# The European context: Ecosystem/Natural Capital Accounting

Jock Martin

Head of Programme

European Environment Agency

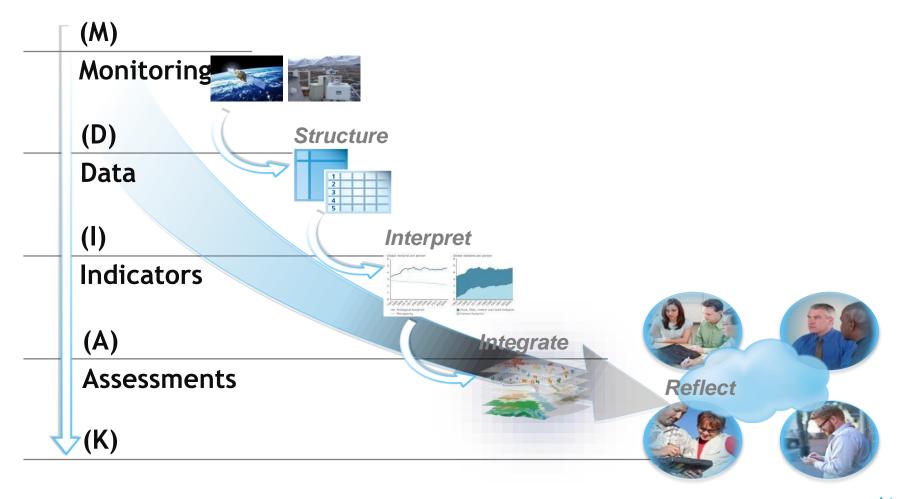
#### Four dimensions

- 1. Experimentation: SEEA-EEA-ECA-EUROPE
- 2. EU policy objectives and targets
- 3. European country initiatives
- 4. Integrated accounting: SNA/SEEA-CF/SEEA-EEA

### From specific to systemic challenges

Characterisation of key challenges	Key features	In the spotlight in	Policy approaches (examples)
Specific  • •	linear cause-effect large(point) sources often local	1970s / 1980s (continuing today)	targeted policies and single-issue instruments
Diffuse  o o	cumulative causes multiple sources often regional	1980s / 1990s (continuing today)	policy integration and raising public awareness
Systemic	systemic causes interlinked sources often global	1990s / 2000s (continuing today)	policy coherence and systemic approaches (a green economy?)

#### From 'closed' to 'open' knowledge systems



#### SEEA-EEA-ECA-EUROPE

Flows embedded into trade

Ecological Balance Sheet in € Adjustment for Consumption of Ecosystem Capital Domestic economy's global impacts

Ecosystem economic benefits of projects, policies and plans

of
Restoration
Costs (€)

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Use of natural resources

Ecological Balance Sheet (assets & debts) in ECU

Total Ecosystem Capital Capability in ECU

Biomass/carbon

Water

Landscapespecies Biomass/carbon

Water

Landscapespecies Biomass/carbon

Water

Landscapespecies

Land cover change accounts



Valuation of Ecosystem Services (€)

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Ecosystem
Services &
Human well
being

