Natural Capital Coalition and Natural Capital Protocol

World Bank Group Seminar "Challenges and Opportunities for Sustainable Natural Resources Management"

September 30, 2016

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VISION

We imagine a healthy, prosperous world in which societies are forever committed to caring for and valuing nature, for the long-term benefit of people and all life on Earth.

MISSION

Building upon a strong foundation of science, partnership and field demonstration, CI empowers societies to responsibly and sustainably care for nature, our global biodiversity, for the well-being of humanity.

People need Nature to Thrive
Where we work

To learn more about where we work go to:
www.conservation.org/where

As of June 30, 2015
Getting the value of nature maintained in business activities

Money: The owner is clear
Natural Capital: The owner is multiple, complicated, and often public

If owner = manager, who will take care of natural capital?
E.g.) Forest

- **Lumber**: forest owner
- **Underground mineral**: License holder
- **CO₂ sequestration, storage**: credit owners, national commitments
- **Species habitat**: ?
- **Existence value (sense of place)**: public
- **Recreation**: public
- **Oxygen production**: shared globally, no owner, no borders
- **Genetic resources**: potential value

**WAVES** → **Objective value of forest itself**

**Natural Capital Protocol** → **Value/importance from perspective of individual business (user)**
THE NATURAL CAPITAL COALITION
Vision: A world where business conserves and enhances natural capital
Founding members

Source: http://naturalcapitalcoalition.org/
NGO

Source: http://naturalcapitalcoalition.org/
Science and Academia

Source: http://naturalcapitalcoalition.org/
Standards setters & Disclosure

Finance

Source: http://naturalcapitalcoalition.org/
Introducing the Protocol
自然資本プロトコルの紹介

The **Natural Capital Protocol** is a **standardized framework** to **identify, measure and value** direct and indirect **impacts** (both positive and negative) and/or **dependencies** on **natural capital**
A unique collaborative process
協働プロセス

自然資本プロトコルの開発
セクターガイド作成、ビジネスの参画、パイロットテスト

2015年11月 ドラフト発表
2016年7月13日 正式版発表

Source: http://naturalcapitalcoalition.org/
Natural Capital stocks, flows and values

Source: http://naturalcapitalcoalition.org/
Conceptual model

Source: http://naturalcapitalcoalition.org/
Natural Capital Impacts

- Greenhouse gas emissions
- Land management
- Waste

Source: http://naturalcapitalcoalition.org/
Natural Capital Dependencies

Climate regulation

- Energy
- Pollination
- Materials

BUSESS

- Erosion and soil regulation
- Storm and flood protection
- Water
- Recreation

Source: http://naturalcapitalcoalition.org/
Framework

PRINCIPLES: Relevance, Rigor, Replicability, Consistency

Source: http://naturalcapitalcoalition.org/
The purpose of the Sector Guides is to provide additional guidance to apply the Natural Capital Protocol.
Piloting

Deep dive pilots

Pilots

Source: http://naturalcapitalcoalition.org/
### Business applications

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<thead>
<tr>
<th>Operational</th>
<th>Regular business activities, expenditures and processes</th>
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<tbody>
<tr>
<td></td>
<td>- Reduce raw material costs and risk of interruption to supply from extreme weather, flooding etc.</td>
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<td>- Realize efficiency gains</td>
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<tr>
<th>Legal and regulatory</th>
<th>Laws, public policies, and regulations that affect business performance</th>
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<td>- Identify future legislation</td>
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<td>- Reduce compliance costs and risk of fines and penalties</td>
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<tr>
<th>Financing</th>
<th>Cost of and access to capital including debt and equity</th>
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<td>- Reduce financing costs and increase margins</td>
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<td>- Improve access to finance - attracting investors</td>
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<th>Reputational and marketing</th>
<th>Trust and relationship with stakeholders, customers, suppliers and employees</th>
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<td>- Identify new revenue streams and differentiate your products</td>
</tr>
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<td>- Improve ability to attract and retain employees</td>
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<th>Societal</th>
<th>Relationships with wider society</th>
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<td>- Identify benefits and negative impacts to local communities through improved natural capital (e.g., water quality)</td>
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<td>- Support a social license to operate</td>
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Natural Capital Protocol

**YES !**
- Provides steps for businesses to consider and incorporate into their business strategies and plans their relationship with nature

**No !**
- Is not a reporting protocol
- Does not require disclosure. It aims to improve business decisions.
ご清聴、ありがとうございました。
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