

Overview of current approaches and practices of South African businesses to the mainstreaming of biodiversity

A Preliminary Baseline Assessment



environmental affairs

Department:
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REPUBLIC OF SOUTH AFRICA



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This report was commissioned by the Department of Environmental Affairs (DEA), as a pioneer member of the National Biodiversity and Business Network (NBBN). The NBBN is administered by the Endangered Wildlife Trust (EWT) in collaboration with the Department of Environmental Affairs (DEA), Nedbank Limited, Hatch Goba, De Beers, Transnet, Pam Golding Properties and Pick n Pay. The report was prepared in consultation with the network's founding partners by the NBBN. The report's author is Dr. Marie Parramon-Gurney, and the following people are acknowledged for their input: Dr. Joel Houdet (African Centre for Technology Studies), Mr. Kiruben Naicker (DEA), Dr. Harriet Davies-Mostert (EWT), Ms. Shelley Lizzio (EWT) and The Albert Luthuli Centre for Responsible Leadership, University of Pretoria .

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Foreword

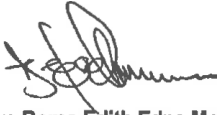
It is my pleasure to welcome this Preliminary Baseline Assessment on the overview of current approaches and practices of South African businesses to mainstreaming biodiversity. As we embrace green growth, which is a core part of the mandate of the Department of Environmental Affairs, biodiversity is no longer a remote obscure concept but a reality for many of our South African businesses. This baseline assessment is encouraging in that this reality is gradually picking up amongst the private sector and that the benefits for business and society are becoming more evident with "business and biodiversity initiatives" becoming a key component of green growth.

We greatly owe the change in conviction and the progress achieved so far to the Convention on Biological Diversity, where signatory Parties back in 2006 adopted some of the earlier decisions on private sector engagement which has catalysed national initiatives such as the National Biodiversity and Business Network (NBBN), which is administered by the Endangered Wildlife Trust (EWT). I am most enthused to hear that the mechanism of mainstreaming is reaping benefits. South Africa is a pioneer in promoting mainstreaming approaches to conserving biodiversity and is providing significant leadership in mainstreaming in Africa. It has extensive national level experience in mainstreaming biodiversity into land-use planning and decision-making processes and has recognized the importance of biodiversity in the country's National Development Plan (NDP).

Systematic biodiversity planning has provided a powerful platform for mainstreaming biodiversity into planning and decision-making across a range of production sectors, urban and rural development, municipal development planning, and environmental assessment. Some of the tangible outcomes of mainstreaming include the establishment of a Green Fund, ongoing research on the incorporation of ecosystem accounts into national accounts, work on tax incentives and property rate rebates for certain categories of protected areas, as well as determining financial gaps in the management of biodiversity and addressing these to ensure adequate resources are available.

South Africa is of the view that mega-biodiverse countries should take control of their resource bases in order to ensure growth in emerging markets. In South Africa we see rapid social economic transformation as a priority and have institutionalised the drive towards a creative economy. The objective is to develop, promote and support a national biodiversity economy, based on the sustainable use of natural resources.

All of the above means that South Africa is well placed and ready to take mainstreaming to the next level by rolling out mainstreaming approaches cross-sectorally into the private sector.

A handwritten signature in black ink, appearing to read 'Edith Molewa', with a large, stylized initial 'E' at the beginning.

Mrs Bomo Edith Edna Molewa

Minister of Department of Environmental Affairs
Republic of South Africa

Preface

The Natural Capital Declaration¹ defines natural capital as the stock of ecosystems that yields a renewable flow of goods and services. It underpins the economy, providing inputs and direct and indirect benefits to businesses and society. Biodiversity conservation has in the past mainly been managed and financed by governments and non-governmental organisations (NGOs). Despite recent efforts, we are still facing a situation where the world no longer lives off the dividends of the natural capital, but off the capital itself.

Despite being fundamental to our economic and social development, there is a lack of accountability for the maintenance and protection of our natural capital. This situation presents a major risk to any company's growth and country's development path. It is therefore essential to shift our approach to the management of South Africa's biodiversity, by firstly perceiving it as an asset to support our development path and secondly by employing a collaborative approach to support its management, protection and enhancement.

The way in which we manage, protect, enhance and invest in natural capital is fundamentally going to determine South Africa's capacity to generate tangible and inclusive economic development. To that end, we need to manage natural capital in a sustainable manner.

In this context, the role of the business community is essential. It needs to be part of the solution. It is critical for companies to demonstrate that they operate within the limits of natural systems² and preferably that they also generate a 'net gain' in natural capital. For businesses to remain competitive they will have to identify their impact and dependencies on natural capital, both current and future.³ With this deeper understanding, they can then take steps – individually and collectively – to manage, protect and invest in the natural capital that supports their growth and the national economy.

1. <http://www.naturalcapitaldeclaration.org/>

2. The Leadership Compact: 'Committing to Natural Capital', University of Cambridge <http://www.cisl.cam.ac.uk/publications/publication-pdfs/the-leadership-compact-committing-to-natural-capital.pdf>

3. The Leadership Compact: 'Committing to Natural Capital', University of Cambridge <http://www.cisl.cam.ac.uk/publications/publication-pdfs/the-leadership-compact-committing-to-natural-capital.pdf>

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Executive summary

Our natural capital – including water, soil, fauna and flora – are essential for South Africa's development. Businesses are inextricably linked to the well-being and sustainable use of these resources. Therefore, the management of this natural capital has to become an essential component of the formal risk management and governance processes of businesses. For organisations to remain competitive they have to identify their current and future impacts and dependencies on the environment. In so doing, businesses can also identify and capitalise on key opportunities by integrating the effective and proactive management of natural resources into their strategies and plans.

The National Biodiversity and Business Network (NBBN) was created to support the mainstreaming of biodiversity into business in South Africa. In order to better understand the current status quo in South Africa, the Department of Environmental Affairs (DEA) in collaboration with the NBBN decided to conduct this preliminary baseline assessment with the aim of assessing current approaches and practices of South African businesses to mainstream biodiversity. The aim was not to conduct a detailed comparative assessment between companies, but, rather to get a general overview of the current practices and approaches of South African businesses regarding biodiversity mainstreaming.

The objectives of the study were as follows:

- To assess the current understanding of companies about biodiversity and its importance in terms of economic development and the national development path.
- To assess the current understanding of companies of the potential business risks, opportunities and dependencies related to biodiversity.
- To understand the current key drivers for companies to mainstream biodiversity.
- To identify current business approaches to mainstream biodiversity. In this context, we analysed various corporate elements, including governance structures, policies, goals, collaborative efforts, partnerships and sectoral approaches.
- To identify current mainstreaming management practices to assess, manage, monitor and report on biodiversity-related matters, including tools and strategies currently used.
- To identify at a high level the key challenges and opportunities faced by businesses in relation to the mainstreaming of biodiversity.
- To identify priority actions for the NBBN to support businesses in mainstreaming biodiversity.

- To provide an initial baseline assessment of the current business approaches and practices in South Africa, in order to enable the assessment of changes over time.

Thirty-three companies were selected to be reviewed as part of this preliminary baseline assessment. Companies were selected because they were listed on the Johannesburg Stock Exchange or because they were members or partners of the NBBN. Companies from different sectors were selected to assess potential trends across sectors where possible. The sectors included in the assessment were banking, insurance, tobacco, manufacturing, pharmaceutical, transport, logistics, energy, engineering, beverage, communication, retail, agricultural supply chain, mining and construction.

The following key findings were made:

- Less than 40% of the companies reviewed demonstrated a good understanding of biodiversity and related ecosystems services, and their economic and social importance.
- Less than 40% of the companies reviewed demonstrated a good understanding of biodiversity-related business risks, opportunities and dependencies, with fewer than 20% of companies having conducted a detailed risk and opportunity assessment focused on biodiversity.
- More than 60% of companies have not assessed their level of dependency on biodiversity.
- More than 65% of companies have considered biodiversity from a corporate social responsibility or corporate social investment perspective. This was their understanding of mainstreaming. However most of them did not appear to consider biodiversity as part of their core business.
- The extractive industry companies appear to demonstrate a better understanding of the mainstreaming of biodiversity than the other sectors.
- Very few companies demonstrated a focused approach to biodiversity mainstreaming as compared to water, climate change or energy. Some companies made no direct reference to biodiversity in their publically available documentation.
- When asked to describe their biodiversity impacts most companies only referred to the direct impacts, using Global Reporting Index (GRI) and integrated sustainability indicators, including waste, direct water usage and energy usage. Indirect impacts are almost never assessed and never reported on.
- More than 60% of companies displayed an "ad-hoc" corporate approach to biodiversity, with no vision, strategy, specific objectives or targets regarding biodiversity.

- Less than 10% of companies demonstrated a consolidated approach to the management and mainstreaming of biodiversity, referring to natural asset/capital, and reporting on it in the same way as the social and economic capital. These companies also demonstrated an understanding of the role and importance of biodiversity for the country's development path.
- The key drivers for mainstreaming biodiversity included risk management, business operational or strategic needs, compliance management and reputation management.
- Less than 10% of the companies demonstrated mainstreaming across the three levels: strategic, managerial and operational.

