INTRODUCTION AND CALL FOR CONTRIBUTIONS:

As business begins to address the challenge of climate change, awareness is growing of other environmental issues. Biodiversity loss and the decline in ecosystem services also pose major risks to business. At the same time, just as climate mitigation and adaptation have spurred the development of new environmental markets and business models, biodiversity conservation likewise offers significant opportunities for investors and entrepreneurs. A key priority is to identify, measure, and disclose the biodiversity impacts of business, both positive and negative.

Below you will find a summary of the proposed content, ambitions and information needs for the TEEB Phase II report focusing on **business** (Deliverable 3 or "D3" in the series D0 to D4). This report will set out the economic case and identify economic tools to help business make the transition to a 'green' economy, in which natural capital and its risks and returns are neither remote nor external to business success. Insights and examples from all countries and sectors are welcome to ensure that TEEB presents **balanced and global coverage** of the links between business and biodiversity. All contributions used will be duly referenced and acknowledged, unless the contributor requests otherwise.

The TEEB report for business aims to:
- offer practical guidance for business on how to measure and manage the risks of biodiversity and ecosystem losses;
- explore innovative economic tools for adapting production to produce in more biodiversity-friendly ways, including avoidance, mitigation and offsets;
- help business leaders to identify and grasp new market opportunities linked to the conservation and sustainable use of biological resources
- provide business managers with the tools to inform themselves and others about the wider impacts of business activities, not only in terms of financial and human capital but also natural capital.

Audience:

The target audience for D3 includes publicly-traded companies and industry associations, state-owned enterprises and financial services, small-and-medium sized enterprises, emerging companies from developing economies, business schools and others working at the interface between business and nature. D3 will consider a range of industry sectors, including agri-food, extractive industries, manufacturing, infrastructure and services. Of special interest are businesses and industries that are:
- characterized by large direct impacts on ecosystems and biodiversity;
- highly dependent on healthy ecosystems and biodiversity for their productivity;
- key market 'gatekeepers' or enablers of action (e.g. financial services); and/or
- pioneers in emerging markets for ecosystem services and biodiversity-related products.

Process:

The TEEB Initiative was launched as a consequence of the G8+5 Environment Ministers meeting in Potsdam, Germany, in March 2007. TEEB is hosted and organised by UNEP and is currently funded by the German Federal Ministry for the Environment, the European Commission's Directorate General for the Environment, and the UK Department for Environment, Food and Rural Affairs, with additional contributions from other partners. The **TEEB D3** component is coordinated by IUCN with support from a range of public and private stakeholders.

This call for evidence is a key mechanism to solicit input from interested individuals and organizations worldwide. Contributions are welcome at any stage but are especially encouraged before **30 June 2009** and should be sent to: env-teeb-call-D3@ec.europa.eu Below you will find a list of questions and information gaps on which comments and concrete examples are needed, as well as an outline of the D3 report.

Key questions and information gaps for TEEB D3:

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1. How is the business and biodiversity context changing?

- What are good examples of a 'green' or ecologically sustainable economy?
- What information is available on the impacts of different business sectors on biodiversity and ecosystems?
- How will emerging technologies and markets, as well as changing policies and other innovative solutions, alter business impacts on ecosystems and/or the use and the values of biological resources?
- What are the most widely accepted and compelling scenarios for market evolution and business development over the coming 50 years?

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2. What are the risks of biodiversity loss to business and how can they be managed?

- What are best expressions of the 'business case for biodiversity and ecosystems'?
- What data / tools are available to assess the contribution of biodiversity and ecosystem services to economic value added at business and/or sector level?
- How can business adapt to biodiversity loss and what data is available on the costs of adapting to the loss of biodiversity / ecosystems at business or sector level?
- What data is available on the costs of mitigating the loss of biodiversity and ecosystems services, at business or sector level?
- What evidence is available of the risks to biodiversity, ecosystems and/or local communities from linking business and conservation?
- What tools are available for civil society groups to mitigate the risks of working with business?

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3. What are the main business opportunities related to biodiversity and ecosystems?

- What analysis exists of trends and drivers of increased awareness and involvement of business in conserving biodiversity and ecosystems?
- What are the best expressions of the case for engaging business in biodiversity conservation and what data underpins that case?
- What evidence is available of business models that combine biodiversity conservation, profitability and sustainability (including growth prospects of different sectors and regions)?

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4. How can business measure and report its impacts on biodiversity?

