Integrating Natural Capital into Government Post-COVID Economic Decision-Making
France case study

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Context of the study

At the global level:

- **More than 50% of global gross domestic product** (GDP) is dependent on nature (World Economic Forum, 2020)
- **More than 1 billion jobs** (the global population over 15 years old stands at 5.7 billion people and 3.3 billion are in employment) depend on healthy and functioning ecosystems (International Labour Organisation, 2018)

At the French level:

- **10% of jobs directly depend on biodiversity** (Delannoy, 2016)
- **80% of French jobs** would be impacted by a strong degradation of ecological functions.
The study’s methodology

- The study has analysed French recovery plan’s impacts on biodiversity
- Called *Plan de relance*, the plan is composed of **more than 60 measures and with a budget of €100 billion**, which €40 billion are from the European Union
- **64 measures (representing €93 billion) have been categorised** according to their impact on natural capital:
  - Strong positive impact
  - Positive impact
  - Neutral
  - Negative impact
  - Strong negative impact
  - Impossible to assess
Analysis results

- **Plan de relance’s impacts on biodiversity are ambiguous** and difficult to analyse
- 39 of its measures, representing **47% of its budget, are either impossible to assess** (11%) or **qualified as neutral** (36%)

<table>
<thead>
<tr>
<th>Impact on natural capital</th>
<th>Number of measures</th>
<th>Budget (in € billion)</th>
<th>% of the budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strong positive impact</td>
<td>5</td>
<td>1 226</td>
<td>1%</td>
</tr>
<tr>
<td>Positive impact</td>
<td>17</td>
<td>24 304</td>
<td>26%</td>
</tr>
<tr>
<td>Neutral</td>
<td>25</td>
<td>33 773</td>
<td>36%</td>
</tr>
<tr>
<td>Negative impact</td>
<td>3</td>
<td>23 432</td>
<td>25%</td>
</tr>
<tr>
<td>Strong negative impact</td>
<td>0</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Impossible to assess</td>
<td>14</td>
<td>9 832</td>
<td>11%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>64</strong></td>
<td><strong>92 567</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Impact on natural capital according to Plan de relance budget (source: authors)
Proposed recommendations aim at **reducing uncertainty concerning the Plan de relance’s impacts on biodiversity** and integrating **Nature Based Solutions** in order to increase human well-being and bring immediate economic benefits:

- **Adding environmental conditions to industry and companies support measures**, which represent an important part of the recovery plan.

- **Rigorously monitoring the implementation of announced measures**: methodologies that carefully assess the impact of spending on nature are already available and should continue to be developed.

- **Systematizing Nature Based Solutions**: they can bring immediate stimulus by producing an average of 60% of both their lifetime jobs and economic impact (gross value-added, or GVA), compared to less than 40% of lifetime jobs and GVA in the first year of a set of typical EU National Resilience and Recovery Plans investments (Vivid Economics, 2020).
Thank you