

DISCUSSION PAPER

THE HUMAN RIGHTS AND NATURE NEXUS: POLICY REFORM OPTIONS TO ADDRESS SYNERGIES AND TRADE-OFFS

November 2024

This document is provided for information only. It should not be construed as advice, nor relied upon. PRI Association is not responsible for any decision or action taken based on this document or for any loss or damage arising from such decision or action. All information is provided “as-is” with no guarantee of completeness, accuracy or timeliness and without warranty of any kind, expressed or implied. PRI Association is not responsible for and does not endorse third-party content, websites or resources included or referenced herein. The inclusion of examples or case studies does not constitute an endorsement by PRI Association or PRI signatories. Except where stated otherwise, the opinions, recommendations and findings expressed are those of PRI Association alone and do not necessarily represent the views of the contributors or PRI signatories (individually or as a whole). It should not be inferred that any third party referenced endorses or agrees with the contents hereof. PRI Association is committed to compliance with all applicable laws and does not seek, require or endorse individual or collective decision-making or action that is not in compliance with those laws. Copyright © PRI Association (2024). All rights reserved. This content may not be reproduced, or used for any other purpose, without the prior written consent of PRI Association.

To inform this paper, the following group has been consulted: Global Policy Reference Group, Nature Reference Group, Human Rights and Social Issues Reference Group. Except where stated otherwise, the opinions, recommendations and findings expressed are those of PRI Association alone, and do not necessarily represent the views of the contributors or PRI signatories (individually or as a whole). It should not be inferred that any third party referenced endorses or agrees with the contents hereof. PRI Association is committed to compliance with all applicable laws and does not seek, require or endorse individual or collective decision-making or action that is not in compliance with those laws.

ABOUT THE PRI

The Principles for Responsible Investment (PRI) works with its international network of signatories to put the six Principles for Responsible Investment into practice. Its goals are to understand the investment implications of environmental, social and governance (ESG) issues and to support signatories seeking to integrate these issues into investment and ownership decisions, where consistent with their fiduciary duties. The PRI acts in the long-term interests of its signatories and of the financial markets and economies in which they operate.

The six Principles for Responsible Investment are a voluntary and aspirational set of investment principles that offer a menu of possible actions for incorporating ESG issues into investment practice. The Principles were developed by investors, for investors. In implementing them, signatories contribute to developing a more sustainable global financial system. More information is available at www.unpri.org

ABOUT THIS PAPER

This policy research paper identifies synergies and trade-offs in policy reform options between respecting human rights and social issues and protecting and restoring nature. The paper analyses how real economy policies can contribute to human rights and nature-related goals, as well as the policy synergies (win-win scenarios) and trade-offs (win-lose scenarios) between them. It identifies public policy interventions that can amplify synergies and minimise trade-offs.

This paper aims to provide policymakers with a clearer view of the connections between nature and human rights issues. It can also support investors in engaging with policymakers on these issues in a complex, increasingly interconnected sustainability arena.

The analysis aims to be high-level and globally relevant. While the paper does not delve into region-specific factors, many local factors and circumstances often influence the dynamics between human rights and nature issues. Accordingly, this paper can serve as groundwork for further region-specific research and discussions.

For more information, contact:

Davide Cerrato
Senior Policy Specialist, Human Rights
davide.cerrato@unpri.org

Jonathan Ho
Specialist, Environmental Policy
jonathan.ho@unpri.org

Contents

- ABOUT THE PRI 2**
- ABOUT THIS PAPER 2**
- BACKGROUND 4**
 - The interplay between human rights and nature issues 4
 - The role of climate action 5
- SYNERGIES, TRADE-OFFS, AND POSSIBLE POLICY INTERVENTIONS 6**
 - 1. Decent jobs and nature protection 6
 - 2. Indigenous peoples, local communities and nature 8
 - 3. Nature and human health 10
 - 4. Land and sea use for people and nature 12
 - 5. Poverty alleviation and sustainable resource consumption 13
 - 6. Access to food and sustainable food systems 14
 - 7. Access to water and sanitation and sustainable water management 16
 - 8. Basic human needs and plastic pollution 18
 - 9. Livelihoods and air pollution 19
 - 10. Livelihoods and water pollution 20
- ANNEX: KEY CONCEPTS 21**
 - Pursuing a just nature transition 21
 - Understanding human rights 21
 - Understanding nature 22
 - Environmental defenders 22
 - Human rights and environmental due diligence 23
 - Nature-based solutions 23
 - Reforming subsidies and incentives 24

BACKGROUND

THE INTERPLAY BETWEEN HUMAN RIGHTS AND NATURE ISSUES

An unprecedented decline in biodiversity is underway,¹ placing at risk the stability and resilience of environmental systems, upon which the economy relies.² Public policies are key to correcting market failures, addressing externalities, and ensuring the resilience and stability of financial, economic, social, and environmental systems.

However, such **policies might have direct or indirect impacts on human rights and socioeconomic conditions.** This affects public buy-in and the success of the transition to a sustainable economy that supports environmental and social systems. Well-designed policies should balance the interests of different stakeholders, maximising synergies and minimising sometimes inherent tensions and trade-offs in the interaction between human activity and the natural environment, referred to as the “nexus” in this paper.³

Societal tensions could arise if these dynamics are not well managed, potentially affecting investors through:

- exposure to controversies within underlying investments;
- reduced ability to generate financial returns, especially in the case where the transition is delayed or not happening due to societal pushback; and
- impacted ability to invest for positive real-world outcomes.

More than 80% of UN member states (156 of 193) legally recognise the right to a clean, healthy, and sustainable environment, establishing binding duties for governments,⁴ which was also recognised as a human right by the UN General Assembly in July 2022.⁵ The [Annex](#) elaborates on what is meant by pursuing a just nature transition.

Case Study: Nature Restoration and Farmers Protests in Europe

The EU Nature Restoration Law aims to restore ecosystems, habitats, and species across land and sea areas to enable the recovery of biodiverse and resilient nature, contribute to climate mitigation and climate adaptation, and meet international commitments.⁶

In 2024, European farmers protested against the perceived socioeconomic burdens of the proposed measures regarding land access and use and agricultural practices.⁷ The protests occurred against the backdrop of the war in Ukraine and the upcoming (at the time) European elections.⁸ The war had already caused drastic economic impacts⁹ and driven up food prices,¹⁰ and there were fears that the proposed policies would further exacerbate Europe’s food security in the near term. Reports highlight how some parties also took the opportunity to criticise the law to secure the agriculture sector’s support in the run-up to elections.¹¹

The law was eventually passed after a tightly contested vote and with substantial compromises.¹² The final version includes less ambitious targets, increased flexibility for individual countries by making specific measures voluntary, and an emergency brake mechanism that enables a review of the regulation and its socioeconomic effects by 2033.¹³ Throughout the protests, the disruptions also caused impacts on the wider economy,¹⁴ showing that investors are exposed to and can be affected by these tensions.

