

Scottish Natural Heritage short film competition: Why invest in nature?

More background on the topic for participants

If everyone lived like we do in Scotland we would need the equivalent of three planets – but we only have one. We need to move towards a society where we live within the resource boundaries of the planet and don't damage our natural environment or the species that live within it. Businesses need to be part of that transition. It's often in businesses' own interest to look after nature because they rely on nature to produce their goods or provide services to people. And businesses can be good at finding solutions to how we can all live more sustainably.

Businesses depend on nature for natural resources, like wood or water supply. They also benefit from a range of services provided by nature, such as pollination of crops and flood protection, or healthy environments for people to live in or visit. By making the connections between businesses and nature visible, we hope that decision-makers in all sectors will see the benefits from protecting Scotland's nature and make certain that it prospers. Caring for, and investing in, nature is vital for long-term business operations and will provide benefits for the whole of society, such as improving public health and wellbeing.

We all benefit from nature – as individuals, as a society and as businesses. The stocks of natural assets which include geology, soil, air, water and all living things can be called [natural capital](#). It is from this natural capital that humans derive a wide range of services, often called ecosystem services, which make human life possible. The value of Scotland’s natural capital to business sectors and to society as a whole is huge.



The most obvious ecosystem services include the food we eat, the water we drink and the plant materials we use for fuel, building materials and medicines. There are also many less visible ecosystem services such as the climate regulation and natural flood defences provided by forests, the billions of tonnes of carbon stored by peatlands, and the pollination of crops by insects. Even less visible are cultural ecosystem services such as the inspiration we take from wildlife and the natural environment. All business sectors depend on natural capital and ecosystem services, and all of them have impacts on nature – positive or negative. As an example, have a look at [this infographic](#) to see how the whisky industry benefits from Scotland’s natural capital.

With financial capital, when we spend too much we run up debt, which if left unchecked can eventually result in bankruptcy. With natural capital, when we draw down too much stock from our natural environment, we also run up a debt which needs to be paid back, for example by replanting clear-cut forests, or allowing aquifers to replenish themselves after we have abstracted water. If we keep drawing down stocks of natural capital without allowing or encouraging nature to recover, we run the risk of local, regional or nationwide ecosystem collapse. There are also other threats to our nature such as [climate change](#), which is endangering the health and resilience of all ecosystems in the country, as well as the benefits we get from them.

It's becoming clear that businesses that fail to assess their impacts and dependencies on natural capital and ecosystem services can face unexpected risks and costs, such as disruption to supply chains and increased cost of materials. They might also lose out on long-term returns from investment in nature and opportunities to improve their reputation in an increasingly green and ethical marketplace. Accounting for and investing in nature simply makes good business sense.

Using the terms natural capital and ecosystem services doesn't mean that we can put a price on nature – the value of nature is both intrinsic and infinite - but it helps us to recognise its values and many benefits. Instead of talking about natural capital and ecosystem services, we also like to use 'benefits from nature', since it's something that everyone can relate to. From tourism to finance to the whisky industry, across all sectors of the economy and society, Scotland relies on benefits from nature. Therefore we also need to make sure that we protect and invest in our nature. **Are you ready to help us communicate these benefits from nature to businesses?**

For more information about the natural capital concept, check out these links:

[“Scotland: our natural wealth”](#) - short film by Scottish Forum on Natural Capital

[“Pitch for nature”](#) - World Business Council for Sustainable Development

[“Natural capital and resource use efficiency”](#) – brief by Scottish Government