

We Value Nature Virtual Office Hour call

2 July 2020



1. Welcome - Check-in question

- Katia Bonga, Associate, Redefining Value Program - WBCSD & Lead for all We Value Nature training / capacity building efforts. Really keen to hear and learn about key strengths of a cohort model and how it can be applied in different contexts
- Kostis Dragasakis - Titan Cement: Natural Capital assessment in practice
- Steven Vanholme (EKOenergy Ecolabel): Interested in how to make it easier to share the achievements with consumers and others.
- Elsa FAVROT MONIER: Hello everyone, Elsa from ENGIE (energy company), so very interested by today return on experience!
- Angus middleton, Viridian Logic: How the cohort are finding natural capital relevant to them.
- Elena Hinojosa – EDPR: How apply Capital Natural in renewable energies
- Simon Cook: the uptake of natural capital and the financial benefits to a customer through implementation
- Roger Horne - Horne Partnership: Like to understand better how different organizations work together

2. The Spanish energy sector cohort experience

We'll type a summary of the presentation and group discussions here as well as questions and answers. Feel free to add points that we may miss!

Summary

Maria

- My top tips from my experience as part of 3 other cohort groups (Cement Clinker, Steel Production and Manufacturing and Aggregates): Listen to others, be respectful with the experience from others, go open minded, learn every day!. Every group is different and it has always been a new experience.
- Members of our Working Group on Natural Capital and Energy are specialized in electricity generation; oil and gas; global operating electricity and telecommunication infrastructures; and management and operation of gas infrastructures network.
- Post-Call (if it helps...):
 - First meeting with the group to engage: December 2018
 - First project meeting: April 2019
 - Today: We have identified relevant natural assets, We have reviewed the Ecosystem Services included in the CICES v.5.1 and we have done qualitative assessment on positive and negative impacts and dependencies.
 - Next steps: Sectoral document with main outcomes.

David

- Interest in different energy companies to make more progress on natural capital. We started having discussions on having a common approach on natural capital.
- The first thing we did was to make a common objective with common terminology, and what we understand, with a common approach to measure.
- In order to enable this environment to make better decisions and in order to know impacts and dependencies, we worked with them in 2 ways
 - Common training approach
 - Start sharing different point of views
- Through the work done the group has generated natural capital information than can be into their existing businesses
- Facilitate natural capital into the working group.

Lucia

- Think out of the box!
- Analysing natural capital all together to learn together in a natural environment, good ideas appear. We worked hard but had fun!
- It was more complicated to work on the measurement, took more resources than we expected. Maybe we were perfectionists, but the small details were important. But nature is worth it!
- Combination of complementary strengths and knowledge has benefited everyone involved (better understanding between ecosystems and energy sector, better narrative to build a strong internal business case to scale up to decision-making and achieve objectives)... we were able to use our knowledge.
- Take all the results from the company to influence decision-making.

- We focused on dependencies for this project. These were the most important for our companies. Important to identify and quantify them!
- We are used to focus on negative impacts and sometimes we forgot about the identification of the good impacts of our activities. If we want to promote them, we need to know them.
- Pursuit natural capital approach is not an end in itself, it opens a window to other opportunities and initiatives to take advantage of. Through this learning we appreciate how much more is still to be done, we are at the beginning of our way.
- Outcomes
 - Harmonised terminologies
 - Energy sector guide which is under development
 - Matrices per technology

Emilio - benefits and barriers

- With such a large, diverse team.
- Benefits
 - Decided to use a well-established methodologies, we went through the steps the Natural Capital Protocol to then have qualitative outcomes.
 - We worked on a technology and at sectoral scale - that made us work together and concentrate on our specific needs
- Barriers
 - Different companies have different views
 - Went through list of ecosystem services for each technology - tough work, but really worth it. We all had different views but tried to get to a higher level of understanding.
 - Given that quantity of ecosystem services often depend heavily upon their local and spatial context, this make it a challenge to generalize materiality degree for them. This complicates outputs to be comparable. A lot of work to be done, to be able to make the assessments more comparable
- Tough as lack of base-line data, we need more examples and to learn from one another