¹ Biodiversity loss is fuelled by mispriced nature-related risks and environmental impacts, which affect decision-making at all levels of society.

² The Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) [found](#) that 75% of terrestrial and 66% of marine realms have been significantly altered and that more than one million species are currently threatened with extinction. Furthermore, it has been [quantified](#) that six of nine planetary boundaries have been crossed as of September 2023.

³ IPBES also emphasises the need to treat “climate, biodiversity and human society as coupled systems” in policy interventions to achieve successful outcomes. IPBES and IPCC (2021), [Biodiversity and Climate Change Workshop Report](#)

⁴ UN (2022), [Human rights obligations relating to the enjoyment of a safe, clean, healthy and sustainable environment](#)

⁵ UNDP (2023), [What is the right to a healthy environment?](#)

⁶ European Commission, [Nature Restoration Law](#)

⁷ The Guardian (2024), [New EU nature law will fail without farmers, scientists warn](#)

⁸ Carbon Brief (2024), [Analysis: How do the EU farmer protests relate to climate change?](#)

⁹ European Parliament Research Service (2024), [Economic impact of Russia’s war on Ukraine: European Council response](#)

¹⁰ European Council, [How the Russian invasion of Ukraine has further aggravated the global food crisis](#)

¹¹ Politico (2023), [EPP pitches itself as farmers’ party ahead of 2024 European election](#)

¹² Euronews (2024), [MEPs approve Nature Restoration Law amid right-wing opposition and farmer protests](#)

¹³ European Council (2024), [“Nature restoration law: Council gives final green light”](#)

¹⁴ Euronews (2024), [How much could the farmer protests cost Europe’s economy?](#)

THE ROLE OF CLIMATE ACTION

While this paper does not explore the climate dimension of the nexus in depth, climate, nature, human rights, and social issues are inextricably linked.

Climate change is driving biodiversity loss, human displacement, and the loss of livelihoods. While investing in nature's recovery can contribute to tackling climate change, the transition to a net zero and resilient economy equally has deep interdependencies with human rights and social equity. Climate impacts are most acutely felt by vulnerable communities. The transition offers opportunities to tackle inequality and support human rights by considering social justice and just transition principles.

The Paris Agreement's commitments take as a starting premise that all policies should be aligned with a just economic transition to net-zero and contribute to climate-resilient development. For this purpose, **any policy reform option to enhance the synergies and manage trade-offs between nature and human rights should be aligned with international climate commitments and, at the minimum, do no significant harm to these goals.**¹⁵

It is important to note that the current Sustainable Development Goals (SDGs) framework is not necessarily aligned with the goals of the Paris Agreement.

¹⁵ [The implementation of the 'Do No Significant Harm' principle in selected EU instruments](#) serves as an example of how this policy approach can be implemented.

SYNERGIES, TRADE-OFFS, AND POSSIBLE POLICY INTERVENTIONS

This section analyses specific issues that might arise within the nature/human rights nexus. Potential synergies and trade-offs between human rights and nature objectives are identified for each issue, and possible policy interventions are discussed. Each issue is mapped to the relevant SDGs, which can help policymakers to identify the necessary interventions towards meeting the Goals.

1. DECENT JOBS AND NATURE PROTECTION



Safeguarding nature can help to guarantee millions of jobs. According to the Organisation for Economic Co-operation and Development (OECD), investing in the conservation, sustainable use, and restoration of biodiversity can help to address economic risks while providing jobs, business opportunities,¹⁶ and other benefits.¹⁷

The **exploitation of natural resources has been linked to poor working conditions**, including instances of modern slavery. This is due to the often informal nature of employment in sectors connected to the nature transition, such as agriculture,¹⁸ forestry,¹⁹ fisheries,²⁰ and mining.

Environmental policies might lead to added operational costs. For example, limiting land use change in areas of high biodiversity importance might lead to the agriculture sector having reduced access to new greenfield land and the mining sector being restricted from accessing new mineral sources. Such impacts might be particularly acute for smallholder farmers. The property and infrastructure sectors might similarly face such circumstances through the requirement to create biodiversity net gains.²¹ Moreover, **the transition to sustainable agricultural practices can also affect job markets**,²² mainly due to lower labour requirements of conservation agriculture.²³

Possible policy interventions to enhance synergies and manage trade-offs

A comprehensive policy package accounting for the effects on the job market should be adopted to ensure that new green jobs created are decent jobs, thus avoiding replicating pre-existing labour issues.²⁴ To facilitate workers' transition from environmentally harmful activities, governments should support training, reskilling, the formalisation of informal workers, and job transfer programmes that reduce the impacts of job losses while maintaining or improving working conditions.

Social safety nets will be necessary for farmers and agricultural workers (especially for small-scale operations), who will be affected by the need to adopt more sustainable and regenerative agricultural practices.

¹⁶ An [estimated](#) 980 million jobs in farming, fisheries, forestry and tourism—one-quarter of the global workforce—depend on the effective management and sustainability of healthy ecosystems. An [estimated](#) 400 million additional jobs could be unlocked in sustainable agriculture and new markets for conservation and restoration. Nature can also drive tourism demand, leading to tangible economic benefits. A [recent study](#) shows that “an additional tourist increases annual real income in communities near the protected areas by USD169 to USD2,400, significantly more than the average tourist’s expenditure”.

¹⁷ OECD (2020), [Biodiversity and the economic response to COVID-19: Ensuring a green and resilient recovery](#)

¹⁸ University of Nottingham (2024), [Agriculture and Modern Slavery Act Reporting](#)

¹⁹ KnowTheChain (2019), [Investor Snapshot: Forced Labor in Forestry](#)

²⁰ ILO, [Forced labour and human trafficking in fisheries](#)

²¹ Lester Aldrige (2023), [Biodiversity Net Gain: Sky High Prices for Statutory Credits](#)

²² The International Labour Organization has found that adopting conservation agriculture in developing countries and organic agriculture in developed countries could translate to 120 million fewer jobs by 2030 in Africa and Asia Pacific compared to a business-as-usual scenario.

²³ ILO (2018), [World Employment and Social Outlook – Greening with jobs](#)

²⁴ PRI (2022), [How investors can advance decent work](#)

Fiscal policies should be pursued to support a just transition and reform incentives. For example, tax breaks could be provided to support lower-income workers in affected sectors as they move jobs. Furthermore, industry players might require access to finance in the transition to more sustainable practices and modes of operation. Reforming subsidies to incentivise nature protection is also important. The [Annex](#) discusses incentive reform in greater detail.

In parallel, there should be **continued support for research and development of environment-friendly business practices and solutions.** This could help to alleviate costs to businesses and encourage the generation of new jobs and new markets.

