

NATURAL CAPITAL AND ENVIRONMENTAL RESILIENCE

Stock of natural resources + flow environmental services they provide



As stocks decrease => is service provision diminished?



NATURAL CAPITAL – THE CHALLENGE

- The environmental change sweeping the world is occurring at a faster pace than previously thought¹
- During the last century, the planet has lost 50% of its wetlands, 40% of its forests and 35% of its mangroves. Around 60% of the Earth's ecosystem services have been degraded in just 50 years
- In almost every region, population growth, rapid urbanization, rising levels of consumption, desertification, land degradation and climate change have combined to leave countries suffering from severe water scarcity¹
- By 2050, global water demand is projected to increase by 55%, mainly due to growing demands from manufacturing, thermal electricity generation and domestic use²



Secretariat:



- 1) UNEP (2016): *Global Environmental Outlook (GEO-6): Regional Assessments*
- 2) WWAP (2015): *The United Nations World Water Development Report*
- 3) Financial Times (2014): *A world without water*



DROUGHT



Drought, California, USA
July 2011 – Jan. 2014

Image source:
California Department of Water Resources



Secretariat:



DEFORESTATION



**Deforestation, Rondonia, Brazil
June 1975 – Sept. 2001**

Image source:
Google <https://googleblog.blogspot.com/2009/12/seeing-forest-through-cloud.html>



CLIMATE CHANGE



**Melting Qori Kalis glacier, Peru
July 1978 - July 2011**

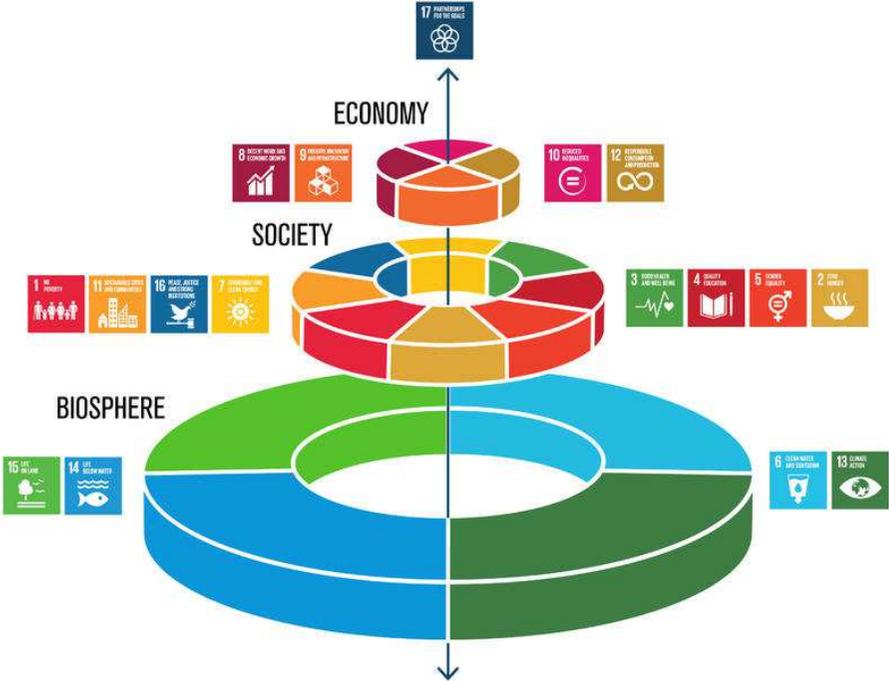
Image source:
Climate Research Center, The Ohio State University



UNEP
FINANCE
INITIATIVE



NATURAL CAPITAL UNDERPINS THE SDGs



Graphics by Smart Universal Assets



WHICH SECTORS DEPEND ON NATURAL CAPITAL?

- Food and Beverage: Unilever purchases nearly 3% of the world palm oil production – largest single purchaser.
- Forests: an estimated 1.6 billion people in the world rely heavily on forests resources for their livelihoods
- Construction and Real Estate: requires significant amounts of timber, stone, iron, minerals and land
- Utilities sector: depends heavily on water. EDF withdrew 49.8 billion m³ of water for cooling purposes
- In 2011-14 companies spent more than \$84bn worldwide to improve the way they conserve, manage or obtain water³



ENVIRONMENTAL RESILIENCE AND THE ECONOMY

