

Natural Capital Coalition

(Ian Dickie, eftec, NCC Advisory Panel)

New York, October 2019



**NATURAL
CAPITAL
COALITION**

 [@NatCapCoalition](https://twitter.com/NatCapCoalition) [#NatCapProtocol](https://twitter.com/NatCapCoalition)

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.



Purpose

To mainstream the inclusion of natural capital in decision making, harmonizing approaches and getting them to scale, quickly.

Our Vision

A world that conserves and enhances natural capital

The Coalition represents almost 300 organizations.

The Natural Capital Protocol



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 do Capitals provide?



Impacts



Dependencies

Measure

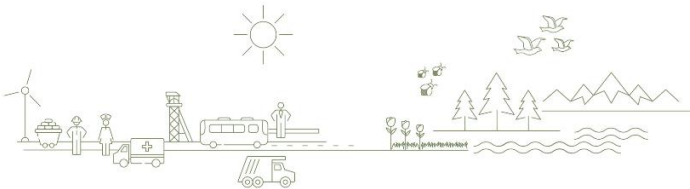


Value

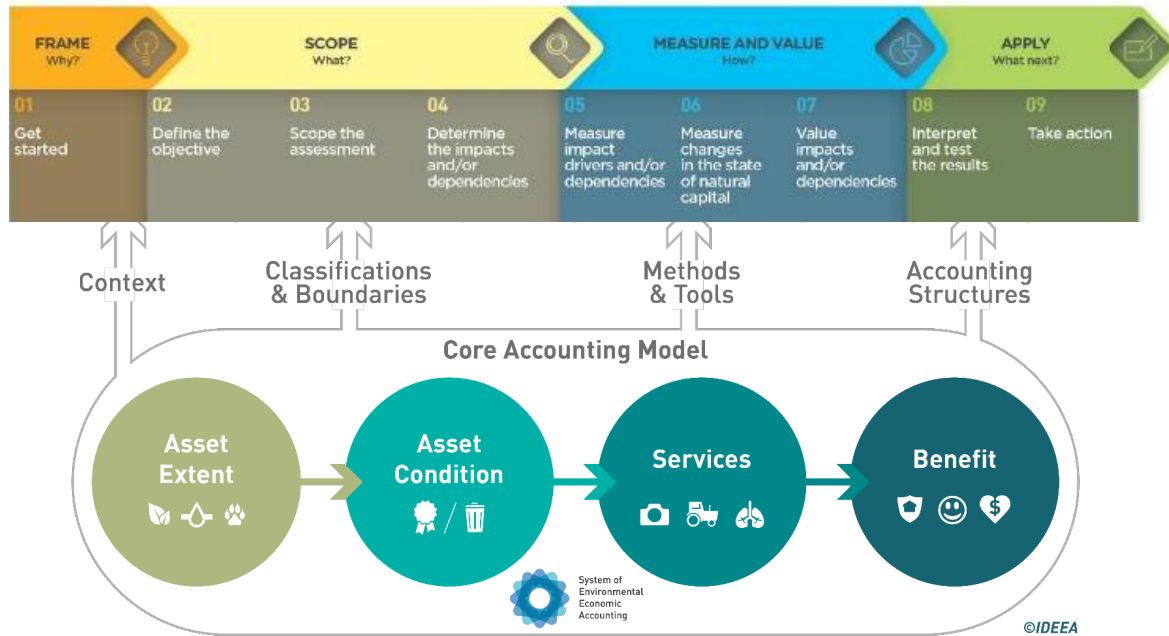
Separate issues



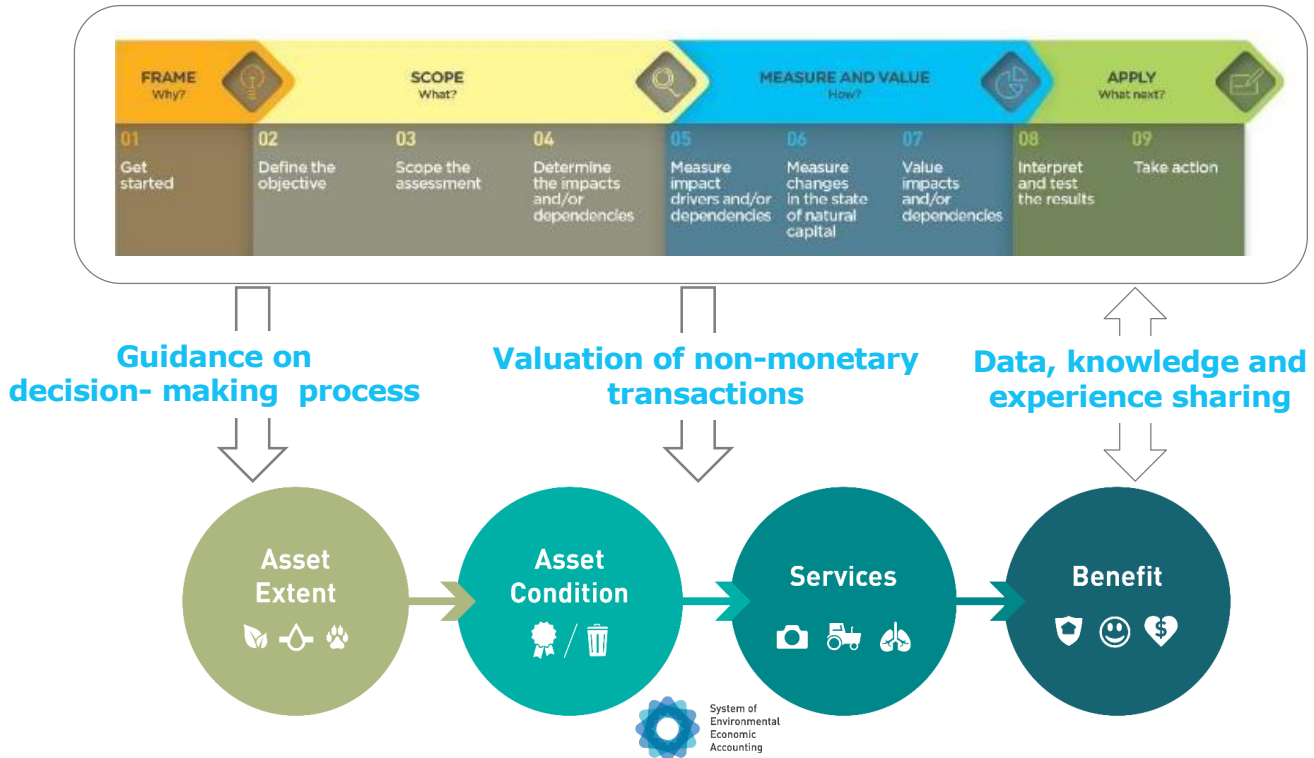
A systems approach



Linking the Protocol and SEEA



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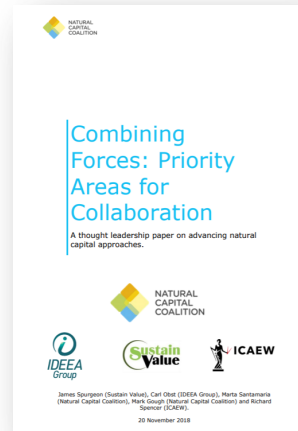
**COMBINING FORCES:
NATURAL CAPITAL
APPROACHES /
FRAMEWORKS**