Synergies	Trade-offs
<ul style="list-style-type: none"> ▪ Healthy ecosystems support job retention in the farming, fisheries, forestry, and tourism sectors. ▪ Transitioning to a nature-positive economy can unlock new job opportunities in agriculture, conservation, and restoration. 	<ul style="list-style-type: none"> ▪ Environmental regulations can incur increased operational costs for businesses. ▪ A poorly managed transition to sustainable agriculture might have job market impacts, with increased effects in developing countries where a higher percentage of the population is involved in the sector.
Possible policy interventions to enhance synergies and manage trade-offs	
<ul style="list-style-type: none"> ▪ Ensure that new green jobs do not exacerbate pre-existing labour issues, and provide training, reskilling, and job transfer programmes for workers in affected sectors. ▪ Pursue fiscal policies to support workers transitioning jobs and reform subsidies to incentivise nature protection in business activities. ▪ Provide support for research and development of environment-friendly business practices and solutions. 	

2. INDIGENOUS PEOPLES, LOCAL COMMUNITIES AND NATURE



At least one-quarter of the global land area is traditionally owned, managed, used, or occupied by Indigenous Peoples. Additionally, a diverse array of local communities manage significant areas.²⁵ The governance and management systems of Indigenous Peoples and local communities (IPLCs) often contribute to maintaining and enhancing biodiversity and reducing habitat loss, including in areas of significantly high biodiversity.²⁶

Without considering social factors, environmental actions might threaten the territories and economies of IPLCs. For example, if land ownership rights are not clarified, the growing interest towards carbon or biodiversity markets can generate competing interests with entities seeking land to generate carbon or biodiversity credits.²⁷ Furthermore, an estimated 54% of transition minerals – minerals critical to developing clean energy infrastructure – are located on or near Indigenous Peoples’ land globally.²⁸ Accordingly, the UN Secretary-General’s Panel on Critical Energy Transition Minerals provide a set of principles that are applicable to the entire value chain and life cycle of critical energy transition minerals to establish rights-based, just, and responsible mineral value chains.²⁹ The [Annex](#) further discusses environmental defenders.

Possible policy interventions to enhance synergies and manage trade-offs

Sustainability disclosures³⁰ and practicable human rights and environmental due diligence (HREDD) requirements and guidelines – designed in line with international standards – are critical tools to identify and manage the human rights and environmental impacts of economic activities. Due diligence should be risk-based, requiring institutions to take measures that are proportional to the severity and likelihood of the adverse impact on people and the environment.³¹

An essential element of HREDD is adopting a remedy ecosystem approach for when human rights and environmental impacts occur.³² This involves case-by-case assessments of situations to determine an appropriate response. The [Annex](#) elaborates on HREDD.

Policies should require institutions to implement meaningful stakeholder engagement in their activities, including the principles of Free Prior and Informed Consent as set out by the UN Declaration on the Rights of Indigenous Peoples.³³ This is particularly relevant in disputes concerning land ownership.

Recognising and incorporating communities’ cultural and spiritual connections to nature into environmental policies – including through initiatives such as co-managed nature reserves – can help to achieve buy-in from a broader range of stakeholders.

²⁵ IPBES (2019), [Global Assessment Report on Biodiversity and Ecosystem Services](#)

²⁶ The Conversation (2020), [Protecting indigenous cultures is crucial for saving the world’s biodiversity](#)

²⁷ The [Article 6.4 mechanism](#)—also known as the Paris Agreement Crediting Mechanism—has a Supervisory Body tasked with developing and supervising the requirements and processes needed to operationalise the mechanism. A positive development is that “respecting the rights of indigenous peoples and local communities” is explicitly included in part of the agreement in the Kunming-Montreal Global Biodiversity Framework, specifically in Targets 1 and 3.

²⁸ Oxfam (2024), [Indigenous leaders call on companies to respect their right to say “no” to mining](#)

²⁹ UN Secretary-General’s Panel on Critical Energy Transition Minerals (2024), [Resourcing the Energy Transition: Principles to Guide Critical Energy Transition Minerals Towards Equity and Justice](#).

³⁰ The Taskforce on Nature-Related Financial Disclosures disclosure recommendations—and their adoption by institutions—have contributed to some progress in this respect.

³¹ OECD (2018), [OECD Due Diligence Guidance for Responsible Business Conduct](#)

³² ESG Investor (2024), [Close the Remedy Gap](#). For more information about the “remedy ecosystem” approach, see Shift (2019), [Rethinking Remedy and Responsibility in the Financial Sector](#)

³³ UN (2008), [United Nations Declaration on the Rights of Indigenous Peoples](#)

The International Union to Conserve Nature (IUCN) guidelines can provide an effective basis for these policies with their emphasis on ensuring co-benefits to effectively address societal and environmental challenges.³⁴ The [Annex](#) elaborates on nature-based solutions and the IUCN guidelines.

Synergies	Trade-offs
<ul style="list-style-type: none"> ▪ Recognising IPLCs' rights and contributions to biodiversity can help to advance both nature and human rights objectives. 	<ul style="list-style-type: none"> ▪ Environmental actions could infringe on the rights and territories of IPLCs, and the resulting community pushback might undermine the nature transition.
Possible policy interventions to enhance synergies and manage trade-offs	
<ul style="list-style-type: none"> ▪ Implement sustainability disclosures and practicable HREDD requirements in line with international standards. ▪ Require institutions to conduct meaningful and ongoing stakeholder engagement in their economic activities, including implementing the principles of Free Prior and Informed Consent as enshrined in the United Nations Declaration of the Rights of Indigenous Peoples. ▪ Provide access to stakeholder-centric remedies for impacted communities and stakeholders. 	

³⁴ IUCN (2020), [IUCN Global Standard for Nature-based Solutions](#)

3. NATURE AND HUMAN HEALTH



The degradation of ecosystems increases disease risks for people due to increased interactions between pathogens, parasites, vectors, and humans, whether directly or indirectly through domestic animals.³⁵ The COVID-19 pandemic highlighted the severity and scale of the risks of interactions between humans and nature,³⁶ as the emergence of the pandemic has been linked to biodiversity loss.³⁷ The pandemic caused widespread economic losses, increasing inequalities across the globe³⁸ and giving rise to social unrest and political instability.³⁹

Natural ecosystems also support human mental health. The recreational, cultural, spiritual, and aesthetic values of nature are intangible benefits that humans can enjoy and reduce socioeconomic inequalities in well-being.

Furthermore, **biodiversity remains critical for medicinal development.** For instance, ten of fourteen major classes of antibiotics are derived from microorganisms.⁴⁰ However, **antimicrobial resistance⁴¹ in humans and animals has progressively increased, strongly driven by antibiotics use in intensive animal agriculture,**⁴² which could lead to additional healthcare expenditures of up to USD1.2 trillion annually.⁴³ On the other hand, an unmanaged move towards more sustainable farming practices could lead to higher meat prices as animals are reared less intensively.

While connected to human health, issues of access to clean water and pollution will be covered in later sections of the paper.

Possible policy interventions to enhance synergies and manage trade-offs

Policies should explicitly recognise the importance of nature and biodiversity in protecting human physical and mental health. This requires reducing improper human interactions with wildlife, including through tackling habitat fragmentation and illegal wildlife exploitation, while providing and encouraging safe and equitable access to nature, including through urban design.