Based on the findings of this preliminary baseline assessment, the following observations and recommendations have been made:

- Current practices in the assessment, management and reporting of biodiversity within business are very ad-hoc. Businesses need to take a more strategic and comprehensive approach in this area.
- Financial, sustainability and integrated reporting on biodiversity-related matters need to be consolidated and rationalised.
- Businesses need to improve their understanding of their dependencies on biodiversity and should conduct focused assessments in this context.
- Businesses need to improve their assessment of business risks and opportunities related to biodiversity. This could be achieved by conducting dedicated biodiversity risk and opportunity assessments.
- Further research needs to be conducted on the process and level of mainstreaming, from the strategic to the operational level, to assess effectiveness and challenges.
- Further research is needed to assess budgets that are being allocated to manage biodiversity in business.
- Further research is needed to identify the institutional / governance structures being used to manage biodiversity and to assess their effectiveness, in order to inform better practices.
- Further information sharing and capacity building is needed to inform and train businesses on the various tools available to support biodiversity mainstreaming. Case studies of biodiversity mainstreaming are needed as practical examples.
- Practical guidelines are needed to explain why, when and how to make use of the relevant valuation tools, from risk screening tools and biophysical assessments to full cost accounting. The right methods need to be matched with the relevant internal (e.g. budgeting, site management, environmental

management systems) and external (e.g. financial, sustainability and integrated reporting) business applications.

- The business case for mainstreaming biodiversity into business needs to be consolidated and clearly articulated.

The NBBN will strive to address these recommendations in collaboration with business, the NGO sector and the South African government.

1 Introduction

1.1 The National Biodiversity and Business Network

The Endangered Wildlife Trust (EWT), in collaboration with the Department of Environmental Affairs (DEA), Nedbank Limited, Hatch Goba, De Beers, Transnet, Pam Golding Properties and Pick n Pay (all founding partners of the NBBN), launched the National Biodiversity and Business Network (NBBN) on 15 May 2013.

The NBBN aims to support the mainstreaming of biodiversity considerations into the business community and the development path of South Africa and strives to facilitate engagement with various business sectors, industries and related stakeholders to assist with the mainstreaming of biodiversity into business agendas and operations. It is an open and inclusive multi-sectorial network designed to help raise awareness of biodiversity amongst the business community and to encourage dialogue amongst stakeholders in this area, as well as to provide pragmatic and practical support to facilitate the mainstreaming process. While each business sector is different in its needs and approaches, the NBBN's multi-sector approach allows common elements of concern to be raised and best practices, with respect to biodiversity mainstreaming, to be shared across the various sectors.

The NBBN's objectives are to:

- Provide a national platform to facilitate strategic discussion about biodiversity and business.
- Create national momentum around the mainstreaming of biodiversity considerations into the business community.
- Facilitate the development of a national agenda in relation to biodiversity and business.
- Facilitate cohesion and integration in the discussion and agenda on biodiversity and business.
- Facilitate focussed, pragmatic and useful interventions to support the business community in the mainstreaming process.

The role of the network is to bring the business community and other national stakeholders together to share ideas and engage in dialogue on biodiversity and business. In order to achieve this, the network will strive to:

- Assist in the development of tools, resources, benchmarks/pilot-studies, and provide advice to businesses looking to mainstream biodiversity issues.
- Facilitate the sharing of ideas and best practices with other national and regional initiatives.

- Support the business community in understanding and mainstreaming biodiversity into their core business. The NBBN organises training sessions and also assists companies on an individual basis.
- Assist in the communication of biodiversity issues and advise on how the business community and related stakeholders can deal with these issues. The NBBN organises regular events and distributes newsletters keeping the business community aware of latest developments.
- Conduct research on specific topics related to business and biodiversity. The NBBN conducted this preliminary baseline study to assess current practices and trends amongst South African companies regarding the mainstreaming of biodiversity.
- Facilitate capacity building and training. The NBBN has to date trained more than 50 representatives from companies on how to mainstream biodiversity.
- Facilitate the development and showcasing of national benchmarks and best practices.
- Organise events and forums. The NBBN has organised numerous national strategic discussions dealing with investment in ecological infrastructure, the mainstreaming of biodiversity into mining, the real estate and agriculture sectors, and mainstreaming tools.
- Organise an annual National Biodiversity and Business Indaba. The 2015 event is the first event of its kind on the continent to deal with the topic of business and biodiversity.
- Ensure an ongoing, comprehensive and inclusive national dialogue around biodiversity and business.
- Set momentum in the private sector regarding the need to mainstream biodiversity into business.

Membership of the NBBN is free and open to everyone. Member benefits include:

- Access to information regarding business and biodiversity, including latest studies, papers, and international and national events on, for example, payment for ecosystems services, biodiversity offsets, market based instruments for biodiversity.
- Access to the outcomes of research conducted by the network.
- Access to NBBN training sessions.
- Access to focussed sectoral strategic sessions to facilitate the mainstreaming of biodiversity into business.
- Opportunities to exchange information about member initiatives in the context of biodiversity and business.

- Opportunities to shape the debate around biodiversity and business.
- Opportunities to liaise with government and other relevant stakeholders to discuss policy directions in terms of biodiversity and business.
- Opportunities to meet international and national experts in the area of biodiversity and business.

The NBBN fosters a collaborative approach to the way the country's natural capital is managed by working with the business community and other stakeholders. The NBBN supports leadership, boldness, visionary thinking and innovative planning, enabling South Africa to develop best practice and to set an international example.

1.2 Background to the study

Biodiversity strongly influences the provision of ecosystem services, described as the goods and services that are produced by healthy and functional ecosystems and which are needed for human well-being (refer to Section 1.6 for further information on ecosystem services). Our economic and social development relies strongly on the state of our biodiversity and of its related ecological services.

We are entering a new era in terms of sustainable development for businesses, in which a fundamental and structural shift is being initiated globally and nationally regarding the way biodiversity should be managed by the private sector. This is supported by recent global developments, which include developments in terms of the Convention on Biological Diversity (CBD), the major international study on The Economics of Ecosystems and Biodiversity (TEEB), the establishment of the Intergovernmental Panel on Biodiversity and Ecosystem Services (IPBES), the United Nations' latest statements regarding the need to value and protect ecosystem services, the G8 adoption of the Kobe Call for Action for Biodiversity and recent pledges made by international businesses to manage sustainably the natural capital.

The management of ecosystems services and biodiversity has to become an essential component of the formal risk management and the governance of companies. Sustainability, including the management of biodiversity and related ecosystem services, must be regarded as a critical value chain issue. It is going to be essential for companies to demonstrate that they operate within the limits of natural systems and preferably that they also provide a net gain in terms of natural capital.⁴ If businesses are to remain competitive they will have to develop an understanding of their impacts and dependencies on environmental infrastructure and implement strategies to sustainably manage the natural capital that supports the global economy.

4. The Leadership Compact: 'Committing to Natural Capital', University of Cambridge <http://www.cisl.cam.ac.uk/publications/publication-pdfs/the-leadership-compact-committing-to-natural-capit.pdf>

The Parties to the CBD have for some time been exploring ways to enhance private-sector collaboration in achieving the goals of the CBD. The 8th Conference of the Parties (COP-8, Brazil, 2006) identified the need for business involvement in biodiversity conservation, and COP-9 (Germany, 2008) invited Parties to improve actions and cooperation for the engagement of the business community through public/private partnerships. In addition, G-8 Environment Ministers (Japan, 2008) discussed ways to promote the conservation and sustainable use of global biodiversity, adopting the Kobe Call for Action for Biodiversity to promote international cooperation and engagement of the private sector. The Third Business and the 2010 Biodiversity Challenge Conference (Indonesia, 2009) issued the Jakarta Charter which identified ways to include sustainable use and conservation of biodiversity in business operations. These initiatives were continued at COP-10 (Japan, 2010) where a decision on business engagement (Decision X/21) was adopted by the Parties.

In this context, the NBBN was created to support the mainstreaming of biodiversity into business in South Africa. In order to better understand the current status quo in South Africa, the DEA in collaboration with the NBBN decided to conduct this preliminary baseline study to assess current practices and approaches of South African businesses to mainstream biodiversity.

1.3 Aim and objectives of the study

The aim of this study was to conduct a preliminary assessment to better understand the current practices and approaches of South African businesses regarding biodiversity mainstreaming. The aim of the study was not to conduct a detailed comparative assessment between companies but rather to get a general overview of the main current practices and approaches of South African businesses.

The study objectives were as follows:

- To assess the current understanding of companies about biodiversity and its importance in terms of economic development and the national development path.
- To assess the current understanding of companies of the potential business risks, opportunities and dependencies related to biodiversity.
- To understand the current key drivers for companies to mainstream biodiversity.
- To identify current business approaches to mainstream biodiversity. In this context, we analysed various corporate elements, including governance structures, policies, goals, collaborative efforts, partnerships and sectoral approaches.
- To identify current mainstreaming management practices to assess, manage,

monitor and report on biodiversity-related matters, including tools and strategies currently used.

- To identify at a high level the key challenges and opportunities faced by businesses in relation to the mainstreaming of biodiversity.
- To identify priority actions for the NBBN to support businesses in mainstreaming biodiversity.
- To provide an initial baseline assessment of the current business approaches and practices in South Africa, in order to enable the assessment of changes over time.

