

# Verifiable Nature Unit

Establishing a new currency for nature to accelerate progress towards the 30x30

# Developing a new currency for nature

Nature is under-valued in the global economy. The current trend of natural resource depletion and land use conversion will continue, unless there is a fundamental shift in valuing natural capital and incorporating nature conservation and restoration as a formal and competitive economic activity.

In 2022, 196 countries and a significant number of globally listed companies have endorsed the Global Biodiversity Framework target of effectively conserving nature on 30% of land, coastal areas and seas by 2030 across the planet. Achieving the 30x30 target will directly impact the world's ability to contain global warming below 1.5°C, with approximately a third of global emission reduction targets dependent on the planet's climate regulation ability. The urgency to increase the rate of progress and contribute towards unlocking nature finance cannot be overstated.

Two pieces are missing: a holistic and transformative mechanism that enables reliable outcomes-based transactions at scale (even in complex geographies), and innovation in nature finance to channel more funding into effective conservation and restoration projects.

The Verifiable Nature Unit (VNU) is an innovative outcomes-based financing mechanism, developed by African Parks, based on more than 20 years of leadership in managing protected areas in partnership with governments and local communities across Africa. African Parks has partnered with The Landbanking Group, who have developed a scalable platform for nature finance and an innovative approach to measurement, reporting and verification (MRV), enabling fiduciary-grade nature claims.

Over time, our intent is to further develop the VNU to apply across various types of land use, from national parks to restoration of degraded land or smallholder farmers shifting to regenerative agriculture.

# Critical infrastructure for the nature financing market

The VNU aims to mobilize funds from across sectors, providing critical infrastructure for the nature financing market through fiduciary-grade outcomes that can be used to form the basis of various nature financing mechanisms, such as:

Outcomes-based grants for philanthropy and official development assistance

Private or sovereign naturelinked bonds, for example as part of a debt for nature swap

Natural capital accounting

Consumer products with a nature premium

## What is a VNU?



1 km<sup>2</sup> of nature that is transitioned in its current state or in an improved state, from one year to the next, as verified by key measurements

#### **Descriptors:**

Each VNU is described by a set of verifiable characteristics:

- ☑ Location, designation, ecoregion(s), ecosystem services, historical degradation
- ✓ Socio-economic linkages
- ☑ Legal entity responsible for delivering VNU
- ☑ Scale of intervention and measurement

#### Inputs:

Annual, audited cost of management to achieve nature outcomes

#### Outcomes:

**Habitat intactness -** changes to the extent of habitat intactness resulting from habitat degradation due to negative human pressures

Indicator species assessment - changes to the presence and abundance of a group of indicator species that are representative of the functioning of the ecosystem

Other — additional measurements dependent on project / buyer needs (carbon, soil, water, etc.)

A VNU represents an annual measurement outcome (one VNU), i.e., the verifiable claim that an area of nature has been conserved or restored over the previous year.

Monitoring conservation effectiveness in a verifiable manner is a core objective to the issuance of trustworthy VNUs, with a structured approach being applied to the development and issuance of VNUs.

Piloting in four protected areas in 2024 and 2025 (Malawi, Congo Basin & Lake Chad):

# MONITORING, REPORTING AND VERIFICATION

Data collection, analysis & storage

3<sup>rd</sup> party verification

#### **ISSUANCE & REGISTRY**

VNU issuance based on verified outcomes

Registry management

#### COMMERCIALISATION

Bi-lateral contract with funder
Portfolio management via online
platform

#### MONITORING, EVALUATION & LEARNING

Review progress, identify gaps and refine methodology

### Building the foundation for systems change

Over the next few years, and in partnership with strategic funders and other conservation organisations, we need to create a supply base of verified nature outcomes at a scale, large enough to accelerate frameworks and demand development. This will be implemented through a three-phased approach for the development of the VNU as a market-based mechanism:

Pioneer the VNU

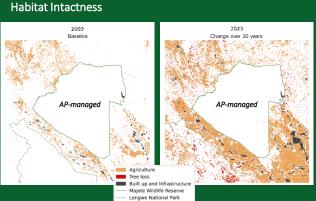
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2024-2025 4 pilots within AP portfolio Expand coalition & formalize standard

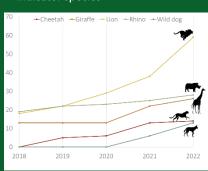
2025-2026 ~20 pilots globally Establish a hard currency for nature

2027-2030 30x30

# VNU Proof of Concept – Majete Wildlife Reserve



### Indicator species



Area: 711 km<sup>2</sup>

3<sup>rd</sup> party verification by: "Preferred by Nature"

#### Nature claim:

 $711 \text{ km}^2$  of nature maintained & restored in 2022 = 711 VNUs issued for 2022

Join us as a pioneer funder to accelerate efforts on the VNU, demonstrating that transparent outcomes-based funding for nature is achievable.

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