Progressively reducing the use of antibiotics in animal agriculture – as part of a broader transition to sustainable agriculture and improved animal welfare – can help to reduce the risks of antimicrobial resistance. In parallel, governments should help to safeguard access to food while encouraging sustainable and healthy diets.⁴⁴

³⁵ The Convention on Biological Diversity [finds](#) that fragmentation of natural ecosystems create “edges”, where the interactions among pathogens, parasites, vectors and humans (whether directly or indirectly through domestic animals) are increased.

³⁶ McKinsey & Co. (2022), [The coronavirus effect on global economic sentiment](#)

³⁷ Brema J., Gautam S., & Singh D. (2022), [Global implications of biodiversity loss on pandemic disease: COVID-19](#)

³⁸ World Bank (2022), [World Development Report 2022](#)

³⁹ The Economist (2021), [The pandemic has exacerbated existing political discontent](#); IMF (2022), [Social Unrest is Rising, Adding to Risks for Global Economy](#)

⁴⁰ EU Parliament (2020), [Biodiversity as a human right and its implications for the EU's external action](#)

⁴¹ According to the [World Health Organization](#), antimicrobial resistance occurs when bacteria, viruses, fungi and parasites no longer respond to antimicrobial medicines. While this is a natural process, its emergence and spread is accelerated by human activity, mainly the misuse and overuse of antimicrobials to treat, prevent, or control infections in humans, animals and plants.

⁴² FAIRR (2023), [Antimicrobial Resistance & Antibiotic Stewardship in the Animal Pharmaceutical Industry](#)

⁴³ World Bank (2017), [Drug-Resistant Infections: A Threat to Our Economic Future](#)

⁴⁴ In 2019, the Food and Agriculture Organization and the World Health Organization jointly published [guiding principles on sustainable healthy diets](#), taking into consideration international nutrition recommendations, the environmental cost of food production and consumption, and the adaptability to local social, cultural and economic contexts.

Synergies	Trade-offs
<ul style="list-style-type: none"> ▪ Protecting nature can help to reduce improper human interactions with wildlife and human exposure to diseases. ▪ Nature can support mental well-being. ▪ Biodiversity is critical for medicinal development. ▪ Transitioning to a more sustainable food system can reduce antimicrobial resistance risks, which are largely driven by antibiotics use in intensive animal agriculture. 	<ul style="list-style-type: none"> ▪ Potential higher meat prices as animals need to be reared less intensively as part of efforts to control antimicrobial resistance.
Possible policy interventions to enhance synergies and manage trade-offs	
<ul style="list-style-type: none"> ▪ Explicitly recognise the importance of nature and biodiversity in protecting human physical and mental health. ▪ Tackle improper human interactions with nature, such as habitat fragmentation and illegal wildlife exploitation. ▪ Provide safe and equitable access to nature to support mental well-being. ▪ Progressively reduce the use of antibiotics in animal agriculture as part of a broader transition to sustainable agriculture and improved animal welfare. 	

4. LAND AND SEA USE FOR PEOPLE AND NATURE



Healthy ecosystems can increase resilience against natural disasters, as well as mitigating their impacts.⁴⁵ The loss of natural habitats such as native forests, mangroves, and coral reefs has increased the risk to life and property from floods and hurricanes for 100-300 million people.⁴⁶ Wetlands help to prevent or reduce the impact of flooding and drought, as well as land subsidence.⁴⁷ Furthermore, urban greening can help to reduce heat island effects and impacts from flooding.⁴⁸ The [Annex](#) discusses nature-based solutions in greater detail.

However, **there are often competing uses for land and sea.** For example, creating marine no-take zones to protect coral reefs might negatively affect local fishing communities' income generation, including through the need to adapt by changing fishing grounds or purchasing bigger vessels that enable fishermen to travel further out into the sea.⁴⁹

Possible policy interventions to enhance synergies and manage trade-offs

Governments should ensure that impacted local communities maintain access to basic necessities such as food and decent work under new management regimes to ensure that a land or sea area can be designated for restoration or conservation without imposing disproportionate opportunity costs for economic activities.

Early and effective stakeholder engagement should be at the centre of these processes, following the right to participate in environment-related decisions, with full access to information and justice.⁵⁰

When disaster risk reduction is already a policy priority for an area, **governments should actively consider nature-based solutions over grey infrastructure**,⁵¹ given the many co-benefits that nature-based solutions offer.⁵²

Synergies	Trade-offs
<ul style="list-style-type: none"> Healthy ecosystems can help to protect local communities from the impacts of natural disasters. 	<ul style="list-style-type: none"> Land and sea use designated for nature might come at the expense of opportunities for other uses offering other benefits to local communities.
Possible policy interventions to enhance synergies and manage trade-offs	
<ul style="list-style-type: none"> When designating areas for environmental restoration or conservation, governments should ensure that local communities retain access to basic necessities, such as food and decent work. When disaster risk reduction is a policy priority, governments should actively consider nature-based solutions over grey infrastructure, given the potential co-benefits. 	

⁴⁶ EU Parliament (2020), [Biodiversity as a Human Right and its Implications for the EU's External Action](#)

⁴⁷ UN Office of Disaster Risk Reduction (2021), [Nature-based solutions for disaster risk reduction](#)

⁴⁸ UN Office of Disaster Risk Reduction (2021), [Nature-based solutions for disaster risk reduction](#)

⁴⁹ Scottish Government (2020), [Scotland's Marine Assessment 2020](#)

⁵⁰ UNOHCHR (2023), [Climate protection as a human right](#)

⁵¹ According to the [International Institute for Sustainable Development](#), grey infrastructure "involves engineered assets that provide one or multiple services required by society, such as transportation or wastewater treatment".

⁵² UN Office of Disaster Risk Reduction (2021), [Nature-based solutions for disaster risk reduction](#)

5. POVERTY ALLEVIATION AND SUSTAINABLE RESOURCE CONSUMPTION



Forests, pastures, wetlands, and marine areas in their vicinity provide subsistence for many rural communities, including access to food, fuel, fresh water, and herbal medicines.⁵³

However, some local communities or economic entities might begin to utilise their local environments more intensively or even transition from traditional subsistence farming towards producing cash crops. If this is carried out unsustainably, the **exploitation of natural resources can threaten ecosystem health.**

Possible policy interventions to enhance synergies and manage trade-offs

Policies aiming to conserve and restore ecosystems can either harm – through limiting access to resources – or benefit local communities.⁵⁴

Given that local communities and their existing way of life might positively contribute to nature conservation, **policymakers should first understand how the local communities interact with the local environment** before enacting any policies.

Any **policy interventions affecting local communities’ access to natural resources should be accompanied by social security programmes⁵⁵** to ensure that disadvantaged groups can access basic necessities.

