Government Dialogue on Enabling Natural Capital Approaches – Summary Report

World Forum on Natural Capital (Edinburgh, 27 November 2017)

Supported by:

























How intergovernmental collaboration on enabling change can scale-up natural capital approaches

On 27 November 2017, for the first time at the World Forum on Natural Capital¹, governments came together to discuss how they could further advance natural capital approaches to facilitate sustainability transitions in the economy. Representatives from 16 countries and the European Commission met with a range of non-government organizations to learn from the experiences of each other by discussing governments' role in expediting, mainstreaming and 'scaling-up' approaches to create an enabling environment for the natural capital agenda.

After an inspiring opening by Roseanna Cunningham MSP, Cabinet Secretary for the Environment, Climate Change and Land Reform, who welcomed delegates to the session and emphasised Scotland's efforts in natural capital approaches, and introductions by Martin Lok (Netherlands Ministry of Agriculture, Nature and Food Quality), Mike Sharman (CISL) and Derk Loorbach (DRIFT), forum attendees participated in a workshop discussion focussed on three key questions:

- Where are you? What activities is your government currently engaged in as part of developing an enabling environment for natural capital approaches in your country?
- Where do you want to go? What new activities can you envisage becoming engaged in to further the up-scaling of natural capital approaches in your country?
- What do you want to do together? On which actions would you like to collaborate with other governments and international organizations to advance the natural capital agenda in your country?

These questions resulted in an overview of activities in which governments are currently involved, and others that they would ideally like to initiate. Three key areas were identified in which intergovernmental collaboration may help to mainstream natural capital approaches. These are to:

- 1. Link national natural capital accounting with corporate natural capital assessment
- 2. Increase collaboration by government agencies and businesses (both nationally and internationally) and use existing online platforms to share best practices
- 3. Develop a positive natural capital narrative

Each of these issues is summarized in the following sections and forms a basis for further collaboration between government representatives. The issues are presented along with possible joint actions (building on the suggestions made at the table-discussions during the workshop) that could be undertaken by groups of

¹ The World Forum on Natural Capital is organized by the Scottish Wildlife Trust, in association with UN Environment; International Union for Conservation of Nature; World Business Council for Sustainable Development; Natural Capital Coalition and the Green Economy Coalition.

partners in 2018 and beyond.

1. Link national natural capital accounting with corporate natural capital assessment

The first key issue identified is to ensure there is alignment between national natural capital accounting using existing frameworks e.g. UN-SEEA, and corporate level accounting using the Natural Capital Protocol. This issue is also addressed in the paper 'Combining forces on Natural Capital' that the Natural Capital Coalition and IDEEA-Group launched at the World Forum: "While it's true that businesses and governments often have different aims when it comes to natural capital approaches, and are attempting to capture different kinds of information, it's clear that the work undertaken by governments can be hugely useful to that of businesses, and vice versa." ² By exploring how national and corporate approaches could be linked and business and government could complement and challenge each other, quality and availability of data on natural capital impacts and dependencies can be improved.

Possible joint actions

- · Share country or regional experiences in linking business and government with natural capital accounting practice
- Strengthen collaboration with Natural Capital Coalition, IDEEA-Group and others in the context of the 'Combining Forces' initiative
- Determine how data from national accounts and corporate natural capital assessment can be integrated, such that their interaction can be measured.

2. Increase collaboration by government agencies and businesses and use existing online platforms to share best practices

Governments need to deepen the engagement between different agencies, with other governments and with businesses, both directly and through sector-level business associations to explore alternative sustainability pathways and co-create new markets. This could include strengthening public-private collaboration in the context of (regional) platforms. Or the development of possible agreements (covenants) on joint ambitions and action plans for achieving sustainability transitions.

Sharing of best practices, preferably by using existing online platforms, is a crucial element of collaboration. In order for governments to make the best use of these platforms, including the Natural Capital Hub³, webpage of the Forum on Natural Capital Accounting for Better Policy (as part of WAVES program)⁴ and the webpages of the EU Business@Biodiversity Platform⁵, they require information on the aim of those hubs and opportunities to maximise value from those hubs for governments by adding relevant best policy practices.

