

Session 3: Valuing ecosystem wealth, degradation and enhancement

Challenges and Solutions to Measuring the Present Value of Ecosystem Assets

Parallel sessions, Thursday 10 - 11 am

Expert meeting on Ecosystem Valuation in the context of Natural Capital Accounting, 24-26 April 2018, Bonn



Measuring the Present Value of Ecosystem Assets

1. What are the main considerations in estimating **future flows** of benefits and associated asset lives?
Agree on demand side being important. Implication of CC on demand and supply (universal)
Agreement on 100 years (considerations may imply different assumptions - IPCC)
2. What **discount rates** are appropriate for ecosystem assets and what is the relationship to market rates of interest?
Comply with national govt - a lot of research available
3. Do ecosystem assets that **supply no final ecosystem** services have a zero value in monetary terms?
Important: Policy terms (importance of developing countries) and acceptance of accounts. Case studies and suggested additional research Water, Pollination and Grazing (more case studies needed)
4. How should **differences between observed market values** for land and the present value of ecosystem services from a given area of land be interpreted?
What do numbers mean - communication to public
Uncertainty in the range values - importance of use of hedonic and contingent valuation
5. Given that these issues have been unresolved for quite some time, what are **needed and realistic next steps** to advance them further?
Build on existing work - case studies above
Feasibility of broader studies, global studies and application