Services Supply Account

(Levels 1 and 2)

Project: Advancing the SEEA **Experimental Ecosystem Accounting**









Overview: Services Supply

- 1. Learning objectives
- 2. Review of Level 0 (5m)
- 3. Level 1 (Compilers)
 - Concepts (15m)
 - Group exercise & Discussion (30m)
- 4. Level 2 (Data providers)
 - Data options, examples & issues (15m)
 - Group exercise & Discussion (15m)
- 5. Closing Discussion (10m)







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SEEA-EEA Training Levels 1 and 2

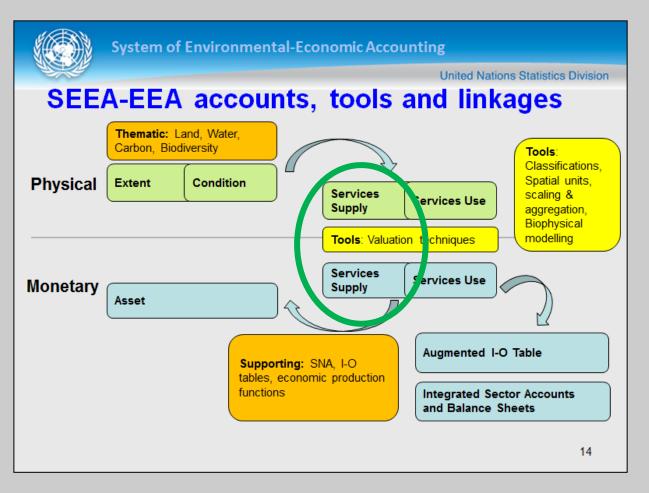
Learning objectives

- Level 1: To understand:
 - Why accounting for Ecosystem Services is important
 - The basics of the "ecosystem services cascade" and the difference between its components
 - How Services Supply is treated in the SEEA, including basic concepts and the structure of the accounts that include services
 - How to start to compile a Services Supply account
- Level 2:
 - Understand the data options and sources
 - Be aware of how other countries have approached Ecosystem Services Supply

Review of Level 0: Services Supply Account



Account 6: Services Supply



Level 0: Account 6: Services Supply

What?

- Physical and monetary flows of "final" ecosystem services from ecosystems to beneficiaries
- Directly used by (or affect) people

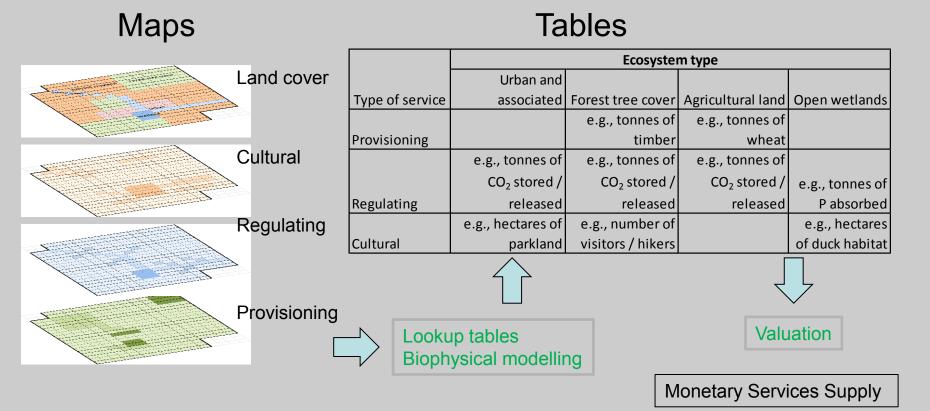
Why?

- Inform policies of contribution of ecosystems to human well-being
- Assess trade-offs between development and conservation
- Link to standard economic production measures in SNA
- Link to other SEEA-EEA accounts (Condition, Services Use, Monetary Asset valuation)
- Indicators:
 - Flows of individual services (physical and monetary) → change
 - Indices of aggregated services by ecosystem type → change



Level 0: Account 6: Services Supply

What does a Services Supply Account look like?





