

# Natural Capital Thinking, Creating an Enabling Environment

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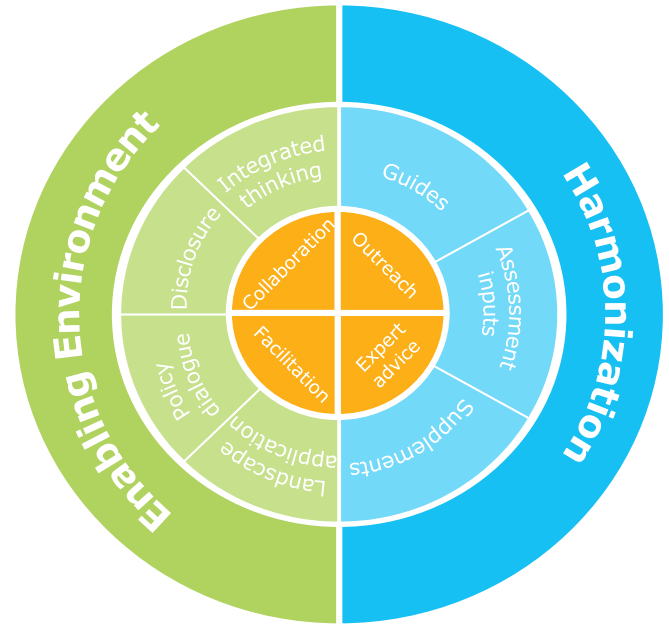


**NATURAL  
CAPITAL  
COALITION**

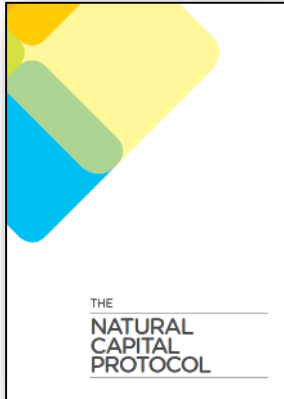
 @NatCapCoalition #NatCapProtocol

## The Coalition

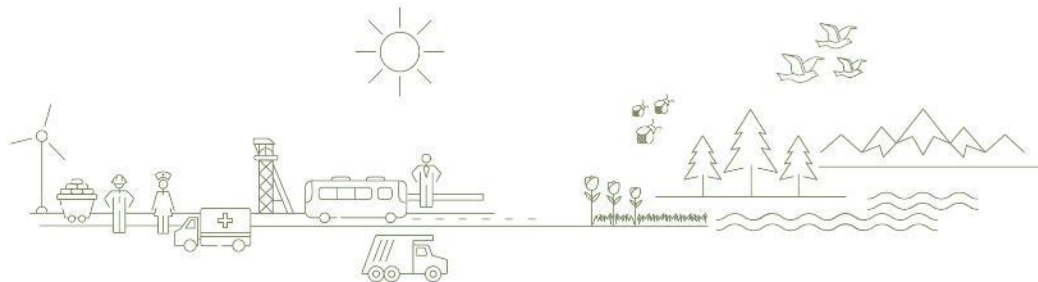
The Natural Capital Coalition was established by the natural capital community as a collaborative space to harmonize approaches and grow a supportive enabling environment for natural capital thinking.



The Coalition represents almost 300 organizations.



The **Natural Capital Protocol** is a **standardized framework** for **business** to **identify, measure and value** its direct and indirect **impacts and dependencies** on **natural capital**





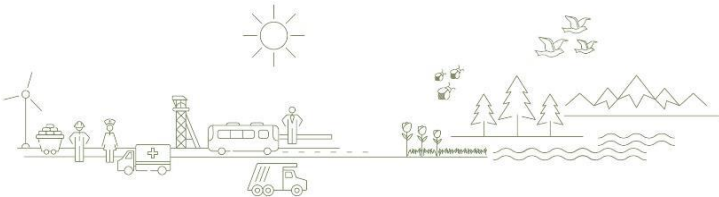
## What does Capital's approach provide?



