



Scoping an Oceans Supplement to the Natural Capital Protocol

Workshop Summary from London 12 May 2017

Introduction

Oceans cover nearly three quarters of the planet and provide many benefits including food, recreation, energy, and up to half of our oxygen. Oceans contribute around US \$2.5 trillion per year into the global economy – the 7th largest economy in the world – and this is growing rapidly¹. Yet we are not doing enough to protect this valuable resource.

The [Natural Capital Coalition](#) convened a conversation on May 12th in London, to explore how we might harmonize the many different existing activities around oceans. The event brought together global leaders on oceans, private sector actors, and natural capital accounting experts to hear views on the need, the expertise required, and the scope of a proposed Oceans Supplement to the Natural Capital Protocol.

The outcomes from this conversation will inform the development of a standardized global approach to measuring and valuing business impacts and dependencies on the oceans, and work to better embed this information in mainstream decision making. This work will supplement the existing [Natural Capital Protocol](#).

The workshop was hosted by [ICAEW](#), and brought together in collaboration with [Conservation International](#) and the [U.S. National Oceanic and Atmospheric Administration](#). We thank all attendee organizations (listed in Appendix) and representatives for their very valuable contributions.

What is the Natural Capital Protocol?

The Protocol is a standardized framework for business to identify, measure, and value direct and indirect impacts (positive and negative) and/or dependencies on natural capital.

It is designed to help generate trusted, credible, and actionable information that business managers need to inform decisions.

The Protocol was developed by the Natural Capital Coalition, a collaboration of leading organizations from business, accountancy, science and academia, membership organizations, standard setting, finance, policy and conservation. It was first published in July 2016

www.naturalcapitalcoalition.org/protocol

¹ Hoegh-Guldberg, O et al. (2015) "Reviving the ocean economy: the case for action", WWF International, Gland, Switzerland, 60pp.



What do we want to achieve from this work?

- Articulate the business case for oceans management, and the value of completing natural capital assessments for sector-specific business applications
- Develop a standardized and practical framework to help ocean-related businesses to integrate natural capital into their decision making, based on state of the art methodological approaches for measurements of business impacts and/or dependencies on oceans
- Establish partnerships between key organizations and stakeholder groups, and creating momentum for action
- Provide ocean-related businesses with a frame to incorporate the sustainable development goals (SDGs) into their strategy

What makes the ocean unique?

There are many distinguishing characteristics of the oceans that should be considered within any future Supplement. Workshop participants discussed:

- The trade-offs and **interconnectivity** between ecosystem services and between the range of ocean uses
- The **three-dimensional** nature of the oceans – with key biophysical process and human uses occurring at surface and wide range of depths.
- The main '**growth sectors**' such as coastal tourism, fishing and mariculture, marine biotech, cosmetics, offshore renewables, seabed mining, oil and gas that could feature in the Supplement.
- The connections to **land-based issues**, such as plastics, deforestation, and agriculture and the need to explore ridge to reef aspects of supply chain of numerous products
- The broad range of coastal and **marine ecosystems**, including rivers, estuaries, mangroves, corals, benthos, and others
- The challenge of **geographical scales**, including the trans-boundary nature of ocean resources
- **Regulation and governance** regimes that are particular to the oceans, including property rights issues

There was a recurrent suggestion that an Oceans Supplement should represent both a business and an **oceans perspective** that considers the 'crucial value' of oceans for us all as a global society.

Participants also discussed the 'Life Below Water' sustainable development goal (**SDG 14**) **targets**, which identify the most pressing issues facing oceans.



What could a supplement look like?

There was agreement that a Supplement would need to complement many central features of the Natural Capital Protocol:

- Emphasize **supporting better decision making** with natural capital information
- Bear in mind its audience; design should be practical and **useful for business users**
- Allow **different levels of assessment** / scopes
- Consider different **value perspectives**; i.e. value to business (private), and value to society (public)
- Incorporate all **types of value** (qualitative, quantitative, monetary)
- Guide users through a **gradual journey**, and must allow for all levels of maturity and progression
- Foster a **broad inclusion** of impacts and dependencies, including those not always addressed
- Use strong **business language** throughout
- Emphasize links to **biodiversity**, and the upcoming [Biodiversity Supplement](#) to the Natural Capital Protocol
- Emphasize links to **investment**, and the upcoming Finance Sector Supplement to the Natural Capital Protocol



"We need an integrated approach to coastal management and development that recognizes the fundamental need for a healthy marine environment to support human life and prosperity – this will deliver the SDGs"

However, there are other decisions that may need to be considered in relation to the oceans:

- High-impact sectors might be a 'quick win', but many impacts are **the sum of smaller activities**. Can the Supplement appeal to both?
- Can the Supplement be applicable for **both multi-nationals and SMEs**?
- Which **case studies** can we use to celebrate successful implementation of natural capital information, across a range of appropriate industries?
- Can the Supplement use **interactive illustrations** to show the interplay of the connections and systems in question?



- Acknowledge the **social and economic** dimensions of sustainability associated with the oceans, as well as the natural dimension
- Appropriately recognize **non-monetary valuation**, including existence values, relative to the oceans and the species within them
- Consider how to incorporate **the timing** of impacts and dependencies
- Recognize the need to account for current gaps in understanding, and engage the **precautionary approach**.

We need to celebrate
#oceanoptimism

Participants also identified a range of existing frameworks, initiatives and tools to leverage as this initiative proceeds.

Conclusion and next steps

The discussions from this workshop will go on to inform a briefing note for the project. This will be shared widely for comment and input, to seek support and agreement on the work needed.



If you would like to stay up to date with the Oceans Supplement project, please [register for updates here](#).

Thank you.

Contacts:

- **Natural Capital Coalition:** [Hannah Pitts](#)
- **Conservation International:** [Rosimeiry Portela](#) or [Keith Lawrence](#)
- **NOAA:** [Monica Grasso](#) or [Valerie Were](#)