1.4 Methodology

The methodology used to conduct this baseline study is outlined below.

1.4.1 Desktop study

Based on time and budget available for this preliminary baseline assessment 33 companies were selected for review. Companies were selected based on their listing on the Johannesburg Stock Exchange or because they were members or partners of the NBBN. Companies from different sectors were selected to assess potential trends across sectors where possible. The sectors included in the assessment were banking, insurance, tobacco, manufacturing, pharmaceutical, transport, logistics, energy, engineering, beverage, communication, retail, agricultural supply chain, mining and construction. See Appendix A for a list of the companies assessed.

A matrix was developed to assess the level of biodiversity mainstreaming, relevant practices and approaches. See Appendix B for an overview of the assessment matrix.

A desktop assessment was conducted to identify the current business interest, understanding, knowledge, drivers, practices, challenges and approaches regarding the mainstreaming of biodiversity for each of the companies selected as per above. The desktop study identified relevant publically available information for each company to be reviewed, including but not limited to: information on websites, annual reports, integrated reports, sustainability reports, biodiversity management strategies or management plans, project documents, media statements and other relevant reports.

1.4.2 Interview process

In order to clarify some of the information collected and assessed in the desktop study, one-on-one interviews were conducted with some of the selected companies. The interviews were based mainly on the assessment matrix.

A detailed online questionnaire was also developed and sent to NBBN members and other stakeholders for inputs (see Appendix C for a copy of the questionnaire).

1.5 Limitations of the study

The objective of this study was to conduct a preliminary assessment of the current approaches and practices of South African businesses with regards to biodiversity mainstreaming. Budget and time constraints limited the study to desktop research of a limited number of companies and an online survey. The results of the online survey are limited by the number and nature of the respondents. This study thus presents a preliminary baseline upon which further studies can build to develop a more comprehensive and accurate picture.

2 Background on business and biodiversity

2.1 What we mean by biodiversity

The initial problem which emerges when looking at practices and approaches of business in terms of biodiversity mainstreaming relates to the lack of a common understanding of what biodiversity is. In terms of the South African legal framework, the National Environmental Management: Biodiversity Act (2004) defines “biological diversity” or “biodiversity” as the variability among living organisms from all sources including, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part and also includes diversity within species, between species, and of ecosystems. In this context, components, in relation to biodiversity, include species, ecological communities, genes, genomes, ecosystems, habitats and ecological processes. Ecosystem refers to a dynamic complex of animal, plant and micro-organism communities and their non-living environment interacting as a functional unit. Biodiversity is the source of ecosystem services which are broadly defined as the benefits that people or business obtain from ecosystems and include a wide array of benefits, including products such as food, fuel, and fibre, regulating services such as food protection and pollination, and the myriad of cultural benefits and values that people enjoy from nature. The table below provides an overview of the various categories of ecosystems services also referred to as biodiversity and ecosystems services (BES) or environmental goods and services (EGS).

Table 1: Overview of biodiversity and ecosystems services (BES).

Provisioning Services Goods or products produced by the ecosystem	Regulating Services Natural processes regulated by ecosystem	Cultural Services Intangible benefits obtained from ecosystem
Food <ul style="list-style-type: none"> • Aquaculture • Capture fisheries • Crops • Live stock • Wild foods Fibre <ul style="list-style-type: none"> • Biomass fuel • Cotton, hemp, silk • Timber Other <ul style="list-style-type: none"> • Bio chemicals • Genetic resources • Fresh water • Ornamentals • Natural medicines & pharmaceuticals 	<ul style="list-style-type: none"> • Air quality • Climate regulation • Global CO₂ sequestration • Regional & local • Disease regulation • Erosion regulation • Natural hazard regulation • Pest regulation • Pollination • Water flow regulation • Water purification and waste treatment 	<ul style="list-style-type: none"> • Eco-tourism • Educational • Ethical and "existence" values • Recreational • Spiritual and religious values

Lately new terminology has been used to refer to biodiversity. There is an attempt to align the terminology with concepts used in business.

In this context the term ecological infrastructure is used and has been defined by the South African National Biodiversity Institute (SANBI) as functioning ecosystems that deliver valuable services to people and the economy. It is the nature-based equivalent of built or hard infrastructure, and is as important for providing services and underpinning socio-economic development. South Africa's ecological infrastructure provides support to development and opportunities to unlock

economic potential. Ecological infrastructure can include catchment areas, wetlands, dune systems, arable lands, forests, protected areas and other natural assets.

The term natural capital is being used predominantly in the financial and investment sector and refers to the spectrum of physical assets within the natural environment that deliver economic value through ecosystem services. "Like a savings account, natural capital can pay interest or be liquidated. Many forms of natural capital provide multiple benefits. Wetlands, for example, provide water treatment and purification services; prevent floods by retaining surface runoff; and provide wildlife habitat".^{5,6}

In essence these terms all refer to biodiversity as understood in the context of this study.

2.2 The economic and social dependencies related to biodiversity

The national development of our country is directly dependent on the state of our biodiversity. Most of the priority sectors identified in the National Development Plan: Vision 2030 have clear dependencies on biodiversity. The mining and agricultural sectors, for example, rely heavily on access to sufficient water to operate.

The online survey in this study indicated that more than 70% of the respondents believe that biodiversity is critical for the sustainable development of the country, as outlined in Figure 1. The remaining respondents believe that it is important.

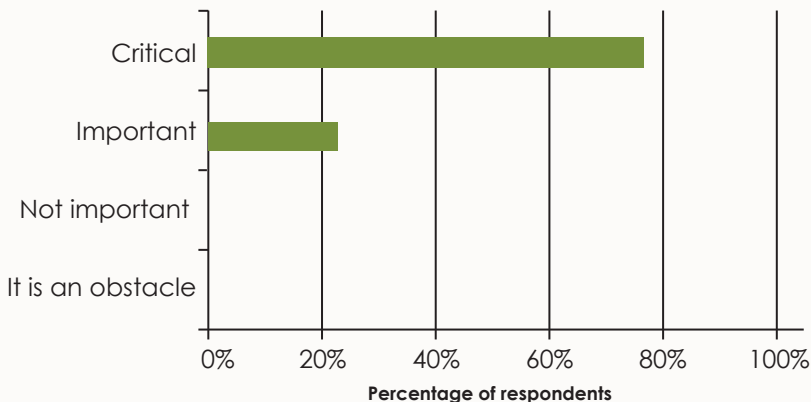


Figure 1: Result of the online survey for the questions: How important is biodiversity for the sustainable development of the country?

5. http://www.iisd.org/pdf/2008/natural_capital_approach.pdf. "The concept of natural capital has the potential to reconcile economic and environmental interests by integrating the value of natural capital in decision-making. It makes it possible, for example, to develop a cost-benefit analysis of a new water treatment plant, versus the restoration or preservation of a wetland for the clean water filtration service it provides."

6. The Natural Capital Approach, A Concept Paper, International Institute for Sustainable Development, IISD, 2008 https://www.iisd.org/pdf/2008/natural_capital_approach.pdf

Biodiversity also plays an essential role in social development by providing support for livelihoods, job creation and the wellbeing of communities, especially in rural areas. If the ecological infrastructure that underpins the resources on which communities rely is destroyed, the outcome is a direct and significant impact on the livelihoods and resilience of the affected communities. It can also lead to consequences for the health of the affected communities.

Based on the results of the online survey, more than 70% of the respondents strongly agreed that the loss of biodiversity could negatively impact on the economic and social development of the country (Figure 2).

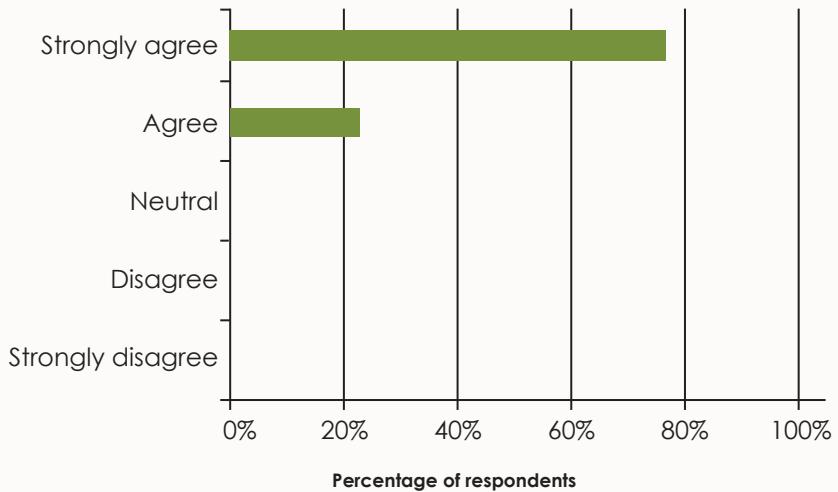


Figure 2: Results of the online survey for the question: Do you think that the loss of biodiversity could negatively impact on the economic and social development of the country?

From a business perspective, all industries are either directly or indirectly dependent on biodiversity for their sustainability and growth. The degree of dependency of businesses on biodiversity, their impacts on biodiversity, the market in which they operate, and the demand from their consumers and shareholders for more sustainable products and services will determine the business risks and opportunities for various businesses pertaining to the relationship between biodiversity and their business. It will determine if biodiversity is material for them and in most cases it will be.

