

Martin Roberts



Martin Roberts is the Director of the Natural Capital Leaders Platform

The Natural Capital Leaders Platform is a group of leading global companies collaborating to better understand and manage their impacts and dependences on natural resources. The Platform is managed by the University of Cambridge Institute for Sustainability Leadership.

Enhancing the vital goods and services provided by nature through collaboration

25 years ago you'd have been hard pressed to find anyone in a company who thought that nature had anything to do with their business. We thought that nature would pollinate, control crop pests and disease and would continue to provide plentiful water and rich soil – all free of charge. But with rapid industrialisation and global population pressure that's no longer the case and a growing body of evidence has shown that business as usual for the next 25 years isn't an option.

This has been arguably the period in history when we have seen the most dramatic changes in what some refer to as natural capital - the vital goods and services provided by nature on which business and society depends. Taking just three key interconnected components of natural capital; soil, water and biodiversity, we've seen alarming declines over this period.

For each of the last 25 years we've lost an area of arable land the size of Scotland from soil erosion, waterlogging and salination and twice that amount has been abandoned because its soil quality has been degraded. Over this period we've seen a dramatic increase in the incidence of drought undermining agricultural production around the world. In the breadbasket states of the US and the Punjab in India, water tables are falling. The recent Living Planet Index also presented the alarming headline that over the last 40 years populations of mammals, birds, reptiles, amphibians and fish have declined by over 50 percent.

Global companies like Olam are aware that they have impacts and dependencies on natural capital and realise that they can't wait for governments to act. In 2012 they joined other leading companies working with the [Cambridge Institute for Sustainability Leadership](#) (CISL) at the Rio+20 UN Conference on Sustainable Development, by signing the [Natural Capital Leadership Compact](#). With its four ambitious business commitments, the Compact represented a collective call for action to properly value and maintain the Earth's natural capital.



For signatories like Olam the first step to act on these ambitious commitments has been to further extend their sphere of influence and engagement. They've looked beyond their direct operations to their supply chains and in particular the growing stage where research has shown most of the impact on natural capital occurs. The next step has been to identify their vulnerable commodities and locations and to collaborate, not only with suppliers of raw materials, but with stakeholder beyond the farm into the landscapes and watersheds in which these suppliers operate. For example, unsustainable soil and water use may be caused by dozens of different actors, multiplied by global phenomena such as climate and demographic change and so multi-stakeholder collaboration is essential.

Olam has been at the forefront of these efforts. Over the last 25 years the company has built on its principle of working directly with farmers who supply their agricultural materials. They have invested in providing agricultural training, production inputs and finance to these growers, and are increasingly looking beyond their farms into the wider landscape. With an estimated 8.3 million hectares under the management of third party suppliers selling crops to Olam's sourcing and trading operations, this presents a considerable challenge.

However, the scale of these natural capital challenges and their complexity mean that they cannot readily be addressed by single industries, let alone individual companies. At CISL we convene companies through our 'Action Research Collaboratories.' Each is a vehicle of engagement designed to harness the potential of business, academics, investors and government to find solutions to these challenges. Collaboration enables us to provide different perspectives on a single key commodity. This helps better understand how different agricultural interventions and new land-use concepts can have both positive and negative impact on soil, water and biodiversity and explore how collectively they can offer solutions. Our goal is to help companies like Olam achieve their ambitious plans for growth through cost effective investments in natural capital, underpinned by the latest science.