

## Forum on Natural Capital Accounting

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### Speaking points:

- I would like first to thank all partners contributing to this project aiming to promote Natural Capital Accounting and Valuation of Ecosystem Services (NCAVES) : The United Nations Statistics Division (UNSD) ; the United Nations Environment Programme (UN Environment) , the Secretariat of the Convention on Biological Diversity (CBD) and of course our host for this workshop, the National Bureau of Statistics (NBS) of China who is leading the project nationally
- **Why the European Union is supporting and financing this initiative?**
- The newly elected President of the European Commission, Ms Ursula von der Leyen, has called for a European Green Deal that has four main elements: a strong commitment to address climate change, a New Circular Economy Action Plan , a Zero pollution strategy **and a Biodiversity strategy.**
- For the European Union, Biodiversity matters! Biodiversity constitutes the living component of natural capital. Biodiversity is crucial not only for its intrinsic value, but also for its indispensable contribution to climate change mitigation and adaptation, economic growth and jobs, resilience, health, and many other SDGs.

Therefore, the issue is relevant not only to biologists, but to all participants here today.

- Sometimes values can be attributed – for example for the role a specific insect species has in pollinating a crop, or the role a forest ecosystem may have in watershed maintenance – but many values, particularly those related to underlying ecosystem function, resilience to change or the ‘intrinsic’ values of nature, tend to be hidden or missing altogether.
- The first ever-global report on the state of Biodiversity concluded that a million species are currently threatened with extinction. This has a massive impact on people’s livelihoods and the socio-economic development. Ecosystems Degradation and climate change are intrinsically linked and the Climate Summit in New York made the interlinkages. We are not only addressing a climate crisis, but an ecological crisis.
- **Natural Capital Accounting** has become an essential support tool for policy making at European Union, national, regional, local level and as well for businesses. Including our natural resources in this form of accounting is needed to support smart, sustainable and inclusive growth. It is widely accepted that a broad range of economic activities are dependent upon natural capital but natural assets are not infinite and are under threat of depletion and degradation as a consequence of economic activity and other drivers of change, including climate change.
- Natural Capital Accounting is particularly relevant for our discussions on the global biodiversity framework in view of the Convention on Biological Diversity COP15 in Kunming, China, in

October 2020. We are in favour of ambitious, realistic, measurable and time-bound, targets. Progress toward those targets should also be closely monitored through a robust system of indicators.

- In the European Union, we have adopted the Environment Action Programme and the EU Biodiversity Strategy which include objectives to develop natural capital accounting (NCA), with a focus on ecosystems and their services. Ecosystem services are the benefits that nature provides to society. The incorporation of ecosystems into standard accounting frameworks is essential to mainstream nature and biodiversity in decision-making, and to promote more resource efficient and sustainable choices about our future.
- At European Union level, important results have been achieved under the EU initiative on Mapping and Assessment of Ecosystems and Services (MAES), as well as on categorising ecosystem services through the Common International Classification of Ecosystem Services (CICES). The European Environment Agency (EEA) has piloted land and water accounts, whilst the Joint Research Centre (JRC) has gained relevant experience and important knowledge on modelling ecosystem services.
- Beyond the European Union, many countries and organisations are also working on Natural Capital Accounting. I would like of course to put a special emphasis on the SEEA (System of Environmental-Economic Accounting). It contains the internationally agreed standard concepts, definitions, classifications, accounting rules and tables for producing internationally comparable statistics and accounts. The SEEA framework provides a sound and consistent

methodology to facilitate the integration of environmental and economic statistics. The SEEA provides a common framework, concepts, terms and definitions and is essential to further developing it internationally.

- I look forward to today discussion. I am in particular curious to know more about China's work on NCAVES project implementation and the opportunities for Natural Capital Accounting (NCA) to support national priorities in China.
- I also would like to thank in particular the United Nations (UNSD and UNEP) for the work they are doing internationally to promote Natural Capital Accounting and the Valuation of Ecosystem Services. This work is getting even more essential in view of the CoP that will take place next year in Kunming. We definitively need this kind of tool if we want to halt the massive biodiversity loss that will soon affect our daily lives.
- I wish you a good forum and discussions.