Level 0: Account 6: Services Supply

Example (Services Supply in physical units)

			Land cover type								
									Surface	Other	Provincial
Ecosystem service		Units	Urban	Pasture	Cropland	Forest	Heath	Peat	Water	nature	total
	Hunting	kg meat	-	9,100	14,732	8,100	678	70		1,513	34,193
Provisioning	Drinking water extraction	10 ³ m ³ water	4,071	7,026	11,227	3,117	214	-	478	862	26,995
	Crop production	10 ⁶ kg produce	-	-	1,868	-	-	-	-	-	1,868
	Fodder production	10 ⁶ kg dry matter		533	251						784
Regulation	Air quality regulation	10 ³ kg PM ₁₀	272	404	717	700	45	7	40	69	2,254
	Carbon sequestration	10 ⁶ kg carbon	875	8,019	273	50,664	393	149	1	1,056	61,429
ltural	Recreational cycling	10 ³ trips	2,690	1,863	2,611	1,565	30	3	139	220	9,121
	visioning	Hunting Drinking water extraction Crop production Fodder production Air quality regulation Carbon sequestration	Hunting kg meat Drinking water extraction Crop production Fodder production Air quality regulation Carbon sequestration Rg meat 10³ m³ water 10⁶ kg produce 10⁶ kg dry matter 10³ kg PM₁0 10⁶ kg carbon	Hunting kg meat - Drinking water extraction $10^3 \text{m}^3 \text{water}$ 4,071 Crop production 10^6kg produce - Fodder production 10^6kg dry matter Air quality regulation 10^3kg PM_{10} 272 Carbon sequestration 10^6kg carbon 875	Hunting kg meat - 9,100 Drinking water extraction 10 ³ m³ water 4,071 7,026 Crop production 10 ⁶ kg produce Fodder production 10 ⁶ kg dry matter 533 Air quality regulation 10 ³ kg PM ₁₀ 272 404 Carbon sequestration 10 ⁶ kg carbon 875 8,019	Hunting kg meat - 9,100 14,732 Drinking water extraction 10 ³ m³ water 4,071 7,026 11,227 Crop production 10 ⁶ kg produce 1,868 Fodder production 10 ⁶ kg dry matter 533 251 Air quality regulation 10 ³ kg PM ₁₀ 272 404 717 Carbon sequestration 10 ⁶ kg carbon 875 8,019 273	Cropland Forest	Ecosystem service	Ecosystem service	Comparison Com	Note Percent Percent

Source: Remme et al., 2014 (Limburg, the Netherlands)

- What does a Services Supply Account look like?
 - Spatially-detailed physical measures of "final" services according to a common Classification:
 - Provisioning
 - Regulating
 - Cultural
 - Physical measures (crops, flood control, clean drinking water, carbon sequestration, recreation, ...)
 - Valuation where appropriate and available
 - → Monetary Services Supply

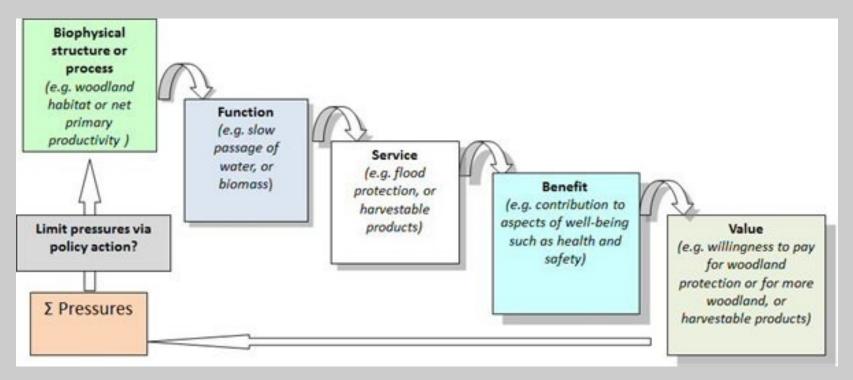
- What do you need to create a Services Supply Account?
 - Ecosystem Extent, Ecosystem Condition
 - Common spatial infrastructure (Spatial Units)
 - Common Classification of services
 - Data:
 - Field studies
 - Transfer from other locations (benefits transfer, valuation)
 - Economic production (agriculture, forestry, fisheries, water)
 - Biophysical modelling
 - Expertise: ecologists, geographers (GIS), economists, policy analysts, statisticians