Combining Forces – Main activities

Webinars and workshops



Research

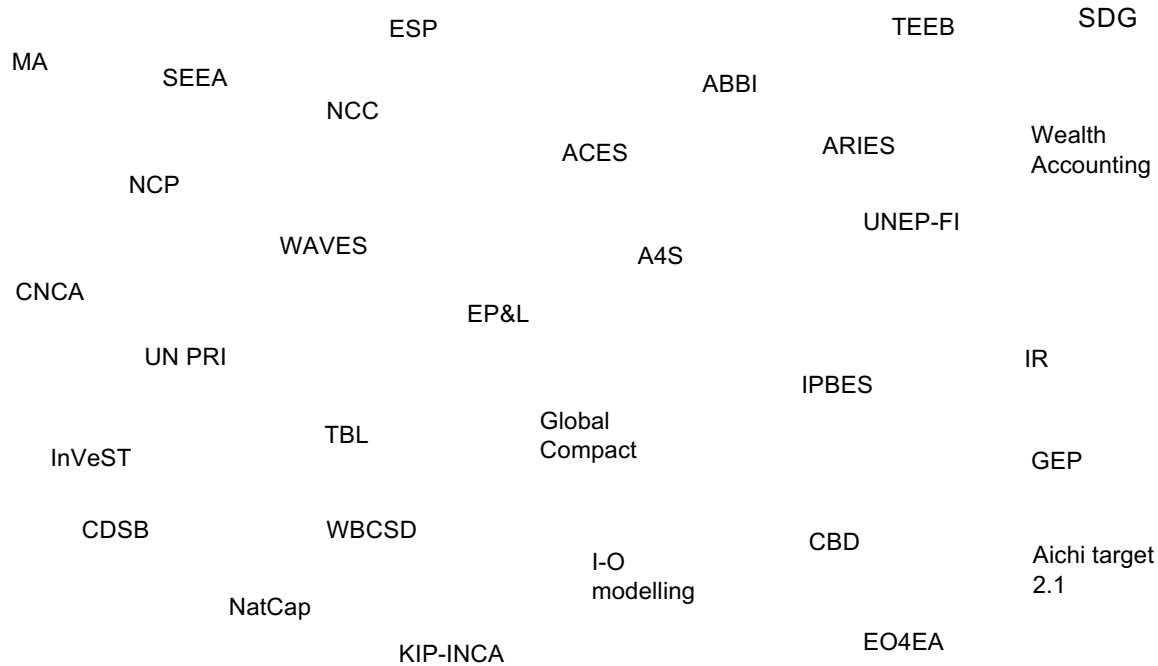


Case studies



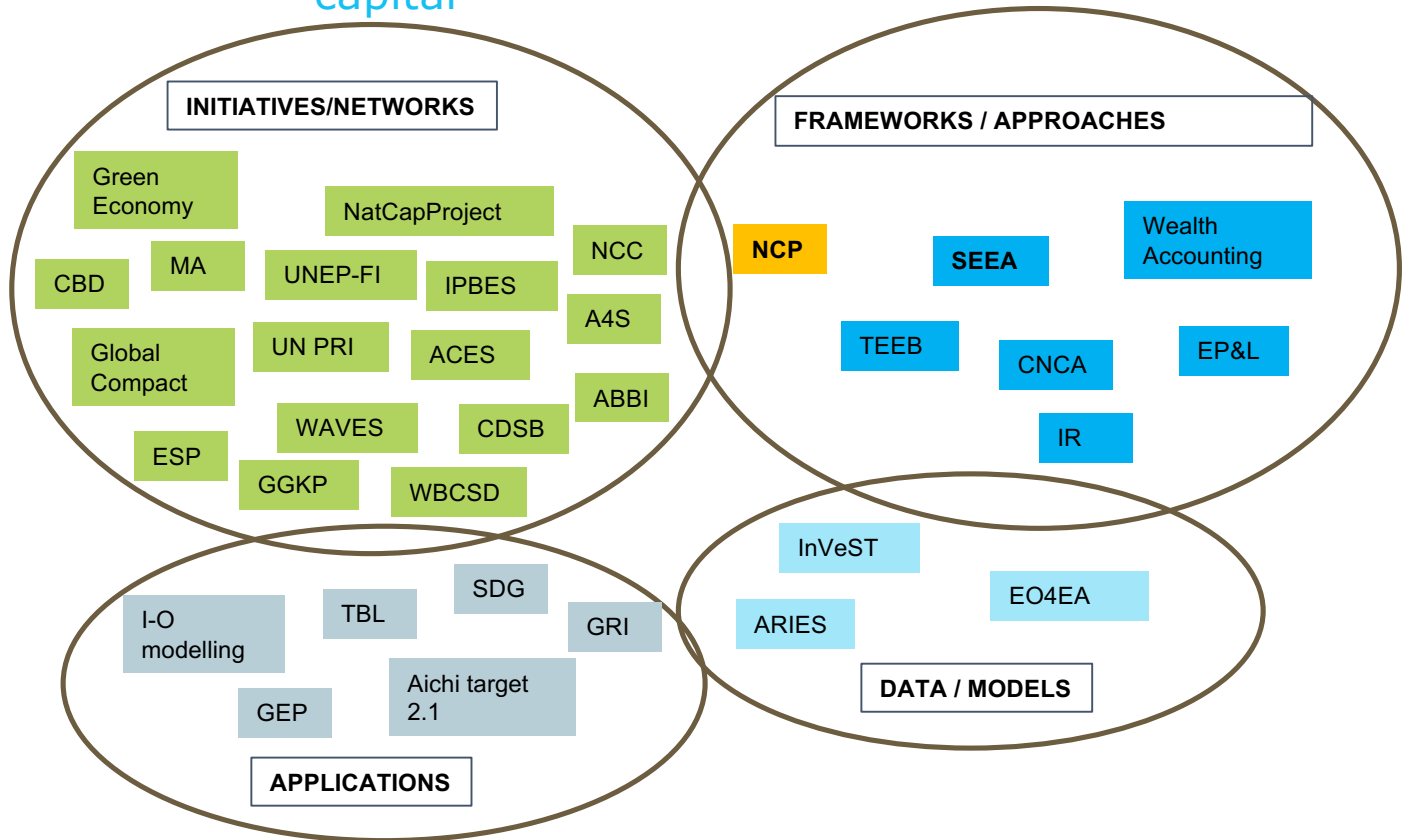
Case studies – call for evidence closed 14/10/2019, tbc 2020

