity and Biodiversity Working Party**

Dated: 3 November 2023

Appendix 1 – NRC response to consultation document questions

Consultation questions		NRC feedback – first impressions at this stage
Questions		
1	<p>Do you support the need for a biodiversity credit system (BCS) for New Zealand?</p> <p>Please give your reasons.</p>	<p>Yes.</p> <p>It introduces funding opportunities not currently available at a time when funds are needed to respond to the dual biodiversity and climate crises e.g. it could encourage more sustainable alternatives to pine carbon farming/plantations to account for additional carbon sequestration as well as nature positive outcomes. Government can facilitate a system that provides nature positive outcomes with high integrity and confidence.</p>
2	<p>Below are two options for using biodiversity credits. Which do you agree with?</p> <p>(a) Credits should only be used to recognise positive actions to support biodiversity.</p> <p>(b) Credits should be used to recognise positive action to support biodiversity, and actions that avoid decreases in biodiversity.</p> <p>Please answer(a) or (b) and give your reasons.</p>	<p>(a) No. While recognising positive actions are important, it is also important to recognise existing biodiversity values i.e. without positive actions SNA’s still have intrinsic values, whether or not they are increased further through positive actions.</p> <p>(b) Yes (as described above). The credit system should reflect a scale of positive outcomes to attribute greater value where there are more positive outcomes.</p> <p>Note: Biodiversity credits should be compatible with recognising other beneficial outcomes such as qualifying for carbon markets, providing resilience to the predicted effects of climate change and honouring Te Tiriti o Waitangi.</p>
3	<p>Which scope do you prefer for a biodiversity credit system?</p> <p>(a) Focus on terrestrial (land) environments.</p> <p>(b) Extend from (a) to freshwater and estuaries (eg, wetland, estuarine restoration).</p> <p>(c) Extend from (a) and (b) to coastal marine environments (eg, seagrass restoration).</p> <p>Please answer(a) or (b) or (c)and give your reasons.</p>	<p>(a) No – A restricted scope would be too limiting and fails to recognise the connections between domains or the te ao Māori world view.</p> <p>(b) No – as (a).</p> <p>(c) Yes. While it is recognised there is greater uncertainty over establishing metrics to quantify positive marine outcomes, there is a need to include blue carbon and coastal fringes e.g. sequestration from sea grass, saltmarsh mangrove habitats. These can have multiple benefits not only for biodiversity but also for climate mitigation (sucking up carbon) and adaptation (buffering the effects of coastal storm surge and erosion). Inclusion of these areas is also important to upholding the ability of Māori to exercise kaitiakitanga and to undertake sustainable use of customary resources, which are highly important to Māori.</p>

Consultation questions		
Questions		NRC feedback – first impressions at this stage
4	<p>Which scope do you prefer for land-based biodiversity credits?</p> <p>(a) Cover all land types, including both public and private land including whenua Māori.</p> <p>(b) Be limited to certain categories of land, for example, private land (including whenua Māori).</p> <p>Please answer(a) or (b)and give your reasons.</p>	<p>(a) as all land types have biodiversity values and potential for benefits. To effectively achieve nature positive outcomes that meet the broad range of current national and local targets, goals and objectives, a credit system will need to operate and be fairly recognised at all scales and land categories.</p>
5	<p>Which approach do you prefer for a biodiversity credit system?</p> <p>(a) Based primarily on outcome.</p> <p>(b) Based primarily on activities.</p> <p>(c) Based primarily on projects.</p> <p>Please answer approach (a) or (b) or (c)and give your reasons.</p>	<p>While there is likely to be a role for activity and project approaches to speed up action, fundamentally there needs to be high confidence of achieving nature positive measurable outcomes. Any activity or project based system will succeed or fail on what the true outcomes are long term.</p> <p>Government has a role in establishing fundamental principles for system, facilitating standard practice, providing guidance and improving reliability in achieving anticipated outcomes.</p>
6	<p>Should there also be a requirement for the project or activity to apply for a specified period to generate credits?</p> <p>Please answer Yes/No and give your reasons.</p>	<p>Yes, but the period needed to achieve outcomes will vary on the biodiversity in question.</p> <p>This should reflect international best practice, that we understand is usually timebound delivery of positive outcomes that are long lasting / permanent. The value of the credits should be affected by the level of permanence and certainty of success.</p>
7	<p>Should biodiversity credits be awarded for increasing legal protection of areas of indigenous biodiversity (eg, QEII National Trust Act 1977 covenants, Conservation Act 1987 covenants or Ngā Whenua Rāhui kawenata?</p> <p>Please answer Yes/No and give your reasons.</p>	<p>Yes. The level of protection is relevant and should be recognised / rewarded as one of the metrics contributing to the value of a proposal.</p>
8	<p>Should biodiversity credits be able to be used to offset development impacts as part of resource management processes, provided they meet the requirements of both the BCS system and regulatory requirements?</p>	<p>No. A recent regional sector commissioned report on biodiversity offsetting⁴ provides a clear conclusion that the country is not ready for a bio-banking mechanism to manage biodiversity offsetting:</p>

