

360⁰ Insight for Business Decision

Using Natural Capital Accounting to take Informed Decisions

The COWI Foundation grants funding for an applied research project on Natural Capital Accounting (NCA). The project will develop tools for NCA to be used to support decision-making in companies

The project is undertaken by COWI Denmark and COWI Sweden in cooperation with more than 10 partners throughout Scandinavia. This includes universities, such as the International Institute for Industrial Ecological Economics (IIIEE) at Lund University and the Department of Food and Resource Economics (IFRO) at the University of Copenhagen. It also includes several companies in different business sectors. The project runs till the end of 2018.

The overall objective of the project is to support comprehensive and efficient decision-making in companies by developing a transparent and issue-specific, reliable and user-friendly NCA methodology that facilitate the sustainable use of natural resources. The NCA methodology will consist of a number of tools.

Immediate objectives are as follows:

- › To establish a baseline of state-of-the-art NCA approaches, thereby ensuring that the project website will provide easy access to R&D, best practices and key challenges in the field
- › To design and test tools to be applied by companies, thereby ensuring that the NCA methodology adequately reflect the needs of companies
- › To disseminate NCA methodology developed, thereby facilitating the ongoing dialogue about NCA and its further use in companies eager to understand their impact and, hence, dependency on Natural Capital

Envisaged major outputs:

- › Tools for NCA to be used to support decision-making in companies
- › Project website serving as an open online platform providing easy access to information regarding NCA
- › Reporting on the testing of tools carried out at company level in the course of the project
- › Articles on major findings, including scientific articles
- › Seminars and workshops

Box 1 What is Natural Capital?

Natural Capital may be defined as the total stock of renewable and non-renewable natural resources (e.g. air, water, soil, minerals, plants and animals in a given area or ecosystem).

Box 2 What is meant by Natural Capital Accounting?

Natural Capital Accounting (NCA) refers to the process of calculating the total stock of natural resources in a given area or ecosystem. Accounting may occur in physical or monetary terms. Companies applying NCA aims at putting a price tag on their impact on Natural Capital – through the production, distribution, consumption and final disposal of their goods and services – so that it may inform the CFO.

Want to know more? If so, you may contact:

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