Pilot Testing the Natural Capital Protocol Pack

The Natural Capital Protocol (hereafter 'the Protocol') and the accompanying Sector Guides are being developed by the Natural Capital Coalition (hereafter 'Coalition').

The Protocol aims to provide a standardized framework for business to measure and value their direct and indirect impacts (positive and negative) and dependencies on natural capital. It will be developed in collaboration with businesses, through this structured pilot program to ensure it is relevant and usable.

1. Objectives

The purpose of the pilot exercise is for businesses to test and influence the development of the Protocol and Sector Guides helping to make them robust, practical and relevant.

The objectives are:

- To obtain business input and insights to develop / ensure that the Protocol and Sector Guides are fit for purpose;
- To add value to Pilot Testing Companies around a specific business application they are testing;
- To generate a body of case studies that can be used to generate wider market interest.

2. What are the benefits?

As a pilot tester you stand to gain the following:

- Being at the forefront with a group of businesses actively involved in testing and shaping the Protocol and Sector Guides
- A means to plan how the Protocol could be applied to your businesses in a value-adding way
- Gain insights from the actual assessment (or components thereof) carried out
- Opportunities to learn from other companies engaged in the process
- Brand advantage and profile through being seen as a leader / pioneer on the natural capital agenda
- Ability to be referenced and included in NCC communications

3. Who can take part?

In order to take part in the piloting process the business needs to be either a Business Engagement Partner (BEP), through the University of Cambridge Institute for Sustainability Leadership (CISL) on behalf of the Coalition, or a Coalition Member. The different options are detailed in section 5; this includes a decision tree that has been developed to help businesses determine how they can get involved.

4. What is the cost?

There is no charge for taking part in the pilots but there may be costs for your time and resources (some of which may be in-kind) as well as for external technical support needed to complete the piloting

5. At what stage can pilots be run?

Pilots can be discussed and scoped from April 2015.

Pilots will be demand led and we aim to try and gather as much input as we can from companies depending upon their resources and capability to be involved. We have set out a structure below for companies to get involved. This has three options: Stage 1a, Stage 1b which cover the very early working draft and Stage 2 which follows on with the first full draft.

	Deep dive	Feedback to technical drafting teams	External Technical support	Timing	Testing
Stage 1a)	✓	Detailed, individual feedback	Required	Jun-Oct 2015	Intensive testing of the conceptual, initial version (v0)
Stage 1b)	x	Consolidated with other testers	Optional	Jun-Oct 2015	Conceptual, initial version (v0)
Stage 2	x	Consolidated with other testers	Optional	Jan-Apr 2016	Full draft version (v1)

Businesses have the choice to pick which stage(s) they would like to participate in. We would also like to encourage companies who have already undertaken natural capital assessments to compare the working draft and first full draft to their existing work so that we can leverage their experience in evolving the Protocol. This would not need to be undertaken through a pilot process, but the business would have to be BEP or Coalition Member.

Stage 1a) Deep dive pilots

Aim	Deep dive pilots to ***test the fundamental methodological concepts, substance and logic*** in the Protocol and Sector Guides [initial version (v0)] to directly inform, improve and complete them. Pilots in Stage 1 will be more intensive than subsequent stages with a greater degree of interaction with the technical drafting teams developing the Protocol.
Support	Technical support is required for this stage. *Note*: A minimum of 8 deep dives will be supported by the IUCN-led consortium.
Description	• Testing and helping to develop the core concepts, substance and structure of the Protocol and Sector Guides • Intensive deep dive • Access to the technical drafting teams developing the Protocol • Rates for technical support for the pilots will be negotiated directly between the business and the service provider or partnering organization.
Commitments by participating companies:	• Pilots must be delivered within the specified timeline • Businesses will be involved in testing particular aspects of the Protocol and, where appropriate, commenting on the Sector Guides and, through this pilot hub, feeding this back to the drafting teams.
Timing	June – October 2015

Stage 1b) Broader pilots

Aim	To test or provide ***important insights*** on the Protocol and Sector Guides [initial version (v0)] This process will be less intensive than the deep dive pilots, with less direct interaction with the technical drafting teams developing the Protocol and those developing the Sector Guides.
Support	Technical support is optional for this stage and is at the discretion of the businesses. For businesses that feel they can be self-sufficient in the pilot testing they can be

	delivered without the support of an external service provider or partnering organization. Where companies feel they do need technical support they can select their partner and negotiate the rates directly between the business and the service provider or partnering organization.
Description	• Businesses can deliver a pilot with or without the support of an external service provider or partnering organization • Testing and providing insights on the initial draft of the Protocol and, where appropriate, the Sector Guides • Testing is at an appropriate level for the business. • Feedback from the pilot business to the technical drafting teams is less intensive than for a deep dive pilot
Timing	June – October 2015

Stage 2 Pilots

Aim	To ***test and validate*** the v1 version of the Protocol
Support	Technical support is optional for this stage and is at the discretion of the businesses. For businesses that feel they can be self-sufficient in the pilot testing they can be delivered without the support of an external service provider or partnering organization. Where companies feel they do need technical support they can select their partner and negotiate the rates directly between the business and the service provider or partnering organization.
Description	• Test the technical application of v1 of the Protocol • The v1 draft of the Protocol may require less intensive support to test than the initial version (v0) • Businesses can deliver a pilot with or without the support of an external service provider or partnering organization • Longer lead time to scope a pilot • Business can use the initial version (v0) as background to help determine what they can test in their pilot
Timing	January – April 2016

Businesses taking part in stage 2 will also have access to the materials from stage 1 to be able to prepare and identify the resources needed to take part.

