



Business for  
Biodiversity  
Ireland

THE JOURNEY TO NATURE POSITIVE

Goal A3: Step 3

Choose the Right Framework:

Small Businesses

(<50 people)

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# FRAMEWORKS FOR SMALL BUSINESSES

By sitting within the value chain of larger organisations that are subject to nature disclosures, small and micro-enterprises will gain an advantage by understanding their impacts and dependencies on the natural world. The frameworks that currently exist focus mainly on larger companies but there are components of these frameworks that could be applicable to a small scale operation.

## **The Taskforce on Nature-related Financial Disclosures (TNFD): LEAP Approach**

Although targeted at corporates and financial institutions, there is a key component of the TNFD that smaller businesses can apply and benefit from. The LEAP approach to nature-related risks and opportunities outlines a four-stage assessment plan:

- **Locate** your interface with nature
- **Evaluate** dependencies and impacts
- **Assess** material risks and opportunities
- **Prepare** to respond to nature-related risks and opportunities and report



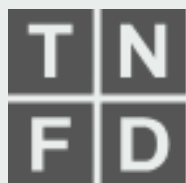
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## **This latest version (v4) provides some additional sector guidance on the LEAP approach:**

- Financial institutions
- Agriculture and food
- Mining and metals
- Energy (oil and gas; and electric utilities and power generators)

## **And additional guidance on LEAP approach by biomes:**

- Tropical forests
- Rivers and streams
- Marine Shelf
- Intensive land use systems

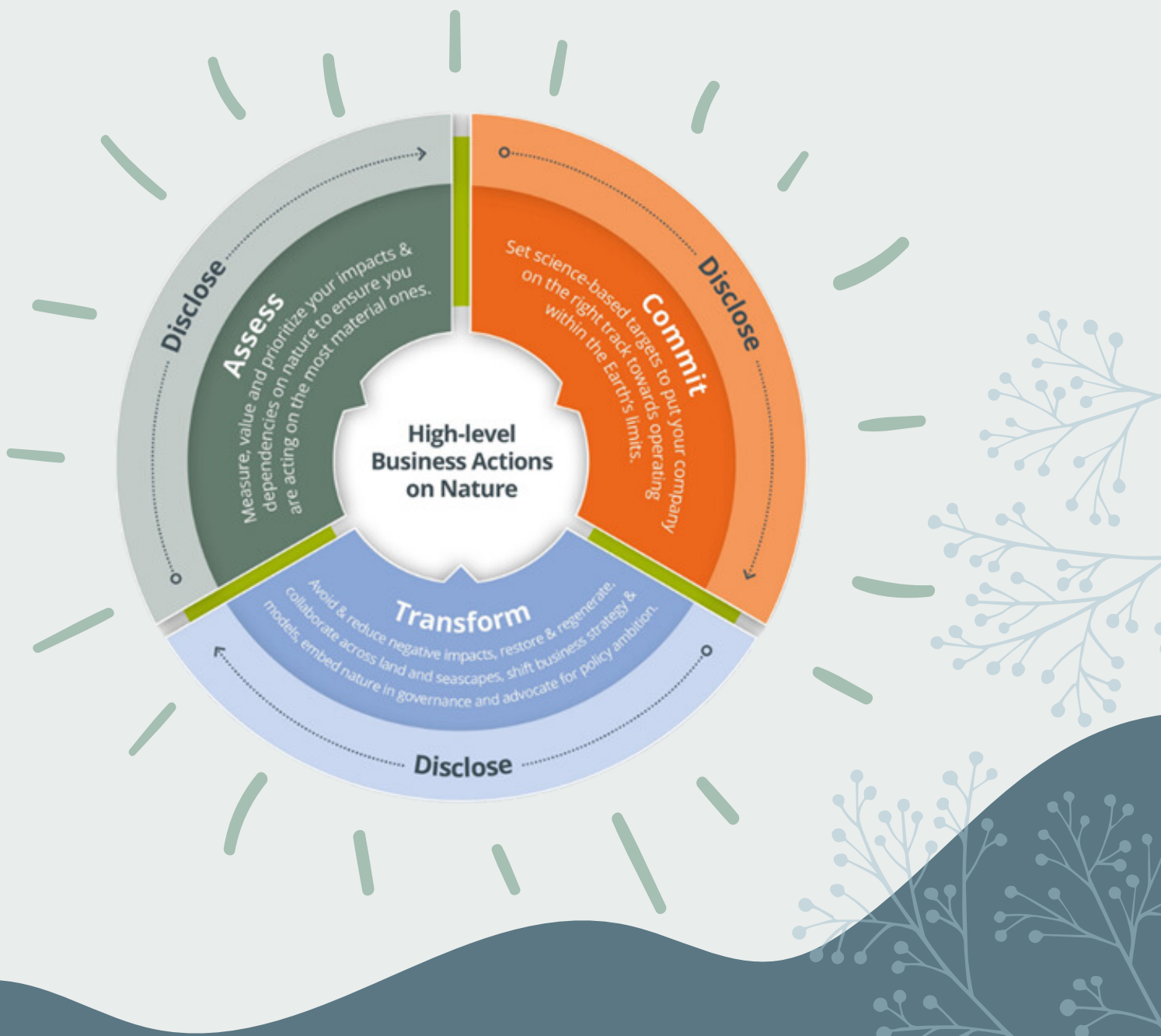


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## ACT-D Framework

This guidance builds on existing action frameworks (including TNFD, NCP, SBTN). This is an excellent starting point for all businesses to start assessing their nature-related DIROs, in particular SMEs or those large businesses that have not previously been required to publish a sustainability report.



## **Assess, Commit, Transform and Disclose (ACT-D) are the High-Level Business Actions on Nature.**

Here are the steps associated with the ASSESS stage of the framework:

Assessment refers to the measurement, valuation and prioritisation of your impacts and dependencies on nature to ensure you are acting on the most material ones.

1. Conduct an initial materiality assessment to prioritise efforts. For this step, you could use the SBTN step-by-step guidance on taking action for nature.
2. Measure and value impacts and dependencies on nature. The NCP may be helpful for the initial materiality assessment. Additionally the Natural Capital Toolkit which includes tools aligned with the NCP and a resource library which is found in the [Shift Search Engine for business Sustainability Resources](#).
3. Evaluate business risks and opportunities. This builds on your initial materiality assessment. Try the guidance set out in the TNFD. There are recommendations on tools such as the [Integrated Biodiversity Assessment Tool \(IBAT\) for Business](#).
4. Expand your assessment to include nature, climate and people. The Capitals Coalition have published a document on the principles of [integrated assessments](#) to address the three interconnected global crises of climate change, nature loss and rising inequality.