



**OCEAN
STEWARDSHIP
COALITION**



NET-POSITIVE BIODIVERSITY IN OFFSHORE RENEWABLE ENERGY

*MINIMUM CRITERIA AND
RECOMMENDATIONS FOR ACTION*



INTRODUCTION

Guiding action to halt and reverse biodiversity loss is a unifying global goal reinforced by the Kunming-Montreal Global Biodiversity Framework, finalised at COP15 in 2022. Climate change is one of the most significant and growing drivers of biodiversity loss, while nature can play a critical role in limiting global warming to no more than 1.5 °C.

The consensus is that the Offshore Renewable Energy (ORE) sector will play a significant role in the global transition to clean energy and climate mitigation. For example, it is estimated that 380 GW of offshore wind by 2030 and 2000 GW by 2050 are needed to meet the net-zero targets laid out in the Paris Agreement.¹ As climate change, biodiversity loss and ocean health are intertwined, guiding ORE action to support climate goals and contribute to ocean health by implementing biodiversity-positive actions at the project level is critically important.²

The concept of net-positive impact (NPI) is being advanced to support the delivery of ORE in ways that responsibly contribute to avoiding and reducing impacts and restoring and enhancing biodiversity (including species, habitats, ecological connectivity and function) at the project level.

In October 2023, the United Nations Global Compact Ocean Stewardship Coalition held a series of working meetings which convened a public-private multi-stakeholder group including ocean industry, Governments, non-government organisations, academics and other relevant stakeholders to create alignment in identifying the critical components required to deliver ORE in a biodiversity-positive manner. The outcome of those meetings is the following document meant to inform ORE developers' action on biodiversity by outlining the minimum considerations that must underpin ORE actions designed to achieve NPI at the project level. Although challenges to implementation remain, these minimum considerations outline what ORE developers should be working towards while institutional frameworks, reporting mechanisms and technologies are still in development.³

1. Sustainable Development Goal 7 (SDG7 or Global Goal 7) is one of the 17 Sustainable Development Goals established by the United Nations General Assembly in 2015. The SDG7 Energy Compact of the International Renewable Energy Agency (IRENA) and the Global Wind Energy Council (GWEC) developed this global estimate for offshore wind in support of SDG7 targets. [THE 17 GOALS | Sustainable Development \(un.org\)](#)
2. The concept of delivering biodiversity-positive actions at the project level is commonly referred to as NPI. Sometimes NPI is used interchangeably with "nature positive", but it does not have the same meaning. NPI refers to the successful implementation of deliberate and measurable actions to achieve net gain for prioritised biodiversity features once No Net Loss (NNL) for those prioritised biodiversity features is achieved by sequential and iterative actions taken to avoid and reduce impacts. NPI is almost always at the project scale and can only be achieved as part of the iterative and sequential application of the mitigation hierarchy and can only be considered after all steps have been taken to achieve NNL.
3. NPI refers to a target for project outcomes in which No Net Loss (NNL) for prioritised biodiversity features is first achieved by sequential and iterative actions taken to avoid and reduce impacts, and deliberate and measurable actions to achieve net gain for those prioritised biodiversity features are then taken and successfully implemented

An aerial photograph of a rugged coastline. In the background, a large, rocky mountain peak rises above the sea. The middle ground shows a dark, forested coastline with a few buildings. In the foreground, the water is a vibrant blue, revealing a complex coral reef structure. Several sailboats are visible in the water. The sky is a clear, bright blue with some light clouds.

CRITERIA FOR ORE NPI

ORE NPI actions should be designed to

- 1) halt biodiversity loss,**
- 2) enhance and restore ocean health and**
- 3) inform adaptive and innovative strategies through collaborative and inclusive approaches.**

The following **seven criteria** are considered essential elements to successfully implement NPI at the project level. Specific recommendations are included to provide further direction to the ORE sector on how to satisfy these criteria.

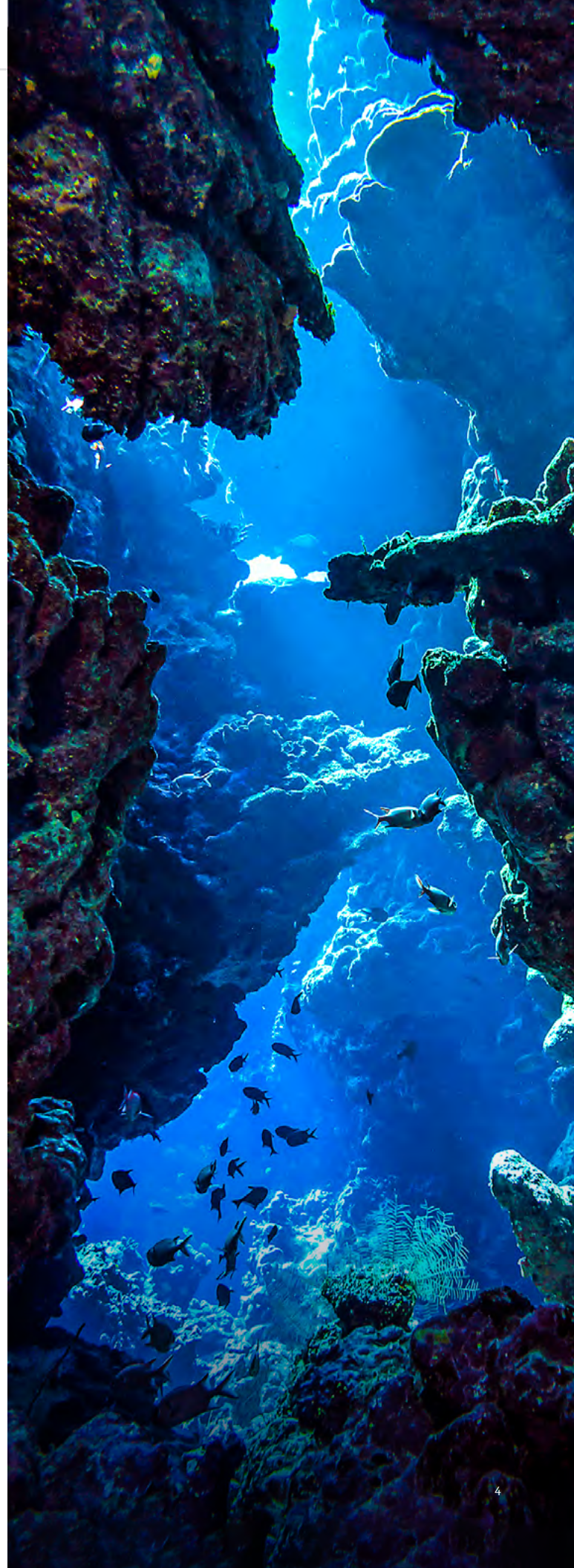
Implementing NPI at the project level will also require a robust enabling environment to meaningfully advance regional and global biodiversity goals. This enabling environment involves action from the wider stakeholder community. Recommendations for how the wider stakeholder community can inform and contribute to successful ORE NPI actions are laid out in separate sections following the ORE sector-specific recommendations. While the focus of this document is on ORE NPI action, other sectors in the wider stakeholder community also have their own roles and responsibilities to take action to advance regional and global biodiversity goals.