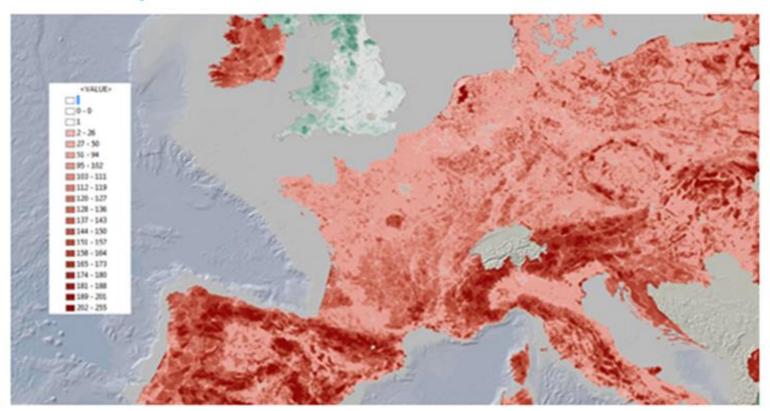


#### Exploring the landscape/species component of ECA-EUROPE

Key feature	Expressed by	Data Source	Indices
Intensity of land use/management	Green background landscape index	CORINE LANDCOVER (EEA)	Net Landscape Ecological
Fragmentation	Effective Mesh Size MEFF	TeleAtlas and CORINE LANDCOVER (EEA)	Potential
Conservation value	Proximity of designated/ protected areas	Natura 2000 spatial data, CDDA spatial data (EEA)	
Resilience	Population trends and future prospects of protected species per dominant ecosystem type	Conservation status Article 17 data base and species distribution (EEA)	Mean Species (Population Trend) Change Index per dominant landscape  Mean Species Future prospects Index per dominant type
	Compos	site index	Landscape-species index

## Landscape-species index calculated for 2010 (2000 in prep)

Landscape capability: integrity combined with species biodiversity....



# Ecosystem Accounting/Assessment in the EU Biodiversity Strategy 2020

Action 5 under target 2 of the EU Biodiversity Strategy to 2020:

"Member States, with the assistance of the Commission, will map and assess the state of ecosystems and their services in their national territory by 2014, assess the economic value of such services, and promote the integration of these values into accounting and

reporting systems at EU and national level by 2020."

#### The EU implementation process: MAES

Implementation of Action 5 under target 2: 'Mapping and Assessment of Ecosystems and their Services (MAES)'

Six pilot studies are on-going:

- Protected areas
- Agriculture ecosystems
- Forest ecosystems
- Freshwater ecosystems
- Marine ecosystems
- Natural Capital Accounting (NCA)

#### Components of Natural Capital

**Natural capital** 

**NCA** pilot focus

#### **Sub-soil assets:**

(geological resources)

Minerals, earth elements, fossil fuels, gravel, salts etc.

Non-renewable & depletable

#### **Abiotic flows:**

(linked to geophysical cycles)

Solar, wind, hydro, geothermal etc.

Renewable & non-depletable

#### **Ecosystem capital:**

(linked to ecological systems and processes)

## Ecosystems as asset:

Structure and condition

### Ecosystem service flows:

- Provisioning
- Regulation & maintenance
- Cultural services

Renewable & depletable

European Environment Agency

#### Examples of European country activities

Ecosystem/physical accounting	Ecosystem assessments	Valuation, cost- benefit studies
Bulgaria: water accounts based on permit system for abstraction	Estonia: pilot projects on forest and wetland ES	France: systematic study on 'non-paid ecological costs' (funded by MoE)
Czech Republic: various projects by Czech Globe	Spain: substantial NEA, as part of MA process	Germany: focused on high nature value farmland (restoration costs)
Norway: nature index - species monitoring & expert views combined	UK: recent NEA, very comprehensive	Lithuania: pilot study, monetization of ES in protected areas
UK: individual ecosystem accounts (e.g. woodland), i.e. not integrated	Many countries: no concerted public effort so far	UK: use of various valuation methodologies for individual ES in NEA

## inclusive green economy

	Driving forces	Pressures	State	Impacts	Responses
Accounting frameworks	SEEA Central Framework – physical flow and asset accounts  SNA 2008  EU Regulation 691/2011 on environmental economic accounts		SEEA Central Framework  -asset accounts  SEEA Vol.2 – experimental ecosystem accounts  Ecosystem capital accounts		SEEA Central Framework – monetary flow accounts  EU Regulation 691/2011 on environmental economic accounts
Individual accounts	Economy-wide Material Flow Accounts GHG/Air emissions Products (raw material equivalents) Energy (due 2017) Water flow Waste (?)		Land Carbon Water Forest Biodiversity (?) Nutrients (?)		Environmental taxes Environmental protection expenditure (due 2017) Environmental goods and services (due 2017) Environmental subsidies and similar transfers Resource use and management expenditure
Related statistics and Data	Population Economic growth		Human health and wellbeing Air quality Noise		
EU-27 Supply Use Input-Output Table extensions	Material resource GHG emissions Air pollutant em Energy (due 201 Water (?) Waste (?)	issions	Land Carbon Water Nutrients (?)		Linked to labour, taxes, subsidies and expenditure