2.3 The current situation in terms of biodiversity management and conservation

The value of biodiversity (and its related ecosystems services) is seldom appreciated or captured in market transactions. Ecosystem services such as the provision of clean water, air and soil, as well as the stock of ecological infrastructure that provides them, are not adequately valued compared to social and financial capital.

Biodiversity is largely regarded as a public asset held in trust by the State on behalf of the citizens of South Africa. As a result, a misconception has been created that it is only the obligation of government to manage this asset. However, the situation should be different.

We are all, including businesses, deriving direct or indirect economic, social and environmental benefits from biodiversity for which we currently do not pay or are not paying for adequately. Furthermore, most people and businesses are not currently participating financially in the maintenance and management of our ecological infrastructure. No one is accounting for the use and maintenance of biodiversity in current financial and economic systems and transactions. This is not sustainable. To demonstrate: when you buy your groceries at a supermarket the price of each item will have incorporated the costs related to the fleet to transport the goods, the costs of the factories to produce the goods, the warehouses to store the goods, the costs of the shop in which they will be sold, personnel costs throughout the supply chain and so on. What will in all likeness not be included are the costs of ensuring adequate quality and quantity of water for farming, the costs of natural services maintenance such as crop pollination, the costs of natural soil erosion prevention, etc. The reliance of many businesses on ecological infrastructure to generate profit, without investing in the maintenance, renewal or replacement of such infrastructure, presents a major business risk. This is not only a risk to the business itself, as well as a number of our economic sectors, but also ultimately to the sustainable economic and social development of the country.

According to Karina Litvack, Head of Governance and Sustainable Investment at F&C Investments, "Companies and their investors have long taken ecosystems services for granted, as if they came for free. Yet recent pressures on natural resources suggest that in future such services will start to command a premium, or, worse, become unavailable. This could have a profound impact on the strategies and valuations of companies in high-risk sectors."¹⁷

7. Natural Value Initiative Media Release, October, 2009, Companies Must Gear Up To Weather The Coming Natural Resource Crunch

The government and many organisations, especially NGOs, have been working hard at securing, managing and maintaining key ecological infrastructure in the country. But their efforts alone are not sufficient. Sustainable and effective management and maintenance of our ecological infrastructure will not be achieved if the primary users of such infrastructure - businesses and their related supply chain - do not become financially accountable for their maintenance.

As resource constraints increase globally, countries that depend on natural resources and services beyond that which their own ecological infrastructure can provide may experience profound economic impacts as resources become scarcer. The result is that resource constraints and associated prices will become a more significant determinant of economic performance. This will generate increased competition for the planet's limited resource capacity, with negative consequences for economic performance and fiscal revenue. Already we see that we are living beyond the limits of our natural systems when the 20th of August 2013 was identified as Earth Overshoot Day, marking the date when humanity exhausted nature's 'budget' for that year.

It is essential for businesses to start assessing their biodiversity related dependencies, risks and opportunities to determine their priorities in terms of biodiversity. There are various international examples of businesses investing in biodiversity. One of the most well-known examples is the case of Vittel (Nestlé Waters) in north-eastern France. In order to address the risk of nitrate contamination caused by agricultural intensification in the aquifer, the world leader in the mineral water bottling business is financing farmers in the catchment to change their farming practices and technology. Such an approach was due to the recognition of the material business risk posed by biodiversity related dependencies to Vittel.

British American Tobacco is another interesting example of a company investing in the maintenance of ecological infrastructure. The company obtains most of its tobacco from about 200,000 directly contracted farmers – mostly small-scale farmers in developing countries. The company's long-term success therefore relies on sustainable sources of tobacco, which depend on healthy ecosystems for water, fertile soil, reliable climates, crop pollination, pest control and genetic diversity. Protecting biodiversity and ecosystems is therefore seen as critical to maintaining British American Tobacco's commercial sustainability and reputation. They have been investing in various rehabilitation projects in the areas in which they operate.

Finally, we can highlight the efforts of the Scottish Forum on Natural Capital which is a new project bringing together public, private and voluntary sector organisations to protect and rebuild Scotland's natural capital. An early focus for the Scottish Forum will be on peatlands, which is especially fitting since they form a substantial part of the Scottish landscape and are widely recognised as important in climate change mitigation, biodiversity and water quality. The Scottish Government has long acknowledged the benefits of peatland

restoration and is making every effort to conserve this vital and valuable resource. The main rationale of such an approach was due to the recognition of the critical value of Scotland's natural assets to sectors like tourism, food and drink, and to society as a whole. Water and especially peatlands were recognised as essential assets for the salmon, beer, whiskey and tourism industry.

In terms of the online survey, more than 80% of respondents indicated that they believe that businesses have a role to play in preserving the country's biodiversity (Figure 3).

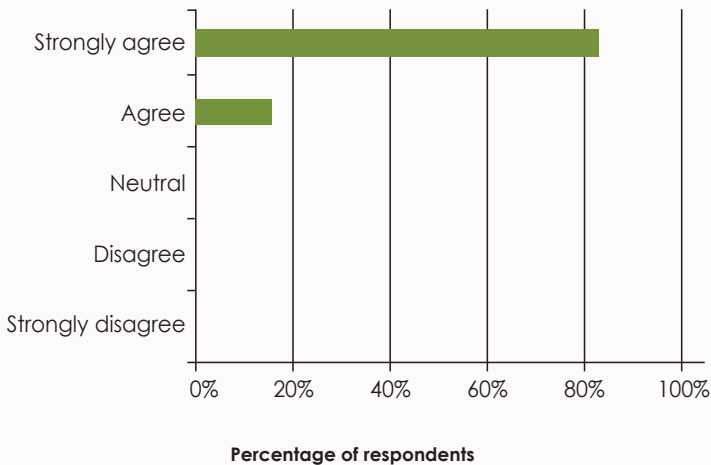


Figure 3: Results of the online survey for the question: Do you think that companies have a role to play in preserving the country's biodiversity, also referred as natural capital?

2.4 The concept of mainstreaming biodiversity

Mainstreaming commonly refers to the integration or inclusion of actions related to conservation and sustainable use of biodiversity in government policies and strategies relating to business sectors, (such as agriculture, fisheries, forestry, tourism and mining). Mainstreaming might also refer to the inclusion of biodiversity considerations in poverty reduction plans and national sustainable development plans.

Article 6b of the CBD prescribes that the Parties have an obligation to: "Integrate, as far as possible and as appropriate, the conservation and sustainable use of biological diversity into relevant sectoral or cross-sectoral plans, programmes and policies." The Hague Ministerial Declaration from COP VI in 2002 stated: "The

most important lesson of the last ten years is that the objectives of the Convention will be impossible to meet until consideration of biodiversity is fully integrated into other sectors. The need to mainstream the conservation and sustainable use of biological resources across all sectors of the national economy, society and the policy-making framework is a complex challenge at the heart of the Convention."

The rationale is that through mainstreaming, biodiversity concerns will be integrated into the way economic sectors, development models, policies and programmes operate. Taking biodiversity concerns into account at all these levels can have immediate benefits in improving environmental quality and productivity, and can also serve as a long-term safeguard for entire sectors and the nation as a whole. In essence, mainstreaming should:

- Facilitate investment in ecological infrastructure.
- Facilitate the alignment of public policy positions with biodiversity goals.
- Facilitate the establishment of biodiversity related goals.
- Explore biodiversity valuation practices which can meaningfully influence both public and private policies and practices.
- Ensure thorough assessment of biodiversity related risks and opportunities.
- Facilitate the introduction of biodiversity Key Performance Indicators (KPIs).
- Facilitate investment in staff / training.
- Ensure that biodiversity considerations are factored into the siting of new operations.
- Ensure that biodiversity considerations are factored into new product development.
- Ensure that biodiversity considerations are factored into the exploration of new markets.
- Publicly demonstrate our commitment to the responsible management of water.
- Ensure that biodiversity is factored into procurement directives.
- Lead to greater supplier diversification regarding biodiversity considerations.
- Lead to greater supplier engagement on biodiversity issues.
- Facilitate the development of tighter operational performance standards.
- Facilitate the development of tighter supplier performance standards.
- Facilitate the development of biodiversity management incentives.
- Improve business risks management.

- Result in innovative policies and mechanisms to support the maintenance, renewal or restoration of ecological infrastructure (e.g. offset mechanisms and carbon taxation).

In the context of this study, we are looking at the mainstreaming of biodiversity considerations into business at a strategic, managerial and operational level. Mainstreaming biodiversity into business means that we move beyond actions linked to csr or corporate social investment. By mainstreaming biodiversity, businesses integrate biodiversity considerations into their core business, assessing and managing business risks and opportunities. They start to recognize and account for their dependence on biodiversity and start managing biodiversity as an asset.

2.5 The business rational to mainstream biodiversity

Based on various international studies, the common drivers for business mainstreaming are outlined in the following table:⁸

Table 2: Business rational to mainstream biodiversity

1. REDUCE RISK

- Reduce threats to business continuity and harm to supply chains, facilities, workers, and communities in places vulnerable to extreme weather, flooding, drought, fires, desertification or resource scarcity.
- Comply with and stay ahead of impending regulatory changes that could limit production options.
- Avoid fines, suspensions, lawsuits, and other liabilities due to over-exploitation or contamination of natural systems.
- Preserve license to operate in host communities and avoid damaging corporate reputation.