⁴ Improving outcomes from the delivery of biodiversity offsets and compensation – Challenges and opportunities for the use of strategic mechanisms. December 2022. Commissioned by LGNZ’s Regional Sector. <https://www.lgnz.co.nz/our-work/our-policy-priorities/environment/biodiversity/>

Consultation questions

Questions	NRC feedback – first impressions at this stage
	<p><i>New Zealand is still grappling with many of the fundamentals of biodiversity offsetting. It is premature for councils to pursue formal schemes to deliver biodiversity offsets or compensation while key institutional settings (including knowledge, capacity, governance, and compliance) are still lacking.</i></p> <p><i>Until these issues are resolved, formal strategic mechanisms, including biobanking, should not be pursued by councils, as doing so risks entrenching further biodiversity declines. The premature establishment of formalised strategic mechanisms will not improve on the status quo and may serve to entrench poor practice.</i></p> <p>Offsetting in a BCS adds unnecessarily complication, contentiousness and could limit investor interest e.g. opposition to offsets, is one of the key themes from consultation on the proposed Australian Nature Repair Market.</p>
<p>9</p> <p>Do you think a biodiversity credit system will attract investment to support indigenous biodiversity in New Zealand? Please give your reasons.</p>	<p>Yes – if there is high confidence in the outcomes. New Zealand is a global biodiversity hotspot and has a great need e.g. the highest proportion of indigenous species that are threatened or at risk of extinction. Northland has already received interest from philanthropists looking for tracts of land to support Nature-based Solutions (NbS), blue carbon and others. Having additional schemes would enable further discussions with more landowners looking for ‘a way out’ of farming marginal land, or a return from marginal land.</p> <p>There are many reports/papers highlighting the scale and appetite of investors particularly from overseas, including several from Sean Weaver / EKOS (referenced in the consultation document).</p>
<p>10</p> <p>What do you consider the most important outcomes a New Zealand biodiversity credit system should aim for?</p>	<p>Contribution to NZ’s international commitments (Convention on Biological Diversity including the Global Biodiversity goals and targets from the Kunming-Montreal Global Biodiversity Framework Dec 2023; national policy, goals and targets from Te Mana o te Taiao – Aotearoa New Zealand Biodiversity Strategy and NPS-IB; and local policy and strategic direction including regional biodiversity strategies.</p> <p>Strong emphasis on co-benefits e.g. climate action (mitigation and sequestration); PF2050 goals etc. that recognises community and mana whenua aspirations.</p>