Impacts




Dependencies





# Example materiality matrix from the food and beverage sector guide

DEPENDENCIES											BARLEY TO BEER 	IMPACT DRIVERS											
CONSUMPTIVE					NON-CONSUMPTIVE							INPUTS				OUTPUTS							
ENERGY	WATER	NUTRITION	MATERIALS	REGULATION OF PHYSICAL ENVIRONMENT	REGULATION OF LIVING ENVIRONMENT	REGULATION OF WASTE AND EMISSIONS	EXPERIENCE	KNOWLEDGE	WELL-BEING	SPIRITUAL AND ETHICAL VALUES		WATER USE	TERRESTRIAL ECOSYSTEM USE	FRESHWATER ECOSYSTEM USE	MARINE ECOSYSTEM USE	OTHER RESOURCE USE	GHG EMISSIONS	NON-GHG AIR POLLUTANTS	WATER POLLUTANTS	SOIL POLLUTANTS	SOLID WASTE	DISTURBANCES	
○	○	○	○	○	○	○					RAW MATERIALS	○	○	■	■	■	○	○	○	○			
○	○	■									FOOD PROCESSING	○		■	■	■		○					
○	○										PACKAGING, DISTRIBUTION, AND RETAIL			■	■	■	○	○				○	○
○											CONSUMER USE	■	■	■	■	■				■	■		
○											END-OF-USE		○	■	■	■						○	○

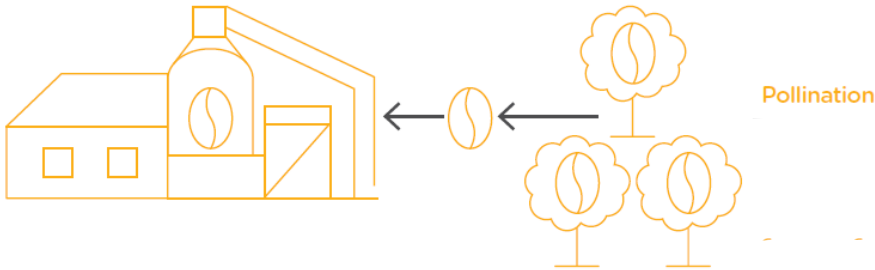
KEY: ○ IMPACTS AND DEPENDENCIES THAT ARE MATERIAL TO DIRECT BUSINESS OPERATIONS AT THIS VALUE CHAIN LEVEL  
 MATERIALITY ACROSS WHOLE VALUE CHAIN: ■ HIGH MATERIALITY ■ MEDIUM MATERIALITY ■ LOW MATERIALITY ■ NOT MATERIAL





