



4|5 OCTOBER 2017
Nestlé Competence Center
Frankfurt | Main, Germany

“Business, Biodiversity & Natural Capital | Ambitions, Risks & Opportunities”

Summary

The Global Nature Fund and the European Commission look back on two successful days of events: on 4 and 5 October around 150 international company representatives and experts from more than 20 countries discussed about the effective integration of biodiversity and natural capital into corporate decision making. Under the common motto “Business, biodiversity & natural capital | Ambitions, risks & opportunities” the conference brought front-runners and newcomers together with leading scientists, government officials and nature conservation organisations at the Nestle Competence Centre in Frankfurt/Germany.

4 October: EU B@B Annual Conference – How to set an ambition level?

In the effort to engage with business on natural capital assessments and to strengthen the representation of biodiversity in these the fourth annual conference of the EU Business and Biodiversity Platform aimed to address as cross cutting theme the key question: **How can businesses set an ambition level when integrating impacts and dependencies on biodiversity into their decision making?** Should they focus on site level or supply chain measures? Should they adopt a more comprehensive Net Positive approach at site, product and/or organisation level? What can be a useful scale or metric and what models (“blueprints”) to use for the successful delivery of investable projects? These questions were explored through a series of concrete examples and discussions on the approaches available to businesses.

The morning plenary highlighted four concrete cases of businesses who have invested resources in order to integrate biodiversity in their activities and in some cases developed a full biodiversity strategy with clear ambitions. As agri-food business, **Nestlé** has shown how it has managed to promote biodiversity across its supply chain through a range of wide action-oriented initiatives (e.g. Sustainable Agriculture Initiative Nestlé SAIN, the Cocoa Plan) not least due to its high dependency on healthy ecosystems and the increasing consumer demand for greater variety in diets. **UPM**, a Finnish paper industry, emphasised how it has integrated biodiversity protection to planning and harvesting operations and by doing so was able to maintain and enhance biodiversity through forest management practices. Two financial institutions also presented their work and efforts to protect biodiversity. The role of conservation finance as a mechanism through which indirect or direct financial investment is made to conserve the values of the ecosystem for the long term was presented by **Credit Suisse** and how the Swiss company has embarked on the ambitious journey to develop a Coalition for Private Investment in Conservation since 2013. **Actiam**, a Dutch investment company, presented how it set itself the ambitious target to become water neutral in all its investments by 2030. The company is also making steps to measure the impact of its portfolio on land with the aim to protect, restore, and use all ecosystems and forests impacted by its current and future investments in a sustainable way.





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Through interactive discussions with the audience, the keynote speakers were invited to reflect on the reasons why businesses should set up a biodiversity ambition level, the types of ambition levels they could opt for and solutions that have been developed to solve the key challenges for businesses when setting an ambition level.

In the afternoon, real working sessions were organised in parallel groups focusing on (1) natural capital accounting (NCA), (2) tools to support ambitious business and biodiversity innovations, and (3) finance and biodiversity, which are the three key thematic workstreams the EU B@B Platform is actively working on.

By reflecting on the appropriate company level at which biodiversity should be tackled and the reasons for pursuing a biodiversity strategy, participants in the NCA session aimed to develop a decision support tool for helping companies to set their biodiversity ambition level. The innovation session took forward work initiated by the Innovation workgroup at its meeting of 13 July 2017 to develop elements for an 'Innovation Toolbox' that shall be of benefit to businesses seeking to innovate in the natural capital and biodiversity arena. Participants in the finance session discussed how competitors in the finance sector can set own biodiversity targets and support businesses in achieving theirs and where to engage with other stakeholders to tackle this challenge.



The day ended with a panel of public sector, NGOs and private sector representatives to look at how to upscale and mainstream the uptake of biodiversity and natural capital within business strategies. The role of the Natural Capital Protocol was highlighted as a key enabler to stimulate businesses to include biodiversity and natural capital in their decision-making. The importance for governments to cooperate at international level was emphasised to develop this enabling environment.



