



**Speech  
IUCN Director General  
Inger Andersen  
World Forum on Natural Capital  
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First Minister,  
Ladies and gentlemen,

I come to you with six simple messages. Messages that are critical for the future path that we will set for ourselves and for the planet.

**1. CHERISH**

The first message is that we cherish Nature.

**We cherish Nature for its intrinsic value**, for Nature's sake, because it is the ethical thing to do. Because valuing and treasuring Nature is part of the belief system of all religions and value systems.

**2. CHALLENGES**

My second message, however, focuses on the mounting challenges that we face on multiple fronts.

A challenge of **environmental degradation and of a depleted natural resource base**.

- In Europe, 60% of protected species and 77% of habitat types are considered to be in “unfavorable conservation status” (European Environment Agency, 2015).
- *Global Biodiversity Outlook 4* tells us that, based on current trends, pressures on biodiversity will continue to increase at least until

2020, and that the status of biodiversity will continue to decline (CBD, 2014).

A challenge of a **growing population with rising inequality and conflict**. It is the world's poor who are most dependent on natural capital for their livelihoods and well-being.

- Natural capital accounts for up to 36% of total wealth in 43 of the world's low income countries (World Bank).
- 1 in 11 people with access to forests are lifted out of extreme poverty thanks to forest resources (World Bank).
- Refugees and economic migrants currently flowing into Europe and elsewhere globally are the direct result, in part, of environmental collapse and climate change. There is growing evidence that the 2007–2010 drought contributed to the conflict in Syria (Kelley et al., 2015).

**A climate change challenge.** On the eve of potentially the single greatest international agreement on climate in Paris next week, we must remind ourselves of what is at stake.

As we all stress the two-degree scenario, I remind you that even two degrees – which will be very hard to reach – will have severe and significant impacts on our planet and its ecosystems.

One manifestation of this real and apparent threat is the increased frequency of natural disasters, which, according to the WMO are occurring nearly five times as often as they were in the 1970s (WMO, 2014).

Natural capital is our single greatest ally as we try to defend our most vulnerable communities from the onslaught of more frequent and severe storms, floods and droughts. **We need to unlock the power of Nature. No solution is complete without it.**

### **3. CHOICES**

My third message focuses on the fact that **we still have choices**. We are not doomed to repeat and continue the path to greater societal wellbeing through destruction of nature, or through the “pollute now, we'll clean up later” approach.

We are, in fact, beginning to see a **quiet revolution emerging**. This is promoting a fundamental shift in the way that governments, companies and individuals see the world, the economy and the role of ‘natural assets’ in delivering sustainable development.

You are here as part of a game changing chapter in human history that must redefine the way humanity interacts with the natural world so that its value is reflected in the decisions we take and in the economies we build.

One of the choices that we are facing, based on evidence emerging from science and economic analysis, focuses on the urgency of de-coupling development and growth from the destruction of natural assets to ensure that future generations not only survive, but thrive.

An easy thing to say. But how to make this happen? By valuing nature in a similar way to other forms of capital, we can make better, smarter decisions for the natural environment and every human being on the planet.

So, at the end of the day, it is not nature OR development, the environment OR the economy. We have moved beyond this polemic, and are now at the crossroads where going forward will mean implementing the kind of solutions that we know can benefit nature and sustainable growth.

### **4. CHANNEL**

My fourth message focuses on channeling the energy and knowledge generated from the World Forum on Natural Capital – both the inaugural edition in 2013 and the current edition – into the new agenda that the world has ushered in with the adoption of the 2030 Development Agenda.

The 17 universal Sustainable Development Goals acknowledge – for the first time – that nature is fundamental to human well-being. The SDGs acknowledge the critical role that a healthy environment can play in addressing current challenges including poverty, climate change, food and water security, and reducing the risk of disasters.

Policy makers, civil society, academia and media have a role to play here. **We all need to amplify this imperative message.**

## **5. CHANGE**

Change is the focus of my fifth message. And even though much work lies ahead, change is already happening.