Governments should **engage and seek buy-in from various elements of society throughout the policymaking process to understand and address different actors’ competing interests.** This is particularly relevant considering the growing body of research suggesting the need to shift consumption patterns, encouraging the wealthy segment of society to consume less while providing greater resources to the most economically vulnerable.⁵⁶ While this might prove politically challenging, gains can be achieved in reducing inequalities while potentially reducing the overall consumption of natural resources.⁵⁷

Synergies	Trade-offs
<ul style="list-style-type: none"> Healthy and productive ecosystems support the means of subsistence for groups at heightened risk of vulnerability. 	<ul style="list-style-type: none"> Initiatives to restore or preserve habitats might have negative impacts on access to resources.
Possible policy interventions to enhance synergies and manage trade-offs	
<ul style="list-style-type: none"> Restrictions to natural resource exploitation should be accompanied by social protection and welfare programmes to ensure that groups at heightened risk of vulnerability have access to essential goods. Incentivise a shift of consumption patterns to a more equitable and sustainable state. 	

⁵³ CBD (2008), [The Value of Nature: Ecological, Economic, Cultural and Social Benefits of Protected Areas](#)

⁵⁴ Center for Global Commons (2023), [Financing nature: A transformative action agenda](#)

⁵⁵ According to the [ILO](#), social protection—or social security—provides benefits to individuals based on risks faced across the life cycle (e.g., unemployment, disability, maternity, etc.) and those suffering general poverty and social exclusion. The ILO identifies nine branches of social security, including issues such as unemployment benefits, old-age pensions, and disability benefits, among others.

⁵⁶ Kukowski, C.A. & Garnett, E.E. (2024), [Tackling inequality is essential for behaviour change for net zero](#)

⁵⁷ University of Cambridge, [Economic benefits of protecting nature now outweigh those of exploiting it](#)

6. ACCESS TO FOOD AND SUSTAINABLE FOOD SYSTEMS



The fulfilment of the human right to food⁵⁸ and the stability and resilience of food sources rely on biodiversity.⁵⁹ The **loss of biodiversity – including genetic diversity – poses a serious risk to global food security and the resilience and productivity of agricultural systems.**⁶⁰

Under current systems and food production methods, **meeting the present needs for food consumption often comes at the expense of the long-term health and productivity of the wider food system.**⁶¹ On the other hand, it is estimated that every dollar spent on land restoration and sustainable land management can yield up to USD30 billion in economic benefits, including increased crop yields, improved water availability, and reduced land degradation.⁶²

Policy interventions to transition towards more sustainable food production practices have been perceived to incur high compliance costs.⁶³ **High transition costs could result in higher food prices and reduced food accessibility, which might threaten the right to food** in the short- or even medium-term.⁶⁴

Possible policy interventions to enhance synergies and manage trade-offs

Demand-side food policies should be pursued to holistically address food security. For example, food waste should be prevented and minimised across the food value chain through more efficient food production, processing, and distribution practices. Concurrently, policies should help to build a market for sustainable healthy foods including through incentive schemes and education, as well as addressing overconsumption.

Subsidies and incentives within the food sector should be reviewed and reformed to encourage sustainable practices, while maintaining a just transition approach. This might require sufficient lead time to incrementally adjust incentive structures to avoid creating sudden shocks or additional costs to the sector. The [Annex](#) discusses incentive reform in greater detail.

Supporting **continued innovation, research, development and commercialisation of sustainable food products, sustainable production practices and technologies along the food value chain** could help to alleviate transitions costs.

⁵⁸ Defined as “the right to have regular, permanent and unrestricted access – either directly or by means of financial purchases – to quantitatively and qualitatively adequate and sufficient food corresponding to the cultural traditions of the people to which the consumer belongs, and which ensure a physical and mental, individual and collective, fulfilling and dignified life free of fear” (UN OHCHR, [About the right to food and human rights](#)).

⁵⁹ CBD (2008), [The Value of Nature: Ecological, Economic, Cultural and Social Benefits of Protected Areas](#)

⁶⁰ Between USD235 and USD577 billion in annual global crop output is at risk due to the decline of pollinators such as bees and birds. See IPBES (2019), [Global Assessment Report on Biodiversity and Ecosystem Services](#) and EU Parliament (2020), [Biodiversity as a Human Right and its Implications for the EU's External Action](#)

⁶¹ Agricultural supply chains currently account for significant terrestrial biodiversity loss including up to 73% of tropical deforestation. See OECD (2024), [Agricultural Supply Chains and the Environment: What do the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct Expect from Business?](#)

⁶² Center for Global Commons (2023), [Financing nature: a transformative action agenda](#)

⁶³ Carbon Brief (2024), [Analysis: How do the EU farmer protests relate to climate change?](#)

⁶⁴ Carbon Brief (2024), [Analysis: How do the EU farmer protests relate to climate change?](#)

Synergies	Trade-offs
<ul style="list-style-type: none"> ▪ Protecting and restoring biodiversity helps to safeguard the long-term resilience and productivity of food systems. 	<ul style="list-style-type: none"> ▪ Under current systems, meeting present needs for food often comes at the expense of the long-term health of the wider food system. ▪ Shifting to sustainable food systems might incur transition costs, which could be passed on to end consumers.
Possible policy interventions to enhance synergies and manage trade-offs	
<ul style="list-style-type: none"> ▪ Pursue demand-side food policies to holistically address food security. ▪ Reform subsidies and incentives to promote sustainable food systems, while maintaining a just transition approach. ▪ Support the innovation, research, development, and commercialisation of new products, practices, and technologies for sustainable food systems. 	

7. ACCESS TO WATER AND SANITATION AND SUSTAINABLE WATER MANAGEMENT



Access to safe water, sanitation, and hygiene⁶⁵ can be affected by different factors. Physical water scarcity occurs when the water supply is insufficient compared to its demand. Economic water scarcity occurs when the lack or poor management of necessary infrastructure limits water access, even if such water is physically available.⁶⁶

Globally, there remains **under-investment in essential infrastructure for water and sanitation**, with an estimated annual spending gap of USD138 billion to achieve the SDG targets for universal access to safely managed water supply and sanitation.⁶⁷

While dams are built to increase water storage and supply, **dams and associated infrastructure such as roads can affect local ecosystems** through the fragmentation or degradation of land ecosystems and the alteration of aquatic ecosystems.⁶⁸

While access to water is an essential human need, in some areas **water consumption – including for industrial or agricultural purposes – is occurring faster than the rate of natural replenishment through the hydrological cycle**. The depletion of water could also alter ecosystems, with negative consequences for local communities and economies.⁶⁹

Meanwhile, it has been found that **protecting nature – particularly watershed areas – can help to secure downstream water sources and supply**.⁷⁰

Possible policy interventions to enhance synergies and manage trade-offs

In addition to securing water supply, **policies should address the demand side of water consumption**. For example, policies should encourage water efficiency measures through infrastructure upgrades or incentives to adjust consumption patterns. This could initially focus on key sectors such as agriculture, which is responsible for 72% of freshwater withdrawals.⁷¹

Governments should **ensure sufficient investment in building and maintaining essential infrastructure and conduct regular reviews** to reduce the likelihood of economic water scarcity. Investment in water supply and sanitation services should aim to **ensure equitable access**.⁷²

Interventions to secure or increase water supply should **aim to avoid negative impacts on the natural environment and be informed by robust environmental and human rights impact assessments**. These efforts should be aligned with the mitigation hierarchy (avoid, minimise, restore, and compensate).⁷³ Where outcomes are comparable, nature-based solutions such as protecting watershed areas should be prioritised over grey infrastructure such as dams.