2. CUT COSTS

- Boost resource productivity and increase energy efficiency by reducing ecosystem impacts.
- Save money by reducing waste and recapturing valuable materials that otherwise could harm ecosystems.

8. <http://www.naturalvalueinitiative.org/>

- Avoid costly manmade “gray infrastructure” by opting instead for “natural infrastructure” investments in forests, wetlands, watersheds, and coastal ecosystems—often the cheaper and more effective long-term solution.
- Explore natural solutions to cut costs on storm-water management, flood mitigation, air quality management, carbon sequestration, water purification, and climate-related threats.
- Invest in sustainable sourcing practices to postpone or avoid cost increases due to resource scarcity.

3. ENHANCE BRAND AND REPUTATION

- Win trust and loyalty from customers that value sustainability leadership.
- Differentiate your brand from competitors by communicating superior purchasing, operating, or investment or environmental - practices.
- Attract and retain top talent, as a growing number of employees value working for a company that shares their values.
- Attract investors and lenders who increasingly factor environmental performance and exposure into their decisions.
- Secure and maintain license to operate.

4. GENERATE REVENUE

- Meet customers’ growing demands for products and services that do no harm to sensitive ecosystems.
- Create new revenue opportunities through new product and service offerings of innovative solutions that alleviate pressure on the environment or restore healthy ecosystems.
- Create new markets by educating consumers about high-performing and sustainable products.
- Leverage emerging “natural capital” markets such as water-quality trading, wetland banking, threatened species banking, and natural carbon sequestration.

Natural capital is fast becoming a priority business issue. More than 40 major companies have stepped forward to share their leadership via the Natural Capital Business Hub, representing over \$1.4 trillion in combined revenues. Many are reporting progress on ongoing efforts first described in *The New Business Imperative - Valuing Natural Capital (2012)* and many more companies have

been recognized in other platforms and reports for taking important steps to recognize the material significance and value of nature's assets.⁹ Whether they occur at the site or enterprise level, as a pilot project or company-wide objective, these efforts demonstrate the range of benefits that accrue to companies willing to get out in front of these challenges today, from minimizing risks and cutting costs, to enhancing their brands and identifying new opportunities for revenues and growth.¹⁰

3 Results of the preliminary baseline assessment

3.1 Companies' understanding of biodiversity

More than 50% of the businesses reviewed in this study view biodiversity as an environmental issue and most of the time it is categorised as a sub-component of the sustainability and environmental agenda. Approximately 40% of the businesses reviewed make no direct reference to biodiversity in the publically available documents reviewed.

Most companies demonstrate a limited understanding of biodiversity, focusing on specific species or habitats, which are most of the time linked to their direct impacts on such elements. Some companies only refer to biodiversity in terms of corporate social responsibility or investment.

Very few businesses demonstrate a clear understanding of biodiversity. As many as 75% of the businesses reviewed do not fully understand the importance of biodiversity from an economic perspective. In most cases, biodiversity was not mentioned within a developmental agenda context.

Businesses which have the most direct impacts on biodiversity and which have an understanding of such impacts (mainly extractive and construction sector), demonstrate a better understanding of what biodiversity is and of its relevance from an economic and social perspective.

Businesses with very few direct impacts on biodiversity commonly have a poor understanding of biodiversity and its developmental importance. However, the banking sector was an exception to this in that they demonstrate a good understanding of the importance of biodiversity within a sustainable development context.

More than 60% of the respondents to the online survey indicated that they do not think that companies understand biodiversity, especially its importance from an ecosystem services perspective (Figure 4).

9. Natural Value Initiative Media Release, October, 2009, Companies Must Gear Up To Weather The Coming Natural Resource Crunch

10. Natural Value Initiative Media Release, October, 2009, Companies Must Gear Up To Weather The Coming Natural Resource Crunch

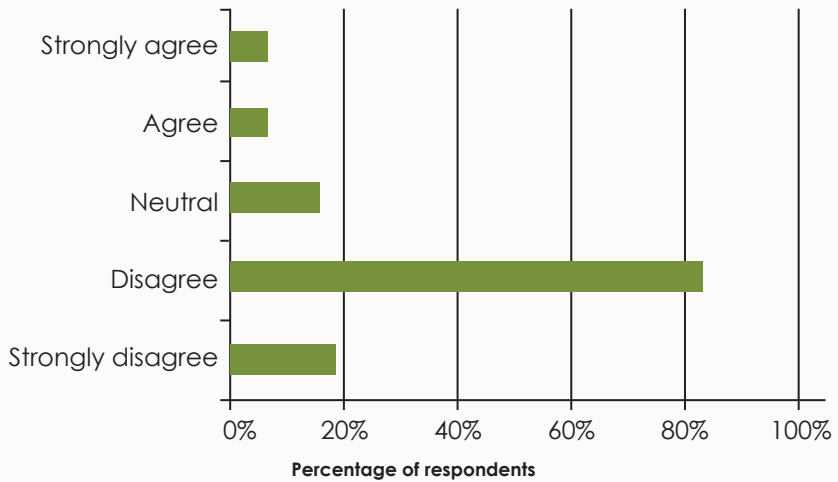


Figure 4: Results of the online survey for the question: Do you think that companies understand biodiversity and especially its importance from an ecosystem services perspective?

Overall, less than 40% of the companies reviewed demonstrated a good understanding of biodiversity and related ecosystems services and of its economic and social importance.

3.2 Companies' understanding of biodiversity related business risks, opportunities and dependencies

Fewer than 40% of companies reviewed demonstrate a good understanding of biodiversity related business risks, opportunities and dependencies. Very few companies (less than 20%) had conducted a comprehensive risks and opportunities assessment focused on biodiversity.

Most of the companies reviewed use their corporate risks assessment process to determine if environmental and biodiversity related matters were a business risk.

Once again, businesses with the most direct impacts on biodiversity have conducted more detailed risk assessments with a biodiversity focus.

More than 60% of companies have not assessed their level of dependence on biodiversity.

In terms of the online survey, more than 55% of respondents indicated that they do not think that companies generally have a good understanding of their business risks and opportunities associated with biodiversity (Figure 5).

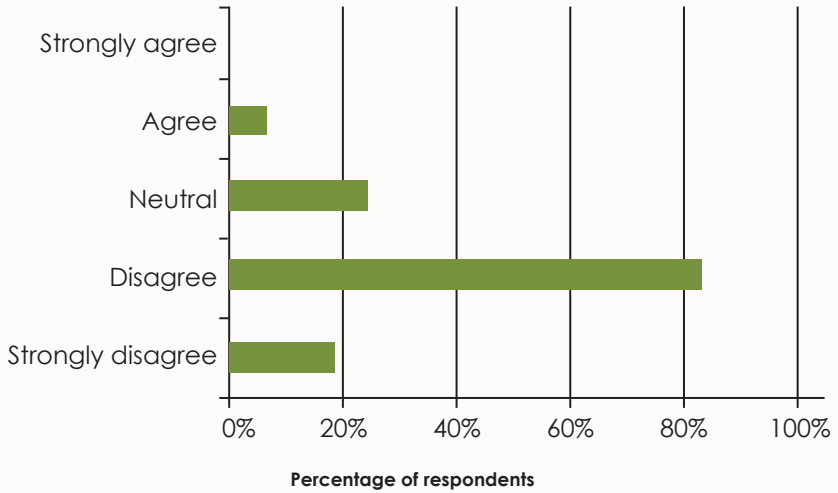


Figure 5: Results of the online survey for the question: Do you think companies generally have a good understanding of their business risks and opportunities associated with biodiversity?

The majority of respondents also indicated that they do not think that companies in general have a good understanding of their dependencies on biodiversity (Figure 6).

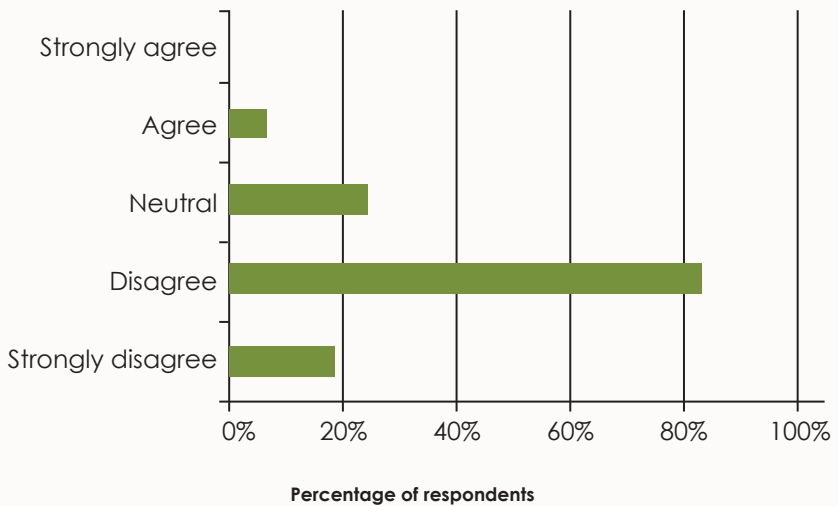


Figure 6: Results of the online survey for the question: Do you think, in general, that companies have a good understanding of their dependencies on biodiversity?