² https://naturalcapitalcoalition.org/projects/combining-forces-on-natural-capital/

³ https://naturalcapitalcoalition.org/hub/

⁴ https://www.wavespartnership.org/en/2nd-forum-natural-capital-accounting-better-policy

⁵ http://ec.europa.eu/environment/biodiversity/business/index_en.htm

The hubs themselves may also need to evolve in order to best accommodate the needs of their users. It is considered that solutions to these issues could be advanced if governments collaborate and share practical examples of how they build natural capital leadership, enable different approaches and use hubs to support this. The development of a 'transition hub' or 'natural capital data hub' is also considered a potential way for sharing business/ policy cases.

Possible joint actions

- Share country and/or regional experiences with collaboration at sectoral levels, to determine what works and what does not, and suggest ways forward.
- Support existing (regional) platforms (or if these platforms do not exist in a certain region set up one) for collaboration of business, governments and NGOs around natural capital.
- Reach out to relevant international sector organizations for input to in-country initiatives (e.g. in sectors where Natural Capital Protocol Sector Guides are available or under development).
- Jointly develop sector-level plans that support businesses in viewing natural capital as an asset and enable them to move "beyond compliance".
- Organizing a joint business and government workshop to discuss the results of the four country pilots conducted by the International Finance Corporation and Natural Capital Coalition.
- Explore opportunities using existing hubs for sharing practices (e.g. business and policy case studies) by critically reviewing their power to reach a range of audiences.
- Liase with the UN, EU and other international bodies to align with their efforts to streamline the use of
 international hubs for sharing expertise on Natural Capital.
- Develop a government natural capital hub, if appropriate and possible building on existing hubs, to which all countries are invited to share and exchange their natural capital practices.
- Develop a natural capital data hub, that brings together relevant datasets on impacts and dependencies of natural capital, as well as easy to use proxy's that can facilitate assessments of natural capital impacts and dependencies by businesses (both corporate and SME level).

3. Develop a positive natural capital narrative

There is a need for a positive natural capital narrative to capitalize on the enormous potential the natural capital concept has to accelerate and guide transformative economic changes. A positive narrative would include a vision on a natural capital positive economy as well as how natural capital approaches over time will help to realize this. Such a narrative is necessary to ensure that natural capital approaches are viewed as being worthwhile, and where governments have not previously tried specific approaches before then they are encouraged to do so. The narrative should be based on robust scientific evidence, data and tools, and should align with other global initiatives such as the SDGs and 2°C climate target to deliver an integrated message. An interesting opportunity could be to collaborate with the Green Growth Knowledge Platform (GGKP), that recently launched an Expert Group on Natural Capital that also identified the development of a joint narrative as one of its priorities.

Possible joint actions

- Systematically support and promote pilot studies which demonstrate the added value of using natural capital approaches in related policy areas, like green economy, green growth, SDGs or circular economy.
- Jointly develop an integrating vision and storyline to link natural capital, circular economy, blue/green economy and SDG concepts.
- Develop a strategy for tabling the integrating vision at appropriate international for a.
- Liaise and collaborate with the GGKP-Expert Group on Natural Capital.

Next steps

Much enthusiasm was expressed during the Government Dialogue about making more of the discussion and about governments continuing to interact and collaborate going forward. Participants agreed that they wanted to meet again after one year. ⁶ They also agreed to start collaborating on the four issues identified, in order to progress the findings of the inaugural meeting (with a focus on the four issues identified). With this in mind countries will provide an indication of activities that they may wish to collaborate on. Also, non-governmental organizations have been invited to provide such an indication.

Building on these nominations a Roadmap for 2018 will be developed, including a proposal how to progress the three issues.

If you are interested to be involved

The Inaugural Government on Natural Capital brought representatives of 16 countries to Edinburgh. But the aim is to enlarge the group of governments that is taking part. So, if your government missed the opportunity to take part in the Government Dialogue on Natural Capital in Edinburgh but wants to engage, please send an email to m.c.lok@minez.nl, with an indication of which of the issue(s) you want to be involved with.

⁶ An opportunity is to explore a possible enlargement of the group of countries that could be involved. E.g. by reaching out to the participants of the WAVES Policy Forum that had been held a week before the World Forum in The Hague (21-22 November 2017). At this policy forum a similar enthusiasm was vocalized to increase collaboration and jointly invest in a stronger collaboration between governments and the business community.

