

Natural Capital Accounting and the WAVES Global Partnership

(Wealth Accounting and Valuation of Ecosystem Services)

Urvashi Narain

The World Bank

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*“What we measure affects
what we do;
and if our measurements are
flawed, decisions may be
distorted.”*

(Stiglitz, Sen and Fitoussi 2009)



Accounting for Natural Capital— Are National Economic Accounts up to the Job?

National Economic Accounts (**GDP**) are the main source of information about a country's economy, *but*

Key information about natural capital is **missing** or **invisible**:

- Depletion of natural capital – minerals, forests
- Use of materials, water and energy not fully represented
Environmental degradation – air & water pollution, loss of soil productivity
- Ecosystem services – carbon storage, flood mitigation

Filling the information gap—Natural Capital Accounting



Why do Natural Capital Accounting ?



Better macro-economic indicators for **monitoring sustainable development**: Is GDP growth sustainable or are we just “living off our natural capital
Sectoral indicators: water and energy efficiency—improving over time?



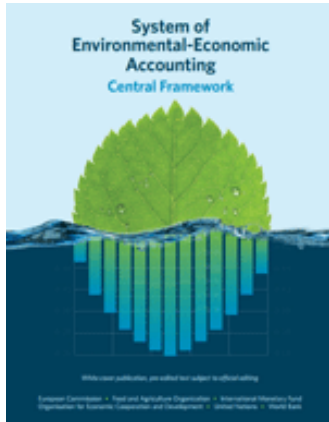
Tool for managing natural capital to promote growth and poverty reduction

- Weighing trade-offs for water, land use among competing users
- Prioritizing investments in resource management, land use and protected areas
- Planning for the future



How do we do NCA—the SEEA

Internationally agreed methodology



UN's System of Environmental and Economic Accounting (SEEA)

Part 1. SEEA-Central Framework

Adopted by UN Statistics Commission as International Statistical Standard in February 2012



Also,

- Part 2. SEEA Experimental Accounts for Ecosystem, 2013
- Part 3. SEEA – Applications and Policy Uses, 2013



The WAVES Global Partnership

Supporting implementation of NCA



Promoting Sustainable Development

Goal: Promote Sustainable Development by *mainstreaming natural capital in development planning and national economic accounts*

3 Major Components of the WAVES Roadmap:

1. Directly support **policy-led implementation of NCA** in a critical mass of countries: Botswana, Colombia, Costa Rica, Madagascar, Philippines (Ghana, Guatemala, Morocco, Rwanda, Vietnam + 12 others to follow in the next 2 years)—roughly UDS1.5m per country
2. Help develop internationally agreed **methodology for valuation** of ecosystem services and gather **evidence for policy applications**
3. Promote NCA through a **global campaign, launched at Rio+20**—working with partners in developed countries, UN agencies, NGOs, private sector and others.



WAVES Implementation and Funding

WAVES Partners

- **Core Implementing Country Partners:** receiving substantial technical support from WAVES multi-donor Trust Fund (5 countries so far)
- **10 Contributing Donor Partners:** UK, Japan, Norway, France, the Netherlands, Germany, EC, Denmark, Switzerland, (Ausaid in-kind for technical support from ABS)
- **Participating Partners:** Developed & developing countries with other sources of funding, UN & international organizations, NGOs, private sector, academics and others

Governance

- WAVES Secretariat and management in World Bank HQ
- Global Steering Committee: UNEP, UNDP, UNCEEA, donors, WAVES-supported partner countries
- Country work managed by National Steering Committees

Funding

- \$22 million committed, more being raised



Implementing NCA in WAVES core countries



Botswana:

- water,
- minerals & energy,
- land & tourism,
- macroeconomic indicators of sustainability,;



Madagascar:

- minerals,
- forests & protected areas, tourism,
- watershed accounts, mangroves,
- Macroeconomic indicators of sustainability,



Philippines:

- minerals,
- macro indicators of sustainability
- mangroves,
- pilot land/ecosystem accounts for 2 sites



Colombia:

- watershed ecosystem accounts for water, forests in 3 pilot watersheds,



Costa Rica:

- water and forests accounts, Payment for Environmental Services

Global Campaign: 66 Countries supporting NCA



Australia	Greece	Palau	United Kingdom
Austria	Grenada	Papua New Guinea	United States
Belgium	Hungary	Philippines	Vietnam
Bhutan	Ireland	Poland	
Botswana	Italy	Portugal	
Bulgaria	Kenya	Romania	
Brazil	Latvia	Rwanda	
Chile	Lebanon	Samoa	
Colombia	Liberia	Seychelles	
Costa Rica	Lithuania	Slovakia	
Cyprus	Luxembourg	Slovenia	
Czech Republic	Madagascar	South Africa	
Denmark	Malawi	Spain	
Egypt	Malta	St. Kitts and Nevis	
Estonia	Marshall Islands	St. Lucia	
Fiji	Mexico	Swaziland	
Finland	Morocco	Sweden	
France	Mozambique	Tajikistan	
Gabon	Namibia	Tanzania	
Germany	Netherlands	Togo	
Ghana	Norway	Trinidad and Tobago	



Thank you!

www.wavespartnership.org