Level 1: Services Supply Account



- Why Services Supply Accounts?
- Ecosystems provide services that are essential to the economy and human activities:
 - Food supply
 - Clean water
 - Flood protection
 - Carbon sequestration
 - Recreation, cultural and religious importance
- Ecosystems are being converted and degraded
 - Which ones are most important to conserve?
 - How can they best be managed to maintain services?
 - Link with national planning and accounting to ensure ecosystems are mainstreamed in decisions

The Ecosystem Services Cascade

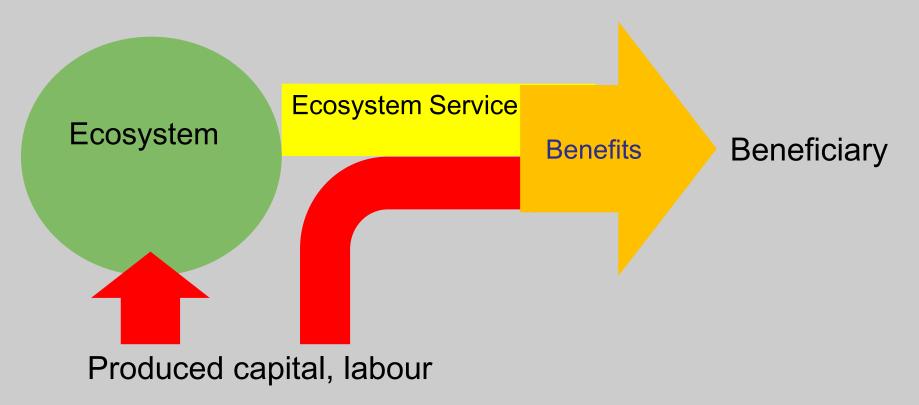


Source: Nottingham School of Geography

Ecosystem services are the contribution of ecosystems to benefits for people...



Ecosystem services (are not benefits)



Ecosystem services are the contribution of ecosystems to benefits for people.

Level 1: Account 6: Services Supply

- Ecosystem services are the contribution of ecosystem to benefits for people...
 - They are **not** the benefits; benefits require capital and labour to use
 - We need to calculate the contribution of ecosystems, for example:

Crops = f(nature, equipment, inputs, labour, energy...)

- To grow crops, nature provides biomass growth, nutrients, water, flood control, pollination...
- Without these, there would be no crops.
- In the Services Supply Account, we measure the physical services (e.g., the addition to biomass of the crop).

Types of Ecosystem Services

Provisioning Services

= goods that can be harvested from, or extracted from ecosystems Example:
providing fish for
fisheries, or
providing wood for
timber harvest

Regulating Services

the regulation of climate, hydrological, ecological and soil processes

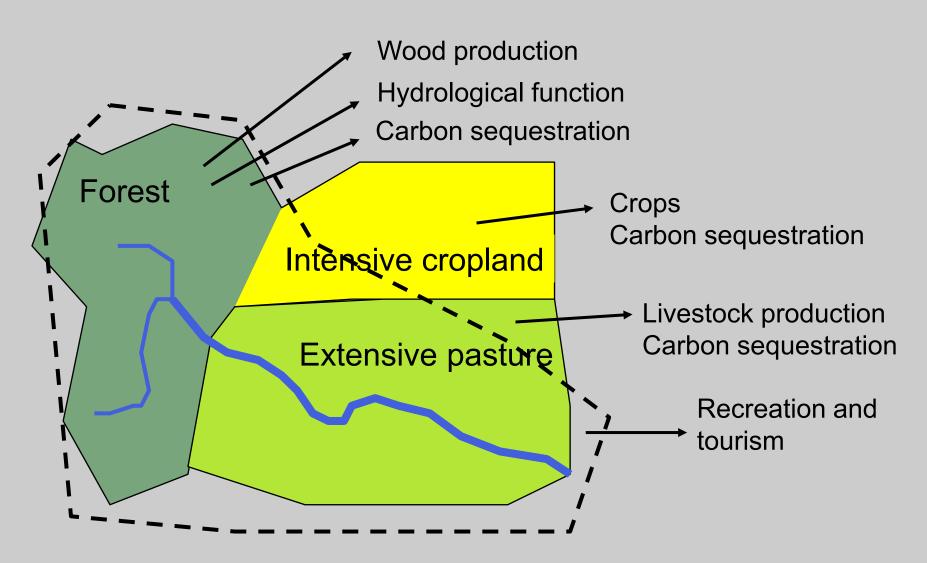
Example: pollination, carbon sequestration, flood control