How best to get involved?

The decision tree below has been developed to help businesses determine how they can get involved.

These options for involvement are covered in more detail below. Please note that if a business is interested to work with a membership association and that association is not part of the Coalition yet it is the responsibility of the business get them involved.

A business can follow more than one pathway in this decision tree, as such it is possible to be a BEP and not be a Coalition Member. There are benefits though to becoming a Coalition Member including being part of a global coalition that is helping to create a world where business conserves and enhances natural capital, positions on forums and groups and the opportunity to commission or initiate new projects on natural capital, including sector guides. Contact the Coalition (info@naturalcapitalcoalition.org) for further details.

6. Questions and answers around the pilot phases

6.1. How do the pilot tests inform the development of the Protocol and Sector Guides?

Pilots will formally commence from June 2015. During the piloting phase there will be touch points with CISL to collect feedback on the progression of the pilot and on the experiences in applying the Protocol. This will take the form of short surveys, which will be scheduled half way through the pilot (for all stages) and upon completion. This information will be consolidated and shared, anonymously if necessary, with all pilot testers, the businesses involved in the business engagement program and the technical drafting teams developing the Protocol and the Sector Guides.

6.2. Will there be opportunity to share experiences and feedback?

A business-to-business meeting will be held to share and discuss the pilot tests in September 2015, such that companies can share their experiences in applying the Protocol and hear from others where there have been successes and difficulties. This will also be an opportunity to engage and discuss with the technical drafting teams.

6.3. How do I scope a pilot study?

The initial, high level scoping of a pilot study can be undertaken by a business on its own. A scoping template will be shared for Pilot Testing Companies to complete and return to CISL (gemma.cranston@cisl.cam.ac.uk) by 8 May 2015. More detailed scoping can then be undertaken with support from the IUCN consortium or the partner of the company's choice.

A pilot study webinar will be held on 5 and 6 May 2015 for companies to learn more about scoping and to raise questions. Please click here to register.

To ensure consistency across all pilots and so that feedback can effectively be collected a template will be used to scope the pilot tests. All pilot studies must use this. It consists of the following categories:

- **Sector:** What sector do you operate in?
- **Geography:** What region/country would you like to run a pilot test in?
- **Organizational focus:** Which part of the business would you like the pilot test to focus? E.g. company level, project, site, process, product.
- **Business application:** What is your purpose for applying the Protocol? E.g. corporate reporting, CapEx investment, comparing options, brand reputation.
- **Type of measurement and valuation:** What type of value would you like your study to focus on? E.g. from qualitative, quantitative to monetary.
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- **Expectation:** What would a successful pilot test consist of for your company?

6.4. How will the Pilot Testing companies be introduced to the Protocol versions they are testing?

There will be a webinar held in June with the technical drafting teams where the Protocol and Sector Guides will be introduced and pilot testers can be fully briefed.

6.5. What is the expected output?

The pilot test can be used solely for internal business purposes. However, the NCC would like to use these tests as case studies and be able to share them externally, even if only in summary form and anonymously. If agreed to, the pilot study you develop could be embedded into the Protocol as an example of implementation and/or included in a short report that summarizes the pilot study.

6.6. What could a pilot test consist of?

The indicative steps within a pilot study of the Protocol are summarised below.

7. Selection criteria

The selection of the Stage 1a and 1b pilots will be based upon the following criteria and appropriate mix of:

- Sector spread, ensuring that both apparel and food & beverage companies are included
- Geographical spread
- Business aspect
- Business boundaries
- Business applications

These are all outlined in the Scoping Template.

8. Activities and participation

On behalf of the Natural Capital Coalition, the University of Cambridge Institute for Sustainability Leadership (CISL) will coordinate the piloting process.

This is in collaboration with IUCN, Ernst & Young (EY), True Price and IERS, as well as Trucost who are leading the development of the Sector Guides, with technical support from the World Business Council for Sustainable Business (WBCSD) and partners who are developing the Protocol itself. The full list of organisations and roles can be found here.

The Natural Capital Coalition is a platform that brings together the organizations involved in natural capital under a shared vision of a world where business protects and enhances natural capital, If you would like to become more involved in the work of the Coalition you can do so by contacting info@naturalcapitalcoaltion.org.

For more details please contact:

Dr Gemma Cranston, Senior Programme Manager, CISL
Email: gemma.cranston@cisl.cam.ac.uk
Tel: +44-1223-761711| Mobile: +44-7795-580389
http://www.naturalcapitalcoalition.org/

9. Overarching Timeline

Activity	2015											2016					
	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Natural Capital Protocol	Outline release			First version released								Second version released					**Global launch**
Sector Guides	Outline release				First version released								Second version released				
Business Engagement	Business Engagement (1) *Protocol & Sector Guides outlines*				Business Engagement (2) *First version of the Protocol & Sector Guides*								Business Engagement (3) *Second version of the Protocol & Sector Guides*				
Pilots			Scoping pilots		Stage 1 Pilot testing							Stage 2 pilot testing					
Webinars		Two sector specific webinars	1. Scoping webinar 2. Business-to-business discussion		Briefing for pilot testers	Two sector specific webinars		Feedback & business-to-business discussion		Respons e with technical group							