HALTING BIODIVERSITY LOSS

1. Demonstrate corporate and project-specific contributions to greenhouse gas emissions reductions that align with the Paris Agreement 1.5 °C temperature goal. Setting a science-based greenhouse gas emissions reduction target that can be validated through the Science Based Targets Initiative and implementing actions towards achieving such a target is a necessary and foundational step in halting biodiversity loss driven by climate change and the broader ecological impacts of fossil fuel extraction and use.

Recommendations for demonstrating corporate and project-specific contributions to greenhouse gas emissions include the following:

- Incorporate circularity principles advanced by the United Nations Environment Programme Circularity Platform as early as possible in corporate practice and project designs (from financial close to decommissioning) to achieve coherence among waste policies, cleaner production, construction and decommissioning policies and life-cycle-based approaches that reduce emissions and minimise waste.
- Provide policymakers with access to open life-cycle data.
- Replace diesel fuel and marine fuel oil with clean alternative fuels; use electric vessels, equipment and vehicles for ORE activities on the ocean and near ports (replace combustion engines with zero-emissions technology).
- Contractors must use ports equipped with shore power and zero-emissions material-handling equipment, and construction firms must offer alternative-fueled or zero-emissions equipment and vehicles.
- Structure contracts to deliver ORE projects on timelines that support Government decarbonization strategies.



2. Sequentially and iteratively apply the mitigation hierarchy, utilising evidence-based best practices across the full project cycle—from pre-feasibility planning to decommissioning—to deliver No Net Loss (NNL) at the project level. The mitigation hierarchy provides the fundamental framework for ORE to mitigate biodiversity loss (see IUCN Mitigation Figure below) and is a common requirement in permitting and consenting projects.

Recommendations for applying the mitigation hierarchy include the following:

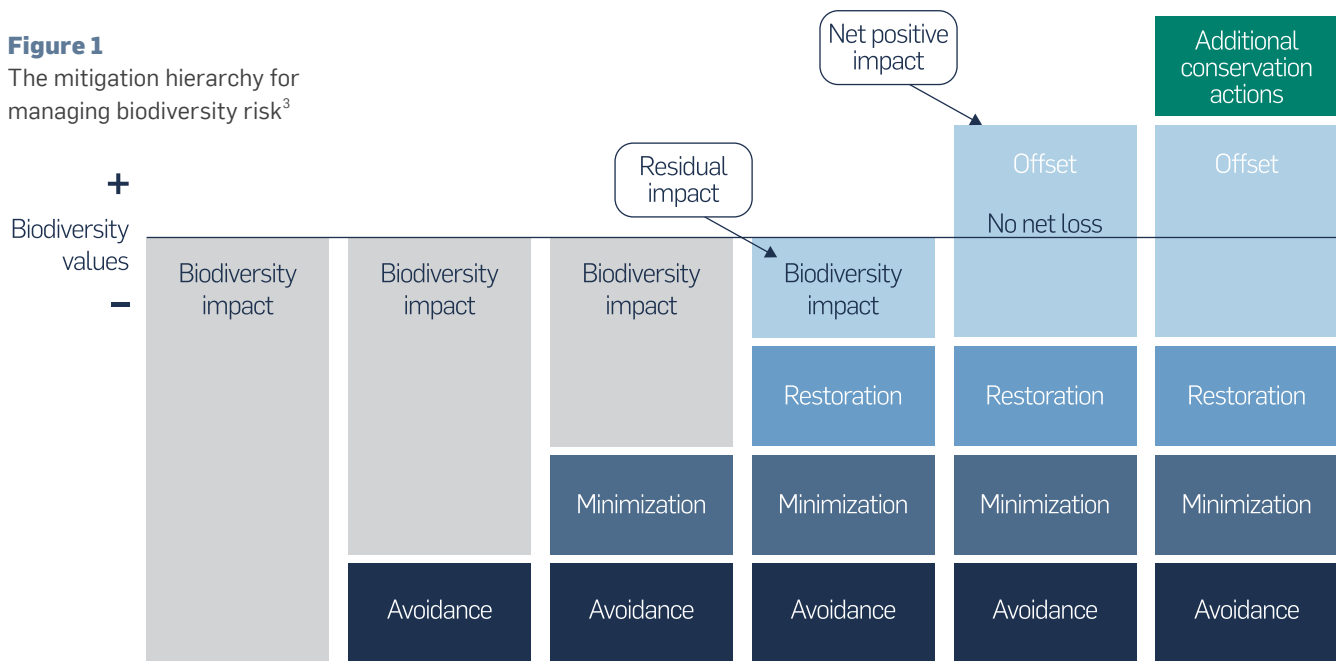
- Avoid impacts on priority habitat features and species. This is the first and most important step in the mitigation hierarchy and is best achieved in the siting and subsequently in the initial design phase (avoiding sensitive habitat, selecting materials and technologies) for ORE project development.
- Restore and regenerate species and habitats where impacts cannot be avoided through compensatory restoration and offsetting actions. NPI can be considered only after all steps have been taken to achieve NNL.