Cultural Services

= the non-material benefits provided by ecosystems Example:
recreation,
tourism, providing
a setting for
cultural or
religious practices



Ecosystem services and maps



- The SEEA-EEA focuses on "final" services
 - The point before human involvement transforms the services to benefits
 - □ biomass → harvesting
 - □ fish → capture
 - Ecosystem processes and functions are **not** final services
 - e.g., reproduction, predation, food web, nutrient cycle...
 - Biodiversity itself is not a "final" service
 - It is an aspect of Ecosystem Condition and is recorded in the Biodiversity Account.



Level 1: Account 6: Services Supply

Services

- Based on Common International Classification of Ecosystem Services (CICES)
- Not mutually exclusive
- A list of "final" services
- Detailed (4-digit)
- Does not include
 "supporting" or
 "intermediate" services
 (= ecosystem
 functions)

Section	Division	Group					
Section	DIVISION	Group					
	01.01 Nutrition	01.01.01 Biomass					
		01.01.02 Water					
01. Provisioning	01.02 Materials	01.02.01 Biomass					
0		01.02.02 Water					
	01.03 Energy	01.03.01 Biomass-based energy sources					
		01.03.02 Mechanical energy					
	02.01 Mediation of waste,	02.01.01 Mediation by biota					
	toxics and other nuisances	02.01.02 Mediation by ecosystems					
		02.02.01 Mass flows					
	02.02 Mediation of flows	02.02.02 Liquid flows					
		02.02.03 Gaseous / air flows					
02. Regulation &		02.03.01 Lifecycle maintenance, habitat and gene pool					
Maintenance		protection					
	02.03 Maintenance of	02.03.02 Pest and disease control					
	physical, chemical,	02.03.03 Soil formation and composition					
	biological conditions	02.03.04 Water conditions					
		02.03.05 Atmospheric composition and climate					
		regulation					
	03.01 Physical and intellectual interactions	03.01.01 Physical and experiential interactions					
	with biota, ecosystems, and land-/seascapes [environmental settings]	03.01.02 Intellectual and representative interactions					
	03.02 Spiritual, symbolic and other interactions with	03.02.01 Spiritual and/or emblematic					
	biota, ecosystems, and land- /seascapes [environmental settings]	03.02.02 Other cultural outputs					

Source: CICES, 2013. www.cices.eu



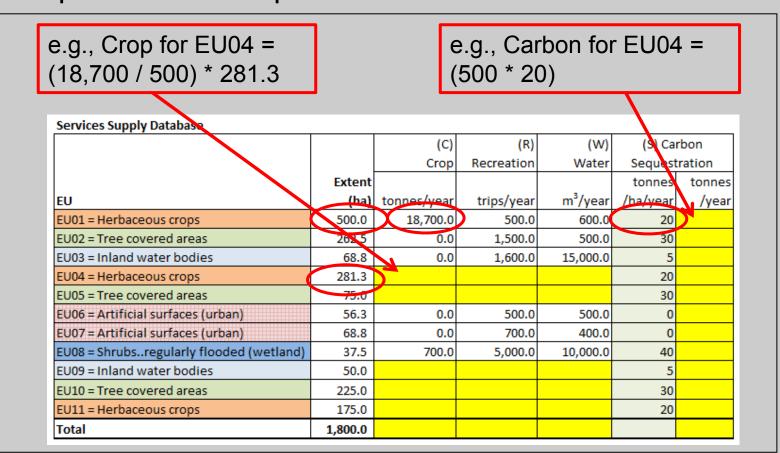
- How?
 - Direct measure (e.g., socio-economic survey on recreational use, field survey of available fish...)
 - Remember Level 0 Biophysical modelling?
 - Lookup tables: Take values from another location
 - Statistical approaches: Estimate based on known explanatory variables
 - Geostatistical interpolation: Estimate from nearby known locations
 - Process-based modelling: Use models of processes
 (e.g., land cover change, demand for services...)
 - The group exercise will use only Lookup Tables...