Attendees

Country repreentatives, and the European Union, are presented in Table 1 and Non-government representatives are presented in Table 2. Academic support representatives are presented in Table 3.

Table 1. Country Representatives and EU

| Country / Region | Name | Organization |
|------------------|---|--|
| Australia | Ms. Sarah-Jane Hindmarsh Ms. Beth Brunoro | Department of Environment & Energy Department of Environment & Energy |
| Belgium | Mr. Geoffroy Blondiaux | Federal Ministry of the Environment |
| European Union | Mr. Lars Mueller | European Commission / DG Environment |
| France | Ms. Ophélie Darses | Ministry for an ecological and solidary transition |
| Germany | Mr. Kilian Delbrueck | Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety |
| Ghana | Mr. Kwame Fredua | Environmental Protection Agency |
| Ireland | Ms. Hannah Hamilton | Irish Forum on Natural Capital |
| Italy | Mr. Aldo Ravazzi | Ministry of Environment, Land & Sea |
| Malaysia | Ms. Sheau Sia Lo | Chief Minister's Department |
| Namibia | Mr. Ferdinand Mwapopi | Ministry of Environment and Tourism |
| Netherlands | Mr. Martin Lok Ms. Caroline van Leenders Mr. Mark van Oorschot Mr. Omer van Renterghem | Ministry of Agriculture, Nature and Food Quality Netherlands Enterprise Agency Netherlands Environmental Assessment Agency Ministry of Foreign Affairs |
| South Africa | Mr. Kiruben Naicker | Department of Environmental Affairs |
| United Kingdom | Ms. Rebecca Badger Mr. Robert Bradburne Ms. Bridget Campbell Ms. Mary Christie Mr. Chris Dodds Mr. Ian Jardine Mr. Gary Gillespie Mr. Pat Snowdon | Scottish Environment Protection Agency UK Department for Environment, Food & Rural Affairs Environment and Forestry, Scottish Government Environment and Forestry, Scottish Natural Heritage Environment and Forestry, Scottish Government Environment and Forestry, Scottish Government Scottish Government Forestry Commission |
| Vietnam | Ms. Hoang Thi Thanh Nhan | Biodiversity Conservation Agency, Vietnam Environment Administration, Ministry of Natural Resources and Environment |

Table 2. Non-government representatives

| Country / Sector | Name | Organization |
|------------------|-----------------------|---|
| Finland | Ms. Anna Lemström | Finnish Business & Society (FiBS) |
| Germany | Mr. Johannes Kruse | GIZ |
| Japan | Ms. Ikuko Matsumoto | Institute for Global Environmental Strategies |
| UN | Mr. Markus Lehman | Convention on Biodiversity Secretariat |
| NGO | Ms. Kim Reuter | Gaborone Declaration Secretariat |
| NGO | Mr. Ruud Jansen | Gaborone Declaration Secretariat |
| NGO | Mr. Oliver Greenfield | Green Economy Coalition |
| Business | Mr. Richard Spencer | Institute of Chartered Accountants in England and Wales |
| Finance | Ms. Elizabeth White | International Finance Corporation |
| IGO | Mr. Gerard Bos | International Union for Conservation of Nature |
| NGO | Mr. Mark Gough | Natural Capital Coalition |
| NGO | Ms. Marie Morice | Natural Capital Finance Alliance |
| NGO | Mr. Jonathan Hughes | Scottsh Wildlife Trust |
| UN | Ms. Annelisa Grigg | UNEP World Conservation Monitoring Centre |
| Finance | Ms. Sofia Ahlroth | World Bank |
| Business | Ms. Eva Zabey | World Business Council For Sustainable Development |

Table 3. Academic support

| Name | Organization |
|--------------------|---|
| Ms. Gemma Cranston | Cambridge Institute for Sustainability Leadership |
| Mr. John Pharoah | Cambridge Institute for Sustainability Leadership |
| Mr. Mike Sharman | Cambridge Institute for Sustainability Leadership |
| Mr. Derk Loorbach | Dutch Research Institute for Transitions |
| Mr. Sem Oxenaar | Dutch Research Institute for Transitions |