Finally, policymakers should seek to transition economies towards **a circular water use model**, in line with circular economy and resilience principles and inclusiveness.⁷⁴

⁶⁵ Officially recognised as a human rights by the UN General Assembly in 2015. See UN (2015), [The human rights to safe drinking water and sanitation: Resolution / adopted by the General Assembly](#)

⁶⁶ UNESCO (2021), [The United Nations World Water Development Report 2021](#)

⁶⁷ World Bank (2024), [Funding a water-secure future: an assessment of global public spending](#)

⁶⁸ Wu, H., Chen, J. Xu, J. et al. (2019), [Effects of dam construction on biodiversity: A review](#)

⁶⁹ UN (1999), [Dry Tears of the Aral](#)

⁷⁰ CBD (2008), [The Value of Nature: Ecological, Economic, Cultural and Social Benefits of Protected Areas](#)

⁷¹ UN (2023), [Blueprint for Acceleration: Sustainable Development Goal 6 Synthesis Report on Water and Sanitation 2023 – The Message: Key Findings and Recommendations](#)

⁷² World Bank (2019), [Doing More with Less – Smarter Subsidies for Water Supply and Sanitation](#)

⁷³ Cross Sector Biodiversity Initiative (2015), [A Cross-Sector Guide for Implementing the Mitigation Hierarchy](#)

⁷⁴ World Bank (2021), [Water in Circular Economy and Resilience \(WICER\)](#)

Synergies	Trade-offs
<ul style="list-style-type: none"> ▪ Protecting ecosystems help to protect water supply, water quality, and the water cycle, supporting the human right to water and sanitation. 	<ul style="list-style-type: none"> ▪ Infrastructure to improve reliable water supply – such as dams – can significantly alter local environments.
Possible policy interventions to enhance synergies and manage trade-offs	
<ul style="list-style-type: none"> ▪ Address the demand side of water consumption and encourage water efficiency. ▪ Interventions to secure or increase water supply should aim to avoid negative environmental impacts and be informed by robust environmental and human rights impact assessments. ▪ Economies should transition towards a circular model for water use. 	

8. BASIC HUMAN NEEDS AND PLASTIC POLLUTION



Plastic pollution poses a serious challenge to the environment⁷⁵ and human health.⁷⁶

Nevertheless, **plastics have been central to our current way of life**, being used in various activities and supporting the right to food (through food storage and protecting food safety) and health (notably in the medical context).

A shift to a circular economy can have economic,⁷⁷ social, and environmental benefits.⁷⁸ However, this transition might lead to changes in the job market as traditional plastic-related jobs could be lost. Waste-pickers and other workers in the informal recycling sector might also be affected.

Possible policy interventions to enhance synergies and manage trade-offs

Governments should **address plastic pollution through a strategic approach aligned with the waste management hierarchy** (prevent, reduce, reuse, recycle, recover, then dispose) as part of an overall **transition to a socially just circular economy.⁷⁹**

Upstream interventions should be pursued, for example through **encouraging plastic products to be reusable or recyclable. Extended producer responsibility schemes** can be effective tools that require producers to consider the whole lifecycle of plastic products.

Governments should **support the research, development, and commercialisation of sustainable alternative materials** that can help to fulfil the same social and economic needs, ensuring that the right to food and right to health – for example – are not affected.

Synergies	Trade-offs
<ul style="list-style-type: none"> Minimising non-critical plastic use and preventing plastic pollution benefit the environment and human health. 	<ul style="list-style-type: none"> Plastics are central to our current way of life and support the right to food and health.
Possible policy interventions to enhance synergies and manage trade-offs	
<ul style="list-style-type: none"> Address plastic pollution through a strategic approach aligned with the waste management hierarchy as part of an overall transition to a socially just circular economy. Both upstream and downstream interventions through the plastic lifecycle will be needed. Support the research, development and commercialisation of sustainable alternative materials that can help to fulfil the same social and economic needs. 	

⁷⁵ Approximately 11 million tonnes of plastic waste flow annually into oceans. More than 800 marine and coastal species are affected by this pollution through ingestion, entanglement, and other dangers.

⁷⁶ Exposure to activities along the plastic lifecycle (production, use, and disposal) has impacts on human health, potentially affecting fertility, hormonal, metabolic and neurological activity. Furthermore, industrial facilities for plastics are often located near low-income and marginalised communities, causing a disproportional impact on their health and well-being.

⁷⁷ It is estimated that a shift to a circular economy can save governments USD70 billion by 2040, create 700,000 additional jobs—mainly in the global south—and provide environmental benefits.

⁷⁸ UN Environment Programme (2022), [“Historic day in the campaign to beat plastic pollution: Nations commit to develop a legally binding agreement”](#)

⁷⁹ ILO (2023), [Decent work in the circular economy: an overview of the existing evidence base](#)

9. LIVELIHOODS AND AIR POLLUTION



Exposure to high levels of air pollution can cause a variety of adverse health outcomes,⁸⁰ with evidence showing that air pollution disproportionately affects low-income households.⁸¹

Air pollution can also be harmful to the environment. For example, it can damage crops, forests, and plants by reducing growth rates, lowering yields, and affecting biodiversity, while the deposition of air pollution changes the chemical composition of soils, lakes, rivers, and marine waters, which disrupts ecosystems and leads to biodiversity loss.⁸²

Some policies tackling the sources of air pollution have been perceived to negatively affect social conditions. For example, policymakers have cited the potential socioeconomic impacts on households of taxing older and more polluting vehicles as a reason to delay environmental action.

Possible policy interventions to enhance synergies and manage trade-offs

Policy measures addressing air pollution should **ensure that the most vulnerable are supported in any associated expenses.** For example, this could be achieved through targeted tax rebates or subsidies, as well as the provision of public services and infrastructure.⁸³

Moreover, policymakers and stakeholders should **highlight the long-term costs of poor air quality and the savings gained by ensuring cleaner air,** such as potential savings in healthcare expenses.⁸⁴

It is important to note that key sources of air pollution vastly differ across locations, and each source might have different implications for human rights and social conditions. Hence, the potential synergies or trade-offs differ according to the source of air pollution.