More than 55% of the respondents to the online survey indicated that companies should conduct focused risks and opportunities assessment related to biodiversity (Figure 7).

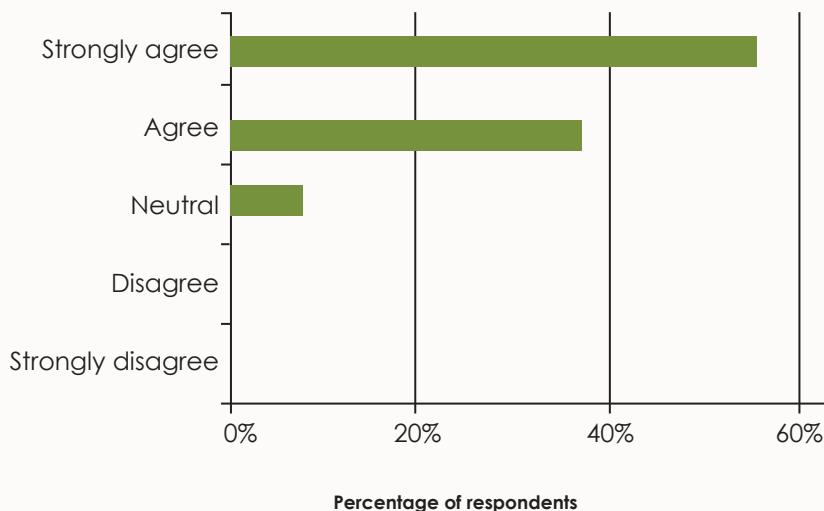


Figure 7: Results of the online survey for the question: Do you think companies should conduct focused risks and opportunities assessment related to biodiversity?

Based on the assessment, most companies demonstrated a poor understanding of their indirect impacts and dependencies in terms of biodiversity. This is a trend in almost all sectors. Very few companies demonstrated a good understanding of the business risks and opportunities related to biodiversity consideration.

3.3 Current understanding of biodiversity mainstreaming

More than 65% of companies have considered biodiversity from a CSR or corporate social investment perspective. This was their understanding of mainstreaming. However, most of them do not appear to consider biodiversity as part of their core business.

The extractive industry companies demonstrated a better understanding of the mainstreaming of biodiversity.

Many companies have taken a broad approach in terms of sustainability management which could be regarded as biodiversity mainstreaming to some extent, looking at environmental risk management, "green" product development and the "greening of the supply chain".

Many companies demonstrate a theoretical understanding of biodiversity mainstreaming but this does not reflect in their corporate approach to biodiversity.

Many companies appear to have adopted a “selected scope” for mainstreaming focusing only on specific aspects.

In terms of the online survey, more than 60% of respondents indicated that they do not think that companies really understand what the mainstreaming of biodiversity means (Figure 8).

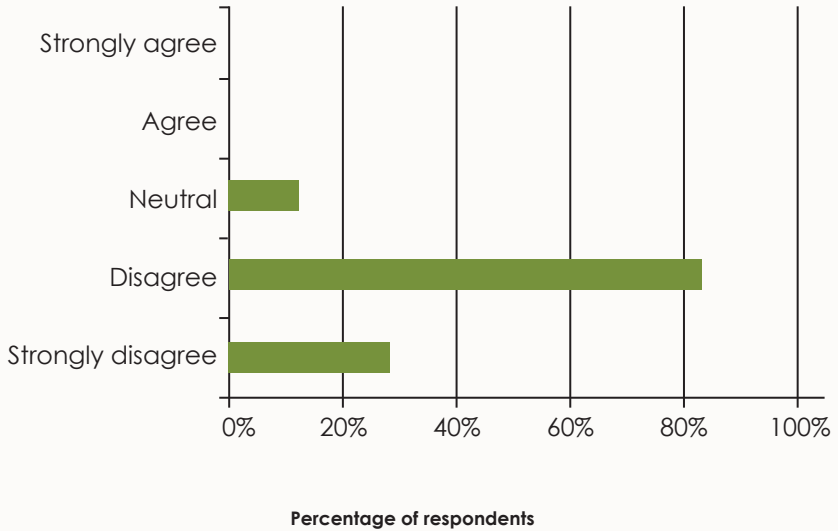


Figure 8: Result of the online survey for the question: Do you think that companies really understand what mainstreaming biodiversity means?

Overall, less than 25% of companies demonstrated a clear understanding of biodiversity mainstreaming.

3.4 Companies current overall approach to biodiversity assessment, management and reporting

Most companies approach biodiversity considerations within the spectrum of environmental and/or sustainability management. Very few companies demonstrate a focused approach to biodiversity (compared to water, climate change or energy). Some companies do not make any direct references to biodiversity considerations in the documents reviewed.

Most companies when asked to describe their biodiversity impacts only referred to the direct impacts, using GRI indicators and integrated sustainability indicators, including waste, direct water usage and energy usage. Indirect impacts are almost never assessed and never reported on. The respondents to the online survey confirmed that they do not think that companies adequately assess their indirect impacts on biodiversity (Figure 9).

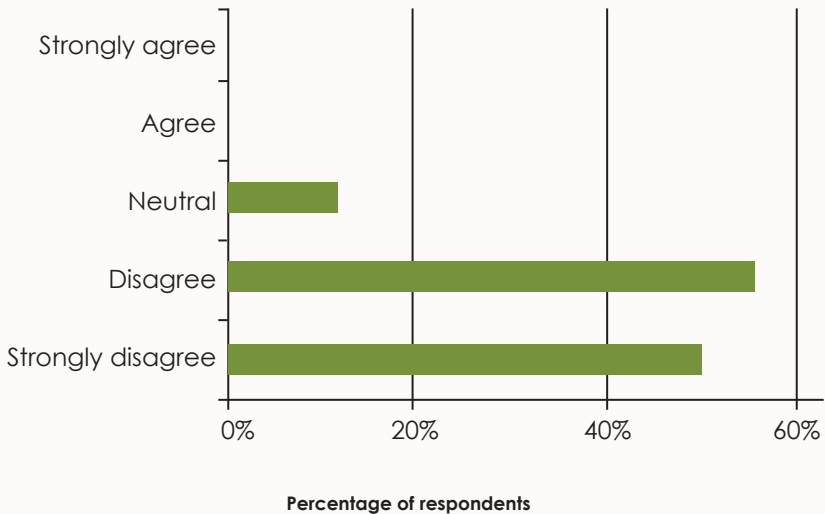


Figure 9: Results of the online survey for the question: Do you think in general that companies adequately assess their indirect impacts on biodiversity?

Most companies have a more focused approach to climate change considerations than to biodiversity considerations. In most companies, climate change and water feature strongly on their business agendas but not so with biodiversity.

Fewer than 60% of companies have corporate goals, targets or policies focused only on biodiversity, especially compared to climate change, for which many had a more focused approach. Interestingly, based on the results of the online survey, more than 55% of the respondents indicated that they strongly believe that companies should have corporate goals in terms of biodiversity (Figure 10).

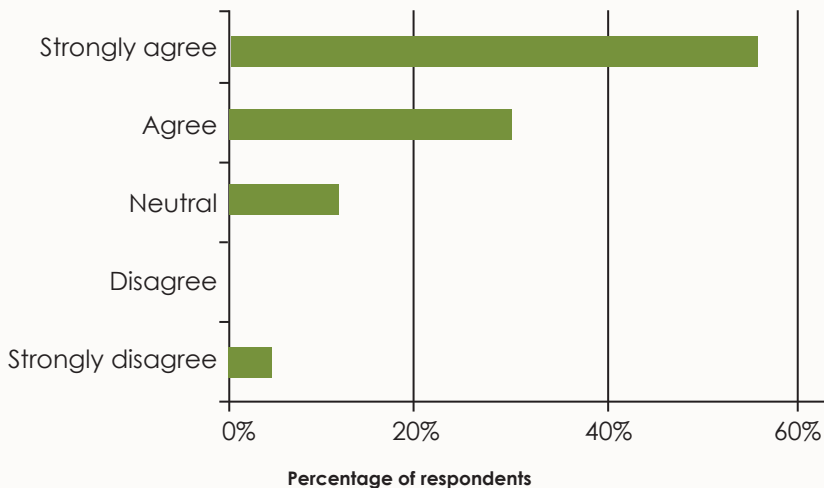


Figure 10: Results of the online survey for the question: Do you think companies should have corporate goals with regard to biodiversity?

In addition, the majority of the respondents to the online survey indicated that they strongly think that companies should have a biodiversity strategy and/or policy (Figure 11).