- Design measurement and monitoring protocols 1) to advance understanding of how priority species utilise the offshore space and do (or do not) interact with ORE (in collaboration with adjacent ORE projects where possible); 2) to ensure the effectiveness of mitigation and offsetting strategies, including nature-inclusive designs; and 3) to holistically inform future mitigation and offsetting strategies.
- Select monitoring efforts with minimal disruption to resources involved as best as possible.
- Propose new mitigation measures and/or monitoring methods where monitoring results deviate substantially from the anticipated impacts.
- Share relevant results from monitoring on appropriate public platforms.



Mitigation Hierarchy

Figure 1
The mitigation hierarchy for managing biodiversity risk³



ENHANCE AND RESTORE OCEAN HEALTH

3. Assess, identify, interpret and prioritise biodiversity features at the project level using a standardised, evidence-based approach.⁴ Develop and adopt a standardised and science-based approach to identify priority biodiversity features for NPI actions.⁵ The approach should enable the identification of best practice NPI measures and incentivise and fund ORE projects that can deliver NPI. Building on the work to achieve NNL, committing to early assessment, identification and prioritisation of biodiversity features, measuring baseline conditions, pre-, during and post-construction monitoring, target setting for priority species and habitats and disclosing baseline targets. Identifying priority biodiversity features and existing pressures on them within the ORE project area should be undertaken through an inclusive process that engages local experts and communities.

Recommendations for biodiversity feature assessment and prioritisation include the following:

- Priority biodiversity features should be identified early using a risk-based screening approach to inform the scope of baseline studies in the project area. The project area's baseline conditions should be measured using standardised archival, continuous and long-term monitoring approaches.
- Selected priority biodiversity features should align with species and habitat priorities set by Government regulatory bodies and account for existing pressures and roles in ecosystem function and productivity.
- Validate biodiversity feature selection through an inclusive process engaging Indigenous and tribal peoples, local conservation experts, local communities and other relevant experts.
- Ensure the selected approach assists ORE developers with setting project-level NPI targets that are realistically available and measurable.
- Reference existing standards for identifying priority biodiversity features (species, habitats and functions) like those outlined in the [International Finance Corporation's Performance Standard 6](#).

4. Set measurable targets and implement actions to achieve NPI across the full project lifecycle when deploying ORE. A number of stakeholders are developing measurement methods and biodiversity targets for ORE NPI. As companies begin to set measurable targets and implement NPI actions, they should clearly integrate their commitment to deliver on NPI goals in corporate development and operating guidance and decision frameworks.

Recommendations for setting measurable targets and implementing NPI actions include the following:

- Develop a plan to demonstrate NPI. The plan should include ambitious but also achievable and quantifiable targets focused on priority biodiversity features identified under criteria 3 and a standardised method for measuring and monitoring the effectiveness of NPI actions across projects.
- Ensure the frequency, duration and methods for monitoring are proportionate to the impact and priority biodiversity feature being addressed and appropriate to measure change in the priority biodiversity feature in question at the relevant scale.
- Project-level targets should be informed by monitoring (as described in the recommendations listed under criteria 2 and 3) and aligned with published frameworks to the greatest extent practicable.
- Validate targets/outcomes through an inclusive process engaging Indigenous and tribal peoples, stakeholders, local experts, academic institutions, non-profit organisations and communities.
- Collaborate with species and habitat experts to design monitoring to advance broader fundamental knowledge while providing answers to specific questions needed for adaptive management of NPI actions.
- Prioritise investment in developing scalable NPI strategies that inform technology selection, project design, construction, operation and decommissioning, even where it is not yet formally required by the Government or the finance sector.
- Support and expand fora that build communities of practice to standardise and implement NPI practices across ORE developers and translate lessons learned to other blue economy sectors.

4. The focus is on biodiversity specifically as a foundational element of wider ecosystem functionality and to align with the global goals established under the Kunming-Montreal Global Biodiversity Framework. NPI at the project level is a goal that allows ORE to contribute to the broader global biodiversity goals and a nature-positive outcome.

5. The term "priority biodiversity features" refers to the outcome of an approach used to identify the features potentially most sensitive or susceptible to ORE development and are therefore established as the features on which mitigation actions should be focused. Using standard criteria like the International Finance Corporation's Performance Standard 6 criteria or criteria elevated as part of the applicable regulatory environmental review process may be useful reference points for a risk-based and pragmatic approach.

5. Share relevant monitoring data and information (raw and analysed)

to support the best available science for siting and technology decisions, improve understanding of cumulative impacts and underpin the development of best practices for implementing scalable mitigation and restoration measures used to establish NPI.

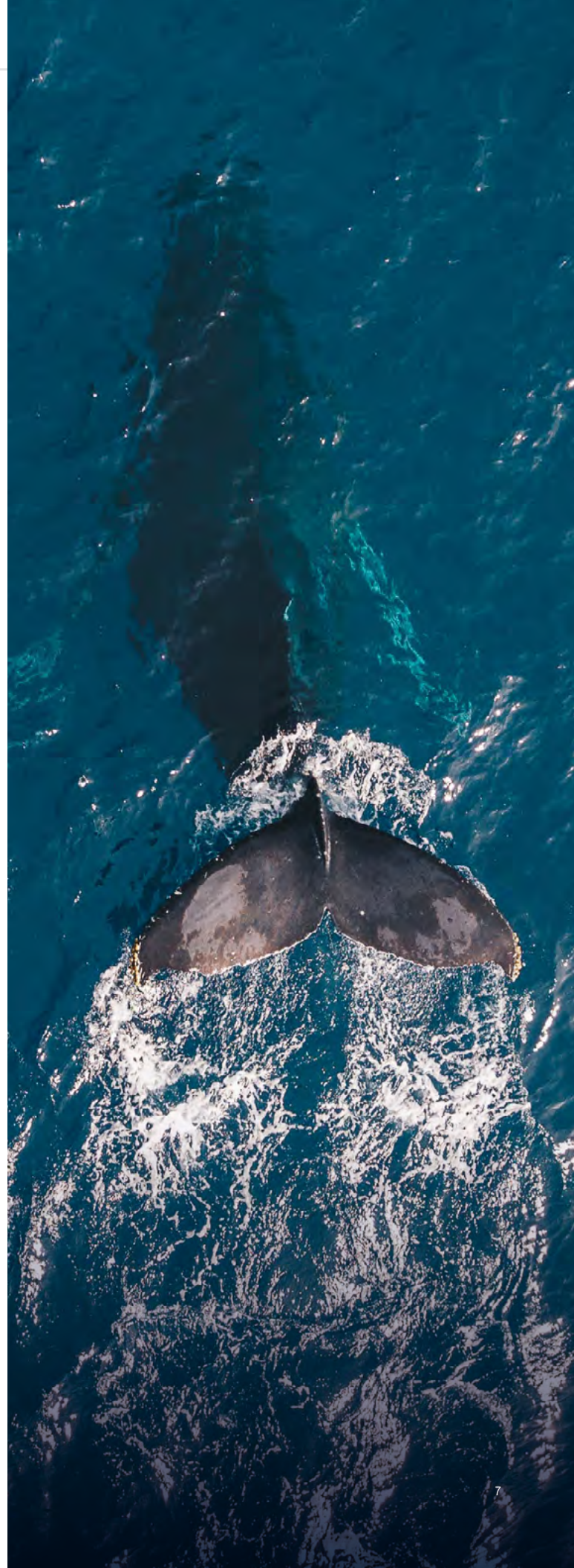
Recommendations for sharing relevant monitoring data and information include the following:

- Collaborate with public and private sectors to identify evidence and data needs to address key environmental research questions relative to the buildout of offshore wind.
- Identify relevant roles for different actors in data collection and sharing to reduce redundancy and expense in data collection and standardise what users have access to which data at what time in the development process.
- Support and contribute to developing platforms for the timely and transparent dissemination of data and information, allowing for the meaningful participation and engagement of key constituencies.
- Design ORE protocols for data collection that are interoperable with and contribute to existing long-term national and regional database initiatives, like NOAA's [Ocean Carbon Data System](#) or Europe's EMODnet, such that data regarding NPI actions can be synthesised and disseminated in ways that help ORE understand the effectiveness and limitations of their NPI actions relative to regional and global biodiversity goals.

INFORM ADAPTIVE, INNOVATIVE STRATEGIES THROUGH COLLABORATIVE AND INCLUSIVE APPROACHES

6. Proactively, meaningfully and responsibly engage with potentially impacted communities,

including Indigenous and tribal peoples, frontline communities and ocean users at all stages of development to find and advance the best outcomes for geographically relevant ecosystems, ecosystem services and the people who depend upon them. Additionally, support efforts from the public sector and civil society to capacity building in the Global South will enable those countries to contribute to – and benefit equitably from – delivering a world that runs on green energy in support of biodiversity and climate goals.



Recommendations for proactively, meaningfully and responsibly engaging with potentially impacted communities include the following:

- Ensure participation and meaningful consultation with impacted communities across the project development process from NPI assessment and implementation.
- Meaningfully engage Indigenous and tribal peoples where NPI projects are affecting or using their customary, ancestral and collective lands, territories and resources.
- Communicate transparently with communities, using documented science from sources trusted by the community, when scoping potential NPI action.
- Consider how to design investments in NPI to provide mitigation from climate change impacts, from sea level rise to aquifers running dry, in a way that equitably distributes nature-based solution benefits.
- Pursue solutions that maximise job opportunities for affected and local communities, with consideration of marginalised groups like women, frontline communities, people with disabilities and vulnerable groups. Utilise local employment, local upskilling and local suppliers in planning and delivering biodiversity restoration projects.
- Foster local capacity building and knowledge development related to NPI solution research and development as well as the knowledge and technology transfer across the Global North and South.

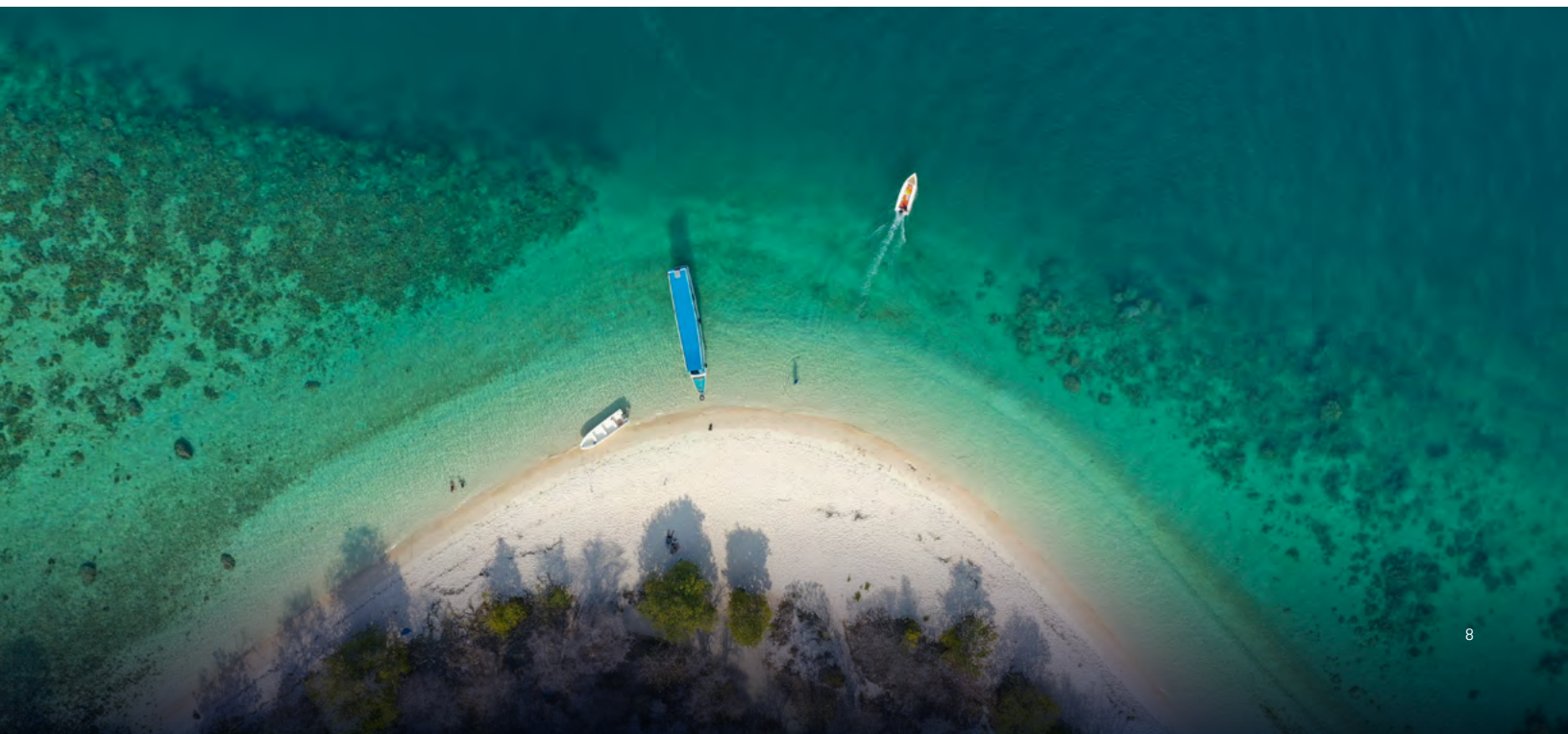
- When evaluating and selecting NPI projects, follow international norms and codes such as the United Nations Guiding Principles on Business and Human Rights, the United Nations Declaration on the Rights of Indigenous Peoples (including the principles of Free, Prior and Informed Consent) and the International Finance Corporation's Performance Standards on Social and Environmental Sustainability when evaluating and selecting NPI projects.

