

Valuing Nature

*Hails, R.S., Director of Biodiversity and Ecosystem Science,
Centre for Ecology and Hydrology, UK.*

The UK National Ecosystem Assessment (UKNEA), which reported in June 2011, was amongst the first national-scale assessments of ecosystem status and ecosystem services anywhere in the world. This first comprehensive review of ecosystems in the UK's natural and built environment took the first steps in developing more effective tools to translate knowledge on trends in ecosystem services into action for policy and management at all scales from the local to the global. For example, interdisciplinary collaboration with economists and social scientists developed new methods to value ecosystem services in economic, health and social terms. Valuation focused on the final services, avoiding double counting the contribution of intermediate and supporting services, and teased apart the contribution of natural capital from human and manufactured capital in the production of goods. It was also recognised that non-monetary values (such as shared social values) need to be considered alongside more easily quantified economic values, although challenges remain as to how to best achieve this.

The UKNEA influenced the subsequent Natural Environment White Paper (NEWP), the central thesis of which was to recognise more effectively the values and benefits that flow from the natural environment, and to incorporate these values into decision making. This was a significant change of paradigm: no longer should the environment be considered as a trade-off in which economic growth was gained only at the expense of environmental degradation. Instead, the term 'Natural Capital' emphasises how ecosystems and their component parts should be viewed as assets from which

services and benefits are accrued. Natural capital is a term in common parlance of environmental economists, where it sits alongside the other four forms of capital (financial, manufactured, human and social), illustrating that it has value, that the quantity and quality of that capital should be maintained or this value will decline, and that measurement of that value will enable the full consequences of different actions to become apparent. One commitment of the NEWP was the establishment of the Natural Capital Committee (NCC), to advise the government on the unsustainable use of Natural Capital. The NCC has just published its first report, 'The State of Natural Capital', which lays out a future framework and work programme to ensure the incorporation of Natural Capital into government and corporate decision making.