- Compilation Group Exercise (30m)
 - Situation:
 - Know total services supply for some EUs
 - Need to calculate:
 - Missing services supply for missing EUs based on known data and lookup table
 - Objective (Groups of 3-5):
 - 1. Calculate missing services
 - 2. Calculate totals
 - 3. Report and discuss results



Level 1: Account 6: Services Supply

Group Exercise: Step 1 – Calculate unknown services



- Is everyone clear on the objectives?
- 30 minutes group work
- Please ask questions!
- Results:
 - Each group report:
 - Totals for each service
 - Which EU generates the most of each service?
 - Were there any surprises?

Services Supply Database							
		(C)	(R)	(W)	(S) Car	bon	
		Crop	Recreation	Water	Sequest	ration	
	Extent				tonnes	tonnes	
EU	(ha)	tonnes/year	trips/year	m³/year	/ha/year	/year	
EU01 = Herbaceous crops	500.0	18,700.0	500.0	600.0	20		
EU02 = Tree covered areas	262.5	0.0	1,500.0	500.0	30		
FU03 = Inland water bodies	68.8	0.0	1,600.0	15,000.0	5		
EU04 = Herbaceous crops	281.3				20		
EU05 = Tre_covered areas	75.0				30		
EU06 = Artificial surfaces (urban)	56.3	0.0	500.0	500.0	0		
EU07 = Artificial surfaces (urban)	68.8	0.0	700.0	400.0	0		
EU08 = Shrubsregularly flooded (wetland)	37.5	700.0	5,000.0	10,000.0	40		
EU09 = Inland water bodies	50.0				5		
EU10 = Tree covered areas	225.0				30		
EU11 = Herbaceous crops	175.0				20		
Total	1,80						

Level 2: Services Supply Account

- Learning objectives (Level 2)
 - Understand the data options and sources
 - Be aware of how other countries have approached Services Supply Accounting

- A full Services Supply Account is more complex than the exercise:
 - More services (48 "final" services in CICES)
 - More types of data (tonnes, risks, visitors, air quality, cultural significance...)
 - Less measured data → need models to estimate
 - High variability among ecosystem types and region (e.g., salt marsh carbon = 650 to 1750 tCO₂/ha/year)
- Do not need to include all services:
 - High priority services → measure or estimate
 - · Get started with available data



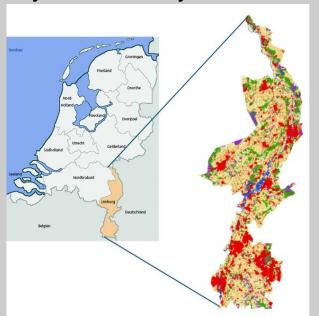
Ecosystem services in an account

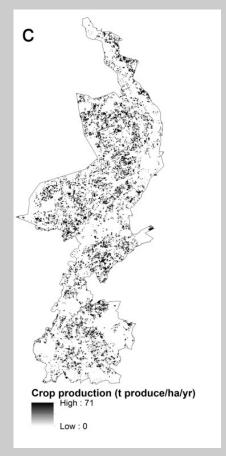
Ecosystem service account developed for Limburg Province, the

Netherlands

• 2200 km², 1.1 million inhabitants

Analysis of 7 ecosystem services







Source: Remme et al., 2014 (Limburg, the Netherlands)



Level 2: Account 6: Services Supply

Example (services in physical units)

				Land cover type							
									Surface	Other	Provincial
Ecosystem service		Units	Urban	Pasture	Cropland	Forest	Heath	Peat	Water	nature	total
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Cultural	Recreational cycling	10 ³ trips	2,690	1,863	2,611	1,565	30	3	139	220	9,121
			J								

Note: Units of measure are **very** different

Source: Remme et al., 2014 (Limburg, the Netherlands)



- Data options and sources
 - Field studies
 - Literature on similar sites or specific research
 - Transfer from other locations (Benefits Transfer, Valuation)
 - Ecosystem valuation research databases (e.g., www.evri.ca)
 - Economic production (agriculture, forestry, fisheries, water)
 - Socio-economic statistics already available with spatial detail
 - Biophysical modelling
 - Know conditions, can estimate some services using production functions (e.g., hydrology → flood control)

