

FACT SHEET

THE BUSINESS CASE FOR NATURE



Why should business owners be concerned about Nature-based Solutions for increasing disaster and climate resilience and what can they do to step-up efforts?

There is a strong business case for investing in Nature-based Solutions for **disaster and climate resilience**.

- The Eliash Review (2008) “estimated the costs of halving deforestation at around \$17bn-\$33bn per year to 2030, but also found that this investment would generate long-term net benefits of about \$3.7 trillion, in present value terms, including only the avoided damage costs of climate change” (TEEB, 2009).
- Nature-based Solutions can **decrease operational and maintenance costs and generate benefits**
 - *Avoiding damage from hazard*: without mangroves, flood damages would increase by more than \$65 billion annually (Menéndez et al. 2020).
 - *Reducing maintenance costs associated with engineered infrastructure*. Eg: planting vegetation to stabilize the soil and prevent erosion; creation of green corridors under electricity lines (see for e.g. Elia-LIFE project: <http://www.life-elia.eu>).
 - *By providing stocks and services* like water filtration. In Portland, Maine, healthy forests substituted the need for a water filtration plant, saving the city an estimated \$97 to \$155 million over 20 years (Gartner et al. 2013).
 - *Avoiding costly environmental taxes and liability*: In the United States, for example, compensatory mitigation generates \$3.8 billion a year from companies that must pay for unavoidable ecosystem loss or degradation (BenDor et al. 2015).

A term that is often used in a business context is that of **natural capital**.

- As defined by the [Natural Capital Protocol](#), it is “the stock of renewable and non-renewable resources (e.g. plants, animals, air, water, soils, minerals) that combine to yield a flow of benefits to people.
- As shown in the below infographic, Nature-based Solutions can contribute to increase / enhance the stock of natural capital while addressing needs and challenges businesses and society face (e.g. climate change).

Green jobs, i.e. jobs that contribute to preserving or restoring the quality of the environment, in agriculture, industry, services or administration, are increasingly important for sustainable development.

- An analysis by BenDor et al. (2015) concluded that the US domestic ecological restoration sector directly employs ~ 126,000 workers and generates ~ \$9.5 billion in economic output (sales) annually. This activity supports an additional 95,000 jobs and \$15 billion in economic output through indirect (business-to-business) linkages and increased household spending.

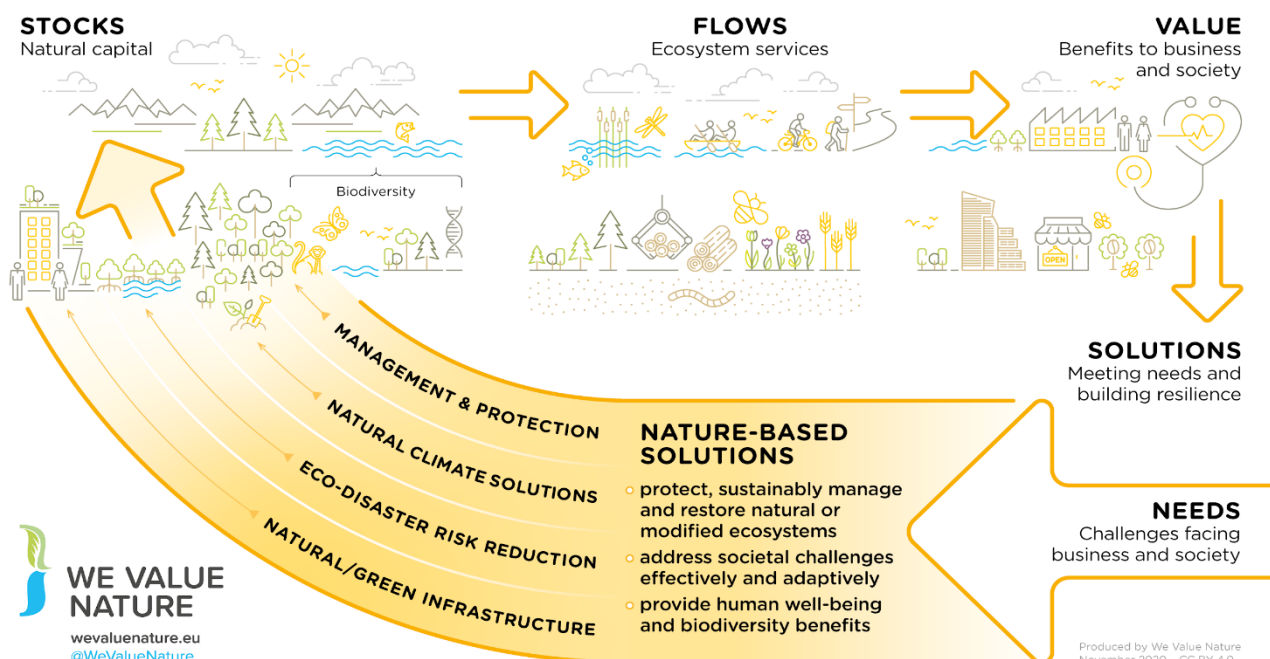


Figure: Natural Capital - Stocks and flows by Natural Capital Coalition sourced from We Value Nature and licensed under Creative Commons Attribution 4.0 License . The definition of Nature-based Solutions in the infographic is based on ICUN's [global standard for NbS](#).