7. Advocate for policy and regulatory frameworks and the adoption of industry standards

that incentivise, require and enable NPI for all ORE, build improved transparency and accountability into how ORE is deployed in line with global goals and enhance the societal value of ORE.

Recommendations for policy and regulatory frameworks include the following:

- Define and advocate for auction and tender criteria and minimum standards that allow ORE to integrate NPI action upfront in project development.
- Support for working relationships among environmental regulatory agencies and permitting authorities, environmental NGOs and other experts in marine and coastal conservation and restoration is needed to improve understanding of relative priorities and to foster collaborative approaches to addressing common goals regarding biodiversity loss and climate change.
- Collectively spread awareness of how ORE mitigates climate impacts and can contribute to measurably positive social and environmental outcomes.





ENABLING ACTIONS

An enabling environment is required to support and advance the successful implementation of ORE NPI actions. The following sections offer recommendations to 1) Governments and regulators, 2) the finance community and 3) restoration experts, environmental non-government organisations and academic institutions on how they can help create the necessary enabling environment.

While the focus of these recommendations is on advancing ORE NPI action, informed by the above seven criteria, the other sectors of this broader stakeholder community also have roles and responsibilities to take action to advance regional and global biodiversity goals.

GOVERNMENTS AND REGULATORS

From setting offshore wind ambitions to marine spatial planning and ocean-use management to permitting and structuring regulatory incentives, Governments and regulators are vital enablers of offshore wind deployment at the pace and scale necessary to meet the temperature goal in the Paris Agreement. How Governments and regulators support and encourage NPI actions consistent with these criteria will guide successful outcomes and the depth of engagement by ORE.

1 **CORPORATE CONTRIBUTIONS TO GHG REDUCTIONS** Recommendations for how Government can create an enabling environment that informs corporate and project-specific contributions to greenhouse gas emissions reductions include the following:

- Set ambitious ORE goals with timelines that will allow for meaningful greenhouse gas emission reductions in line with the Paris Agreement 1.5°C temperature goal.
- Structure offshore wind energy contracts to allow ORE projects to be successfully delivered as scheduled.
- Ensure adequate resourcing of relevant agencies involved in delivering ORE, proportionate to the urgency and scale of action that global goals demand.
- Incentivise corporate commitments to circularity for cleaner production, construction, and decommissioning policies, as well as life cycle-based approaches that reduce emissions and minimise waste, by procuring projects from developers with circularity targets and supply chain partnerships.
- Prioritise the selection of projects from companies with science-based decarbonization targets and demonstrate decarbonization partnerships to reduce Scope 3 emissions.
- Require Government access to open life-cycle data.

- Incentivise the replacement of diesel fuel and marine fuel oil with clean alternative fuels; use electric vessels, equipment and vehicles for ORE activities on the ocean and near ports (and replace combustion engines with zero-emissions technology); support the design of ports equipped with shore power and zero-emissions material-handling equipment and offer alternative-fueled or zero-emissions equipment and vehicles.

2 **MITIGATION HIERARCHY** Recommendations for how Government can ensure the sequential and iterative application of the mitigation hierarchy (see IUCN Mitigation Figure included in ORE sector recommendations) include the following:

- Lead comprehensive marine spatial planning and ocean-use planning efforts to avoid impacts on at-risk species and habitats at the ORE area identification phase.
- Design marine spatial planning to de-risk permitting and environmental review by identifying and reconciling cumulative effects on biodiversity and area constraints before leasing for ORE projects begins.
- Support and prioritise baseline data collection in potential development areas.
- Efficiently evaluate ORE technologies and materials that reduce impacts and benefit the marine environment (e.g., quiet foundations versus impact pile driving, micro-siting within the lease area, nature-inclusive foundations and scour protection) to inform monitoring requirements, mitigation and adaptive management strategies.

3

STANDARDISED AND EVIDENCE-BASED APPROACH

Recommendations for how Government can support ORE identification of priority biodiversity features for NPI actions include the following:

- Move towards an integrated approach for delivering nature restoration alongside ORE by fostering coordination by relevant government agencies to identify data needs, including identifying the types of monitoring and timing (as early as possible) to enable effective consultation and environmental and permitting review. This coordination is critical for supporting timely and strategic siting decisions that account for cumulative impacts and allowing the identification of best practices in mitigation and restoration and adaptive management actions.
- Ensure adequate resourcing of relevant conservation, restoration and NPI agencies.
- Identify avoidance, minimisation, mitigation and monitoring requirements for species and habitat priorities across adjacent ORE areas as early as possible.
- Establish coordination mechanisms to facilitate ORE-to-ORE and ORE-to-Government collaboration on assessment, interpretation and prioritisation of biodiversity features across adjacent ORE areas and to reduce redundancy of effort.
- Work with ORE that has set NPI goals to ensure that the identification of priority biodiversity features for NPI actions are aligned with Government priorities and account for existing pressures, the role in ecosystem function and productivity and that the identified priority biodiversity features can be validated through an inclusive process engaging local experts and communities.⁷
- Identify data and research needs aligned with government restoration targets and those that need investment.