**Business activities** at a coffee production plant have a **dependency** on the pollination of coffee plants

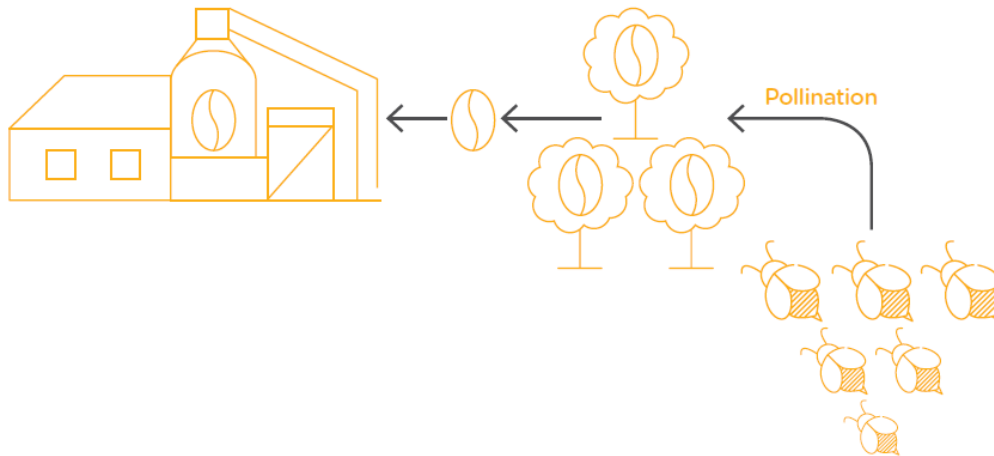
## Step 05: Measure dependencies





**Business activities** at a coffee production plant have a **dependency** on the pollination of coffee plants

## Step 05: Measure dependencies



**Changes in natural capital** cause the bee population to decline, due to:

- The business itself, e.g. overuse of pesticides
- Natural changes e.g. extreme weather events
- Human-induced changes, including due to the activity of other businesses, e.g. habitat change

## Step 06: Measure changes in natural capital

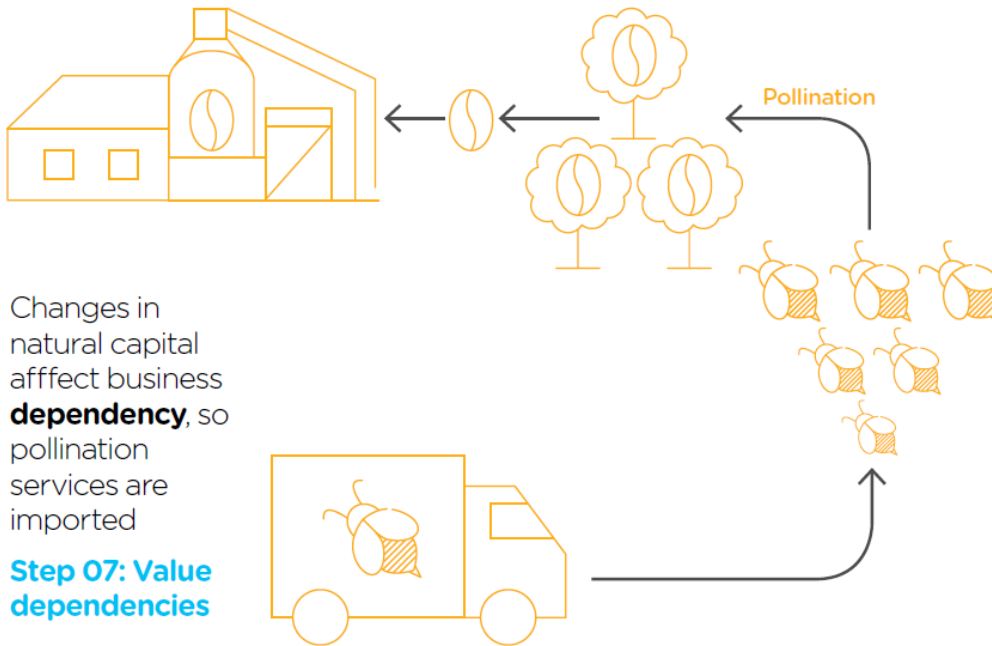




# Dependency pathway

**Business activities** at a coffee production plant have a **dependency** on the pollination of coffee plants

## Step 05: Measure dependencies



## Step 07: Value dependencies

## Changes in natural capital

cause the bee population to decline, due to:

- The business itself, e.g. overuse of pesticides
- Natural changes e.g. extreme weather events
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## Step 06: Measure changes in natural capital



## What does Capital's approach provide?



Impacts



Dependencies

Measure

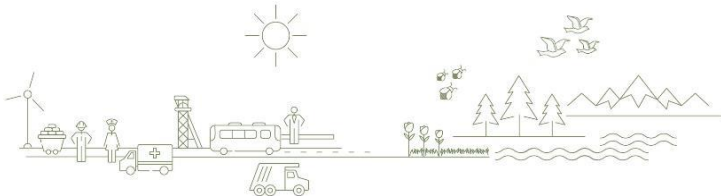


Value

Separate issues



A systems approach



# Enabling Environment

*"The context needed to support the transition to a society in which natural capital approaches are an integral part of public and private decision making."*



