

Communicating and implementing TEEB for Business:

A proposal for action-research

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The recent study of The Economics of Ecosystems and Biodiversity (www.teebweb.org) sets out the economic case for conserving biodiversity and restoring ecosystems. TEEB documents the enormous costs of biodiversity loss and highlights a range of cost-effective responses. The study includes a major focus on the implications for business. The “TEEB for Business” report – coordinated by IUCN – makes the case for integrating biodiversity and ecosystem values in business strategy and operations, based on examples from a range of sectors and countries. The recent Decision of the UN Convention on Biological Diversity at the 10th Conference of the Parties in Nagoya in October 2010, calling for more “business engagement” in biodiversity conservation and the sustainable use of biological resources, underscores the timeliness of TEEB for Business but also the need to move from desk study to action-research¹. This concept note outlines a programme of work to promote and support implementation of the TEEB study’s recommendations for business, through further communication and consultation, combined with systematic planning, monitoring and evaluation of actions, over the period 2011-15. IUCN is well-placed to lead such work, building on a 15 year track record and international profile in biodiversity economics, 10 years experience of effective biodiversity partnerships with multinational companies and industry associations, and recent leadership of the TEEB for Business study.

Communicating TEEB to business

The TEEB for Business report has been well received by many governments, NGOs, researchers and, importantly, parts of the business community. The positive response is reflected in media coverage and requests for presentations on TEEB for Business from government agencies, industry groups and NGOs. TEEB is mentioned explicitly in a Decision on “business engagement”, agreed by the 10th Conference of the Parties to the UN Convention on Biological Diversity, in October 2010. TEEB has also inspired several follow-up projects, including proposed TEEB studies in Brazil, India and South Africa.

Nevertheless, awareness of biodiversity and of TEEB in the wider business community and among public policy-makers and business regulators remains limited. Sustained dissemination of the TEEB findings and recommendations is required to ensure wide uptake, and to seek feedback to refine the TEEB messages. Communication activities should give priority to mainstream business media (print and web-based), major industry conferences, and company-level workshops, etc. The TEEB for Business report and communications products will need to be translated into multiple languages, adapted to different industry audiences, and rolled out worldwide.

¹ Professor Kurt Lewin of MIT defined “action research” in a 1946 paper as “comparative research on the conditions and effects of various forms of social action and research leading to social action” that uses “a spiral of steps, each of which is composed of a circle of planning, action, and fact-finding about the result of the action”.

Implementing TEEB in business

While feedback from the business community has been consistently positive, it also reveals that more targeted analysis and guidance is needed to enable business to implement the TEEB recommendations. This is reflected in requests for IUCN support to explore the feasibility of follow-up projects, such as “TEEB for Banks” and “TEEB for Agri-business”. As the focus shifts from desk-research to outreach and implementation, there is a need to develop robust design, monitoring and evaluation capacity and associated analytical tools. These should enable businesses and other stakeholders to test, adapt and refine TEEB findings and recommendations to match their specific contexts and requirements.

Building on the recommendations of the TEEB for Business report, the following areas of consultation and action-research have been identified:

- Developing “model” corporate biodiversity strategy and action plans
- Developing sector-specific biodiversity targets and indicators for business
- Tools for valuing and reporting biodiversity impacts, actions and dependence in business
- Communicating and marketing new biodiversity business opportunities
- Developing business perspectives on biodiversity policy and regulation

These themes are developed further below, followed by a brief outline of how the programme may be structured, potential partners and indicative budget.

1. Model corporate biodiversity strategy and action plans

The starting point for a business response to TEEB is to develop a corporate biodiversity strategy and action plan, based on an assessment of business impacts and dependencies, both direct and indirect, on biodiversity and ecosystem services, and the associated business risks and opportunities. A range of general and sector-specific guidelines, handbooks and tool kits have been developed to assist business in this process, such as: Earthwatch, IUCN and WBCSD¹ “Business and Biodiversity Handbook for Corporate Action” (2002); IPIECA² “Guide to Developing Biodiversity Action Plans for the Oil and Gas Sector” (2005); ICM³ “Good Practice Guidance for Mining and Biodiversity (2006); WRI⁴ and WBCSD “Corporate Ecosystem Services Review” (2008); Germany’s “Corporate Biodiversity Management Handbook”⁵ (2010); and an Orée⁶ book on “Integrating biodiversity into business strategies” (2010). What remains unclear is the uptake and impact of these and other guidelines for business. The aim of this theme is to evaluate business experience of applying existing voluntary environmental tools and guidelines, to identify their relative strengths and weaknesses, and to support the development of new or improved tools that may be better adapted to business needs and capacities.