- Create and implement integrated regionalised and ecosystem-based science plans that identify data gaps within ORE areas, are aligned with Government restoration targets and require investment.
- Evaluate the benefit of using a natural capital approach for identifying and quantifying natural resources to help integrate seascape-oriented management with ORE development.⁸

4

MEASURABLE TARGETS AND IMPLEMENTATION

Recommendations for how Government can help ORE set measurable targets and implement NPI actions include the following:

- Signal clear priority to ORE projects designed to deliver measurable NPI actions. For example, pre-qualification, lease auction, or tender criteria can reward ORE commitments to conservation and restoration and NPI at the project level.
- Align with Target 18 of the Post-2020 Biodiversity Framework to assess options to reform subsidy policies to avoid harmful impacts on biodiversity and to incentivise nature-positive and just socio-economic outcomes.
- Collaborate with and support ORE to secure validation of targets/outcomes through an inclusive and transparent process.
- Coordinate to create and adopt an international industry standard impact measurement framework. This is critical in ensuring credibility and transparency, selecting projects with the highest societal value, and securing additional investment to scale up ORE deployment designed to support priority biodiversity features best.
- Provide support and guidance to ORE in using standardised monitoring protocols and plans that advance broader fundamental knowledge and answer specific questions needed for adaptive management of ORE projects and NPI actions

⁷ The habitat and species criteria set forth in the [International Finance Corporation's Performance Standard 6](#) may represent an example of a standardised approach that may be helpful in identifying priority features.

⁸ The term "seascape" is used to reflect the need in spatial planning for a more holistic approach that addresses the linkages of spatial characteristics, ecological functions and the consequences of change in marine ecosystems. Holistic spatial planning is needed to inform ORE siting, mitigation, monitoring and adaptive management so as to contribute to integrative and multi-scale conservation.

5

DATA SHARING

Recommendations for how Government can support the sharing of relevant monitoring data and information include the following:

- Facilitate collaboration between the public and private sectors to coordinate, streamline, and make data collection and sharing more efficient (e.g., identification and prioritisation of data needs, roles for different actors, or roles for ORE, especially where ORE projects or lease areas are sited adjacently within a region).
- Support and lead regional and coordinated research and monitoring efforts to facilitate ongoing baseline ocean science data collection, ensure rigorous application of mitigation hierarchy and advancement of NPI objectives.
- Suggest common data standards and incentivise and/or require data sharing and transparency.
- Establish knowledge-sharing platforms to facilitate testing approaches to ORE NPI actions and the rapid uptake of successful approaches. Encourage sharing qualitative and quantitative data that inform best practices in mitigation, restoration and adaptive management actions as outlined in ["Enabling Data-Sharing in Offshore Renewable Energy Development: Takeaways & Recommendations from a Multi-Stakeholder Dialogue."](#)
- Encourage and incentivise ORE to build on existing standards already developed in the public sector by data services (e.g., EMODnet for Europe) in ways that contribute to developing ORE sector standards, monitoring protocols and a framework to measure NNL and NPI in practice. Incentives could include leasing or tender criteria to provide non-cash value for ORE commitments to open-source modeling and data analysis, integrate support for maintenance and operation of data portals and resourcing for studies that use industry data to improve on models.

6

COMMUNITY ENGAGEMENT

Recommendations for how Government can support ORE's proactive and responsible engagement with potentially impacted communities include the following:

- Marine spatial planning and ocean-use planning efforts should adopt, at the earliest possible stage, transparent, inclusive, and iterative approaches that are applicable and adaptable to all ocean users in planning and managing ocean space.
- ORE projects often involve a more diverse and complex range of stakeholders than other energy projects; therefore, Governments should build and maintain stakeholder engagement lists that identify key stakeholders and groups to be consulted throughout ORE project development, especially for validating NPI targets/outcomes, selected NPI actions and sharing monitoring results and adaptive management strategies.
- Support ORE engagement with key stakeholders throughout ORE project development by incentivising or requiring ORE to assign community engagement liaisons and publicly fund local technical assistance partners to help negotiate community benefit agreements, cross-sector partnerships and collaborations.
- Coordinate with the public sector and civil society to build capacity in the Global South. This will enable countries to contribute to—and benefit equitably from—delivering a world that runs on green energy in support of biodiversity and climate goals.

7

POLICY FRAMEWORKS

Recommendations for how Government can support the adoption of industry standards that require and enable NPI for all ORE include the following:

- Convene and facilitate discussions among key stakeholders on biodiversity and seascape priorities.
- Explore mechanisms for providing compensatory mitigation in support of NPI actions (i.e., mitigation banks, in-lieu fee programs, offsite and/or out-of-kind permittee-responsible mitigation).
- Educate and inform about how ORE contributes to positive social and environmental outcomes through action and quantitative assessment.
- Respond to ORE advocacy by including investment credits, financing incentives and tender and lease criteria that incentivise NPI actions.
- Align incentives and policy approaches that either intentionally or unintentionally promote ORE technologies and supply chain investments that counter NPI goals.
- Set seascape sustainability and marine biodiversity objectives in law, regulation, permitting and leasing conditions.



FINANCE AND INVESTMENT COMMUNITY

From now on, the finance and investment community (“finance”), which includes investors in ORE projects, will be a crucial enabler of ORE NPI action. Finance can require reporting of biodiversity impacts in the private sector and making inexpensive capital available to support commitments to NPI and the development of a sustainable ocean economy. How actors in the finance sector structure funding and oversight can contribute to accountability and transparency.