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5 October: Global Nature Fund – Integrating Natural Capital into Your Business Increasing Opportunities and Dealing with Risks

The conference on 5 October organized by the Global Nature Fund (GNF) focused on **the integration of natural capital in business decisions**. In the morning, presentations by representatives from businesses (Hugo Boss, SEKISUI, Eosta, and Allianz), government (BMUB) and civil society (GNF, Wildlands Conservation Trust) opened the floor for interesting discussions with the audience. In their introductions Marion Hammerl, President of the Global Nature Fund, and Bianca Nijhof, Global Sustainability Program Manager from Arcadis, emphasized that natural capital is not a new topic. Companies depend on natural resources and have been trying for decades to assess their impact. So are governments.

Christopher Bonnet from Allianz Global Corporate & Specialty SE underlined this with his view on natural capital from an insurer of industrial companies. Natural capital is already reflected in many business decisions, for example in the assessment of business risks from droughts or floods, but with a different wording. **The participants agreed that a common language is needed to promote the dissemination of the natural capital concept.**

Andrew Venter from Wildlands Conservation Trust as well as Kilian Delbrück, German Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety, stressed the **importance of making natural capital and biodiversity more tangible in order to ensure that companies, regardless of their size and location, integrate them into their business operations**. They demand simple indicators/proxies and tools that need to be developed. This would also allow the internationalisation of external environmental costs and **benefit companies that are already operating in a sustainable manner**.



Often those front running companies have to burden higher costs, which constitute a competitive disadvantage in the current economic system, as Volkert Engelsman, CEO of the international fruit and vegetable wholesaler, stated.

Companies such as Hugo Boss or SEKISUI Chemical Ltd. use the **results of their natural capital assessments to develop strategies to reduce the natural capital impact along the life cycle of their products**. Both companies use life cycle assessments as a basis for their natural capital assessment and highlight the advantage of monetary value in the communication with non-environmental experts and the opportunity to compare different environmental impacts.

Mark Gough, Director of the Natural Capital Coalition, closed the morning in highlighting their efforts with the Natural Capital Protocol. In order to meet the companies' need for advice and to motivate more companies to carry out natural capital valuations, the coalition is developing sectoral guidelines and supplementary information on finances, biodiversity and data.

Further challenges and opportunities arising from the integration of natural capital into businesses were **discussed in seven breakout sessions** during the afternoon. The various sessions provided a wide range of applications of natural capital assessments in different sectors such as food, finance or construction.



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A	Naturkapitalbewertung in Deutschland	Dr. Hans-Joachim Bayer; TRACTO- TECHNIK GmbH Andrea Peiffer, Martin Haustermann; Global Nature Fund
B	The Finance Sector as a Driving Force	Danielle Carreira; Natural Capital Finance Alliance Christopher Bonnet; Allianz Global Corporate & Specialty
C	Natural Capital in the Food Sector – taking first steps	David Thelen, Alexandra Langner; Arcadis Volkert Engelsman; Eosta
D	Wirkungsmessung in der Wertschöpfungskette	Moritz Nill; Sustain Consulting GmbH Michael Goebels; Metro AG Willibald Kaltenbrunner; Denkstatt GmbH
E	Natural Capital Valuation – Experiences from Emerging and Developing Countries	Martin Schüller; Fairtrade Germany Sergio, Talocchi; Natura Andreas Gettkant; GIZ
F	Natural Capital in Practice: Data & Instruments	Uta Jungermann; WBCSD Björn Bünger; German Federal Environment Agency Annelisa Grigg; UNEP-WCMC
G	Benefits for Society: Assessing & Reporting	Hitomi Miura; SEKISUI Chemical Group Andrea Peiffer, Martin Haustermann; Global Nature Fund

The conference ended with a broader view: regulations on the internalisation of external costs are not expected in the near future, but **a stronger exchange, networking and collaboration between governments within the EU and worldwide are essential** to stimulate a further dissemination of natural capital assessments. This was made clear within the panel discussion with Martin Lok, Program Manager in the Dutch Ministry of Economic Affairs and Stefan Hörmann, Head of Business and Biodiversity at GN. A global approach on this issue is particularly important, as **most of the impact on natural capital is not caused by direct operations of companies in the EU, but by the extraction and processing of raw materials worldwide.**



The presentations of the conferences are available for download at:

- 4 October http://ec.europa.eu/environment/biodiversity/business/annual-conference/annual-conference-2017/index_en.htm
- 5 October <http://www.business-biodiversity.eu/en/natural-capital-conference>