Consultation questions

Questions	NRC feedback – first impressions at this stage
	Key examples include wetland and native forest restoration, sustained pest control, improving resilience for threatened and at-risk species as well as taonga species significant to Māori, increased protection.
11	<p>What are the main activities or outcomes that a biodiversity credit system for New Zealand should support?</p> <p>Activities that produce long term measurable outcomes that meet commitments (see Q10 response).</p> <p>Encouraging a transition from land uses threatened by climate change and providing greater resilience to the effects of climate change.</p>
12	<p>Of the following principles, which do you consider should be the top four to underpin a New Zealand biodiversity credit system?</p> <p>Principle 1–Permanent or long-term (eg, 25-year) impact</p> <p>Principle 2 – Transparent and verifiable claims</p> <p>Principle 3 – Robust, with measures to prevent abuse of the system</p> <p>Principle 4 – Reward nature-positive additional activities</p> <p>Principle 5 – Complement domestic and international action</p> <p>Principle 6 – No double-counting, and clear rules about the claims that investors can make</p> <p>Principle 7 – Maximise positive impact on biodiversity</p> <p>Principle 1– Permanent or long-term (eg, 25-year) impact</p> <p>Principle 2 – Transparent and verifiable claims</p> <p>Principle 3 – Robust, with measures to prevent abuse of the system</p> <p>Principle 4 – Reward nature-positive additional activities</p>
13	<p>Have we missed any other important principles?</p> <p>Please list and provide your reasons.</p> <p>Prioritising activities with co-benefits.</p>
14	<p>What assurance would you need to participate in a market, either as a landholder looking after biodiversity or as a potential purchaser of a biodiversity credit?</p> <p>Good knowledge base to give high confidence real and meaningful outcomes will be achieved for biodiversity.</p> <p>Māori will need to be assured that they can participate in ways that:</p> <ul style="list-style-type: none"> • safeguard their Te Tiriti o Waitangi rights including tino rangatiratanga, and uphold established treaty principles; • protect their kaitiakitanga, their taonga, and mātauranga Māori; • allow sustainable customary use of indigenous biodiversity in accordance with tikanga; and • enable new occupation, use and development of their land, especially whenua Māori.

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15	<p>What do you see as the benefits and risks for a biodiversity credit market not being regulated at all?</p>	<p>Missed opportunity – global market will go where there is high confidence in the outcomes whether that is in New Zealand or elsewhere.</p> <p>Missed opportunity for government to help shape a system that reflects New Zealand circumstances and recognises co-benefits and provides integrity. This approach risks limiting the market and involves costs to government.</p> <p>Potential for unregulated market to oversimplify actions needed for nature positive outcomes and greater chance of greenwashing / failure of the market to deliver.</p> <p>Potential for Māori interests to be neglected due to insufficient differentiation in BCS criteria applied to investment in Māori vs other types of land.</p>
16	<p>A biodiversity credit system has six necessary components (see figure 5). These are: project provision, quantification of activities or outcomes, monitoring measurement and reporting, verification of claims, operation of the market and registry, investing in credits.</p> <p>To have the most impact in attracting people to the market, which component(s) should the Government be involved in? Please give your reasons.</p>	<p>Probably all to a greater or lesser extent to encourage and highlight best practice, however verification of claims will be particularly important to provide some independent overview. Also, it will be important to guide outcomes/activities. We suggest government is involved in quantifying / scoring desirable outcomes – e.g. activities that contribute to established global, national and local goals and targets, as well as Treaty of Waitangi obligations.</p>
17	<p>In which areas of a biodiversity credit system would government involvement be most likely to stifle a market?</p>	<p>Drastic policy that negatively influences price e.g. learn lessons from ETS failures. Maintain equity across scales so that large land holdings and Crown estate don't exclude smaller sites.</p>
18	<p>Should the Government play a role in focusing market investment towards particular activities and outcomes and if so why?</p> <p>For example, highlighting geographic areas, ecosystems, species most at threat and in need of protection, significant natural areas, certain categories of land, Māori land, areas that are economically underachieving.</p>	<p>Yes.</p> <p>Reward protection of the most vulnerable higher, greatest ecological value and to some extent where there are co-benefits. Recognition of best practice and evidence-based outcomes.</p> <p>Reflect international, national, regional and local scale policy, goals, targets and priorities.</p>
19	<p>On a scale of 1, not relevant, to 5, being critical, should a New Zealand biodiversity credit system seek to align with international systems and frameworks? Please give your reasons.</p>	<p>5 - There are emerging global standards that global funding will inevitably be measured against. Without consideration to these there is increased chance of missed opportunity.</p>

