## Government Dialogue on Enabling Natural Capital Approaches – Summary Report

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

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# 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 Capital<sup>1</sup>, 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

<sup>&</sup>lt;sup>1</sup> 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."<sup>2</sup> 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 Hub<sup>3</sup>, webpage of the Forum on Natural Capital Accounting for Better Policy (as part of WAVES program)<sup>4</sup> and the webpages of the EU Business@Biodiversity Platform<sup>5</sup>, 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.

<sup>&</sup>lt;sup>2</sup> https://naturalcapitalcoalition.org/projects/combining-forces-on-natural-capital/

<sup>&</sup>lt;sup>3</sup> https://naturalcapitalcoalition.org/hub/

<sup>&</sup>lt;sup>4</sup> https://www.wavespartnership.org/en/2nd-forum-natural-capital-accounting-better-policy

<sup>&</sup>lt;sup>5</sup> 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.
- Liaise 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 of 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.<sup>6</sup> They also agreed to start collaborating on the three issues identified, in order to progress the findings of the inaugural meeting (with a focus on the three 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 Dialogue 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 <u>m.c.lok@minez.nl</u>, with an indication of which of the issue(s) you want to be involved with.

<sup>&</sup>lt;sup>6</sup> 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 representatives, 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.

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

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 2. Non-government representatives

### 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