2. Biodiversity targets and indicators for business

Several multinational companies have made commitments to achieving neutrality or ‘sustainability’ with respect to greenhouse gas emissions, the use of water and other natural resources, waste management and/or biodiversity, with ambitious targets expressed in terms such as No Net Loss, Net Positive Impact, Zero Impact, or Ecological Neutrality. Some examples include BC Hydro⁷, Coca Cola⁸, Danone⁹, Marks & Spencer¹⁰, Rio Tinto¹¹, Sony¹², Unilever¹³, and

Walmart¹⁴, among many others. This theme would aim to convene these and other leadership companies in a “Biodiversity Positive Alliance”, in order to develop a common business case, messages and approach, while sharing lessons on best-practices, tools and stakeholder engagement. Other potential partners for this theme include the Business and Biodiversity Offset Program¹⁵ (BBOP), which is developing metrics for assessing biodiversity impacts and mitigation efforts, and related efforts to define financial targets for business contributions to biodiversity, such as the Green Development Initiative¹⁶ and “1% for the Planet”¹⁷. The ultimate aim is to stimulate business investment in biodiversity conservation and ecosystem rehabilitation, based on systematic assessment of the appropriate level of commitment, together with credible verification of conservation actions.

3. Valuing and reporting biodiversity impacts, actions and dependence

Recent years have seen a proliferation of environmental reporting and disclosure initiatives, such as the Carbon Disclosure Project¹⁸, Water Disclosure Initiative¹⁹, Forest Footprint Disclosure Project²⁰, and efforts to integrate biodiversity and ecosystem services in the Global Reporting Initiative²¹, among others. Related initiatives have focused on the use of economic valuation methods to help businesses assess biodiversity assets and liabilities, such as the WBCSD Corporate Ecosystem Valuation Initiative, Natural Capital Project²² (InVest tool), ARIES²³ (ARtificial Intelligence for Ecosystem Services), and Natural Value Initiative²⁴, among others. The aim of this theme is improve the rigor and consistency of biodiversity measurement, valuation and reporting by business. Building on TEEB, this theme will support ecosystem valuations in a range of business sectors and countries, to show the economic value of business impacts (positive and negative), actions and dependence on ecosystems. In addition, this theme will promote links between existing environmental disclosure initiatives and encourage institutional investors to demand more consistent and quantitative disclosure by investee companies of biodiversity impacts and mitigation efforts (“Natural Capital Disclosure”).

4. Biodiversity business opportunities

There is growing interest in harnessing the profit motive to support conservation action, inspired in part by the development of carbon trading and other environmental markets. Entrepreneurs and investors around the world have developed new business models that aim to generate biodiversity benefits as well as attractive financial returns. These include ‘green’ products, intended to satisfy more discerning consumers, business-to-business environmental advisory services, and new business ventures set up in direct response to government incentives for conservation, such as payments for ecosystem services or environmental trading schemes. However, few biodiversity business ventures have been able to attract significant investment capital or achieve significant sales. The TEEB for Business report highlights several barriers to the growth of biodiversity business, including conceptual, technical and political challenges. Building on the efforts of the Katoomba Group²⁵, Ecosystem Marketplace²⁶, Union for Ethical Biotrader²⁷, the Climate, Community and Biodiversity Alliance²⁸, and other related initiatives, this theme aims to identify, analyze and promote solutions that will enable biodiversity business to attract the finance it needs and achieve the scale required to make a significant contribution to conservation.

