

# Expert Meeting on Ecosystem Valuation in the Context of Natural Capital Accounting

Building Bridges between Policy, Welfare Economics and Accounting

24-26 April 2018

German Federal Agency for Nature Conservation

Bonn, Germany



# Aim of the Meeting

- ▶ To share best practices on valuation of ecosystem services building on experiences from different communities;
- ▶ To contribute to the SEEA EEA revision process by advancing the valuation issues on the research agenda;
- ▶ To contribute to guidelines on policy and valuation of ecosystem services;
- ▶ To foster enhanced collaboration between various communities with an interest in ecosystem valuation;
- ▶ To contribute to work programmes of international organizations on wealth accounting;
- ▶ To get a common understanding of the state of the art on the issues on the research agenda and develop a road map to move forward.

# Leading Questions

- ▶ How to bridge welfare based valuation of ecosystem services with exchange values required for accounting purposes?
- ▶ What institutional mechanism do we assume in case of non-market valuation?
- ▶ What is the state of the art for making the best choice between methods to value the different services?
- ▶ What are the most feasible methods to estimate the asset value of ecosystems in the context of wealth accounting?
- ▶ How to define and measure degradation and enhancement of ecosystems?
- ▶ To what extent can concepts such as unpaid ecological cost, ecological debt, and defensive expenditures contribute to the goals of ecosystem accounting?

# Agenda

## ▶ Session 1: Setting the Scene (Day 1)

Introduce policy demand for ecosystem accounting and valuation + the current initiatives at international level to respond to these demands. Present the System of Environmental Economic Accounting Experimental Ecosystem Accounting (SEEA EEA) and elaborate on the research agenda for the revision of the SEEA EEA.

## ▶ Session 2: The Valuation of Ecosystem Services for Accounting (Day 1)

Discuss issues on the valuation of ecosystem services, including the relationship between exchange values, following the SNA principles of valuation, and welfare valuation.

## ▶ Session 2 Parallel Sessions (Day 1 afternoon + Day 2 morning)

Working groups on accounting and welfare valuation-based approaches for selected cultural + regulating services with the objective of identifying best practices for valuation methods in different environments.

## ▶ Session 3: Valuing ecosystem wealth, degradation and/or enhancement (Day 2 + 3)

Discuss valuation of stocks of ecosystem assets (or wealth), their degradation and/or enhancement over time.

## ▶ Session 3 Parallel Sessions (Day 3)

Working groups on alternative approaches to valuation of ecosystem assets, (present value of future benefit flows and restoration cost-based approaches) and discussing challenges and solutions to measuring the present value of ecosystem assets.

## ▶ Session 4: Policy, science, accounting and business interface (Day 3)

Discuss nexus of policy, science + accounting (public and business): best ways to communicate the results of valuation studies, which indicators can inform what policies + what the enabling conditions are to mainstream the valuation exercises within ecosystem assessments as well as in accounting.

## ▶ Session 5: Conclusions and way forward (Day 3)