References

- [BenDor et al. \(2015\) Estimating the Size and Impact of the Ecological Restoration Economy. Plos One, 10\(6\): e0128339. <https://doi.org/10.1371/journal.pone.0128339>](#)
- [Gartner et al. \(2013\) Natural infrastructure: Investing in Forested Landscapes for Source Water Protection in the United States. World Resources Institute](#)
- [Menéndez et al. \(2020\) The Global Flood Protection Benefits of Mangroves. Scientific Reports, 10, 4404. <https://doi.org/10.1038/s41598-020-61136-6>](#)
- [TEEB \(2009\) TEEB Climate Issues Update](#)
- [The Eliash Review \(2008\) Climate Change: Financing Global Forests. The Crown, United Kingdom](#)

LEARN MORE

Online Course

To learn more about Nature-based Solutions for Disaster and Climate Resilience, check out the online course at pedrr.org/MOOC.

Why join this course?

- Receive a UNEP course certificate upon course completion

- Choose to take the course in 7 languages (English, French, Chinese (Mandarin), Spanish, Arabic, Hindi, and Indonesian)
- Meet & interact with environmental experts and practitioners
- Access 6 hours of free learning materials & exclusive interviews with world leaders
- Expand your professional network
- Learn how to make a difference!

Register now!

- [Nature-based Solutions for Disaster and Climate Resilience](#)



Reports/Guidance

- [IUCN NbS standard](#)
- [Science-based Targets for Nature – Initial Guidance for Business](#)
- [OECD – Private sector engagement to address climate change and promote green growth](#)
- [TNC \(2019\): Strategies for operationalizing nature-based solutions in the private sector](#)
- [EIB \(2019\) Investing in Nature: Financing conservation and nature-based solutions](#)
- [EIB \(2019\) Rejuvenating forests](#)
- [EIB \(2019\) Climate Solutions](#)
- [Bassi et al. \(2020\) Sustainable Asset Valuation \(SAVI\) of Senegal's Saoum Delta](#)
- [Bassi et al. \(2020\) An application of the Sustainable Asset Valuation \(SAVI\) methodology: assessing the economic value of restoring the wetlands of S'Ena Arrubia and Corru S'Ittiri-Marceddi-San Giovanni in the gulf of Oristano in Sardinia, Italy](#)
- WEF (2020) [The Future of Nature and Business](#)



Websites

- United Nations Global Compact – Uniting businesses for a better world: <https://www.unglobalcompact.org/>
- World Business Council for Sustainable Development: <https://www.wbcsd.org/>
- We Value Nature: <https://wevaluenature.eu/>
- Natural Capital Coalition: <https://naturalcapitalcoalition.org/>
- Natural Infrastructure for Business: <https://www.naturalinfrastructureforbusiness.org/about/>
- The Sustainable Asset Valuation: <https://www.iisd.org/projects/sustainable-asset-valuation-savi>
- The economics of ecosystems and biodiversity: <http://teebweb.org/>
- Oppla: <https://oppla.eu>



Videos

- [Natural capital and ecosystem services](#)
- [Introduction to natural capital accounting](#)

- [World Economic Forum: The business case for safeguarding nature](#)
- [World Business Council for Sustainable development – Natural infrastructure for business](#)
- [World Business Council for Sustainable Development – Natural capital: a short series of films](#)
- [World Business Council for Sustainable Development – A pitch for nature: Business and the value of nature](#)
- [Cerrado Waters Consortium](#) (in Portuguese)
- [Green jobs, the key to sustainable development](#)

GET INVOLVED!



As a business

- Understand (or identify), measure, value and disclose your impacts and dependencies on nature in order to make more informed decisions. The [Natural Capital Protocol](#) helps you do this;
- Consider the ecosystem service benefits and natural capital costs incurred by your economic activities.
- Incorporate sustainability concerns at the earliest stages of planning;
- If your business requires raw material, responsibly source through certifications like [Forestry Stewardship Council \(FSC\)](#), [B Corp](#) or [Rainforest Alliance Certified](#). Third-party verification enhances accountability and transparency;
- Use green building materials like those sourced from waste streams, sustainably produced regenerative materials, solar powered shingles and efficient insulation;
- Look at how to produce, distribute, consume and dispose of resources in ways that optimize resource use, minimize greenhouse gas emissions and avoid harmful chemicals that hurt biodiversity;
- Halt deforestation and work towards zero natural habitat conversion for production;
- Support efforts by governments to invest in land management of watershed areas to improve water quality and quantity, and to achieve benefits for people and ecosystems;
- Create market mechanisms to offset carbon, such as allowing farmers to participate in a voluntary carbon market where they can be rewarded for adopting conservation practices such as no-till farming and planting cover crops;
- Transform investments and operations to generate no net loss and a positive gain in biodiversity.

