

Bilateral Readiness to Partner

BUILDING NATURE FINANCE PARTNERSHIPS WITH CONFIDENCE.



This checklist is a practical guide to stress-test readiness for nature-market partnerships between Indigenous Peoples & Local Communities (IPLCs) and corporates by exploring key steps and motivators. It is not intended as a rigid or exhaustive list, and may need to be adapted for other partners like funders, investors, governments and other allies who may have very different requirements for readiness. The companion glossary offers clear, plain-language explanations of key industry terms and jargon.

This tool is part of a suite developed by Pollination Foundation to help address gaps identified by partners in readiness support for Indigenous Peoples and Local Communities engaging in nature markets. It has been informed by lessons from world-leading projects, advisory and investment expert practitioners, and community members with lived experience.

**For this purpose "nature-markets" includes carbon, biodiversity and water markets.*

TOPIC	INDIGENOUS PEOPLES READY WHEN...	CORPORATES READY WHEN...
MUST HAVE		
MANDATE & REPRESENTATION	☐ Decision makers & signatories are named	☐ Sponsor, deal owner & authorised signatories are identified
	☐ Community decision rules are clear	☐ Internal approvals path is mapped (e.g. decision rights, approval limits, escalation path)
CONSENT / FPIC PATHWAY	☐ FPIC plan (who, steps, timeline, budget, records) is available in accessible language	☐ Budget/time are committed to follow the FPIC plan
		☐ No pressure to rush the process
BENEFIT-SHARING	☐ Sharing principles (who benefits, how) endorsed by decision makers	☐ Sharing principles (who benefits, how) accepted
	☐ Agreed transparent waterfall (who gets paid in what order, how much, and when)	☐ Agreed transparent waterfall (who gets paid in what order, how much, and when)

TOPIC	INDIGENOUS PEOPLES READY WHEN...	CORPORATES READY WHEN...
CULTURAL IP, DATA & COMMS	○ ICIP/data rules are approved ○ Who can speak/approve is written down	○ ICIP policy and approvals workflow are set ○ CARE-aligned data governance; takedown rights; brand/legal clearance of all uses ○ No community names/images in marketing without written, current approval
INDEPENDENT SUPPORT & INTERPRETATION	○ Advisors/interpreters are identified. ○ Support budget lines exist.	○ Funds ring-fenced (in escrow) for independent advisors and interpretation. ○ No contingency fee arrangements.
"NOT YET" & DISPUTE PATHWAY	○ Right to suspend for safety, cultural harm or process failures. ○ Fair dispute route is acceptable.	○ "No-penalty not-yet" clause accepted. ○ Neutral dispute path (mediation → arbitration) that respects customary law.
PRE TERM-SHEET		
COUNTERPARTY DUE DILIGENCE	○ Profile of corporate partner undertaken ○ Any concerns lodged	○ Shares track record, litigation checks, references. ○ Disclose whistleblower/ethics channel to partners.
ENTITY & PAYMENT READINESS	○ Receiving entity/trust is set (or plan to set); bank/escrow option identified	○ Tailored onboarding for trusts/community entities; capacity for advance/progress payments ○ Flexible net terms; FX/withholding-tax plan; escrow options ready
TIMELINE & CRITICAL PATH	○ Community calendar constraints mapped (e.g., cultural seasons, assemblies).	○ Internal milestones mapped to community calenda. ○ Lead-time allowances for FPIC, translation, booking assessors, government approvals, etc.

TOPIC	INDIGENOUS PEOPLES READY WHEN...	CORPORATES READY WHEN...
TEAM & ROLES	○ Co-leads named ○ Roles for elders/youth/women identified	○ Cross functional squad (sustainability, legal, finance, comms, procurement) identified. ○ Cultural safety training; language capability; continuity/cover plan; local travel plan.
CONTRACTING BACKBONE	○ Plain language term sheet and glossary (roles, data, ICIP, dispute).	○ Plain language (translated) term sheet and glossary. ○ Standard definitions prepared for claims, ICIP, data, dispute, approvals, etc.
PROCUREMENT FIT	○ Paperwork burden identified ○ Who can help complete forms is named	○ Low burden onboarding track (e.g., vendor champion, fewer forms, advance payments as needed).
TRANSPARENCY & REPORTING	○ Preferred format/frequency defined (plain language, visual dashboards).	○ Preferred format/frequency defined (plain language, visual dashboards).
ALLIES & CONFLICTS MANAGEMENT	○ Roles of allies/facilitators are explicit.	○ Conflict of interest register, recusal rules. ○ Escrow-funded independent community advisors.
EXIT & SUCCESSION	○ Transition plan for local control; data/IP hand-back on exit; continuity of community benefits. ○ Tail-end support for reporting/monitoring where required.	○ Step-in/step out mechanics outlined. ○ Hand-back obligations are defined.
NATURE MARKETS		
ATTRIBUTE RIGHTS & TENURE CLARITY	○ Local tenure/customary rights are described; overlaps surfaced.	○ Legal memo commissioned on ownership of carbon/biodiversity/water attributes and tenure overlaps.

TOPIC	INDIGENOUS PEOPLES READY WHEN...	CORPORATES READY WHEN...
MRV APPROACH & CAPACITY	○ Method fits local capacity ○ Monitoring roles are realistic ○ Leakage and uncertainty treatments understood	○ Commit to resource training/ equipment. ○ Publish core metadata where permitted. ○ Documented leakage and uncertainty treatment.
RISK ALLOCATION (REVERSAL/FORCE MAJEURE)	○ Position on buffer/insurance and liability caps is written. ○ Community is named as additional insured/beneficiary where relevant ○ Cover is maintained for reversal/ environmental liability per contract	○ Budget for buffer/insurance (e.g. parametric climate insurance). ○ Procedures to ensure insurance certificates do not lapse. ○ Reversal remedy terms (e.g. caps, timelines) spelled out.
REPUTATIONAL RISK	○ Right to pre-approve/decline public claims and brand uses ○ Co-benefits separated from credit claims	○ Decarbonisation-first policy; no offset/neutrality claims pre-retirement; pre-approval workflow for claims ○ Crisis communications plan in place; claims pack compiled for retirement; product-level claims only with inventory & plan
REGISTRY & CUSTODY	○ Read access to registry; community co-signers for retirements affecting brand/claims ○ Halt/hold triggers for suspected fraud or mis-routing of units	○ Registry accounts opened (buyer/seller); KYC complete; two-to-sign retirement authority matrix ○ Escrow/trustee instructions; labels/ metadata plan agreed
ARTICLE 6 / JURISDICTIONAL NESTING (CARBON)	○ Transparency on international transfer implications; ability to decline if harmful to community priorities ○ Support to engage competent authority; clarity on Paris-aligned vs voluntary use claims	○ Host-country authorisation pathway mapped; corresponding-adjustment plan confirmed where applicable ○ Clear policy on Paris-aligned vs voluntary claims; nesting letters/ evidence obtained where relevant

ACKNOWLEDGMENTS

We gratefully acknowledge input from participants at the 2025 Economic Futures Summit and Nature Finance Exchange, along with the partners, experts and community members whose insights, feedback and lived experience helped shape this tool.