The natural capital “soup” *



* See annex for explanations

An initial de-cluttering of natural capital

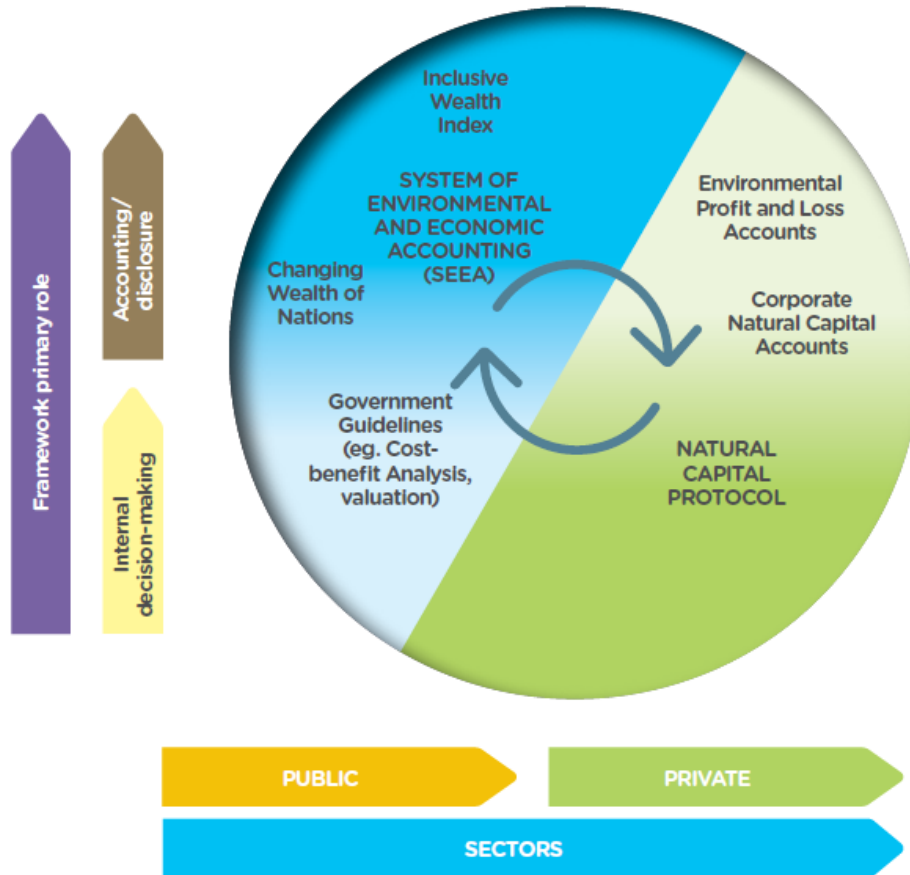




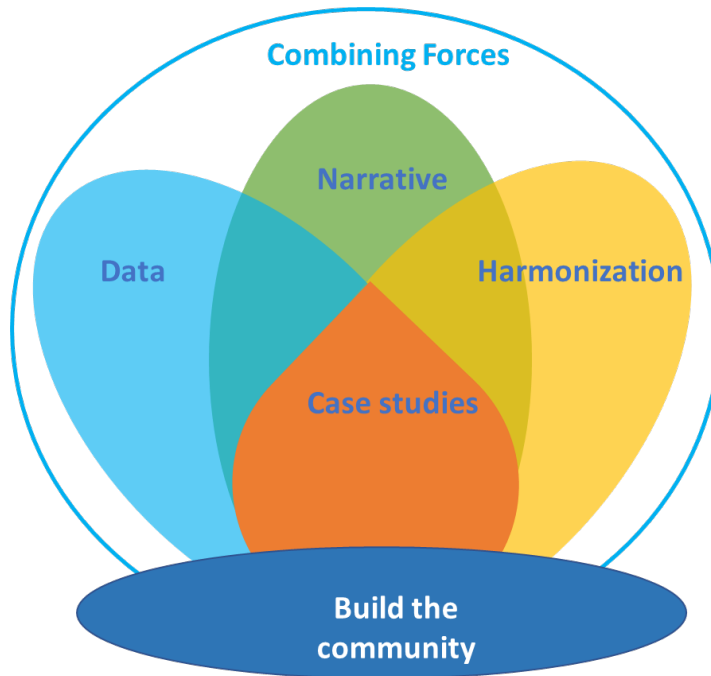
NATURAL
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Integrating thinking in approaches to natural capital