1 CORPORATE CONTRIBUTIONS TO GHG REDUCTIONS

Recommendations for how finance can create an enabling environment that informs corporate and project-specific contributions to greenhouse gas emissions reductions include the following:

- Understand the nature-related risk exposure of ORE investment clients and ensure they meet the baseline established in the United Nations Global Compact Sustainable Ocean Principles.
- Expand eligibility for public blue and green bonds, lowering the minimum total value for public bonds.
- Corporate disclosures on sustainability measures are required to be included in the ORE business model (including corporate commitments to greenhouse gas emissions reductions and circularity, in addition to nature impacts) and alignment with the [EU Sustainable Finance Framework](#).
- To inform investment decisions, advocate for consistent sustainability reporting methodologies across the ORE sector.

2 MITIGATION HIERARCHY

Recommendations for how finance can ensure the sequential and iterative application of the mitigation hierarchy include the following:

- Collaboratively develop natural capital accounting models to incorporate performance relative to sustainability and NPI actions in growth reviews.
- Invest in developing cost-effective solutions for ORE's restoration, mitigation, monitoring and sustainable development.
- Accelerate depreciation where projects demonstrate high compliance and performance relative to NPI actions.

- Conduct due diligence for project finance transactions in alignment with the [Equator Principles](#) to ensure clients appropriately apply the mitigation hierarchy in socially responsible ways.

3 STANDARDISED AND EVIDENCE-BASED APPROACH

Recommendations for how finance can support ORE identification of priority biodiversity features for NPI actions include the following:

- Require ORE companies to clearly outline the criteria for prioritising biodiversity features for NPI actions in a format accessible to investors.
- Ensure ORE companies refer and connect practices to standardised approaches for habitat and species criteria, like those outlined in the [International Finance Corporation's Performance Standard 6](#) and [Guidance Note 6](#).

4 MEASURABLE TARGETS AND IMPLEMENTATION

Recommendations for how finance can help ORE set measurable targets and implement NPI actions include the following:

- Incentivise ORE commitments to delivering NPI in alignment with science-based targets by offering cheaper access to capital (i.e., lower interest rates on loans, investment pricing, blended finance structures and other financing mechanisms) for entities with a science-based NPI ambition.
- Every project commissioned after 2030 must have a Biodiversity Strategy and Action Plan that includes measurable NPI targets for priority biodiversity features and reports on the implementation of NPI actions.

- Refer to [the Sustainable Blue Economy Finance Principles](#) and the subsequent [UN Environment Programme Finance Initiative \(UNEP FI\) guidance](#) to inform mainstream ocean-related investment, insurance and lending to drive development that supports ocean health.
- Create clear and transparent protocols, metrics and analytics for risk management, investment screening, due diligence, valuation and sustainable investment processes, tied to the recommendations outlined in the [Unlocking the Potential of Ocean-Related Data](#) report.

5

DATA SHARING

Recommendations for how finance can support the sharing of relevant monitoring data and information include the following:

- Support initiatives to ensure that public and private ocean data are harmonised and translatable into investment risk and opportunity assessments.
- Integrate global recommendations for data sharing best practices developed by the Ocean Decade Corporate Data Group in lending and investment decisions.
- Support innovative and adaptable data-sharing platforms to contextualise the data received through corporate disclosures better to improve lending and investment decision-making.
- Strengthen and make the requirements for non-financial disclosures more rigorous to ensure they provide the appropriate level of granularity for risk assessments.

6

COMMUNITY ENGAGEMENT

Recommendations for how finance can support ORE's proactive and responsible engagement with potentially impacted communities include the following:

- Ensure protocols, metrics and analytics are used in the risk management process, investment screening, due diligence and valuation, and apply an impact investment framework that includes social and environmental benefits.
- In addition to Second Party Opinions, commonly used in finance, consider including additional reviews from local community members as external reviewers.⁹
- Establish independent grievance mechanisms for potentially impacted communities to resolve grievances associated with lender activities.
- Help close the international sustainable blue finance gap and increase concessional finance availability to reduce the cost of ORE pathfinder projects and catalyse large-scale deployment in the Global South.

7

POLICY FRAMEWORKS

Recommendations for how finance can support the adoption of industry standards that require and enable NPI for all ORE include the following:

- Enable a broader range of benchmark sizes for public format blue and green bonds to broaden access to sustainable finance investment opportunities.
- Support NPI initiatives that help build transparency and accountability into whether ORE projects are delivered in line with global biodiversity goals.

⁹ Second Party Opinions are independent opinions that assess alignment of sustainability strategies and performance relative to current market standards to determine when a company's representations are credible and impactful. See [A Global Practitioner's Guide for Bonds to Finance the Sustainable Blue Economy](#).

RESTORATION EXPERTS, ENVIRONMENTAL NON-GOVERNMENT ORGANISATIONS AND ACADEMIC INSTITUTIONS

Restoration experts, environmental non-government organisations and academic institutions (hereinafter referred to as “eNGOs”) have consistently advocated aligning action on biodiversity and sustainable ocean renewable energy development. These eNGOs help create and steward information for better regional and international environmental management. As such, eNGOs can support ORE in setting and achieving data-driven NPI targets and implementing effective NPI actions. By leading and facilitating dialogue about the opportunities and barriers to delivering NPI, forming coalitions that address ORE and Government queries and needs, and advocating for the research, finance and policy mechanisms needed to support these efforts, eNGOs can support the implementation of successful NPI actions.

1 CORPORATE CONTRIBUTIONS TO GHG REDUCTIONS

Recommendations for how eNGOs can create an enabling environment that informs corporate and project-specific contributions to greenhouse gas emissions reductions include the following:

- Advocate for science-based decarbonisation targets as the baseline for action on climate and nature.
- Research, evaluate and find cost-efficient restoration mechanisms that maximise carbon sequestration while enabling NPI.
- Ensure that regional policy targets for clean energy include considerations and requirements for nature conservation and NPI and that these targets are mutually enabling.
- Communicate the impacts of climate change on local marine ecosystems and the role ORE plays in mitigating those impacts through sustainable development.