The Natural Capital Coalition, of which IUCN is a founding member, has made great progress in the development of a **Natural Capital Protocol**. This is a fine example of the sort of “innovation and tool” being profiled at this Forum and I am much encouraged to see the launch today of a consultation draft. Indeed, this holds the promise of helping change the way businesses measure their impact and dependency on natural capital.

Let me also congratulate the organizers for the outstanding number of participants in this edition of the Forum – all change agents in their own way. It is very impressive. However, **it takes many more for the change to happen and matter**. This is where policy frameworks need to be put in place. Frameworks that incentivize companies to take on natural capital approaches. Frameworks that penalize the ones that take

short cuts and do not respect local livelihoods and nature surrounding their sites or in their supply chains.

Here too, I think we are witnessing real change. Over the past few months, we have seen the creation of **enabling environments for natural capital approaches**:

- In October, the Obama Administration mandated US federal government agencies to develop policies that consider nature's value in planning, investment, and regulatory processes.
- In the same month, the UK Minister of Environment, Elizabeth Truss, said that Britain's forests, soil and rivers are worth at least £1.6 trillion and should be quantified in the same way as the country's man-made infrastructure.
- In May this year, the African Ministerial Conference on Environment (AMCEN) issued the Cairo Declaration on Managing Africa's Natural Capital for Sustainable development and poverty eradication focusing in particular on the key role of natural capital in developing green and inclusive economies.
- In China, the inclusion of a priority on eco-civilization in the 13<sup>th</sup> Five Year Plan, a few weeks ago, is likewise a very promising milestone.

The **financial community** also has a pivotal role to play in investing in projects that contribute to a healthier planet. Change will be facilitated by the development of tools, frameworks and metrics that allow for the cost of capital to be reduced and return on investment to be identified when investing in nature.

Quarter by quarter, profit earnings can be generated in the short-term by exhausting natural capital and destruction of nature. But longer-term

sustainable business and sustained business growth will demand a supply chain security, client satisfaction as well as a natural capital that can sustain supply in the longer-term.

**Business risks associated with degrading nature** are becoming more evidently material. To illustrate this change in perception:

- Trucost (October 2015) estimates that Indian banks are financing business sectors with a total natural capital cost equivalent to 2.9 times the credit provided to those sectors.
- In its recently released study on *Natural Capital Impacts in Agriculture*, the FAO finds that the natural capital costs associated with crop production it analyzed amount to approximately 170% of its production value, whereas livestock production amounts to over 130% of its production value (November 2015, also with Trucost).

While it has been hard to sometimes make a clear causal link, and even harder to tie together numbers that prove the case, what is indisputably clear is that **nature subsidizes business on a massive and unsustainable scale.**

So companies that move early in this direction will support this global transition to sustainable development, and will help secure both supply and markets.

And so we need to refine and amplify the message on the imperative of natural capital so that we can move towards change.

## **6. CHAMPIONS**

Allow me to summarize – I have called for:

- Cherishing Nature in all its variety, beauty and immensity;

- Recognizing the deep and interconnected challenges facing natural capital today...
- ... yet stepping up to the choices that are ours to make – and that are being expected from us;
- Channeling these energies in the context of larger and legitimate development aspirations;
- Celebrating and emulating change at a level that is truly commensurate with the challenges facing natural capital.

We all know that while this is complex, it is an imperative. So, my very last message is about being champions.

Natural capital, in all its diversity and complexity, appears to be provided to us free of charge and there for the taking. Yet this is an illusion.

Our current economic models eat away at that capital, day after day, in ways that are becoming all too visible.

That capital is so essential, so indispensable, so irreplaceable to our economy. It is the foundation for survival. The view of “Nature as capital” is one we now need to embrace but also act upon.

I have great hopes that this Forum and this group of champions will contribute to this change, and I wish you all a very successful couple of days.

I thank you.