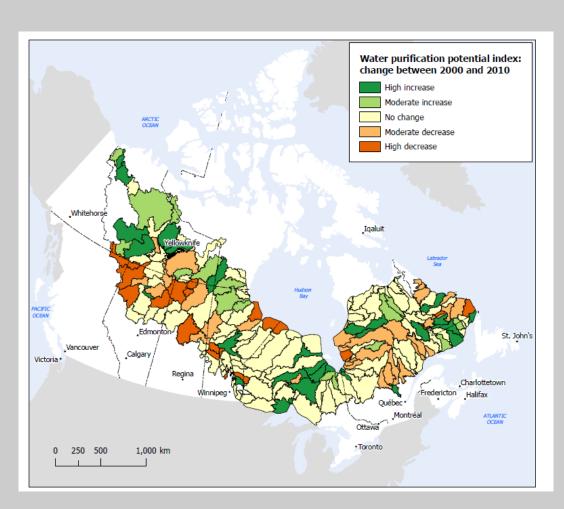


Level 2: Account 6: Services Supply

Canada Example

Water purification **potential** change by drainage area for boreal wetlands Index based on:

- % forest cover
- % agricultural land
- % riparian forest
- % wetlands
- % anthropogenic disturbance
- % burn area
- Edge & linear density (fragmentation)
- Human footprint
- Slope
- Nitrogen & Sulphur exceedance (from atmospheric deposition)



Source: Statistics Canada, 2013



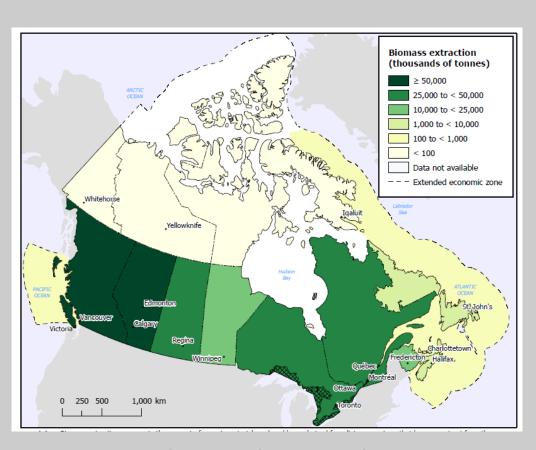
Level 2: Account 6: Services Supply

Canada example

Net biomass extraction for human use

Includes:

- Agricultural crops
- Livestock and poultry
- Milk
- Maple products and honey
- Forestry
- Fisheries (inland and marine)



Source: Statistics Canada, 2013



Level 2: Account 6: Services Supply

Canada example

Weight of commercial fish landings by marine statistical area

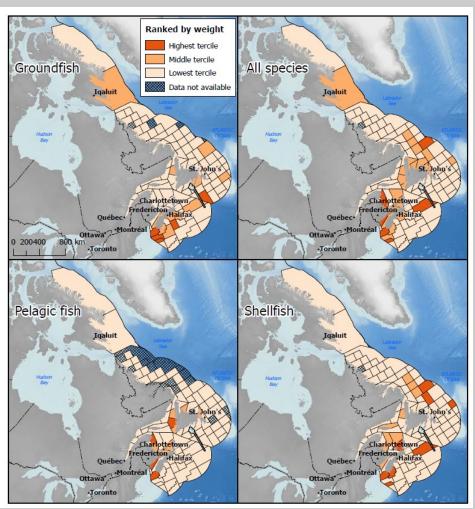
Includes:

- Groundfish
- Pelagic fish
- Shellfish

Also done for west coast

Statistical area defined by Ministry of Fisheries and Oceans

Source: Statistics Canada, 2013





Level 2: Account 6: Services Supply

Some services flow data are available

	rl							
Service	Flow measure							
Provisioning services								
Timber services	timber increment							
Crops	crop production							
Livestock	livestock production							
Water provision	annual freshwater supply							
Regulating services								
Water quantity regulation	total amount of water stored							
Water quantity regulation	total amounts of pollutants removed annually							
Climate regulation	annual carbon fixation							
Storm protection	total number of storms mitigated							
Air quality regulation	total amount of pollutants removed via dry							
riii quanty regulation	deposition on leaves							
Erosion control	total amount of soil retained							
Pollination	increased yield of crops due to pollination							
Soil quality regulation	increased yield of crops attributable to soil quality							
Cultural services								
Recreation	number of visitors							
Source: (Maes, Paracchini et al. 2011)								