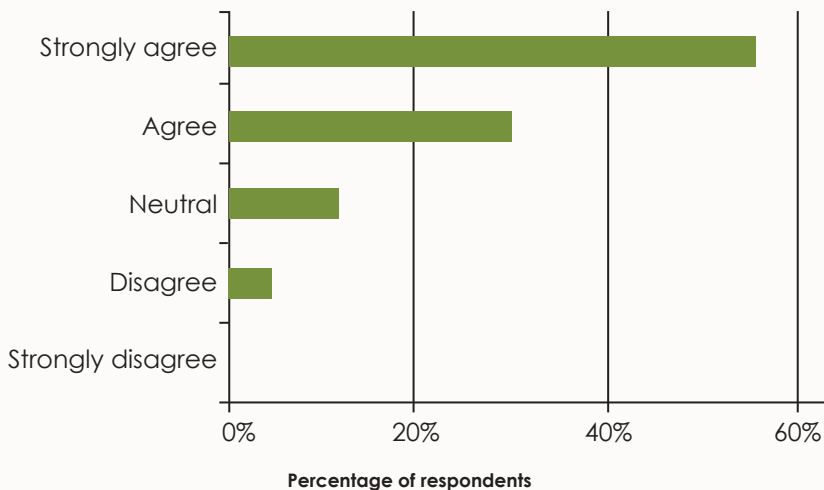


Figure 11: Result of the online survey for the question: Do you think companies should have biodiversity strategy and/or policy?

More than 60% of companies display an “ad-hoc” corporate approach to biodiversity, without a vision, strategy, specific objectives or targets relating to biodiversity. They address risk or opportunities as they present themselves. Less than 20% of companies demonstrate a consolidated approach to the management and mainstreaming of biodiversity, referring to natural asset/capital, reporting on it the same way as the social and economic capitals. These companies also demonstrate an understanding of the role and importance of biodiversity for the country's development path.

Extractive industry companies are different in their approach. Most of them had specific corporate statements directly related to biodiversity. Some of them had a biodiversity policy and/or strategy. Most of them had developed a strategic partnership with a biodiversity specialised NGO. Many of them are involved in sectoral initiatives which have a focus on biodiversity mainstreaming.

Companies from the insurance and banking sectors also demonstrated a more comprehensive strategic approach to biodiversity management.

3.5 Key drivers for mainstreaming biodiversity

From the desktop exercise it was evident that the key drivers for the mainstreaming of biodiversity identified by companies include:

1. Risks management
2. Operation and strategic business needs
3. Compliance management
4. Reputation management

Based on the results of the online survey, displayed in Figure 12, the four main drivers for the mainstreaming of biodiversity identified by the respondents include:

1. Risk management
2. Cost reduction
3. Legal compliance
4. Reputational

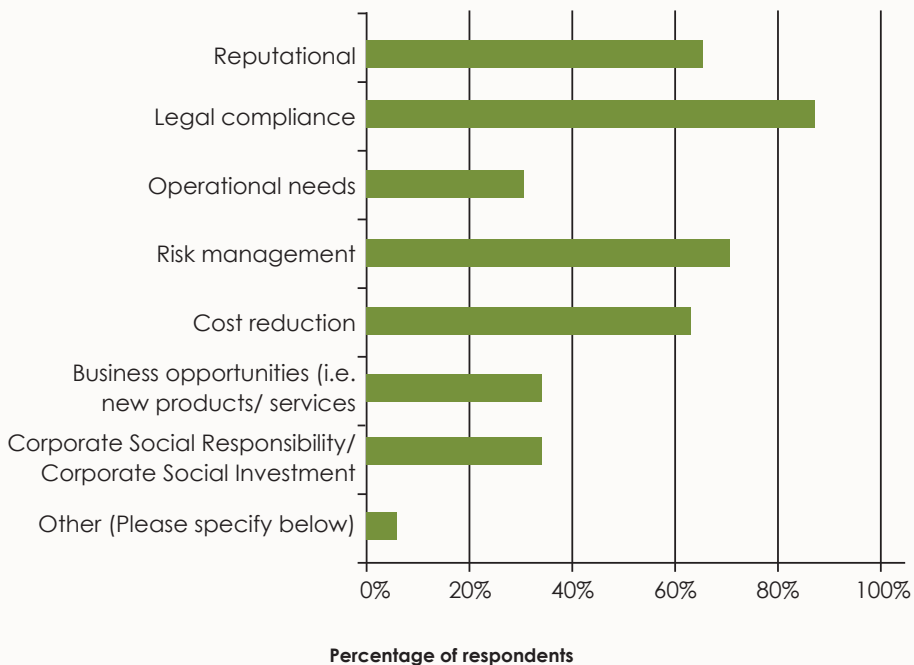


Figure 12: Results of the online survey: Please indicate from the list below the four (4) most important business drivers for companies to mainstream biodiversity.

3.6 Current levels of mainstreaming (strategic, managerial and operational)

From the desktop survey it appears that those businesses which have initiated the mainstreaming process have predominantly adopted a bottom up approach, mainly led by operational needs or requirements. Less than 40% of companies reviewed demonstrate mainstreaming at a strategic level. In most cases biodiversity has not been integrated into their business strategies.

The nature of the business and its impacts on biodiversity seem to impact on the level of mainstreaming.

More than 65% of the respondents to the online survey indicated that they believe that the current mainstreaming process is mainly taking place at a strategic and then managerial level (Figure 13).

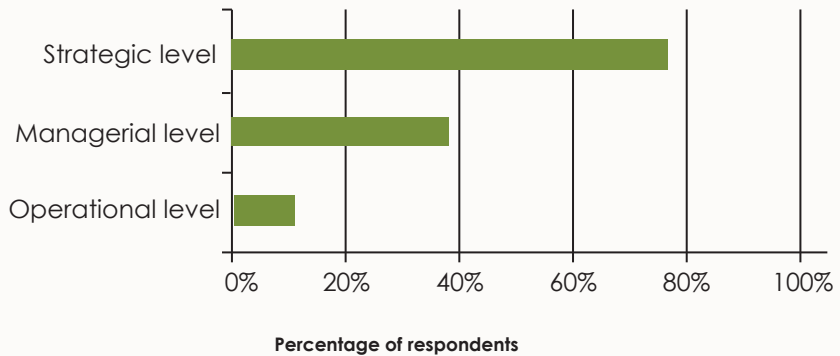


Figure 13: Results of the online survey for the question: At which level do you think the current mainstreaming process is taking place?

Based on the results of the assessment, it was not possible to identify a specific trend in companies' practices. However, less than 10% of the companies demonstrate mainstreaming across the three levels, strategic, managerial and operational.

3.7 Current tools being used by companies to address biodiversity considerations

The following tools are used by the companies surveyed in this study to mainstream biodiversity:

- Global Reporting Initiative (GRI)
- Environmental or SHE/SHERQ management policy
- Biodiversity management policy and action plans
- Environment, health and safety risk assessment process
- Corporate social investment policies
- Environmental and social impact assessment (ESIA) policy
- Biodiversity indicators (including the location and size of land owned, leased or managed, description of the major impacts on biodiversity in terrestrial, fresh water and marine environments, impacts of activities and operations on protected and sensitive areas, number of IUCN Red List species with habitats in areas affected by operations)
- Sectoral sustainable development framework (i.e. mining)

- Corporate environmental review
- Research, especially regarding impacts and contaminants that may arise from operations and are most likely to affect biodiversity and ecosystem services
- Triple bottom-line reporting
- Environmental performance against KPIs
- King III
- Environmental training and awareness programmes
- Detailed plan to ensure compliance
- Biodiversity Risk and Opportunity Assessments (BROA)
- Action and monitoring plans to identify opportunities to address wider impacts and dependencies of company on biodiversity and ecosystems services
- Ecosystem-based approach
- Integrated watershed management plan that enhances biodiversity and ecosystem services and addresses the issues around water dependency in the company
- Community Based Natural Resource Management (CBNRM)
- Surveys
- Partnerships with international NGOs
- Ecosystem service valuation approach
- Biodiversity risk and opportunity assessments
- Biodiversity management plans
- Land and biodiversity management plans
- JSE Social Responsibility Index
- United Nations Global Compact
- Carbon Disclosure Project (CDP)
- ISO 14001:2004 standards
- Biodiversity strategy action plan
- Incident reporting procedures
- Risk assessments
- Expert assessment
- Systematic stakeholder engagement

- Environmental impacts assessments

The respondents to the online survey identified the following five tools as being the most commonly used by companies (Figure 14):

1. Impact assessment tools
2. Pre-feasibility assessments
3. International standards and principles, e.g. The Equator Principles for project Finance
4. Reporting frameworks, e.g. global reporting initiative or disclosure projects
5. External environmental auditing

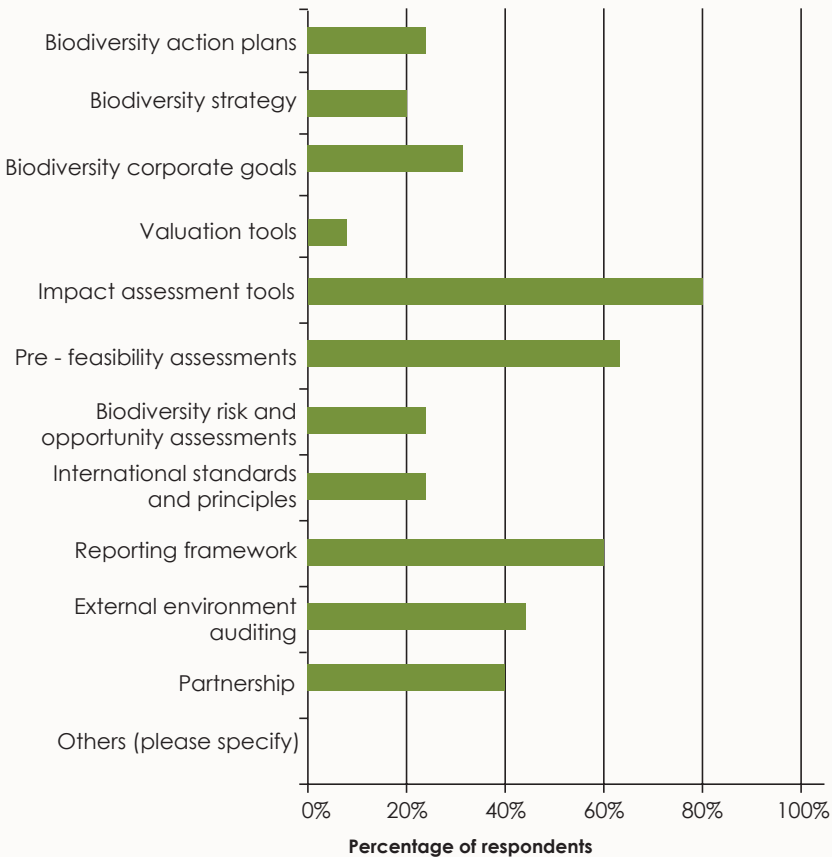


Figure 14: Results of the online survey: Please indicate from the list below the five (5) most common tools that companies currently use to mainstream biodiversity into business.