Informing decisions



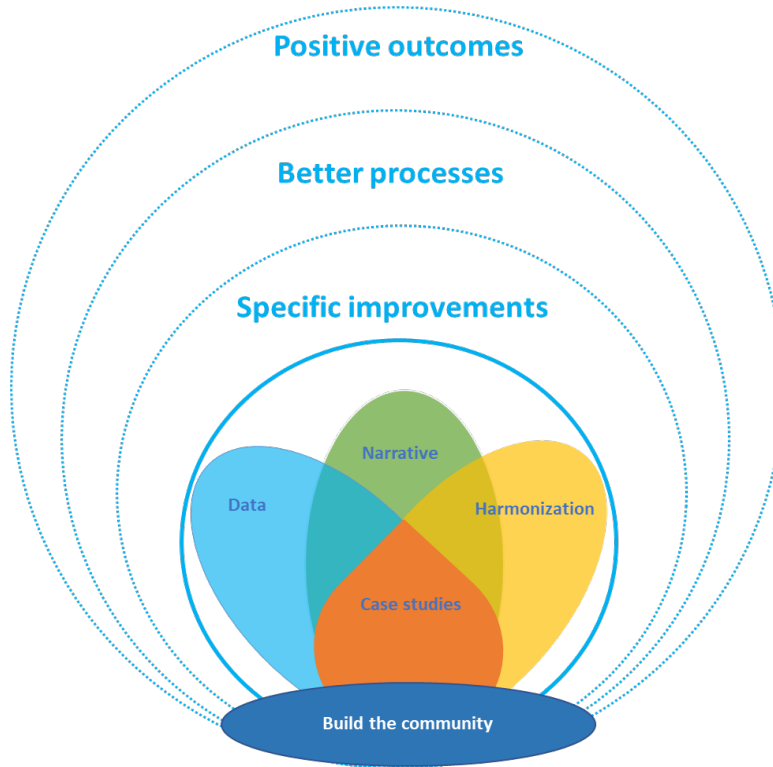
The Recommended Priority Areas



Benefits from Combining Forces

Better processes

- Better decision-making
- More effective policy and enabling environment
- Shift to a 'systems' approach
- More efficient use and allocation of resources