	Question(s) / comment(s)	Answer
1	the uptake of natural capital and the financial benefits to a customer through implementation	<p>Large interest from transition minister and to hear how this output in a common way to share in a larger way in Spain.</p> <p>María J.: One of the most interesting results of the work is a new perspective of its interaction with nature and the benefits of it for the well-being of people. Protecting the resources on which they can positively and negatively influence is not only for the benefit of their businesses but also for society as a whole. A good policy of communicating strategies</p>

		and actions taken in natural capital can result (in addition to the benefits for natural capital) in direct benefits for their businesses (eg: clients choosing providers with responsible businesses)
3	What do you see as the most important benefit to an energy company in undertaking a natural capital assessment?	<p>Aware that they needed to address challenges, linked to launch of NCP.</p> <p>María J.: The understanding of all the possible relationships of the company's activities with the natural and social environment with which it interacts. The result goes beyond measuring and quantifying impacts on isolated environmental compartments. It is about understanding what are the reactions of the system as a whole to certain actions and what are the consequences for all beneficiaries (biodiversity and people). This is critical to take responsible decisions.</p>
4	<p>4.1. Could you please share what specific tools and methodology you used to quantify the impact on biodiversity and dependencies?</p> <p>4.2. did you use any specific existing methodologies within the framework e.g. PWC P&L methodology or any others? If so, what your experience using them?</p> <p>4.3. How detailed was your chosen valuation method, did you use geospatial modeling, benefit/value transfer functions or just national marginal damage coefficients?</p> <p>(natalia)</p>	<p>4.1. Natural Capital Protocol and The Common International Classification of Ecosystem Services (CICES) from the EEA (https://cices.eu/) have been our main framework.</p> <p>We didn't get to that point at that time. A lot of work still to do.</p> <p>4.2 + 4.3. María J.: We are assessing impacts (+, -) and dependencies using a qualitative scale for now as we are at a screening level. Geospatial modeling and other quantitative methods fit better at a project scale and we have used them but not in the group.</p>
5	What examples ecosystem services did you monitor and how?	<p>This was a huge work. Very detailed work. Robust materiality assessment. Water and atmosphere (as an asset). Biodiversity.</p> <p>Simple but powerful tool.</p> <p>María J.: We are not monitoring but assessing (qualitative) interactions with the whole list included in</p>

		the CICES (https://cices.eu/)
6	<p>I'd be interested in some very concrete projects and results too.</p> <p>Are you interested in understanding the current situation regarding your natural capital/impacts/dependencies, or is the ultimate objective to improve the overall ecosystem services being delivered on your land or elsewhere?</p>	<p>Each company took the general to scale them up and use them to make decision making, how to avoid impacts, and how to make better decisions to protect nature.</p> <p>On this point the main goal is to understand how operations from the energy sector are interacting with natural capital and which assets and ecosystem services are more material. So, we can identify impacts and dependencies. Quantify is the next goal in order to improve natural assets and ES.</p>
7	<p>How detailed was your chosen valuation method, did you use geospatial modeling, benefit/value transfer functions or just national marginal damage coefficients?</p>	<p>Next steps should include multiple methodologies (geospatial modeling, value transfer, ES valuation, others) in order to quantify and monetize ES flows from the natural assets</p> <p>María J.: Similar to q.4.2 + 4.3</p>
8	<p>What is (or will be) the main deliverable of your project? Is it a kind of Guidance on how Natural Capital is applied in your sector and/or on the results of your assessment (impacts and dependencies)?</p>	<p>María J.: The main outcome from this work will be a document with a summary of the assessment process and main conclusions that will represent a sectoral consensus on how to approach natural capital assessment at a corporate level (broad and shallow approach).</p>
9	<p>Iberdrola is an international group - are the lessons being shared across the group, e.g with Scottish Power?</p>	<p>Yes, we are part of the corporate department and we have set up a global coordination group. Bring this into our business as usual. As other units can't really afford.</p> <p>In fact, it was ScottishPower the one that started first in the group into NC assessments When [Emilo] I was heading Innovation and Environment there, back in 2015</p>