3.8 Current internal governance structure to approach biodiversity mainstreaming

Very few of the companies assessed have a dedicated department or person responsible for managing biodiversity considerations. In most cases, the environmental or sustainability manager and/or department is responsible for biodiversity management.

In most companies the person responsible for biodiversity management does not have a direct line to the executive committee. With the exception of the extractive industries, budget considerations in terms of biodiversity management are very limited.

4 Recommendations

Based on the finding of this preliminary baseline assessment, the following observations and recommendations have been made:

- Current practices in the assessment, management and reporting of biodiversity within business are very ad-hoc. Businesses need to take a more strategic and comprehensive approach in this area.
- Financial, sustainability and integrated reporting on biodiversity-related matters need to be consolidated and rationalised.
- Businesses need to improve their understanding of their dependencies on biodiversity and should conduct focused assessments in this context.
- Businesses need to improve their assessment of business risks and opportunities related to biodiversity. This could be achieved by conducting dedicated biodiversity risk and opportunity assessments.
- Further research needs to be conducted on the process and level of mainstreaming, from the strategic to the operational level, to assess effectiveness and challenges.
- Further research is needed to assess budgets that are being allocated to manage biodiversity in business.
- Further research is needed to identify the institutional / governance structures being used to manage biodiversity and to assess their effectiveness, in order to inform better practices
- Further information sharing and capacity building is needed to inform and train businesses on the various tools available to support biodiversity

mainstreaming. Case studies of biodiversity mainstreaming are needed as practical examples.

- Practical guidelines are needed to explain why, when and how to make use of the relevant valuation tools, from risk screening tools and biophysical assessments to full cost accounting. The right methods need to be matched with the relevant internal (e.g. budgeting, site management, environmental management systems) and external (e.g. financial, sustainability and integrated reporting) business applications.
- The business case for mainstreaming biodiversity into business needs to be consolidated and clearly articulated.

The NBBN will strive to address these recommendations in collaboration with business, the NGO sector and the South African government.

5 References

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5. http://www.iisd.org/pdf/2008/natural_capital_approach.pdf. "The concept of natural capital has the potential to reconcile economic and environmental interests by integrating the value of natural capital in decision-making. It makes it possible, for example, to develop a cost-benefit analysis of a new water treatment plant, versus the restoration or preservation of a wetland for the clean water filtration service it provides."
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10. Natural Value Initiative Media Release, October, 2009, Companies Must Gear Up To Weather The Coming Natural Resource Crunch

APPENDIX A: List of companies assessed

1. Absa Group Limited
2. Anglo American
3. Anglo Gold Ashanti
4. Afrisam
5. Aspen Pharmacare Holding Limited
6. Basil Read
7. BHP Billiton
8. Bidvest
9. British American Tobacco
10. Capitec
11. Cennergie
12. De Beers Group of Companies
13. Eskom
14. First Rand Limited
15. Goldfields
16. Hatch
17. KPMG
18. Kumba Iron Ore
19. MTN Group Limited
20. Naspers LTD
21. Nedbank
22. Northam Platinum Limited
23. Old Mutual
24. Pam Golding Properties
25. Pick n Pay
26. Pretoria Portland Cement
27. Remgro
28. SAB Miller
29. Standard Bank Group Limited
30. Toyota
31. Transnet
32. Vodacom Group Limited
33. Volkswagen

APPENDIX B: OVERVIEW OF ASSESSMENT MATRIX

For each company, the desktop study tried to identify, assess and collate the following information:

- Name of company
- Sector of the company
- Main source of information (list) used to conduct the assessment
- Understanding of biodiversity and its definition/scope/importance
- Current process(es) used to assess, manage and report on matters related to biodiversity in your company
- Current level of knowledge and understanding of the business dependencies associated with biodiversity
- Current level of knowledge and understanding of business risks associated with biodiversity
- Current level of knowledge and understanding of business opportunities associated with biodiversity
- Understanding of the process of mainstreaming biodiversity
- Drivers for mainstreaming biodiversity into business
- The level of mainstreaming: strategic or operational
- Existence of any corporate goals in terms of biodiversity, such as policy documents or strategy statement
- Tools used to mainstream biodiversity
- Current reporting practices and tools in relation to biodiversity
- Information on allocated budget for managing biodiversity
- Information on institutional/governance structure to manage biodiversity
- Existence of partnerships to manage biodiversity
- Identification of relevant case studies when available
- Other relevant information identified during assessment

APPENDIX C: COPY OF ONLINE QUESTIONNAIRE

- a. Name
 - b. Organisation
 - c. Position in your organisation
 - d. E-mail address
 - c. Telephone number
-
1. Do you think that companies understand biodiversity and especially its importance from an ecosystem services perspective? Strongly Disagree (SD) ii. Disagree (D) iii. Neutral (N) iv. Agree (A) v. Strongly Agree (SA)
 2. How important is biodiversity for the sustainable development of the country? Critical ii. Important iii. Neutral iv. D Not important
 3. Do you think that that the loss of biodiversity could negatively impact on the economic and social development of the country? SD ii. D iii. N iv. A v. SA
 4. Do you think that companies have a role to play in preserving the country's biodiversity, also referred as natural capital. SD ii. D iii. N iv. A v. SA
 5. Do you think companies generally have a good understanding of their business risks and opportunities associated with biodiversity? SD ii. D iii. N iv. A v. SA
 6. Do you think in general that companies adequately assess their indirect impacts on biodiversity? SD ii. D iii. N iv. A v. SA
 7. Do you think in general that companies have a good understanding of their dependencies on biodiversity? SD ii. D iii. N iv. A v. SA
 - f. Please indicate from the list below, the four (4) most important elements, which you think would assist companies in better understanding and assessing their risks, opportunities and dependencies related to biodiversity? (Please tick the four most important)
 - i. Training
 - ii. Accessible information
 - ii. Agreed process to assess their risks, opportunities and dependencies related to biodiversity
 - iv. Customised biodiversity risks and opportunity assessments

- v. Adjustment of existing management tools to assess their risks, opportunities and dependencies related to biodiversity
 - vi. Legal requirements
 - vii. Voluntary Standards
 - viii. Awareness
 - ix. Others, please specify :
8. Please indicate from the list below the four (4) most important business drivers for companies to mainstream biodiversity? (Please tick the four most important)
- i. Reputation
 - ii. Legal compliance
 - iii. Operational needs
 - iv. Risk management
 - v. Cost reduction
 - vi. Business opportunities (i.e. new product/services)
 - vii. Corporate Social Responsibility/Corporate Social Investment
 - viii. Others (please specify)
9. Do you think that companies really understand what mainstreaming biodiversity means?
- i. SD ii. D iii. N iv. A v. SA
10. Do you think companies should have corporate goals with regard to biodiversity?
- i. SD ii. D iii. N iv. A v. SA
11. Do you think companies should have biodiversity strategy and/or policy?
- i. SD ii. D iii. N iv. A v. SA
12. Do you think companies should conduct focused risks and opportunities assessment related to biodiversity?
- i. SD ii. D iii. N iv. A v. SA
13. At which level do you think the current mainstreaming process is taking place: (Please tick the correct answer)
- i. at a strategic level
 - ii. at a managerial level

iii. at an operational level

14. Please indicate from the list below the five (5) most common tools that companies currently use to mainstream biodiversity into business? (Please tick the five most important)

i. Biodiversity action plans

ii. Biodiversity strategy

iii. Biodiversity corporate goals

iv. Valuations tools

v. Impacts assessment tools

vi. Pre-feasibility assessment

vii. Biodiversity risk and opportunity assessments

viii. International standards and principles, i.e. The Equator Principles for project Finance

ix. Reporting framework, i.e. global reporting initiative or disclosure projects

x External environmental auditing

xi. Partnerships

xii. Others (please specify)

15. In your opinion what are the three (3) key challenges faced by businesses when trying to mainstream biodiversity?

16. In your opinion, please outline the support that the National Biodiversity and Business Network should be providing over the next three years to support the mainstreaming of biodiversity into business.

17. Any other comment (s)

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