System of Environmental-Economic Accounting—Ecosystem Accounting

Global Consultation on the complete document:
Comments Form

Deadline for responses: 30 November 2020
Send responses to: seea@un.org

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<tr>
<th>Name:</th>
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<td>Organization &amp; country:</td>
<td>International Union for the Conservation of Nature</td>
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The comments form has been designed to facilitate the analysis of comments. There are six guiding questions in the form, please respond to the questions in the indicated boxes below. To submit responses please save this document and send it as an attachment to: seea@un.org.

All documents can be found on our website at: https://seea.un.org/content/global-consultation-complete-draft

In case you have any questions or have issues with accessing the documents, please contact us at seea@un.org
General comments

Question 1: Do you have comments on the overall draft of the SEEA Ecosystem Accounting?

IUCN welcomes the completion of the draft of the System of Environmental Economic Accounting – Ecosystem Accounting (SEEA-EA). IUCN recognizes the critical importance of the ability to measure the contribution of nature to the economy and livelihoods, in order to complement the conventional system of national accounts, thereby supporting policy and decisions that take into account biodiversity and ecosystems. Availability of robust, consistent, comparable, comprehensive, and regularly compiled data on the linkages between nature and the economy is key to mainstreaming nature into decision-making. SEEA-EA provides a conceptually rigorous statistical framework to address this objective and IUCN recognizes the completion of the draft SEEA-EA as a significant milestone in this context.

IUCN also welcomes the broad-based effort mobilized to develop the draft SEEA-EA. Many experts with diverse backgrounds have been involved in the revision. These experts represent a broad range of disciplines, wide variety of institutions, and extensive geographic distribution.

IUCN looks forward to continuing to work with UNSD, especially in the context of the new IUCN Resolution (https://www.iucncongress2020.org/motion/070) on “Accounting for biodiversity: encompassing ecosystems, species and genetic diversity” to develop such guidance for accounting for species and for genetic diversity, as modules to sit alongside ecosystem accounting within an overall framework of biodiversity accounting.

IUCN notes that terminological and thematic confusion persists over the relationship between “biodiversity” and “ecosystems” in some components of the SEEA Ecosystem Accounting document. Following the CBD definition, biodiversity includes elements at levels of ecosystems, species, and genetic diversity, along with the interactions and processes between these. Thus, ideally, the high level framework should be of “Biodiversity Accounting” with components within it for ecosystem accounting (i.e., most of the current document), for species accounting (touched on in a cursory and confused fashion in Section 13.3.3), and potentially also accounting for genetic diversity (Paragraph 13.31).

Comments by sets of chapters

Question 2. Do you have comments on Chapters 1-2 of the draft SEEA Ecosystem Accounting?
Figure 2.1: This figure may be helpful in portraying the linkages between the key components of ecosystem accounting, but it deserves some further explanations and possible modifications, as the figure also seemingly suggests that “Environment” and “Society” are linked (uni-directionally) but mostly separate systems. Rather than being separate systems, we suggest considering “Society” embodied within “Environment” and even within “Ecosystem assets”. It is also important to consider and display in the Figure how society and economy impact ecosystem assets; a key aspect of ecosystem accounting that the current Fig 2.1 misses.

Section 2.4 and Figure 2.4: This section is important to include but some lack of conceptual clarity remains. For example, for the different concepts of values, one possibly useful conceptualization is synthesized by S. Polasky and K. Segerson (Annual Review of Resource Economics 2009, pp. 409-434) as follows: “The literature on environmental values identifies a number of different concepts along various dimensions of value: (a) intrinsic and instrumental, (b) anthropocentric and biocentric (or ecocentric), and (c) utilitarian and deontological (Rolston 1991). Something has intrinsic value if it is valued as an end in itself, whereas it has instrumental value if it is valued as a means to achieve a desired objective. For anthropocentric values, only humans have intrinsic value, whereas for biocentric (ecocentric) values, the natural world beyond humans has intrinsic value. Utilitarian values are defined in terms of how they contribute to the desired objective, which for anthropocentric values is assumed to be the maximization of human utility or welfare. In contrast, under deontological approaches, values are based on rights and obligations rather than consequences or contributions to an objective.”

Moreover, Figure 2.4 suggests that all values that are ecological are not economic, that non-use values are non-instrumental, and that “living as nature” and “living with nature” are not linked to economic values. But whenever people are associated with nature one way or another, “economic values” come into play and they can be measured as such, including in monetary or other units.

Additionally, concepts such as “living in nature”, “living as nature”, “living with nature, and “living from nature” are not widely adopted; a helpful approach to the development of an international standard would be to draw from generally adopted frameworks and concepts.

Question 3. Do you have comments on Chapters 3-5 of the draft SEEA Ecosystem Accounting?

N/A
Question 4. Do you have comments on Chapters 6-7 of the draft SEEA Ecosystem Accounting?

N/A

Question 5. Do you have comments on Chapters 8-11 of the draft SEEA Ecosystem Accounting?

In section 8.2.1 (8.17 and onwards), regarding the discussion about the use of cost-based methods, one key difference between using the cost-of-provision approach to valuing ecosystem assets versus government supplied services is that ecosystems, by their sheer existence, can supply services. This is unlike government supplied services that would not be supplied unless expenditures are incurred by the government or some other party.

Moreover, in the case of ecosystem assets, the cost of provision often comes in the form of foregone economic opportunity (opportunity cost) associated with the decision to conserve and manage ecosystems to support the provision of specific ecosystem services, such as cultural services or provision of habitat for species to recover and thrive. When opportunity costs are not included, then the cost-based approaches provide a partial accounting of the benefits.

Another consideration regarding the use of cost-based approaches is that a broad gap exists between current conservation spending and spending required to stop the loss of biodiversity and ensure future provision of ecosystem services. For a recent assessment of the funding gap, see “Financing Nature: Closing the Global Biodiversity Financing Gap” https://www.paulsoninstitute.org/wp-content/uploads/2020/10/Updated-10.23.20-FINANCING-NATURE_Exec.-Summary_Final-with-endorsements_101420.pdf. As such, current spending will not prevent the loss of biodiversity and secure long-term provision of ecosystem services.

Question 6. Do you have comments on Chapters 12-14 of the draft SEEA Ecosystem Accounting?

Section 13.3.3. In practice, most applications of species accounting will likely draw from national red lists of the global IUCN Red List, already available for all countries, and thus use extinction risk as the metric to allow consistency and comparability. This emerged very strongly from the presentations and discussion in the Expert Forum meeting on 9 Nov 2020, along with a concern that parallel, duplicative processes should be avoided. However, the current Section 13.3.3 barely mentions these core data resources, and instead spirals into academic discussion of population and diversity indices etc (unavailable for most species in most countries). The most straightforward way to address this would be to delete the current text and replace with a simple placeholder explaining that guidance on accounting for species and for genetic diversity is under development,
and will be available to complement the current document on ecosystem accounting in due course.

Also, in Paragraph 13.36, “Red List Indices of changing species extinction risk” should be added as a first bullet point to the list.