Synergies	Trade-offs
<ul style="list-style-type: none"> Preventing and minimising air pollution is beneficial for both human and environmental health. 	<ul style="list-style-type: none"> Air pollution regulations risk having negative effects on the cost of living.
Possible policy interventions to enhance synergies and manage trade-offs	
<ul style="list-style-type: none"> Air pollution regulation should be accompanied by social protection and welfare programmes to protect cost-of-living impacts on vulnerable groups. Cost-benefit estimations of policy interventions should factor in the long-term implications for society arising from air pollution, including healthcare costs and benefits. 	

⁸⁰ WHO (2024), [Health consequences of air pollution on populations](#)

⁸¹ European Environment Agency (2023), [Income-related environmental inequalities associated with air pollution in Europe](#)

⁸² EEA (2022), [Impacts of air pollution on ecosystems](#)

⁸³ PRI (2022), [Policy briefing: Sustainable infrastructure](#)

⁸⁴ As an example, the Mayor of London [estimates](#) that the city's Ultra Low Emission Zone policy will save around £5 billion in healthcare costs and prevent more than one million hospital admissions by 2030.⁸⁴

10. LIVELIHOODS AND WATER POLLUTION



Agriculture and untreated wastewater are two of the greatest threats to water quality globally.⁸⁵

Water pollution affects aquatic environments, reducing their ability to sustain life, with knock-on consequences on economic activities such as fisheries. It equally affects humans, further reducing access to safely managed drinking water services. This in turn has effects on economic productivity and public health.⁸⁶

Preventing and minimising water pollution not only protects nature but supports the human rights to water and health.

However, **regulations to prevent water pollution could potentially have adverse effects on the profitability of certain industries** – such as manufacturing and farming – by creating new requirements.⁸⁷ Additional costs from regulation might then be passed down to consumers and end users.

Possible policy interventions to enhance synergies and manage trade-offs

Governments should regulate the discharge of pollution into water bodies to minimise pollution. Accompanying these policies, social protection and welfare programmes should help to **mitigate any cost-of-living impacts for vulnerable groups** that might arise from the cost pass-through of water pollution regulation.

Transitioning to a circular model of water use could help to better manage water pollution and reduce water loss.⁸⁸

Synergies	Trade-offs
<ul style="list-style-type: none"> Preventing and minimising water pollution is beneficial for both human and environmental health. 	<ul style="list-style-type: none"> Water pollution regulations could potentially increase the costs of water-consuming economic activities, with the risk of increased costs for end consumers.
Possible policy interventions to enhance synergies and manage trade-offs	
<ul style="list-style-type: none"> Ensure that water pollution regulation is accompanied by social security programmes to minimise socioeconomic impacts for vulnerable groups. Transition to a circular economy approach to water consumption, which could help to better manage waste and pollution. 	

⁸⁵ UN Environment Programme (2021), [Progress on Ambient Water Quality: Global Indicator 6.3.2 Updates and Acceleration Needs 2021 Executive Summary](#)

⁸⁶ WHO (2023), [Drinking-water](#)

⁸⁷ Dechezleprêtre, A. & Sato, M. (2017), [The Impacts of Environmental Regulations on Competitiveness](#)

⁸⁸ Ellen MacArthur Foundation (2019), [Water and circular economy: A whitepaper](#)

ANNEX: KEY CONCEPTS

PURSUING A JUST NATURE TRANSITION

The Kunming-Montreal Global Biodiversity Framework recognises the need for a just nature transition.⁸⁹ This can be defined as a transition delivering decent work and social inclusion and eradicating poverty by shifting to a net zero and climate-resilient economy that simultaneously delivers biodiversity goals in agriculture, forestry, land use, and the oceans.⁹⁰

According to the International Labour Organization Guidelines for a Just Transition Towards Environmentally Sustainable Economies and Societies for All, policies aimed at the economic transition should adopt a people-centred approach, including:⁹¹

- integrating human rights and labour standards;
- addressing social risks and opportunities; and
- ensuring meaningful participation and partnership.

The Grantham Research Institute has identified four priority areas where just nature transitions are needed: delivering sustainable agriculture and food systems, ending deforestation, scaling up nature-based solutions, and restoring ocean ecosystems.⁹²

Finally, the Special Rapporteur on the right to a safe, clean, healthy, and sustainable environment highlights that adopting a rights-based approach can help to solve a series of challenges, including the climate emergency, the collapse of biodiversity, and pervasive toxic pollution.⁹³

UNDERSTANDING HUMAN RIGHTS

Human rights are rights inherent to all human beings, regardless of race, sex, nationality, ethnicity, language, religion, or any other status. They are enshrined in a body of law founded upon the Charter of the United Nations and the Universal Declaration of Human Rights,⁹⁴ adopted by the General Assembly in 1945 and 1948.

Economic, social and cultural rights hold particular importance for the present discussion, based on the International Covenant on Economic, Social and Cultural Rights.⁹⁵ Among others, they include the rights to adequate food, adequate housing, education, health, social security, water and sanitation, work, and participating in cultural life.

The UN Guiding Principles on Business and Human Rights⁹⁶ represent the internationally agreed standard addressing the responsibility of businesses to respect human rights in their operations and value chains. They were unanimously adopted by the Human Rights Council in 2011. A recent paper by the UN Working Group on Business and Human Rights highlights the role of investors in protecting human rights, outlining how they can align their ESG and sustainability approaches with the responsibilities outlined in the Guiding Principles.⁹⁷

⁸⁹ CBD, [Introduction to the GBF](#)

⁹⁰ Muller, S. & Robins, N. (2022), [Just nature: How finance can support a just transition at the interface of action on climate and biodiversity](#)

⁹¹ ILO (2015), [Guidelines for a just transition towards environmentally sustainable economies and societies for all](#)

⁹² Muller, S. & Robins, N. (2022), [Just nature: How finance can support a just transition at the interface of action on climate and biodiversity](#)

⁹³ UN (2022), [Human rights obligations relating to the enjoyment of a safe, clean, healthy and sustainable environment](#)

⁹⁴ UN (1948), [Universal Declaration of Human Rights](#)

⁹⁵ UN (1966), [International Covenant on Economic, Social and Cultural Rights](#)

⁹⁶ UN OHCHR (2011), [Guiding Principles on Business and Human Rights](#)

⁹⁷ UN Working Group on Business and Human Rights (2024), [Investors, ESG and Human Rights](#)

UNDERSTANDING NATURE

Nature refers to the natural world, with an emphasis on its living components.⁹⁸ Biodiversity is the variability among living organisms from all sources,⁹⁹ reflecting an essential component of nature for maintaining a functioning and resilient natural system that can continue to provide services for society.¹⁰⁰ Biodiversity enables ecosystems to be productive, resilient, and adaptable to change.¹⁰¹

Ecosystem services are part of nature's contributions to people.¹⁰² Ecosystem services include provisioning services such as food and raw materials, as well as regulating and maintenance services such as air and water filtration, carbon storage, and climate regulation.¹⁰³

The Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services has identified five human-influenced direct drivers:

- land, freshwater and sea use change from – for example – agricultural expansion, mineral extraction and infrastructure development;
- overexploitation of resources through – for example – overfishing, unsustainable timber harvesting, mineral extraction, and hunting of species for animal-based products;
- climate change, leading to impacts from changing temperatures and weather patterns, which affect how ecosystems function and causing the migration of species;
- pollution, with impacts for freshwater and ocean habitats as a result of plastic waste and nitrogen deposits, for example; and
- invasive species, which can disrupt the ecological functioning of natural systems by outcompeting native flora and fauna, for example.