- Data sources: Socio-economic statistics
 - Agricultural statistics: crop, livestock production
 - Energy statistics: biomass for fuel
 - Fisheries statistics: catch, stock
 - Forestry statistics: timber stock, harvest
 - Park surveys: visitors, use
 - Water statistics: withdrawals, consumption
 - Natural disasters: incidence of floods, erosion, storms
 - Soil inventories: erosion potential
 - Health statistics: regulation of biotic environment
- Best if they are national and good quality

- Data sources: Environmental statistics
 - Iconic species ranges & habitats
 - Land cover → carbon sequestration, air filtration
 - Hydrology & weather data: Flow rates, variability ->
 flood risk
 - Topography, land cover, soil & weather data → erosion and landslide risk
 - Carbon storage and sequestration (see Carbon Accounts)
 - Remote sensing → primary production
- Best if they are national and good quality

- Data sources: Ecosystem valuation databases
 - Based on codifying scientific studies
 - Include data for many countries, ecosystem type, physical services measures
 - Environmental Valuation Reference Inventory (<u>www.evri.ca</u>)
 - TEEB Ecosystem Service Valuation Database (ESVD)
 - Gulf of Mexico Ecosystem Services Valuation Database (<u>www.gecoserv.org</u>)
 - Need to understand location, definitions and methods used

- Data sources: Specific studies & models
 - These may not be included in valuation databases
 - Specific studies:
 - National or regional ecosystem assessments (Millennium Ecosystem Assessment, UK National Ecosystem Assessment)
 - Small-area studies (e.g., one park, one region)
 - TEEB studies and country studies (multiple ecosystems and services)
 - Decision-support models:
 - There are landscape-scale and site-scale models that can help estimate service flows (AIRES, InVEST, LUCI...)
 - See Biophysical Modelling

- Data sources: Special surveys and case studies
 - High-priority data gaps may also be addressed by collecting new data
 - Ecological field studies to determine "production functions"
 - Socio-economic surveys to determine use of services (e.g., water, food, recreation)
 - Case-studies for specific locations or social groups (e.g., dependence on nature of low-income residents)
 - If possible, add questions to existing surveys, for example,
 - Households use of water, source of food, incidence of hazards (flooding, erosion, drought, disease), source of biomass for fuel

- Group exercise (15m) (Groups of 3-5)
- 1. In your country, what are three important ecosystem services that should be included in a Services Supply Account?
- 2. Which ecosystem types supply them?
- 3. What **national data** are available in your country on the supply of these services?
- 4. Report your results



- Concepts Group exercise (15m)
- Group reports
 - The ecosystem services you selected
 - The main land cover types for each
 - Are national data available in your country on the supply of these services?
- Discussion
 - What other ecosystem services would be important to measure?
 - On what topic might a special survey be used to fill priority data gaps?

- Discussion and questions
- Take home points
 - Services Supply in biophysical terms is one of the most important aspects of ecosystem accounting
 - Data on Services Supply are available from many sources
 - There are some simple methods and models available to integrate these data and fill gaps
 - Start by focussing on available data and priority services

System of Environmental-Economic Accounting

United Nations Statistics Division

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- Further Information
 - SEEA Experimental Ecosystem Accounting (2012)
 - SEEA-EEA <u>Technical Guidance</u> (forthcoming)
 - Detailed supporting documents
 - "Linkages between ecosystem service accounts and ecosystems asset accounts" and
 - "Biophysical Modelling and Analysis of Ecosystem Services in an Ecosystem Accounting Context" by Lars Hein



Evaluation of the training module

- Please complete the online evaluation form for this module: http://www.tinyurl.com/pbopmy2
- For this module
 - What did you learn that you could apply in your work?
 - Was the presentation clear and informative?
 - Was it too simple? Too complex?
 - Was there anything you did not understand?
 - What additions or deletions would you suggest (recognizing that the unit is intended for a general audience)?
 - Do you have any suggestions as to how the SEEA-EEA may be improved (concepts, principles) in this area?

Acknowledgements

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