



Talking points

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Session: Making Natural Capital & Resilience Actionable
Stockholm Natural Capital Solutions Summit
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- 1. We urgently need to address the economic invisibility of nature**
 - 2. We need to develop metrics so as to better account for nature**
 - 3. Natural capital approaches can help address the conservation finance gap as well as steer economic activities in line with biodiversity risks and dependencies**
 - 4. IUCN is well placed to help bring natural capital approaches to scale**
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1. We urgently need to address the economic invisibility of nature

- Nature provides some **USD 72 trillion a year of “free” support** to the global economy. It accounts for close to **one third of the wealth of low-income countries and contributes immeasurably to human identity, culture and well-being.**
- In spite of this, and while nature is the foundation of all economies, it is **currently invisible** – it is not accounted for – in our economic systems.
- Failing to account for natural capital is the quickest route to depleting the planet’s resources.
- So, how can we continue to benefit from natural capital without driving it into the red?

2. We need to develop metrics so as to better account for nature

- We were invited by the organizers to identify a barrier: there is **currently no global measure of biodiversity stock**, by which I mean the species and habitats that provide the flow of ecosystem benefits to humanity.
- A measure of this kind needs to be **scientifically based, global, and responsive to the needs of decision-makers** who make decisions that affect the status and persistence of biodiversity.
- **IUCN, as a global convener and leader on biodiversity data**, is well placed to help lead efforts to further develop such metrics.

- A first step would be to explore how **the knowledge products currently mobilised by IUCN** (Red List of Threatened Species, World Database on Protected Areas, Red List of Ecosystems, Key Biodiversity Areas) may be enhanced to encourage their use for natural capital assessment, measurement and accounting.
- We should also note that one of the challenges for demonstrating nature's values in economic terms is aggregating across biomes and upwards from local to national and global levels. IUCN, through The Economics of Ecosystems and Biodiversity (TEEB) and other projects, is actively contributing to addressing this issue.
- We would of course need to ensure that such proposals are aligned with global efforts on advancing ecosystem accounting such as under the **System of Environmental-Economic Accounting (SEEA)**.
- More generally, we need to ensure that proposed frameworks and metrics are aligned across sectors and scales (government, business and finance).

Monitoring the SDGs

- We also should remember that there is a **high demand for data to derive indicators for reporting and verification of the Sustainable Development Goals**.
- It is therefore essential that we develop a **common approach** to different types of information on economic, social and natural capital factors.
- **As was done for the MDGs, IUCN will be putting forward its data sets and knowledge products to become part of the data pool under the SDG indicator framework.**

3. Natural capital approaches can help address the conservation finance gap as well as steer economic activities in line with biodiversity risks and dependencies

1. The fundamental idea underlying a natural capital approach (still controversial in some places) is that nature can be viewed and managed as an asset.
2. Natural capital approaches can help **tackle the conservation finance gap**:
 - To preserve the health of natural ecosystems, a **significantly larger amount of investment is required**.
 - Current expenditure on conservation of biodiversity is around USD 52 billion per year. Of that, only USD 10 billion is from investment.
 - In order to allow nature to continue to deliver the USD 10 trillion of benefits to people, we **need to invest at least 5 times the current amount** - around USD 250 billion per year.

- And, the amount of investor engagement needs to increase by a factor of 20-30.
 - To do this, we need to make biodiversity a more attractive place to invest. We need more deals that deliver biodiversity outcomes, and better measures of that biodiversity yield.
3. Natural capital approaches can help realign existing economic activities:
- IUCN believes that **natural capital approaches must provide an effective tool to quantify and estimate the value of natural capital** and to meaningfully integrate these values into decision-making across sectors and scales.
 - That said, whilst IUCN believes in a future that fully values natural capital in both physical and monetary terms, we insist that valuing natural capital does not mean that nature can be substituted with financial capital, or that natural capital can be used up as long as it is converted into manufactured capital of equal value.
 - Moreover, many societies or cultures (including my own) consider nature to be intrinsically valuable, delivering cultural and spiritual benefits far beyond monetary value, and not every single element of nature can or should be valued in financial terms.
4. It should also be stressed that natural capital assessment tools and data sets should be as far as possible in the **public domain**. In this regard, we are keen to explore with partners what mechanisms and technology can be put into place to ensure equitable access to data and knowledge and that resources are generated to sustain the systems and data.

4. IUCN is well placed to help bring natural capital approaches to scale

- IUCN's main contribution for the natural capital agenda revolves around its role as a **global leader on biodiversity/ecological data, diagnostics and metrics**.
- We are contributing to the development of practical tools for **business**. With WBCSD and others, we have contributed to the development and testing of Corporate Ecosystem Valuation (CEV) and are actively engaged in the development of a Natural Capital Protocol.
- Through working with BirdLife International, Conservation International, and the United Nations Environment Programme's World Conservation Monitoring Centre, IUCN mobilises the **Integrated Biodiversity Assessment tool** to help decision-makers in the corporate and financial sectors to screen the biodiversity risk associated with their development investments.

- We are advancing **Forest landscape restoration** (one of the “use cases” that are being featured at this meeting). IUCN and the World Resources Institute have partnered with organizations around the world to translate broad forest restoration goals to on-the-ground action that can enhance food and water security, increase biodiversity stock, improve economic development, and reduce vulnerability to disasters.

How IUCN is looking ahead

- Our intention at IUCN is to **contribute in the most effective way to advancing and scaling up natural capital approaches**, but we do not want to complicate what is already a very crowded field.
- We are currently working with the **World Forum on Natural Capital** and the World Bank to propose a simplified platform across which natural capital approaches can be shared between corporate, financial and government users.
- IUCN is uniquely placed to foster the uptake of natural capital approaches through its government and civil society membership, its Commissions, and its **successful history of convening constituents to agree on standards of practice and measures**.