- What data is available on the impacts of different business sectors on biodiversity and ecosystems?
- What tools / metrics are available to assess business impacts on biodiversity and ecosystems?
- What data, tools / metrics, networks are available to promote 'mainstreaming' of biodiversity and ecosystem services in business?
    a. governance, policy and strategy,
    b. management and operations,
    c. accounting and reporting, or
    d. relations with investors and other stakeholders?

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5. What reforms are needed to improve business-biodiversity relations?

- What examples are available of policy and institutional reforms, public-private partnerships, and/or financial and technical innovation, to support biodiversity related business and the development of markets for ecosystem services?
- What policies can stimulate development of financial products (investment, capacity building and insurance) to help avoid, mitigate and/or offset biodiversity loss?
- What analysis exists of trends and drivers of reliance on markets and business to achieve conservation?
- What tools are available to link the 'mainstreaming' of biodiversity and ecosystems by business with poverty reduction and the achievement of the Millennium Development Goals?

DRAFT outline of the TEEB report for business (D3)

1. Setting the Scene - Business in an age of ecological risk

1.1 Vision, context and evolution of this report
Biodiversity loss and the decline in ecosystem services have significant implications for business. Private enterprise faces new biodiversity risks but it can also benefit from new biodiversity business opportunities. Business managers are increasingly aware of and taking responsibility for the impacts of their operations on the global commons. TEEB-D3 aims to help business respond to the biodiversity challenge.

1.2 Purpose of this report
TEEB will set out the economic case and identify economic tools to help business make the transition to a 'green' economy, in which natural capital and its risks and returns are neither remote nor external to business success.

2. Biodiversity and Ecosystems – Measuring and managing risks to business

2.1 Biodiversity & ecosystems: what are the risks to business?
How different business sectors relate to biodiversity: reliance on secure supplies of natural resources as inputs to production; the essential role of ecosystem services as natural infrastructure, e.g. freshwater, soil fertility and climate stability; direct and indirect business impacts on biodiversity, the public perceptions of such impacts and resulting effects on competitive position and business performance.

2.2 Business dependence on biodiversity and ecosystems
The contribution of biodiversity and ecosystem services to value added in major sectors of the global economy including estimates of dependence on biodiversity at a global scale.

2.3 How can business reduce and manage biodiversity risk?
Tools and approaches to help business identify, assess, mitigate, adapt to and report on their biodiversity risks.

3. Biodiversity and Ecosystems – Seizing new business opportunities
3.1 Turning risks into opportunities: Building biodiversity business The emergence of biodiversity business, which generates profit by conserving biodiversity, using biological resources sustainably, and sharing benefits equitably.
3.2 Feeding the world while conserving biodiversity How can we sustain the land, fresh water and the oceans, while also feeding a global population forecast at 9 billion people in 2050? What are the trade-offs and synergies between ancient agricultural wisdom and advanced biotechnology? Can we increase "bottom-of-the-pyramid" opportunities while also reducing food surpluses in the rich world? The pros and cons of bio-energy; managing the water and energy footprints of farming; emerging challenges and opportunities of changing diets and demographics.
3.3 Managing and financing ecological infrastructure New conservation strategies and the increasing reliance of conservation organizations on partnerships with business, e.g. management concessions and other services.
3.4 Emerging markets for biodiversity and ecosystem services Recent developments and prospects for eco-certification, private payments for ecosystem services, public-private partnerships, biodiversity offsets and banking. New roles for business in the implementation of Reduced Emissions from Deforestation and Degradation (REDD).
3.5 New business ideas derived from nature Emerging technologies that will change how biological resources are used in business, including bio-technology and bio-mimicry.
4. A New Compact with Nature - Measuring and reporting business impacts
4.1 Business, biodiversity and sustainable development The relationship between business practices and sustainable development, e.g. energy efficiency and emissions reductions, contributions to poverty reduction, maintenance and improvement of natural capital, and sustainable use of biological resources.
4.2 Business impacts on biodiversity and ecosystems The impacts of business on biodiversity and ecosystems: direct and indirect drivers of biodiversity loss, the magnitude of ecosystem 'externalities' in major business sectors.
4.3 Measuring and reporting business impacts and contributions The rationale for measuring corporate impacts on nature. Tools, institutions and new approaches to help business integrate biodiversity and ecosystem services in annual reports and other corporate communications
5. Putting it All Together – Recapitalizing nature
5.1 Getting ready for a green economy What can business do and what does business need to help realize the value of biodiversity and ecosystem services?
5.2 A recipe for biodiversity business growth Summary of the report, information gaps, recommendations for follow-up action by various stakeholders

TEEB Phase II, Outline D3 – Report for business
March 2009

D3 TEEB FOR BUSINESS CORE TEAM

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