

# **Ecosystem Services**

## HOW TO GET STARTED WITH AN ECOSYSTEM SERVICES APPROACH







Fish Catch, India © Markus Spring / Flickr Creative Commons

Ecosystem services are the direct benefits that humans receive from ecosystems, such as clean water, flood mitigation and climate regulation. An ecosystem services approach seeks to integrate ecosystem services into decision-making by (a) using scientific assessment tools to understand people's dependence and impact on the services provided by ecosystems, and (b) applying policy mechanisms that incorporate ecosystem service values into the decisions made by governments, businesses, NGOs and individuals. A variety of tools and guidelines are available to conservation practitioners interested in using an ecosystem services approach. This document describes some of the tools to help get started.

#### WHAT TOOLS ARE AVAILABLE?

By demonstrating the importance and value of ecosystems to humans, an *ecosystem services approach* can put ecosystem services on the agenda of governments, businesses, NGOs and individuals. The approach typically uses two sets of tools: (1) *Scientific assessment tools*, such as economic valuation, trade-off analysis and spatial modeling of ecosystem services under alternative scenarios, to understand people's dependence and impact on ecosystem services

(2) *Environmental policy instruments*, such as regulation, payments, markets, fiscal incentives and information provision to influence human behavior that affects nature's ability to provide ecosystem services.

## For further information, contact:

#### **Emily McKenzie**

The Natural Capital Project and WWF-US emily.mckenzie@wwfus.org

#### **Belinda Morris**

The Nature Conservancy bmorris@tnc.org

#### **Bruce McKenney**

The Nature Conservancy bmckenney@tnc.org



Markus Spring, Flickr Creative Commons

#### **Scientific Assessment Tools**

A range of tools are available to:

- (i) map the geographic location and characteristics of ecosystem services and their beneficiaries;
- (II) assess the state and trands of ecosystem services;
- (iii) determine economic values for services; and
- **(iv)** evaluate how services, beneficiaries and trends are impacted by different policy scenarios.

Some of these tools are described below.

The Millennium Ecosystem Assessment offers a state-of-the-art scientific audit of the condition and trends in the world's ecosystems and ecosystem services, as well as a review of the drivers of ecosystem change. The United Nations Environment Programme (UNEP) is currently drafting a Millennium Ecosystem Assessment manual, which explains how to conduct a sub-global ecosystem service assessment millenniumassessment.org

**InVEST** software (Integrated Valuation of Ecosystem Services and Trade-offs) can provide maps of multiple ecosystem services and their values under alternative scenarios of future change.

naturalcapitalproject.org

The World Resources Institute (WRI) has developed an **economic valuation methodology** that provides a simple and replicable method for estimating the value of coral reefs and mangroves, looking primarily at their direct economic benefits. wri.org/project/valuation-caribbean-reefs

**The Ecovalue Project** provides an interactive decision support system for assessing and reporting the economic value of ecosystem services in a geographic context. *ecovalue.uvm.edu* 

**Casebase** aims to stimulate the development and exchange of practical tools and best practice for the valuation of ecosystem services.

eyes4earth.org/casebase

### **Guidance for Environmental Policy Instruments**

A number of guidance documents have been developed to help public decision-makers, businesses, individuals, and NGOs develop and implement environmental policy instruments that can maintain or enhance the availability of ecosystem services.

**Ecosystem Services:** A guide for decision-makers (WRI) presents a step-by-step process that can be used by the public sector to assess societal dependence on ecosystem services and develop policies to ensure those services are provided. wri.org/publication/ecosystem-services-a-guide-for-decision-makers.

**Getting Started:** An introductory primer to assessing and developing payments for ecosystem services is an introductory resource on developing payments for ecosystem services (PES). It explains the issues and steps involved and provides links to other PES resources.

katoombagroup.org/learning\_tools.php

The Corporate Ecosystem Services Review provides a method for helping businesses manage risks and opportunities arising from their impact and dependence on ecosystem services.

wri.org/publication/corporate-ecosystem-services-review

**WRI's Nutrient Net** offers web-based tools to facilitate market-based approaches to improve water quality through trading and reverse auctions.

nutrientnet.org



Wetland services, The Bahamas © Jonathan Kerr / TNC

#### **FURTHER READING**

- Asquith, N. and S. Wunder (eds). (2008) Payments for Watershed Services: The Bellagio Conversations. Fundacion Natura Bolivia: Santa Cruz de la Sierra.
- Barbier, E. (2007) Valuing Ecosystem Services as Productive Inputs. Economic Policy January 2007 pp. 177-229
- Dudley, N. and S. Stolton (eds). (2003) Running Pure: The Importance of Forest Protected Areas to Drinking Water. World Bank/WWF, United Kingdom
- Emerton, L., Bos, E. (2004) Value: Counting Ecosystems as Water Infrastructure. IUCN, Gland, Switzerland and Cambridge, UK
- Hanson, C., J. Finisdore, J. Ranganathan, & C. Iceland (2008)

  The Corporate Ecosystem Services Review: Guidelines for Identifying

  Business Risks & Opportunities Arising from Ecosystem Change.

  World Resources Institute, Washington, D.C.
- Jack, B. K., C. Kousky, and K. Sims (2008) Designing Payments for Ecosystem Services: Lessons from previous experience with incentivebased mechanisms. PNAS July 15, 2008, Vol 105, no. 28
- Landell-Mills, N and Porras, T. I. (2002) Silver bullet or fools' gold? A global review of markets for forest environmental services and their impact on the poor. Instruments for sustainable private sector forestry series. International Institute for Environment and Development, London.
- Le Quesne, T., R. McNally (2004) The Green Buck: Using Economic Tools to Deliver Conservation Goals: A WWF Field Guide. WWF-UK, United Kingdom

- Millennium Ecosystem Assessment (2005) Ecosystems and Human Wellbeing: Biodiversity Synthesis. Island Press
- The Natural Capital Project (2008) Integrated Valuation of Ecosystem Services and Trade-offs (InVEST): www.naturalcapitalproject.org
- Pagiola, S., K. von Ritter, J. Bishop (2004) How Much is an Ecosystem Worth? Assessing the Economic Value of Conservation. World Bank, The Nature Conservancy and IUCN
- Ranganathan, J., C. Raudsepp-Hearne, N. Lucas, F. Irwin, M. Zurek, K. Bennett, N. Ash, P. West (2008) *Ecosystem Services: A Guide for Decision Makers.* World Resources Institute, Washington, D.C.
- Roberts, J.P. & S. Waage (2007) Negotiating For Nature's Services: A Primer for Sellers of Ecosystem Services on Identifying & Approaching Prospective Private Sector Buyers. Forest Trends, Washington, D.C.
- Ruhl, J.B., S. Kraft, C. Lant (2007) <u>The Law and Policy of Ecosystem Services</u>. Island Press. Washington, D.C.
- Salzman, J. (2005) Creating Markets for Ecosystem Services: Notes from the Field. Duke Law School Science, Technology and Innovation Research Paper Series, Duke University, Durham, NC
- UNEP (in draft) Millennium Assessment Manual. United Nations Environment Programme, Nairobi, Kenya
- Waage, S., C. Bracer & M. Inbar (2008) Payments for Ecosystem Services: Getting started. Forest Trends, the Katoomba Group, UNEP, Washington DC.





a joint venture among