5. Biodiversity Policy for Business

Several recent publications highlight the need for new policies and regulations to encourage business action on biodiversity; one example is the 2010 WBCSD paper on “Effective biodiversity and ecosystem policy and regulation,” prepared in response to the TEEB for Policy-Maker report. Nevertheless, despite this and some other statements, and in contrast to well-developed business positions on climate policy, there are few clear expressions of a business perspective on policies to address biodiversity loss. The aim of this theme is to facilitate consultation among and between business and other stakeholders, with a view to crafting more coherent positions on biodiversity policy and regulatory frameworks. A starting point is to re-interpret the 20 targets and associated indicators of the new CBD Strategic Plan²⁹, agreed at COP10, in the language of business, so that companies can assess and demonstrate how their actions contribute to national commitments on biodiversity. This theme will also seek to engage business in the revision of National Biodiversity Strategies and Action Plans (NBSAPs), to ensure that new targets and policy initiatives are designed in ways that facilitate and encourage positive business contributions.

The need for a coordinated approach

The activities and themes outlined above are complementary and thus best addressed in a coordinated fashion, based on inputs from a range of cooperating partners. This proposal envisages a comprehensive programme of work that would communicate the results of TEEB, while also launching action-research on the five themes outlined above. Programme partners may include several of the contributors to the TEEB for Business report, namely: Business for Social Responsibility (BSR), Conservation International, Earthmind, the Global Reporting Initiative, IUCN, PricewaterhouseCoopers, UNEP and WBCSD. Additional activities and partners may be added at a later stage, in response to the needs of stakeholders. Specific outputs and timelines will be elaborated in a subsequent, full proposal.

Budget

A five year commitment is considered the minimum required to achieve significant impacts. Moreover, in order to reach businesses around the world, the programme will need to be active in all regions, with offices on several continents. [To be completed]

Endnotes

- ¹ WBCSD: World Business Council for Sustainable Development <http://www.wbcsd.org/>
- ² IPIECA: The global oil and gas industry association for environmental and social issues: <http://www.ipieca.org/>
- ³ ICMM: international Council on Mining and Metals : <http://www.icmm.com/>
- ⁴ WRI: World Resources Institute: <http://www.wri.org/>
- ⁵ <http://www.bmu.de/english/nature/downloads/doc/46144.php>
- ⁶ <http://www.oree.org/en/presentation-of-the-guide-biodiversity.html>
- ⁷ http://www.bchydro.com/about/three_bottom_lines/environmental_policy.html
- ⁸ http://www.thecoca-colacompany.com/citizenship/water_main.html
- ⁹ <http://www.danone.com/en/sustainable-development/climate-change.html>
- ¹⁰ <http://plana.marksandspencer.com/media/pdf/planA-2010.pdf>
- ¹¹ http://www.riotinto.com/5273_biodiversity.asp
- ¹² <http://www.sony.net/SonyInfo/csr/environment/management/vision/index.html>
- ¹³ <http://www.sustainable-living.unilever.com/>
- ¹⁴ <http://walmartstores.com/Sustainability/5127.aspx>
- ¹⁵ BBOP: The Business and Biodiversity Offsets Program: <http://bbop.forest-trends.org/>
- ¹⁶ Green Development Initiative: <http://gdm.earthmind.net/>
- ¹⁷ 1% for the planet: <http://www.onepercentfortheplanet.org/>
- ¹⁸ <https://www.cdproject.net/>
- ¹⁹ <https://www.cdproject.net/water-disclosure;> <http://www.waterfootprint.org/>
- ²⁰ <http://www.forestdisclosure.com/>
- ²¹ <http://www.globalreporting.org/Home>
- ²² <http://www.naturalcapitalproject.org/InVEST.html>
- ²³ <http://www.ariesonline.org/>
- ²⁴ <http://www.naturalvalueinitiative.org/>
- ²⁵ <http://www.katoombagroup.org/>
- ²⁶ <http://www.ecosystemmarketplace.com/>
- ²⁷ <http://www.ethicalbiotrade.org/>
- ²⁸ <http://www.climate-standards.org/>
- ²⁹ <http://www.cbd.int/nagoya/outcomes/>