2 MITIGATION HIERARCHY

Recommendations for how eNGOs can ensure the sequential and iterative application of the mitigation hierarchy include the following:

- Monitor and inform ecosystems-based approaches to Government-led Marine Spatial Planning and site suitability analyses, ensuring the selection of ORE areas that avoid at-risk marine habitats and species.
- Apply expertise to fill data gaps, develop proxies for decision-making in the absence of data and develop and integrate ecosystem indicators into siting decisions before in-situ data collection is possible. Advocate for precise application of the mitigation hierarchy to technologies and material selection and support consistent, predictable and meaningful mitigation requirements.
- Research and evaluate maximally impactful, cost-effective NPI action approaches and technologies in collaboration with ORE.



3

STANDARDISED AND EVIDENCE-BASED APPROACH

Recommendations for how eNGOs can support ORE identification of priority biodiversity features for NPI actions include the following:

- Ensure robust identification of crucial biodiversity features, measurement of baseline conditions, pre-, during and post-construction monitoring, target setting for priority species and habitats, disclosure of baseline targets and a commitment to restore, regenerate and transform priority species and habitats where impacts cannot be avoided.
- Work with ORE to ensure their approach to the identification of priority biodiversity features for NPI actions is aligned with Government priorities, accounts for existing pressures and the role in ecosystem function and productivity, and that the identified priority biodiversity features can be validated through modeling and an inclusive process engaging local experts and communities.¹⁰
- Propose and contribute to grant-funded research and demonstration projects that can improve knowledge and inform the successful delivery of NPI targets and offsetting actions.

4

AND IMPLEMENTATION

Recommendations for how eNGOs can help ORE set measurable targets and implement NPI actions include the following:

- Work with ORE to ensure that the targets for NPI actions are aligned with Government priorities and account for existing pressures and biodiversity's role in ecosystem function and productivity. Also, ensure that the identified priority biodiversity features can be validated through an inclusive process engaging local experts and communities.
- Inform Science-Based Targets for Nature and other cross-stakeholder forums working to establish norms for measurement, implementation and collective target setting.

- In collaboration with ORE, academic research institutions, the Government and other eNGOs, research and contribute to initiatives, roadmaps and maximally impactful and effective NPI actions, including how to preserve NPI at end-of-life for ageing ORE assets.
- Ensure NPI actions are executed cost-effectively and meet ORE developer safety standards when partnering on implementation.
- Create external tools to independently validate ORE NPI actions and standardised measurement frameworks, providing external resources and third-party expertise for ORE as selecting NPI actions to deliver on NPI goals.
- Uphold best practices for restoration across projects according to principles set out in relevant regional or global frameworks, such as the [Ramsar Convention](#) or [UN Decade for Ecosystem Restoration Principles to Guide the Decade](#).

5

DATA SHARING

Recommendations for how eNGOs can support the sharing of relevant monitoring data and information include the following:

- Contribute to and review public data platforms, providing feedback to groups like the UNESCO-IOC Corporate Data Group on what makes a platform usable and impactful for future research.
- Identify a set of key target questions that can inform in support of timely and strategic siting decisions that account for cumulative impacts, ensuring best practice in mitigation and restoration measures and alignment from baseline data collection to establishing NPI.
- Contribute to knowledge-sharing platforms to help ensure that tested approaches to project-based biodiversity actions are quickly adopted and enter the mainstream.
- Broadly disseminate results from research projects designed to understand and measure the benefits of nature-inclusive design or the results of NPI actions.

¹⁰ The habitat and species criteria set forth in the [International Finance Corporation's Performance Standard 6](#) may represent an example of a standardised approach that may be helpful in identifying priority features.

6

COMMUNITY ENGAGEMENT

Recommendations for how eNGOs can support the ORE industry's proactive and responsible engagement with potentially impacted communities include the following:

- Steward NPI project implementation and management, facilitate community engagement with NPI projects, and build local capacity and knowledge about local ecosystem restoration, climate change, and the role of sustainably developed clean energy.
- Encourage and facilitate collaboration among ORE projects and actors in other ocean users, such as Indigenous and tribal peoples, fisheries and aquaculture; work with developers to co-design more holistic conservation and restoration strategies.
- Provide input, data analysis, modeling support and feedback to Government agencies through public comment periods.
- Educate communities about opportunities for public engagement with decision-makers on siting and project design.
- Participate in workforce development initiatives that build capacity in implementing nature-based solutions, restoration and conservation, prioritising enabling impacted communities to directly participate in siting, project design, permitting and restoration decisions.

7

POLICY FRAMEWORKS

Recommendations for how eNGOs can support the adoption of industry standards that require and enable NPI for all ORE include the following:

- Lean in and uplift the recommendations in this paper to spread awareness of how ORE contributes to positive social and environmental outcomes through action and quantitative assessment and improve NPI actions' successful outcomes.



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THE TEN PRINCIPLES OF THE UNITED NATIONS GLOBAL COMPACT



HUMAN RIGHTS

- 1 Businesses should support and respect the protection of internationally proclaimed human rights; and
- 2 make sure that they are not complicit in human rights abuses.



LABOUR

- 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- 4 the elimination of all forms of forced and compulsory labour;
- 5 the effective abolition of child labour; and
- 6 the elimination of discrimination in respect of employment and occupation.



ENVIRONMENT

- 7 Businesses should support a precautionary approach to environmental challenges;
- 8 undertake initiatives to promote greater environmental responsibility; and
- 9 encourage the development and diffusion of environmentally friendly technologies.



ANTI-CORRUPTION

- 10 Businesses should work against corruption in all its forms, including extortion and bribery.

The Ten Principles of the United Nations Global Compact are derived from: the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.

ABOUT THE UN GLOBAL COMPACT

As a special initiative of the United Nations Secretary-General, the **UN Global Compact** is a call to companies worldwide to align their operations and strategies with Ten Principles in the areas of human rights, labour, environment and anti-corruption. Our ambition is to accelerate and scale the global collective impact of business by upholding the Ten Principles and delivering the Sustainable Development Goals through accountable companies and ecosystems that enable change.

With more than 20,000 participating companies, 5 Regional Hubs, 61 Global Compact Networks covering 66 countries and 15 Country Managers establishing Networks in 34 other countries, the UN Global Compact is the world's largest corporate sustainability initiative — one Global Compact uniting business for a better world.

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