Many of the issues identified within this paper relate to actions that either exacerbate or aim to address the drivers of biodiversity loss.

ENVIRONMENTAL DEFENDERS

The UN defines environmental defenders as “individuals and groups who, in their personal or professional capacity and in a peaceful manner, strive to protect and promote human rights relating to the environment, including water, air, land, flora and fauna”.¹⁰⁴

According to Global Witness and the United Nations Environment Programme (UNEP), on average three environmental defenders are killed per week. Around 40-50% of all victims come from indigenous and local communities who are defending their lands and their access to the natural resources on which their communities depend for survival and livelihoods.¹⁰⁵

The UN has recognised the threats to environmental defenders and calls for their protection. Through its Defenders Policy, UNEP:¹⁰⁶

- denounces the attacks, torture, intimidation, and murders of environmental defenders;
- advocates with states and non-state actors – including business – for better protection of environmental rights and the people standing up for these rights;
- supports the responsible management of natural resources; and
- demand governments' and companies' accountability for the different events where environmental defenders have been affected/murdered.

⁹⁸ IPBES (2019), [Global Assessment Report on Biodiversity and Ecosystem Services](#)

⁹⁹ CBD (2011), [Convention on Biological Diversity: Texts and Annexes](#)

¹⁰⁰ PRI, [Nature in responsible investments](#)

¹⁰¹ PRI (2024), [An introduction to responsible investment: Biodiversity for asset owners](#)

¹⁰² IPBES (2019), [Global Assessment Report on Biodiversity and Ecosystem Services](#)

¹⁰³ PRI (2024), [An introduction to responsible investment: Biodiversity for asset owners](#)

¹⁰⁴ UN (2016), [Report of the Special Rapporteur on the situation of human rights defenders](#)

¹⁰⁵ UN Environment Programme (2018), [Promoting Greater Protection for Environmental Defenders](#)

¹⁰⁶ UNEP, [Who are environmental defenders?](#)

HUMAN RIGHTS AND ENVIRONMENTAL DUE DILIGENCE

Human rights due diligence enables enterprises to proactively manage potential and actual adverse human rights impacts with which they are involved. It involves four core components:

- “identifying and assessing actual or potential adverse human rights impacts that the enterprise might cause or contribute to through its own activities, or which might be directly linked to its operations, products, or services through its business relationships;
- integrating findings from impact assessments across relevant company processes and taking appropriate action according to its involvement in the impact;
- tracking the effectiveness of measures and processes to address adverse human rights impacts to ascertain whether they are working; and
- communicating on how impacts are being addressed and showing stakeholders—in particular affected stakeholders—that adequate policies and processes are in place”.¹⁰⁷

In recent years, the concept of due diligence has been expanded beyond the human rights sphere to encompass environmental and climate change issues.

Policymakers are demonstrating growing interest in this type of policy instrument, which has taken the form of guidance (such as Japan’s Reference Material on Practical Approaches for Business Enterprises to Respect Human Rights in Responsible Supply Chains)¹⁰⁸ and regulations (such as the European Corporate Sustainability Due Diligence Directive).¹⁰⁹

OECD Guidelines for Multinational Enterprises on Responsible Business Conduct

The OECD Guidelines are formally adhered to by 51 countries, committing to promote them among companies operating within or from their territories. They reflect governments’ expectations concerning responsible business conduct.

In the 2023 update, the Guidelines strengthen the connection between responsible business conduct and the protection of nature. They include specific recommendations for enterprises to align with internationally agreed goals on climate change and biodiversity, and acknowledge that enterprises can be involved in a range of adverse environmental impacts, including:

- climate change;
- biodiversity loss;
- degradation of land, marine, and freshwater ecosystems;
- deforestation;
- air, water, and soil pollution; and
- mismanagement of waste, including hazardous substances.

NATURE-BASED SOLUTIONS

Nature-based solutions (NBS) address societal challenges through actions to protect, sustainably manage, and restore natural and modified ecosystems, simultaneously benefiting people and nature.¹¹⁰

In 2020, the IUCN launched the first-ever Global Standard for Nature-Based Solutions to ensure that investments in nature reach their potential by contributing to the health and well-being of people and the planet and avoid any misuse of NBS.¹¹¹ For an intervention to be considered an NBS, one or multiple societal challenges must be addressed in an integrated manner. Furthermore, an NBS shall equitably

¹⁰⁷ OHCHR (2011), [Corporate human rights due diligence: Identifying and leveraging emerging practices](#).

¹⁰⁸ Ministry of Economy, Trade and Industry (2023), [“Reference Material on Practical Approaches for Business Enterprises to Respect Human Rights in Responsible Supply Chains” Released](#)

¹⁰⁹ European Commission, [Corporate sustainability due diligence](#)

¹¹⁰ IUCN, [Nature-based Solutions](#)

¹¹¹ IUCN (2020), [IUCN Global Standard for Nature-based Solutions](#)

balance trade-offs between the achievement of their primary goal and the continued provision of multiple benefits.¹¹²

In 2022, the United Nations Environment Assembly adopted a definition of NBS aligned with the IUCN Global Standard, emphasising the need for “simultaneously providing human well-being, ecosystem services and resilience and biodiversity benefits”.¹¹³

REFORMING SUBSIDIES AND INCENTIVES

Business for Nature proposes the following principles to ensure that socioeconomic considerations are central to any reforms of subsidies and incentives:¹¹⁴

- Ensuring open communication and an adequate transition time to manage the political economy and ensure support.
- Managing reforms gradually as sudden, unexpected removal of subsidies can cause economic and social disruptions, particularly for vulnerable populations.
- Ensuring that vulnerable parts of society are not unduly harmed, including through providing compensation and redistribution of savings as appropriate.
- Strengthening social and environmental protection systems through alternative policy solutions to harmful subsidies.
- Establishing credible and transparent systems for reinvestment and redistribution of reform revenues to align public finance with sustainability objectives.
- Increasing available funding for just transition mechanisms or funds to unlock the necessary finance to support affected stakeholders affected by reforms.
- Managing commodity price volatility through smoothing measures and smart timing, including the gradual phasing-out of harmful subsidies.
- Adopting complementary policies to create positive incentives to support the reform if price deregulation is insufficient.

¹¹² IUCN (2020), [Guidance for using the IUCN Global Standard for Nature-based Solutions](#)

¹¹³ UN Environment Programme (2022), [UN Environment Assembly 5 \(UNEA 5.2\) Resolutions](#).

¹¹⁴ Business for Nature (2023), [Recommendations to governments: How to implement Target 18 of the Global Biodiversity Framework](#)