

Business opportunities from natural capital challenges

NATURE'S GOODS AND ITS SERVICES

THE CHALLENGES

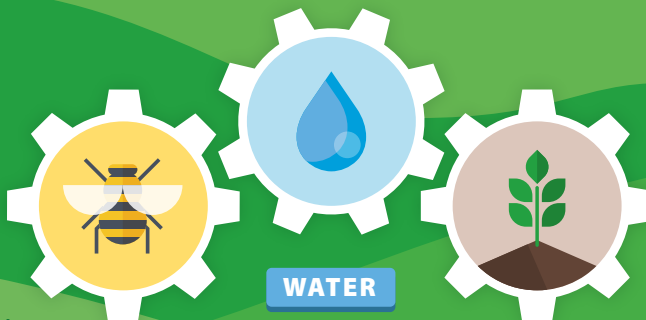
The quantity and quality of three key natural capital elements are being degraded at an alarming rate thereby impacting business

BIODIVERSITY

Half

the populations of mammals, fish, birds, reptiles and amphibians have been lost since 1970¹.

The total annual economic cost of biodiversity loss and ecosystem degradation is up to 7.5% of global GDP².



WATER

One-fifth

of the world's aquifers are being overexploited⁴.

68% of Global 500 company respondents reported that water-related issues pose a substantive risk to their business⁵.

SOIL

10 million

hectares of arable land are being eroded or degraded every year².

Unsustainable farming methods are currently stripping the topsoil of nutrients at 10 to 40 times the rate that it can be naturally replenished with major consequences for company productivity³.

THE OPPORTUNITIES

When these three elements and their interactions are sustainably managed they provide tangible benefits for business



DECREASED COSTS

Investing in natural capital can decrease business costs by:

- ✓ Limiting the amount of expensive inputs required to counter the degradation of water, biodiversity and soil
- ✓ Securing the supply of scarce resources



REDUCED RISKS

Integrating natural capital into core business decisions can reduce risk by:

- ✓ Ensuring resilience of natural resources
- ✓ Anticipating regulatory demands
- ✓ Strengthening company performance



ENHANCED BRAND

Managing business impacts on natural capital can strengthen brand by:

- ✓ Reinforcing consumer trust
- ✓ Creating investor interest
- ✓ Benefiting society at large



REVENUE GENERATION

Securing natural capital can generate revenue growth by:

- ✓ Ensuring a timely supply of raw materials of the right quantity and quality
- ✓ Guaranteeing sustainable yields from existing land

Find out more: Join the conversation at www.cisl.cam.ac.uk/NatCap



1 WWF (2014). Living Planet Report 2014: Species and spaces, people and places. Eds: R. McLellan, L. Iyengar, B. Jeffries, and N. Oerlemans. WWF, Gland, Switzerland.
2 PricewaterhouseCoopers (2010). Biodiversity and business risk: A Global Risks Network briefing. World Economic Forum Davos-Klosters Annual Meeting.
3 World Economic Forum (2012). What If the World's Soil Runs Out? Time Magazine, 14 December 2012.
4 WWDR (2014). Water and Energy: fact and figures. The United Nations World Water Development Report 2014.
5 Deloitte and Carbon Disclosure Project (2013). Moving beyond business as usual – a need for a step change in water risk management – CDP Global Water Report 2013. CDP, London.