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	<p>Ideally, an NZ system would complement international best practice while recognising NZ priorities and unique circumstances (e.g. necessary level of 1080 use).</p> <p>Because international standards are emerging, there is an opportunity for an NZ system to show leadership and influence global standards.</p>
<p>20</p> <p>Should the Government work with private sector providers to pilot biodiversity credit system(s) in different regions, to test the concept? If you support this work, which regions and providers do you suggest?</p>	<p>Yes to encourage timely and proportionate action to the biodiversity crisis, develop best practice and recognise biodiversity priorities such as Northland being a biodiversity hotspot within NZ and having less funding than many other areas.</p> <p>Also recognise where there are co-benefits e.g. carbon sequestration and resilience from predicted effects of climate change; promoting more sustainable land use and balancing inequities of carbon forest funding verses indigenous vegetation.</p>
<p>21</p> <p>What is your preference for how a biodiversity credit system should work alongside the New Zealand Emissions Trading Scheme or voluntary carbon markets?</p> <p>(a) Little/no interaction: biodiversity credit system focuses purely on biodiversity, and carbon storage benefits are a bonus.</p> <p>(b) Some interaction: biodiversity credits should be recognised alongside carbon benefits on the same land, via both systems, where appropriate.</p> <p>(c) High interaction: rigid biodiversity ‘standards’ are set for nature-generated carbon credits and built into carbon markets, so that investors can have confidence in ‘biodiversity positive’ carbon credits.</p> <p>Please answer (a) or (b) or (c) and give your reasons.</p>	<p>C. Would get more investment.</p> <p>B. There are a few key differences between a biodiversity and carbon credit system that make B the most likely scenario:</p> <ul style="list-style-type: none"> • Unit of measurement Arguably the most important one. A global unit of tCO2e helps to standardize carbon markets but a biodiversity market is harder and needs to account for a range of values and scales including species richness, abundance and threat status, habitat, ecosystem integrity, providing for indigenous people and local communities ...i.e. biodiversity units need to recognise a range of benefits that provide cumulative value. • Purpose of use Carbon credits are mostly used to offset emissions. Biodiversity credits promote the contributory approach that doesn’t equate retired credits with damage done. • Community focus Biodiversity is directly linked to ecosystem services that the local communities rely on. That’s why community plays a somewhat more prominent role in biodiversity markets. More schemes globally commit

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		<p>to explicit benefit sharing (~60%+) and trading royalty (10-60%) percentages.</p> <ul style="list-style-type: none"> • Locality (& Tradability) Biodiversity markets have stronger local dynamics. Unlike carbon, they may not have a global unit and degrading biodiversity in one continent but buying credits in another makes less sense. That makes them less tradable. That's why biodiversity insetting and localized biodiversity markets fit biodiversity credits more naturally • Liquidity To achieve true global liquid markets, credits must be pooled together with similar credits to be widely used and traded. That's already difficult for carbon credits and will be difficult for the biodiversity ones. • Measurement, Reporting, and Verification (MRV) Biodiversity projects measure more metrics the carbon ones. That requires more comprehensive MRV infrastructure.
22	<p>Should a biodiversity credit system complement the resource management system? (Yes/No)</p> <p>For example, it could prioritise:</p> <ul style="list-style-type: none"> • Significant Natural Areas and their connectivity identified through resource management processes • endangered and at-risk taonga species identified through resource management processes. 	<p>Yes. It should recognise national and local provisions including SNA's, threatened species action plans, taonga species, mahinga kai, etc.</p>
23	<p>Should a biodiversity credit system support land-use reform? (Yes/No)</p> <p>(For example, supporting the return of erosion-prone land to permanent native forest, or nature-based solutions for resilient land use.)</p>	<p>Yes. Absolutely. Can't see how that would be achieved at the scale and pace required without a biodiversity credit system.</p>