'Government Dialogue' a government led dialogue on their role in creating an enabling environment for natural capital approaches

'Combining Forces' a focal point to bring together national, local and business approaches to natural capital



'Regional Platforms' local collaboration connected through the global Coalition and building growth and application of natural capital thinking

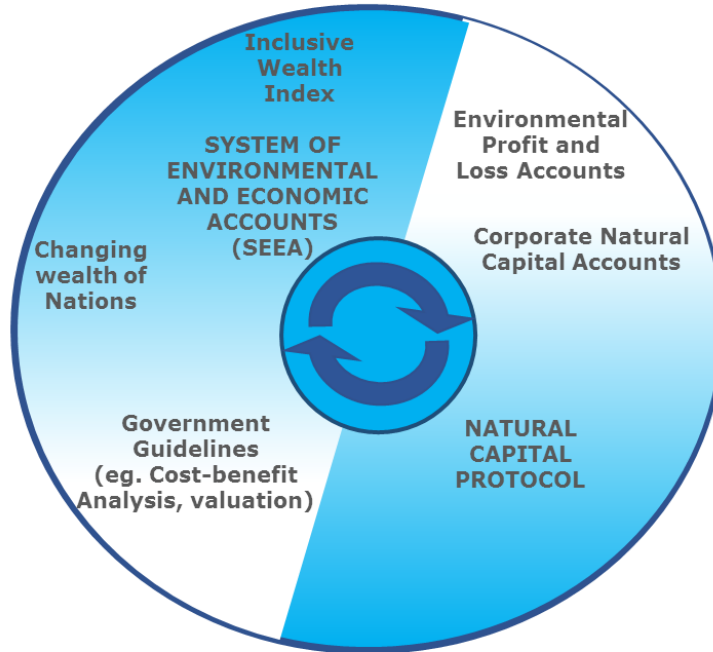




## Harmonised approaches

Accounting/disclosure

Internal decision-making



Public

Private



# Government Dialogue: Activities and organizations

'Government Dialogue' a government led dialogue on their role in creating an enabling environment for natural capital approaches

## Leads and Working Group Members of the three workstreams

Workstream	Proposed lead-country and –partner(s)	Working Group members	To be informed
<b>1. Accounting</b>	Australia ICAEW	Botswana, France, Ghana, Japan, Netherlands, Nigeria, South Africa European Commission, GDSA, IUCN, Natural Capital Coalition	Ghana, Malaysia, Namibia, United Kingdom Green Economy Coalition
<b>2. Practice</b>	South Africa NCC, CISL, Netherlands and GDSA	Australia, Ghana, Japan, Netherlands, Nigeria, South Africa, European Commission, GDSA, GEC, IUCN, NCC	France, Ghana, Malaysia, Namibia, United Kingdom
<b>3. Narrative</b>	Netherlands Green Economy Coalition Worldbank Group	Botswana, Germany, Ghana, Japan, Netherlands, Nigeria, South Africa, Uganda, United Kingdom CISL, European Commission, GEC, ICAEW, IUCN, NCC	Australia, France, Ghana, Malaysia, Namibia



## Why Natural Capital Regional Platforms?

There is **significant and visible momentum** behind natural capital thinking now; not only from business but also other communities.

Across the world, **groups are coming together** to discuss progress, share experiences, and build next steps.

The Natural Capital Coalition wants to support and encourage these conversations as a way to **progress natural capital thinking** across a diversity of contexts, and also so that the international community can learn from these **aggregated experiences**.





[www.naturalcapitalcoalition.org](http://www.naturalcapitalcoalition.org)

*Join the Coalition*