Positive outcomes

- Sustainable use and enhancement of natural capital
- Cost savings
- Reduced risks

Specific improvements

- Shared communications and vision
- Shared data and valuations
- Enhanced standardization and mainstreaming
- Aligned terminology
- Inclusive decision-making
- Enhanced synergies between entities
- Enhanced capacity building and understanding



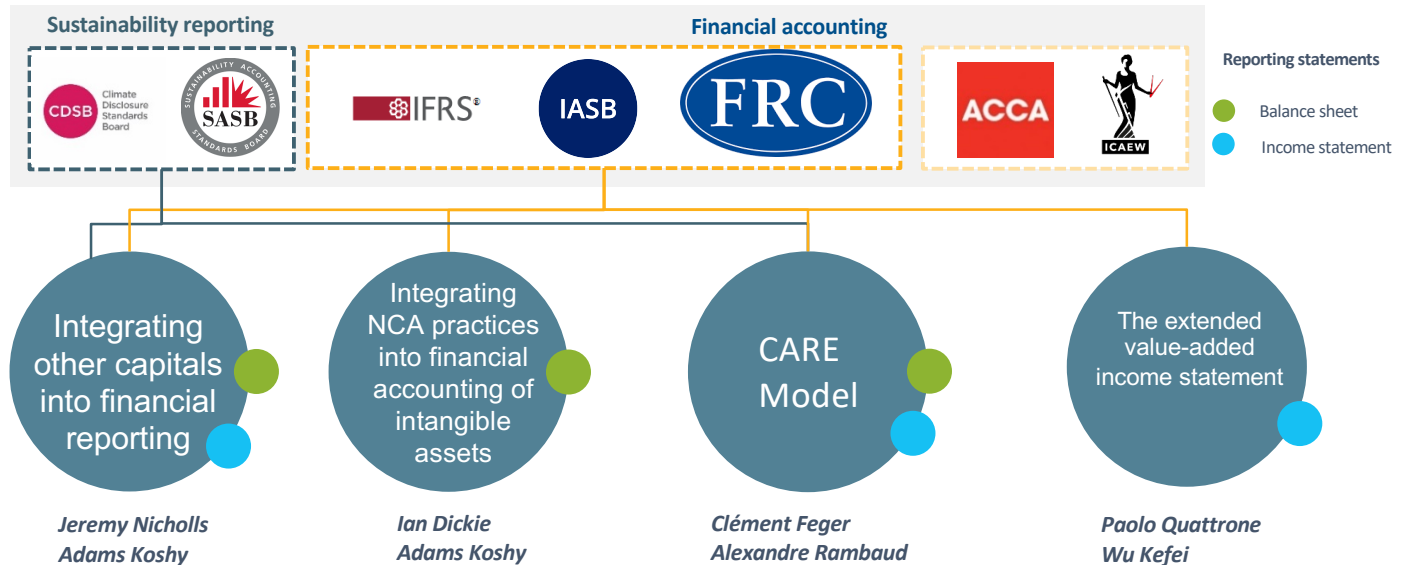
**THE VISIBILITY OF
NATURAL CAPITAL IN
FINANCIAL ACCOUNTING**

Project purpose

- Investigate approaches to integrate natural capital data into financial accounts
- Demonstrate outputs with case studies showing adjusted balance sheets
- 4 methods under investigation
- Draft report end of October 2019 !
- Inform policy frameworks (e.g. EC) and research agenda

Overview of 4 methods

Standard setting system:



Example Method: Adjusted Intangible Assets

- Capture costs and returns of existing natural and social capital management activities
- Apply existing provisions in IFRS rules on intangible assets to natural capital
 - Property rights (e.g. fish quotas)
 - Training costs
 - Development costs
 - Brand value
- Natural capital approach helps identify data to represent intangible assets in financial accounts



THANK YOU!

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