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29 October 2013

NOTIFICATION

Natural Capital Declaration recognized as a Biodiversity Champion

Dear Madam/Sir,

In paragraph 5 of decision XI/7, on business and biodiversity, the CBD Secretariat was requested to continue to facilitate dialogue among business, government and other stakeholders through ongoing support for national, regional and international business and biodiversity initiatives. In this context, I am pleased to inform you that the CBD Secretariat has recently recognized the Natural Capital Declaration (NCD) to be one of our Biodiversity Champions. As you may know, Biodiversity Champions are stakeholders who support the objectives of the Convention and provide a significant contribution to assist in the implementation of one or more Aichi Biodiversity Targets. Biodiversity Champions receive specific recognition on a dedicated webpage under the clearing-house mechanism of the Convention (<http://www.cbd.int/champions/list/>).

Based on an extensive consultation process with the financial community in 2010 and 2011, the NCD was developed under the aegis of the Finance Initiative of the United Nations Environment Programme (UNEP-FI) and was formally launched at the United Nations Conference on Sustainable Development (Rio+20). It has since been signed by numerous financial institutions and other stakeholders.

For the NCD, natural capital refers to the stock of ecosystems that provide inputs and direct and indirect benefits to businesses and society in general. The NCD acknowledges the importance of natural capital in maintaining a sustainable global economy, and calls upon the private and public sectors to work together to create the necessary conditions for maintaining and enhancing natural capital as a critical economic, ecological and social asset. In particular, the NCD calls upon governments to “*develop clear, credible, and long-term policy frameworks that support and incentivize organizations – including financial institutions – to value and report on their use of natural capital and thereby work towards internalizing environmental costs*”. Such policy frameworks can include:

- Requiring companies to disclose the nature of their dependence and impact on natural capital through transparent qualitative and quantitative reporting;
- Using enforceable fiscal measures to discourage business from eroding natural capital, while at the same time offering incentives to companies that integrate, value and account for natural capital in their business model;
- Endorsing and implementing international agreements, including but not limited to, those agreed through the Convention on Biological Diversity; and
- Setting an example through requiring public spending and procurement to report and eventually account for its use of natural capital.

To CBD National Focal Points



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Additional information on the NCD can be found at: <http://www.naturalcapitaldeclaration.org/>.

I invite you to lend your support to the NCD and to take, as appropriate, its recommendations into consideration in your work, in particular in the context of decision XI/7.

Please accept, Madam/Sir, the assurances of my highest consideration.

Braulio Ferreira de Souza Dias
Executive Secretary