

**ACES 2016 Wednesday Evening Town Hall  
December 7, 2016 | 5:30pm-6:45pm | Grand Ballroom 1**

***Title: The Value of Natural Capital to Business – The Application of the Natural Capital Protocol***

**Description:**

The overall vision of the Natural Capital Coalition (the Coalition) is of a world where business conserves and enhances natural capital. To achieve this it has produced through a unique collaborative effort the Natural Capital Protocol (the Protocol). The Protocol, released in July 2016 is a standardized framework for business to measure and value its impacts and dependencies on natural capital. The Protocol is designed for **internal** decision-making and can be used for a range of applications, including risk management, exploring new revenue streams, improving products and value chain innovation, as well as preparing for future reporting and disclosure.

The Protocol provides guidance on the mechanics and role on **qualitative, quantitative, and monetary valuation** approaches to assessing natural capital impacts and dependencies. All three approaches can provide important information for corporate decision makers; however, monetary valuation continues to be the most controversial. The greatest potential value of monetary valuation is that it creates a common metric for diverse types of natural capital and can make it easier for companies to evaluate the business case for action. Conversely, monetary valuation can be problematic for companies because of challenges inaccurately calculating and interpreting monetary values and the potential liability associated with monetizing impacts. This town hall will provide a forum to discuss value of conducting natural capital assessments and the role of these three approaches in meeting different needs of corporate decision making needs.

Speakers will provide short 3-minute introduction about their perspectives on their experience with the Protocol and their perspectives on the value of conducting monetary valuations to help businesses make better decisions. Joe Rozza from the Coca-Cola Company and Michele Thieme from the World Wildlife Fund will speak about their experiences with using the Protocol as part of the pilot testing. Brian Israel, Partner at Arnold and Porter, will provide a legal perspective on valuing natural capital.

**Town Hall Discussion:**

The discussion will explore questions about when and how monetary valuations can provide value to company decision makers. The focus of the plenary discussion will be engaging the audience in a focused discussion about instances where monetary valuation has provided value to decision makers and what are the common elements of those instances. Discussion topics could include:

- 1) Within your organizations, what are the institutional drivers and/or impediments to quantifying natural capital impacts?
- 2) Corporate interest in natural capital valuations in the U.S. is modest compared to the U.K. and Europe. Why is that the case?
- 3) How does natural capital management and the Protocol affect a company's ability to manage risk? What are the roles/uses of the qualitative, quantitative, and monetary approaches in risk management?
- 4) Can monetary valuations change the importance of societal impacts in internal decision making?
- 5) How are companies operationalizing natural capital into corporate strategic decision making?

**Agenda:**

5-minute introduction by moderator (Doug MacNair)

Four 3-minute talks by speakers

40-60 minutes plenary and audience discussion (moderator: Doug MacNair)

**TARGET AUDIENCE:**

The target audience for this town hall are companies, academics, policy makers, and NGOs who are active in using or developing approaches and tools for monetary valuation. The goal is to help create a shared vision of the practical needs of companies in performing natural capital assessments. This, in turn, can foster collaboration amongst interested parties to develop valuation approaches that improve internal decision making and protect natural capital.

**Panelists :**

Michele Thieme  
Senior Freshwater Scientist  
World Wildlife Fund  
michele.thieme@WWFUS.ORG

Joe Rozza  
Global Manager, Water Sustainability and Natural Capital  
The Coca-Cola Company  
jrozza@coca-cola.com

Brett Marston  
Partner  
Arnold and Porter, LLP

Thomas Polzin  
Environment, Health, Safety & Sustainability  
The Dow Chemical Company

**TOWN HALL ORGANIZER:**Primary Contact

Doug MacNair, Ph.D.

Technical Manager ( on part time secondment from ERM)

Natural Capital Coalition.org

[doug.macnair@naturalcapitalcoalition.org](mailto:doug.macnair@naturalcapitalcoalition.org)

+1 (919) 357-2203

Dr. MacNair is the Technical Manager for the Natural Capital Coalition, on part-time secondment from ERM, where he is a Technical Director specializing in economics and decision sciences. He is working with the Coalition's member teams in order to identify how their approaches compliment and intersect with the

work of the Coalition, with the goal of driving further collaboration and process harmonization among members. With ERM, Dr. MacNair was also a member of Technical Group that developed the Protocol as part of a consortium led by the World Business Council for Sustainable Development. Doug has over 30 years of experience in conducting economic analyses and developing decision support tools to help companies include environmental and social issues in their decision making.

### About the Natural Capital Coalition

The Natural Capital Protocol is a product of the Natural Capital Coalition. The Natural Capital Coalition has brought together – through two consortia led by the World Business Council for Sustainable Development (WBCSD) and the International Union for Conservation of Nature (IUCN) – the world’s leading institutions from business, accountancy, consultancy, financial institutions and NGOs to develop the Natural Capital Protocol, two sector guides on Food and Beverage and Apparel, and to engage business in the development and testing of the Protocol. These institutions are: Accenture, ACTS, ARCADIS, The B Team, Carbon Disclosure Standards Board, University of Cambridge Institute for Sustainability Leadership, Conservation International, Deloitte, eCountability, eftec, ERM, EY, FAO, GIST Advisory, IERS, Imperial College London, Integrated Sustainability Services, Natural Capital Project, The Nature Conservancy, The Sustainable Fashion Academy, PwC, Sustain Value, Synergiz, Trucost, True Price, VitalMetrics, World Resources Institute and WWF.

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